HIKAL

August 26, 2025

BSE Ltd.
P J Towers,
Dalal Street,
Mumbai – 400 001.

National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (East)
Mumbai 400051.

BSE Scrip Code : 524735

NSE Symbol : HIKAL

Dear Sir/ Madam,

Subject: Notice of the 37th Annual General Meeting (AGM) and Annual Report for Financial Year 2024-25.

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening the 37th AGM of the Company and the Integrated Annual Report for the financial year 2024-25.

The 37th AGM is scheduled to be held on Tuesday, September 23, 2025, at 11.30 a.m. through Video Conferencing/ Other Audio-Visual Means (VC/OAVM) in compliance with the provisions of the Companies Act, 2013 and the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Notice of the AGM and Integrated Annual Report for Financial Year 2024-25 can also be accessed on the website of the Company at www.hikal.com.

This is for your information and records.

Thanking you,

Yours Sincerely,
for **HIKAL LIMITED,**

RAJASEKHAR REDDY CHINTAKINDI
Digitally signed by RAJASEKHAR REDDY CHINTAKINDI
Date: 2025.08.26 19:38:48 +05'30'

Rajasekhar Reddy
Company Secretary and Compliance Officer

Encl: As above

AGM

Notice 2025

CIN : L24200MH1988PTC048028
Telephone : 022- 6277 0299,
Email : secretarial@hikal.com
Website : www.hikal.com

NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of Hikal Limited will be held on Tuesday, 23 September 2025 at 11:30 a.m. (IST) through Video Conferencing (VC) facility/ Other Audio Visual Means (OAVM), to transact the following business:

Ordinary Businesses:

1. To consider and adopt the audited standalone and consolidated Financial Statements of the Company for the year ended 31 March 2025 together with the Reports of the Board of Directors and Auditors thereon.

2. To confirm the interim dividend of ₹ 0.60/- per equity share of ₹ 2/- each and to declare a final dividend of ₹ 0.80/- per equity share of ₹ 2/- each, aggregating to a total dividend of ₹ 1.40/- per equity share of ₹ 2/- each, for the Financial Year 2024-25.

3. To appoint a Director in place of Mr. Amit Kalyani (DIN: 00089430), Non-Executive, Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.

Special Businesses:

4. Appointment of Secretarial Auditors of the Company and to fix their remuneration.

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

   "RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with the relevant notifications issued thereunder, the applicable provisions of the Companies Act, 2013, and as recommended by the Audit Committee and the Board of Directors, M/s Dhrumil M. Shah & Co. LLP, Company Secretaries in Practice (Firm Registration No. L2023MH013400), be and is hereby appointed as the Secretarial Auditor of the Company, for a term of five consecutive years, from the financial year 2025-26 till the financial year 2029-30, on such remuneration, as may be mutually agreed between the Board of Directors and the Secretarial Auditor."

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof), be and is hereby authorised to decide and finalize the terms and conditions of appointment, including the remuneration of the Secretarial Auditors, from time to time, and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. To ratify the remuneration payable to M/s V. J. Talati & Co., Cost Auditors of the Company, for the financial year 2025-26.

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), the remuneration of ₹ 4,75,000/- (Rupees Four Lakh Seventy Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. V. J. Talati & Co., Cost Auditor of the Company for the financial year 2025-26, as recommended by Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT any of the Directors and/or Key Managerial Persons be and are hereby severally authorised to file the returns/ forms/ other documents with the statutory and other authorities and to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to the foregoing resolution."

By Order of the Board of Directors
For **HIKAL LIMITED,**

Rajasekhar Reddy
Company Secretary

Registered Office:
717/718, Maker Chamber V,
Nariman Point,
Mumbai – 400 021
Date: 7 August 2025

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out the material facts concerning the businesses under item no. 4 and 5 of the accompanying notice, is annexed hereto. The Board of Directors at its meeting held on 7 August 2025 considered that the special businesses under item no. 4 and 5, being considered unavoidable, be transacted at the 37th AGM of the Company.

2. In terms of Section 152 of the Act, Mr. Amit Kalyani (DIN: 00089430), retires by rotation at this Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends the re-appointment of Mr. Amit Kalyani as a Director of the Company. Details of Mr. Amit Kalyani as required in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS - 2) issued by the Institute of Company Secretaries of India (ICSI), are annexed to this Notice.

3. In view of the situation arisen due to the COVID-19 global pandemic, the General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022, 10/2022, 9/2023 and 09/2024 dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January 2021, 5 May 2022, 28 December 2022, 25 September 2023 and 19 September 2024 respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021, SEBI/ HO/ CFD/ CMD2/ CIR/ P/ 2022/ 62 dated 13 May 2022, SEBI/ HO/ CFD/ PoD- 2/ P/ CIR/ 2023/ 4 dated 5 January 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7 October 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 03 October 2024 issued by the Securities and Exchange Board of India (collectively referred to as 'the Circulars'), permitted the holding of AGM through VC/OAVM, without the physical presence of the members at a common venue. Accordingly, the 37th AGM of the Company will be convened through VC/ OAVM in compliance with the provisions of the Act and Rules made thereunder, Listing Regulations read with the Circulars. The deemed venue for the 37th AGM shall be the registered office of the Company i.e. 717/718, Maker Chamber V, Nariman Point, Mumbai – 400 021.

4. In line with the Circulars, the Company is providing VC /OAVM facility to its members to attend the AGM. 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 this Notice. The facility for attending the AGM virtually will be made available for 1,000 members on first come first served basis. The large members (i.e. members with 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. can attend the AGM without restriction on account of first come first served basis.

5. This Notice is being sent to all the Members, whose names appear in the Register of Members/ Statements of beneficial ownership maintained by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 15 August 2025.

6. **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 who may or may not be a Member of the Company.** However, the facility for appointment of proxies by members will not be available as the AGM will be held through VC/OAVM and physical attendance of the members is dispensed with pursuant to the Circulars and hence, the Proxy Form and the Attendance Slip are not annexed to this Notice.

7. However, in pursuance of Sections 112 and 113 of the Act, representatives of members such as the President of India or the Governor of a State can attend the AGM through VC/OAVM and cast their votes through e-voting. Corporate members whose authorised representatives are intending to attend the meeting are requested to send a certified copy of the board resolution authorising such representative to attend the AGM through VC/OAVM, to the Company at secretarial_agm@hikal.com and cast their votes through e-voting.

8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

9. The register of directors & key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested, maintained under the Companies Act, 2013 and all other documents referred to in this Notice will be available for inspection in electronic mode. Members who wish to inspect the Registers are requested to write to the Company by sending e-mail to secretarial_agm@hikal.com.

10. In accordance with the Circulars, the Notice of the AGM along with the Annual Report for the financial year 2024-25 has been sent only through electronic mode to the members who have registered their e-mail addresses with the Company/depository participants and Company will be sending letters containing the weblink and exact path where Annual Report will be available, to those shareholders whose email ids are not registered. Members may note that the Notice of AGM and Annual Report are also available on the Company's website: www.hikal.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evoting.nsdl.com.

11. The shareholders who have not registered their e-mail address may register their e-mail address with their depository participant at the earliest to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly register their e-mail address with the Registrar & Share Transfer Agent (RTA) by sending a request, in the prescribed format along with necessary documents, for updating their KYC details as per SEBI Master Circular no. SEBI/HO/MIRSD/PoD-1/P/CIR/2023/70 dated 17 May 2023, to the Company's RTA i.e. MUFG Intime India Private Limited, C 101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

12. Pursuant to 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 the Listing Regulations and the Circulars, the Company is providing the facility of e-voting (including remote e-voting) to the members to cast their votes electronically on all resolutions set forth in this Notice and to attend the meeting through VC/OAVM. For this purpose, the Company has availed the services of NSDL for facilitating e-voting and to attend the AGM through VC/OAVM. The detailed instructions for e-voting and attending the AGM through VC/OAVM are given below.

13. Members are requested to intimate immediately, any change in their address to their depository participants with whom they maintain their demat accounts. If the shares are held in physical form, change in address has to be intimated to the Company's registrar and transfer agent (RTA), MUFG Intime India Private Limited, C 101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, India; Tel: +91 +91 810 811 6767, F: +91 022 - 4918 6060; E-mail at: rnt.helpdesk@in.mpms.mufg.com.

14. Members are requested to mention their Folio number /Client ID number (in case of demat shares) in all their correspondence with the Company's RTA in order to facilitate the RTA to reply to the queries promptly.

15. SEBI has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form should submit their PAN to the Company or its RTA.

16. The register of members and share transfer books of the Company will remain closed from

Wednesday 17 September 2025 to Tuesday 23 September 2025 (both days inclusive) for the purpose of the 37th AGM. For the purpose of final dividend the record date will be Tuesday, September 02, 2025

17. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, as amended from time to time, dividend which remains unpaid or unclaimed for a period of 7 (seven) years from the date of transfer to the unpaid dividend account, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, the Company will be transferring the unpaid/ unclaimed final dividend for the financial year 2017-18 to IEPF within 30 days of the due date i.e. 13 September 2025, along with the shares on which the dividend has remained unpaid/ unclaimed for seven consecutive years. Members who have not encashed their dividend warrant(s) from financial year 2017-18, are requested to make their claim before they are transferred to IEPF by specifying their Folio No./DP ID and Client ID to the Registrar and Transfer Agents, MUFG Intime India Private Limited, C 101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

18. The Board had, during the financial year declared and paid an interim dividend of ₹ 0.60/- (30%) per equity share of face value of ₹ 2/- each. Further, the Board of Directors of the Company at their meeting held on 14 May 2025 recommended a dividend of ₹ 0.80/- (40%) per equity share of face value of ₹ 2/- each as final dividend for the financial year 2024-25 and if approved by the shareholders, the total dividend declared and paid for the financial year will aggregate to 70% of the face value aggregating to ₹ 1.40/- per share. The final dividend will be paid within 30 days from the date of declaration, subject to deduction of tax at source to those members whose names appear on the register of members of the Company as of end of the day on 02 September 2025, being the record date.

19. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

    Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

    Pursuant to the requirement of Income Tax Act, 1961 (“the Act”), as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1 April 2020 shall be taxable in the hands of the shareholders. The Company will, therefore, be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax (WHT) rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ Registrar and Transfer Agent (RTA) (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode).

A. Resident Shareholders:

i. Tax Deductible at Source for Resident Shareholders

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)/Remarks
1.	Valid PAN updated in the Company's Register of Members	10%	No document required. If dividend does not exceed ₹ 5,000/-, no TDS/ withholding tax will be deducted.
2.	No PAN/Valid PAN not updated in the Company's Register of Members	20%	TDS/ Withholding tax, if applicable, will be deducted, if PAN of the shareholder is not registered. All the shareholders are requested to update, on or before 07 September 2025, their PAN with their Depository Participant (if shares are held in electronic form) and Company/RTA (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records.
3.	Availability of lower/ nil tax deduction certificate issued by Income Tax Department u/s 197 of the Income Tax Act	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted on or before 07 September 2025.

ii. No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit following documents as mentioned in the table below by sending an email to tdsdividend@hikal.com latest by 11:59 p.m. (IST) on 07 September 2025.

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)/Remarks
1.	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to an individual who is below 60 years)/Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions.
2.	Shareholders to whom section 194 of the Income Tax Act does not apply as per second proviso to section 194 such as LIC, GIC, etc.	NIL	Documentary evidence for exemption u/s 194 of the Income Tax Act, a self-declaration that they have a full beneficial interest with respect to the shares owned by them along with a self-attested copy of PAN.
3.	Shareholders covered u/s 196 of the Income Tax Act such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 the Income Tax Act, self-declaration that they are specified and covered under section 10 (23D) of the Income Tax Act along with a self-attested copy of the PAN card.
4.	Category I and II Alternate Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of the Income Tax Act, self-declaration that their income is exempt under Section 10 (23FBA) of the Income Tax Act and they are governed by SEBI regulations as Category I or Category II AIF along with a self-attested copy of the PAN card.
5.	Recognised provident funds, approved superannuation fund and approved gratuity fund	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT) along with a self-attested copy of the PAN card.
6.	New Pension System Trust	NIL	Necessary documentation to claim under section 197A(1E) of the Income Tax Act, self declaration that their income is exempt under section 10(44) of the Income Tax Act along with a self-attested copy of the PAN card.
7.	Any resident shareholder exempted from TDS deduction as per the provisions of the Income Tax Act or by any other law or notification.	NIL	Necessary documentary evidence substantiating exemption from deduction of TDS along with a self-attested copy of the PAN card.

Application of nil rate at the time of tax deduction/ withholding on dividend amounts will depend upon the completeness and satisfactory review by the Company, of the documents submitted by such shareholders.

B. Non-Resident Shareholders:

The table below shows the withholding tax on dividend payment to non-resident shareholders who submit, latest by 11:59 p.m. (IST) on 07 September 2025, the document(s), as mentioned in the table below, by sending an email to tdsdividend@hikal.com. In case all necessary documents are not submitted, then the TDS/ withholding tax will be deducted @ 20% (plus applicable surcharge and cess).

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)/Remarks
1.	Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)/ Other Non-Resident shareholders.	20% (plus applicable surcharge and cess) or tax treaty rate, whichever is beneficial.	FPI registration certificate in case of FIIs/FPIs. To avail beneficial rate of tax treaty following tax documents would be required: 1. Self-attested copy of Tax Residency Certificate ("TRC") issued by revenue authority of country of residence of shareholder for the year in which dividend is received. Kindly note that TRC should cover the period of payment i.e. FY 2025-26 and should be in English Language. If the local language is other than English, TRC shall be required to be translated into English and be required to be notarized/ apostille; 2. Self-attested copy of PAN card or declaration as per Rule 37BC of Income Tax Rules, 1962 in the specified format. 3. Form 10F furnished electronically on income tax portal at www.incometax.gov.in. 4. Self-declaration, primarily covering: a. Non-resident is eligible to claim the benefit of respective tax treaty; b. Non-resident receiving the dividend income is the beneficial owner of such income; c. Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India; d. Non-resident complies with any other condition prescribed in the relevant tax treaty and provisions under the Multilateral Instrument ('MLI'); e. Non-resident does not have a place of effective management in India. (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company).
2.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Authority.	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority
3.	Any non-resident shareholder exempted from WHT deduction as per the provisions of Income Tax Act or any other applicable law.	NIL	Necessary documentary evidence substantiating exemption from WHT deduction.

20. The Resident Non-Individual Members such as Insurance companies, Mutual Funds, Alternative Investment Fund (AIF) and other domestic financial institutions established in India and Non-Resident Non-Individual Members such as Foreign Portfolio Investors may submit the relevant forms, declarations and documents through their respective custodians who are registered with NSDL for tax services, on or before the aforesaid timelines.

21. The Forms 15G, 15H and the format of self-declaration referred above, are available on the Company's website www.hikal.com. Any communication on the tax/deduction received after 07 September 2025 shall not be considered.

22. The Company is not obligated to apply the beneficial tax treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial tax treaty rate shall

depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholders. TDS is required to be deducted/ withheld at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the Income Tax Act, if such valid certificate is provided.

23. It may be further noted that in case the tax on said dividend is deducted/withheld at a higher rate in absence of receipt of the aforementioned details/ documents from the shareholder, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted/withheld.

24. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the Shareholder(s), especially with respect to their residential status, such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation at the time of payment of dividend/during the course of any appellate proceedings.

25. The Company will arrange to send the TDS certificate to the shareholder's registered email address in due course, post payment of the dividend. In case the shareholder has not registered their email address with Company's Registrar and Transfer Agents, kindly register the same for shareholders holding shares in physical form and with the Depository Participant for shareholders holding shares in demat form.

26. Above communication on tax deduction at source sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.

27. The clearing members/ trading members holding shares of the Company in their pool account on the record date are advised to take necessary steps to transfer the Shares to the demat accounts of the beneficial owners, in order to avoid any complications related to deduction of tax at source, in connection with the dividend.

28. Pursuant to Section 72 of the Act, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in form no. SH-13, to the RTA of the Company. Further, members desirous of cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in form no. SH-14, to the RTA of the Company. These forms are available on the website of the Company www.hikal.com.

29. The Company has appointed Dhrumil M. Shah & Co. LLP, Practicing Company Secretaries, as the Scrutiniser to scrutinise the votes cast through remote e-voting and through the e-voting system during the meeting, in a fair and transparent manner. The Scrutiniser shall unlock the votes and will submit the consolidated report to the Chairman of the Company or such other person as may be authorised by the Chairman, after completion of the scrutiny the results of the e-voting (including remote e-voting) will be announced within 2 (two) working days from the conclusion of the 37th AGM. The results of the e voting will be posted on the Company's website at www.hikal.com for information of the members, besides being communicated to the Stock Exchanges on which the shares of the Company are listed and on the website of CDSL.

30. Since the AGM will be held through VC/OAVM, the route map is not annexed in this Notice.

THE INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING, E-VOTING DURING THE AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

The remote e-voting period begins on 19 September 2025 at 09:00 A.M. and ends on 22 September 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the cut-off date i.e. 16 September 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 16 September 2025.

Procedure to vote electronically using NSDL e-Voting system.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are 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 4. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	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 Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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 & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
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.com or call at 022 - 4886 7000
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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/ Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dhrumil@dmshah.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Pallavi Mhatre, Sr. Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 secretarial_agm@hikal.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial_agm@hikal.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/ AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the

User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial_agm@hikal.com. The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance between 10 September 2025 and 17 September 2025 mentioning their name, demat account number/folio number, email id, mobile number at secretarial_agm@hikal.com. The shareholders who do not wish to speak during the AGM but have queries, may send their queries in advance between 10 September 2025 and 17 September 2025 mentioning their name, demat account number/folio number, email id, mobile number at secretarial_agm@hikal.com. These queries will be replied to by the Company suitably by email.

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

ITEM NO. 4

Securities Exchange Board of India (SEBI) vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 (SEBI Listing Regulations) dated 12th December 2024 has mandated appointment or reappointment of an audit firm registered with the Institute of Company Secretaries of India as Secretarial Auditor for not more than two (2) terms of five (5) consecutive years with the approval of its shareholders in its Annual General Meeting w.e.f. 1st April 2025.

In light of the aforesaid requirement and in terms of SEBI Circular No. SEBI/HO/CFD/CFD–PoD–2/CIR/P/ 2024/185 dated 31st December 2024, the Board of Directors of the Company, pursuant to the recommendations of the Audit Committee, and after considering the experience, market standing, team size, domain expertise and independence, has recommended the appointment of M/s Dhrumil M. Shah & Co. LLP, a firm of Practising Company Secretaries, as the Secretarial Auditor of the Company for a term of five consecutive financial years commencing from the financial year 2025-26 till the financial year 2029-30.

M/s Dhrumil M. Shah & Co. LLP was established in 2010 by Mr. Dhrumil M. Shah who is a qualified Company Secretary and a Law graduate and has a total experience in employment and practice of more than 18 years. The firm specializes in Secretarial Audits, Company Law matters, SEBI Regulations, Trademarks, FEMA, Insolvency and Bankruptcy Code, Advisory and Liasoning services as well as representations before NCLT, Official Liquidators, Regional Director and Registrar of Companies.

The fee proposed to be paid to M/s Dhrumil M. Shah & Co. LLP for the secretarial audit for the financial year 2025-26 is ₹ 2,00,000/- (Rupees Two Lakh only) plus applicable taxes and out of pocket expenses. The proposed fee is exclusive of costs for other permitted services which could be availed by the Company from M/s Dhrumil M. Shah & Co. LLP. The fees for remaining tenure would be fixed by the Board of Directors based on the recommendation of the Audit Committee in consultation with M/s Dhrumil M. Shah & Co. LLP.

M/s Dhrumil M. Shah & Co. LLP has given their consent to act as the Secretarial Auditors, confirmed that they hold a valid peer review certificate issued by ICSI and that they are not disqualified from being appointed as Secretarial Auditors.

Accordingly, the approval of the members is sought for the above appointment by means of an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item 4 of the Notice.

The Board recommends passing of the resolution at item no. 4 as an Ordinary Resolution.

Item No. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 14 May 2025 considered and approved the appointment of M/s. V. J. Talati & Co., as the cost auditor of the Company for the financial year 2025-26 to conduct the audit of cost records maintained by the Company pertaining to relevant products for FY 2025-26, at a remuneration of ₹ 4,75,000/- (Rupees Four Lakh Seventy Five Thousand only) plus applicable taxes and out of pocket expenses.

Pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors needs to be ratified by the members of the Company. M/s. V. J. Talati & Co have furnished a letter dated 29 April 2025, regarding their eligibility for appointment as cost auditors of the Company.

None of the Directors, Key Managerial Personnel or their relatives, is concerned or interested, in the resolution at item no. 5 of this Notice.

The Board recommends passing of the resolution at item No. 5 as an Ordinary Resolution.

By Order of the Board of Directors
For **HIKAL LIMITED,**

Rajasekhar Reddy
Company Secretary

Registered Office:
717/718, Maker Chamber V,
Nariman Point,
Mumbai – 400 021
Date: 7 August 2025

Annexure A

DETAILS OF DIRECTORS SEEKING APPOINTMENTS/RE-APPOINTMENT

Name of Director	Mr. Amit Kalyani
Director Identification No.	00089430
Date of Birth (age)	26 July 1975 (50 Years)
Date of first appointment	9 February 2012
Qualification	BE (Mech) from Bucknell University, Pennsylvania, USA and Owner President Management (OPM) Program, Harvard University, USA
Experience/ Expertise in specific functional area	Strategic Planning, Business Operations, Technology, Sales and Marketing, Finance Acumen, Governance and Risk Management
Terms and Conditions of appointment/re-appointment alongwith details of remuneration sought to be paid	Same as appointment
Remuneration last drawn	As detailed in Para II – D of the Corporate Governance Report
Number of meetings of the Board attended during the year.	4 (Four)
Relationship with any Director(s)/ KMPs of the Company	Nil
Directorships in other Companies	· Bharat Forge Limited · Kalyani Steels Limited · BF Utilities Limited · BF Investment Limited · Kalyani Investment Company Limited · Saarloha Advanced Materials Private Limited
Member/Chairman of the committees of the Board of other Companies	**Bharat Forge Limited** Member of CSR Committee, Stakeholder Relationship Committee & Risk Management Committee and Chairman of ESG Committee **Kalyani Steel Limited** Member of Finance Committee **BF Utilities Limited** Member of Audit Committee, CSR Committee and Risk Management Committee **BF Investment Limited** Member of CSR Committee and Risk Management Committee
Names of listed Companies from which the appointee resigned in last three years	Schaeffler India Limited
Number of shares held in the Company	Beneficial interest in 34.01% shares

Innovating for a **Sustainable World**

Annual Report 2024-25

HIKAL

is a trusted life sciences partner, offering high-quality research services, active ingredients, and intermediates to global pharma, crop protection, and specialty chemicals companies.

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Innovating for a **Sustainable World**

For us, innovation means driving meaningful progress, and delivering lasting value to customers, businesses, communities, and the planet. Guided by this conviction, we advance science-driven solutions that address global challenges while enabling sustainable growth.

Sustainability is not a standalone initiative but integral to how we work and engage with stakeholders. It informs how we develop new technologies, manage resources responsibly, and nurture talent.

By combining research excellence, operational discipline, and a culture of accountability, we strive to reduce our environmental footprint, deepen our social impact, and uphold the highest standards of governance. In doing so, we are shaping a resilient, inclusive, and future-ready organisation.

With every innovation, we strengthen partnerships and co-create solutions for a healthier, safer, and more sustainable world.

Financial Highlights of 2024-25

INR **18,598** Million
Revenue

INR **2,804** Million
Cash Flow from Operation

INR **3,335** Million
EBITDA

INR **7.37**
EPS

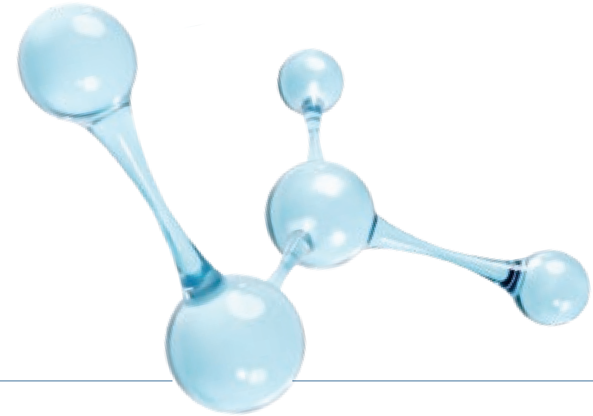
17.9%
EBITDA Margin

0.59x
Net Debt to Equity

HIGHLIGHTS OF 2024-25

Happenings of the Year

2024-25 was a year of Hikal making strong progress across its business, brand, ESG, and cultural priorities.



Business Performance

Pharmaceuticals

- Strengthened the CDMO pipeline with:
  - Two key starting material projects for NCEs progressing in Phase III trials
  - 12–15 new development opportunities underway
- Continued global expansion through broader market engagement
- Announced the set-up of a high-potency chemistry lab to support complex and niche API development

INR 11,681 Million
Revenue

47%
Growth in EBIT

Crop Protection

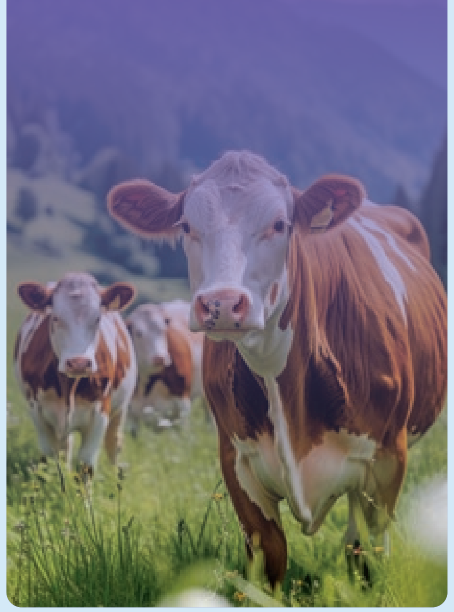
Introduced a Specialty Chemicals portfolio as part of our long-term strategy to enhance asset productivity and expand into high-value, differentiated segments.

INR 6,917 Million
Revenue

Animal Health

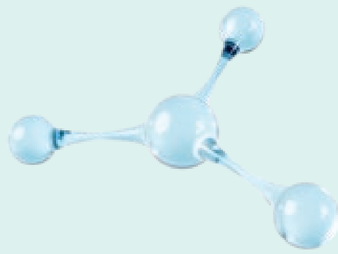
- Completed validation of 8 products under a long-term partnership with a leading global innovator
- Expanded the development pipeline and onboarded new customers for complex veterinary APIs

Two Complex Chemistry molecules at various stages of development



Strategic and Operational Initiatives

- Under Project Pinnacle, we made significant strides across multiple fronts, including technology platform enhancements, digitalisation, cost optimisation, intensified business development, and expanded global customer reach
- Strengthened global offices in North America, Europe, and Japan to better serve key markets
- Sustained R&D investments at 4-5% of revenue to drive future innovation and scale-up capabilities
- Focused on enhancing capacity utilisation across key sites to improve operational efficiency and maximise asset productivity
- Conducted a comprehensive Safety Diagnostic Study in collaboration with a global consultant as part of our operational excellence agenda



Brand and Portfolio Evolution

Launched HiZenn and HiFend sub-category brands to strengthen portfolio identity. HiZenn represents our Personal Care line, focused on purity and gentle care; HiFend anchors the Biocides category with a promise of strength and reliability, enhancing customer connect and category presence.

Cultural Milestones

- Hosted Values Week and the Chairman Excellence Awards to honour employees who exemplify core values
- Observed World Environment Day with the #PledgeForGreenChange campaign encouraging green initiatives
- Celebrated the 12th Quality Week with the theme 'Quality Means Excellence'
- Reinforced safety culture through a 21-day Safety Month challenge titled 'Our Safety, My Responsibility'
- Organised movie nights, sports weeks, and a pan-India Women's Day picnic to foster connection and camaraderie among employees

ESG

Environment

9.83%
Reduction in water intensity per INR of turnover

38.30%
Reduction in GHG Emissions since base year 2022-23

Social

235,600
CSR beneficiaries

Zero
Fatalities

Governance

27.3%
Women Directors

93.18%
Average attendance rate in Board meetings

CHAIRMAN'S MESSAGE

Transforming for Tomorrow

"Transformation is our pathway to tomorrow. By embracing innovation, sustainability, and resilience, we are building a future-ready Hikal that creates lasting value for all stakeholders."

Jai Hiremath
Executive Chairman

Dear Stakeholders,

In the past year, we took decisive steps to strengthen our core businesses, streamline operations, and build a solid base for future growth.

We focused on operational excellence, capacity expansion, and differentiated capabilities, delivering steady performance and unlocking new opportunities across segments. This was achieved despite a volatile global environment marked by economic headwinds, geopolitical tensions, and shifting regulatory norms. We continued to invest in R&D, adopt precision practices, and uphold our firm commitment to sustainability, keeping us aligned with key industry trends such as innovation-led outsourcing and the growing demand for sustainable, niche solutions, enabling us to stay ahead of the curve.

Steady Financial Performance

We delivered healthy financial results, closing the year with revenue of INR 18,598 Million, net profit of INR 909 Million, and EBITDA of INR 3,335 Million at a margin of 17.9%. Reflecting our consistent performance, the Board has recommended a total dividend of INR 1.40 per share for the full year, comprising a final dividend of INR 0.80 per share and an interim dividend of INR 0.60 per share, declared in February 2025.

Our strong operating cash flow and improved net debt-to-equity ratio, from 0.67x last year to 0.59x during the reporting year, enabled us to fund capital expenditure largely through internal accruals. We also enhanced our margin profile through operational excellence and focused cost improvement initiatives.

Pharmaceutical Division

Amid a complex backdrop of geopolitical uncertainty, supply chain recalibration and persistent cost pressures, the pharmaceutical industry continued its recovery through 2024-25, gaining renewed momentum.

Notwithstanding these headwinds, our Pharmaceutical business remained our largest and fastest-evolving segment, and this year's performance reaffirmed the strength of our positioning. With revenue of INR 11,681 Million and EBIT of INR 1,374 Million, the business division continued its upward trajectory driven by improved capacity utilisation, product mix and operating leverage.

The API segment witnessed steady volume growth, supported by new customer acquisitions and deeper penetration across geographies. We are now developing a strong pipeline of eight to nine differentiated products, with two to three scheduled for commercialisation annually. This year, we also made progress on our regulatory pipeline, with eight DMFs filed, and registrations secured in key regulated markets including the EU, Japan, and Australia. Our global footprint continued to expand across Japan, Latin America, Korea, the Middle East, and Southeast Asia.

In the CDMO business, we are witnessing strong demand from global innovators seeking quality-focused partners who possess end-to-end capabilities. Several projects are advancing towards validation and regulatory filings, including key starting materials for two new chemical entities currently in Phase III trials, with commercialisation expected in 2026-27. Our food ingredient project is on track, and we are pursuing 12 to 15 new opportunities, aiming to reach peak revenues over the course of the next two to three years.

I am delighted to share that Hikal is well-positioned to benefit from the industry upcycle, primarily driven by sharp execution, operational excellence, and a strong alignment with evolving market needs. With growing demand for compliant, innovation-led outsourcing, we remain confident of sustaining profitable growth through our technical know-how, enduring customer partnerships and a resolute commitment to quality and compliance, as reflected in several successful customer audits this year.

Crop Protection Division

The Crop Protection sector faced a challenging year globally amid persistent pricing pressures from China. On a positive note, domestic markets have shown encouraging signs of stabilisation with volumes recovering gradually. As the global industry pivots towards portfolio optimisation, sustainability and long-term partnerships, we see opportunities to deepen our engagement with leading innovators.

We are advancing process optimisation, backward integration and life cycle management – areas where we hold proven expertise. Additionally, we are investing significantly in capacity, research and technology to drive long-term value creation.

In 2024-25, our Crop Protection division delivered solid financial results, with revenue of INR 6,917 Million and EBIT of INR 792 Million, registering an EBIT margin of 11.4%. We continue to strengthen our core portfolio while diversifying into specialty chemicals to improve capacity utilisation and operational leverage.

Our CDMO business remains a key growth engine, with eight active projects from both existing and new clients progressing through development and manufacturing stages.

"Project Pinnacle, our multi-year strategic transformation programme, is delivering tangible results across our diverse business divisions."

Animal Health Division

The Animal Health division has gained strong momentum, primarily attributable to our long-standing partnership with leading global innovators. Over the year, we have completed the development and validation of eight products, with further validations scheduled for the coming year. These developments are integral to securing regulatory approvals and making way for commercial launches across key global markets.

Meanwhile, we are expanding our pipeline by engaging with new customers and taking on early-stage development projects focused on complex chemistry and high-value molecules. With global demand for veterinary therapeutics rising and a shift toward innovation-led outsourcing, the Animal Health segment remains a key pillar of our future growth strategy. We have made significant strides in this space, reinforcing our position as a reliable partner for differentiated chemistries.

Enterprise Transformation – Project Pinnacle

Project Pinnacle, our multi-year strategic transformation programme, is delivering tangible results across our diverse business divisions. Initially conceived as a catalyst to navigate the next stage of our business plan, this initiative is helping us build supply chain resilience, de-risk our business, augment our capabilities and expand our global clientele. Moreover, it is strengthening our technology platforms and aligning execution with our broader ambitions, ranging from ESG leadership and manufacturing excellence to research, customer centricity and innovation-led growth. This year, we made meaningful progress across multiple fronts.

We launched two new sub-category brands, HiZenn for Personal Care and HiFend for Biocide, differentiating our portfolio and bringing in better customer engagement. Further, our participation in global forums like CPHI Worldwide, CPHI Japan, CPHI China, Chemspec Europe, and the Agribusiness Summit has boosted visibility and unlocked new growth avenues.

As we transition into the next phase, we are focused on tapping into front-end opportunities, accelerating product launches and building a robust pipeline. With innovation, digitalisation, ESG integration and collaboration embedded into our strategy, we are better equipped to navigate market complexities and deliver sustained value.

Research and Technology

We continue to invest 4-5% of our revenue in R&D – a deliberate choice that reflects our belief in innovation as a lever for growth, differentiation and operational excellence. This year, we setup a new safety system to make our processes safer and enable more precise scale-up, thereby reducing development timelines, outsourcing costs and associated risks.

To minimise our environmental footprint, we commissioned a Zero Liquid Discharge (ZLD) facility at our research and technology (R&T) centre in Pune, achieving enhanced water recycling and lower freshwater consumption. We also inaugurated Sangam, a thoughtfully designed, eco-friendly canteen at the same campus, to promote employee well-being by leveraging sustainable materials.

'One Hikal' Spirit

Creating shared value is intrinsic to our culture, and it is best reflected in how we engage our people and contribute meaningfully to the communities around us. Through initiatives such as Values Week, the Chairman's Excellence Awards, Environment Day, and the 21-day Safety Challenge, we are building a workplace that keeps our people engaged.

Safety remains our non-negotiable priority. During the year, we conducted a comprehensive Safety Diagnostic Study with a renowned consultant, complemented by employee-led programmes that brought our safety culture to life on the ground.

Through our flagship CSR programme, Srijan, we continued to drive measurable impact across five key pillars. Highlights included infrastructure upgrades in local schools; career mentoring for underprivileged girls; ambulance and blood donation; and environmental initiatives like watershed development and plastic waste reduction in pilgrimage routes.

Sustainability in Action

We collaborated with a globally renowned consultant to reduce our carbon footprint and optimise our water and waste usage. Additionally, we are working with global rating agencies to align with leading ESG standards and gain international recognition.

"During the year, we conducted a comprehensive Safety Diagnostic Study with a renowned consultant, complemented by employee-led programmes that brought our safety culture to life on the ground."

Some of the initiatives we undertook this year include baselining Scope 1, 2, and 3 GHG emissions; becoming a signatory to SBTi; submitting UNGC CoP for 2024-25; integrating renewable energy; and launching an enterprise-wide ESG platform. Further, we are benchmarking our performance against our peers and have made a public commitment to set near term target as per SBTi guideline. These efforts have earned us a Bronze rating from EcoVadis and inclusion in CDP's B List.

The Road Ahead

Going forward, we will continue to strengthen execution by enhancing supply chain resilience and building differentiated capabilities through Project Pinnacle. This enterprise-wide transformation will deepen customer engagement and strengthen our businesses.

The global pharmaceutical industry is entering a period of renewed momentum, fuelled by ongoing innovation, patent cliffs, and an increasing demand for reliable outsourcing partners. In India, favourable policy support, expanding access to healthcare and strong domestic demand are accelerating sectoral growth. At Hikal, we believe our Pharmaceutical business is well-aligned to capitalise on these tailwinds, with multiple projects advancing toward validation and commercialisation.

Animal Health continues to scale steadily, while our Specialty Chemicals segment is gaining traction. Although the Crop Protection segment is facing temporary headwinds, especially from subdued exports and pricing pressures, the long-term fundamentals, both globally and domestically, remain strong.

With a widening international presence, robust scientific capabilities, and a sharp strategic focus, we are well-positioned to navigate challenges and deliver sustainable value for all stakeholders.

Let us continue to embrace change with purpose, celebrate progress in all its forms, and build a brighter, more sustainable future together.

Warm regards,

Jai Hiremath
Executive Chairman

Architects of Tomorrow

Board of Directors

Jai Hiremath

Executive Chairman

Founder and Executive Chairman with over 42 years of experience in the fine chemicals and pharmaceuticals industry.

Qualifications

Chartered Accountant (England & Wales); Owner/ President Management Programme, Harvard University (USA)

NRC CSR RMC

Sameer Hiremath

Vice Chairman and Managing Director

Qualifications

B.E. (Chemical Engineering); M.B.A. & M.S. (Information Technology), Boston (USA)

CSR RMC

Sugandha Hiremath

Non-Executive Director

Qualifications

B.Com

AC SRC CSR

Amit Kalyani

Non-Executive Director

Qualifications

B.S. (Mechanical Engineering), Bucknell University (USA); Owner/ President Management Programme, Harvard University (USA)

Shivani Sachdeva

Independent, Non-Executive Director

Qualifications

MBA, The Wharton School, University of Pennsylvania; B.A. in Economics, Mount Holyoke College (Phi Beta Kappa, Magna Cum Laude, Sarah Williston Scholar)

NRC

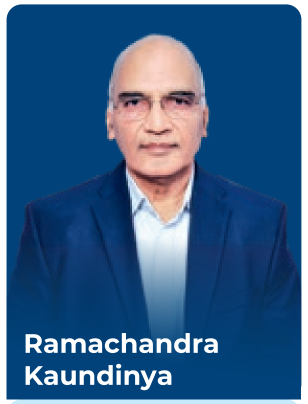
Shrikrishna Adivarekar

Independent, Non-Executive Director

Qualifications

Chartered Accountant and Commerce Graduate

NRC



Ramachandra Kaundinya

Independent, Non-Executive Director

Qualifications

Undergraduate in Agricultural Sciences, Andhra Pradesh Agricultural University; PG Diploma in Management, IIMA

AC NRC RMC

Berjis Desai

Independent, Non-Executive Director

Qualifications

LLB, University of Bombay; LLM, Cambridge University, UK; Solicitor

AC NRC

Ravi Kapoor

Independent, Non-Executive Director

Qualifications

Alumnus of the Mumbai University

AC SRC NRC RMC

Ranjana S. Salgaocar

Independent, Non-Executive

Qualifications

Director, Master of Management Studies, Jamnalal Bajaj Institute of Management, Bombay University; Gold Medallist, Bachelor of Social Work, Bombay University

SRC CSR

Sarangan Suresh

Whole Time Director

Qualifications

Postgraduate in Chemical Engineering, Indian Institute of Science, Bangalore

Audit Committee AC
Chaired by Independent Director
4 4 75

Stakeholders' Relationship Committee SRC
Chaired by Independent Director
3 1 67

Nomination and Renumeration Committee NRC
Chaired by Independent Director
6 3 83

Corporate Social Responsibility Committee CSR
Chaired by Non-Independent Director
4 2 25

Risk Management Committee RMC
Chaired by Non-Independent Director
5 2 40

Members
Meetings
Independent%

C Chairman M- Member

Management Team

Jai Hiremath
Executive Chairman

Founder and Executive Chairman with over 42 years of experience in the fine chemicals and pharmaceuticals industry

Qualifications
Chartered Accountant, England and Wales; Owner/ President Management Programme, Harvard University, USA

Sameer Hiremath
Vice Chairman and Managing Director

Qualifications
B.E. (Chem), MBA, and M.S. (I.T.) – Boston, USA

Anish Swadi
Senior President – Animal Health and Business Transformation

Qualifications
Bachelor's Degree in International Business and Finance, Ithaca College, New York, USA; Management Development Programme, The Wharton School

Kuldeep Jain
Chief Financial Officer

Qualifications
Chartered Accountant and Member, Institute of Chartered Accountants of India, New Delhi

Manoj Mehrotra
President – Pharmaceuticals

Qualifications
B.Tech (Hons) in Chemical Engineering, IIT Kharagpur; MBA, XLRI Jamshedpur

Vimal Kulshrestha
President – Crop Protection

Qualifications
B.Tech in Chemical Engineering, H.B. Technical Institute, Kanpur; Executive Management, IIM Kolkata

Ratish Jha
President – Human Resources

Qualifications
Alumnus of TISS Mumbai; completed business certification programmes at IMD, Switzerland; University of Michigan, USA; AOTS, Japan; ISB; and IIM Ahmedabad.

WHO WE ARE

Catalysts of Sustainable Progress

Vision

To be the leading global fine chemical company to the Pharmaceutical, Crop Protection, and Specialty Chemical Industries.

Mission

To create value through superior, chemical products and operate as a responsible company. Building trust and respect of our customers, shareholders and employees using science, technology and sustainable processes in harmony with the environment.

Cultural Pillars

Sustainability | Ownership | Reliable | Teamwork | Flexible

Core Values

Customer-oriented | Innovative | Quality Focus | Integrity | Transparency

We are a trusted partner to global pharmaceutical and crop protection companies, delivering customised, high-quality solutions with a strong focus on regulatory compliance and innovation. We build long-term partnerships by offering sustainable, science-driven solutions across the life sciences value chain.

Five
Manufacturing facilities

3,000+
Employees
(~360 R&T employees)

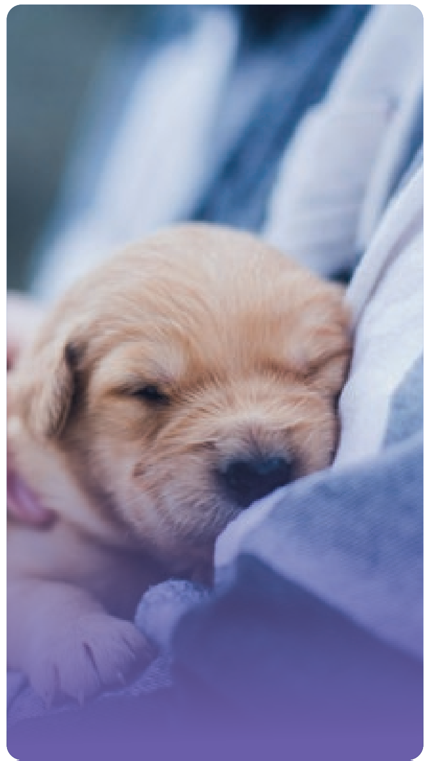
24
Production blocks

Key Business Segments

Our portfolio includes world-class active ingredients, intermediates, and R&D services tailored to the evolving needs of customers in pharmaceuticals, biotechnology, life sciences, animal health, crop protection, and specialty chemicals.

Pharmaceuticals

Read more Page 20 →



Animal Health

Read more Page 22 →

Crop Protection

Read more Page 24 →

WHO WE ARE

Our

1988
Founded by Jai Hiremath as a chemical business

1991
The first plant site set up in Mahad, Maharashtra

1995
Listed on Bombay Stock Exchange and National Stock Exchange

1997
Taloja plant commissioned for CDMO Project with US Innovator

2000
Acquired the manufacturing site from Novartis in Panoli, Gujarat

2001
Acquired R&T and manufacturing site in Bangalore from Wintac Ltd.

2009
New R&T Centre established and Tokyo office to expand in Japan

2014
Cogeneration plants and Biomass boilers commissioned at all sites (sustainability initiative)

2021
Signed 10-year multi product contract with the leading Animal Health Global Innovator

2024
Two new multipurpose plants commissioned, including the Animal Health Multi-Purpose facility at Panoli, Gujarat

Journey

Strategic Transformation Initiative – Project Pinnacle

Pinnacle is our flagship business transformation initiative, anchored on five strategic pillars. It aims to build future-ready capabilities, enhance customer value, and drive sustainable, long-term growth across our businesses.

Pillars of Project Pinnacle

- Leadership in ESG
- Manufacturing Excellence
- Research and Technology
- Customer Centricity
- Supply Chain Management

Key Achievements of Pinnacle 1.0

Big Unlocks

Build Capabilities to Differentiate	Take a Few Big Bets

Leadership in ESG
- EcoVadis bronze achieved
- Sustainability Report published
- Carried out BRSR Limited Assurance
- CDP report submitted under the Climate Change category, assessed with a B rating
- UNGC Communication on Progress (CoP) report submitted; Scope 3 emissions included
- Initiated product-level carbon footprint assessment
- GHG Scope 1, 2, and 3 emission accounting for the current year, as part of SBTi target preparation for submission in 2025-26

Best-in-class Cost Position
- Institutionalised operational excellence
- Product-specific cost improvement programme implemented

De-risking supply chain
- Alternate suppliers developed across product portfolio
- On track to reduce dependence on China
- Backward integration technology of critical KSM established with in-house manufacturing capability or through a network of local partners

Strengthening Animal Health business
- Dedicated Animal Health Facility established
- Eight new products validations completed and several more under validation
- Several new RFPs are under discussion from Global Innovators
- Two complex chemistry molecule development initiated

New HPAPI Technology Setup
- Lab set up at R&T scale initiated
- Commercial setup under evaluation

Project Pinnacle 2.0

We have launched Pinnacle 2.0 with a sharper focus on front-end excellence and process optimisation to enhance customer experience and drive performance.

Growth Pillars

Crop Protection

- Grow CDMO business
- Unlock relationship value with key strategic partners
- Lifecycle management with innovators
- New technology

Pharmaceuticals

- Scale product portfolio
- Unlock relationship value with key strategic partners
- Lifecycle management with innovators
- Build new technology platform
- Food ingredients and additives

Animal Health

- Unlock relationship value with key strategic partners
- Introduce and scale product portfolio
- New technology platform
- Develop complex chemistry molecules

Specialty Chemicals

- Biocides
- Personal care

Critical Unlocks in Pinnacle 2.0

- Enhanced customer integration (bolster business development, smart pricing)
- Building new business (animal health, specialty chemicals)
- Next-gen product portfolio (new product development, portfolio shift to niche products)
- Building tech toolbox (path to scale new technologies)
- Funding the growth (best-in-class cost position)
- Sustainability (ESG, Lighthouse)
- Resilient back end (operations, supply chain processes)

Winning Approach

Leading with Innovation

Our commitment to pioneering solutions is evident in our ongoing investments in research and technology (R&T), allocating 4-5% of our sales to R&T for innovative product development.

Elevating Customer Satisfaction

We prioritise enhancing customer satisfaction across the life sciences value chain through innovative solutions, prompt resolutions, and continuous improvements, fostering strong relationships, loyalty, and a positive brand image.

Maximising Stakeholder Value

Our focus is on long-term growth, transparency, responsibility, and delivering value to all stakeholders for sustained success.

Aligning with Global Frameworks and Standards

We strive to align our operations with internationally recognised standards and frameworks like the Global Reporting Initiative (GRI) Standards, the United Nations Global Compact (UNGC) Principles, and the United Nations Sustainable Development Goals (UNSDGs).

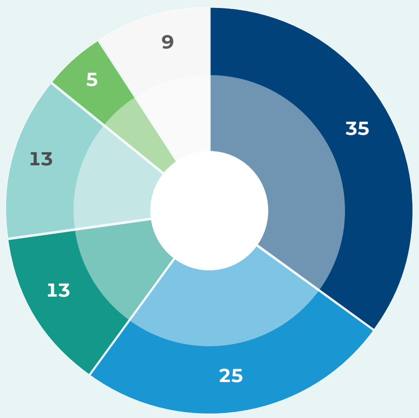
WHERE WE OPERATE

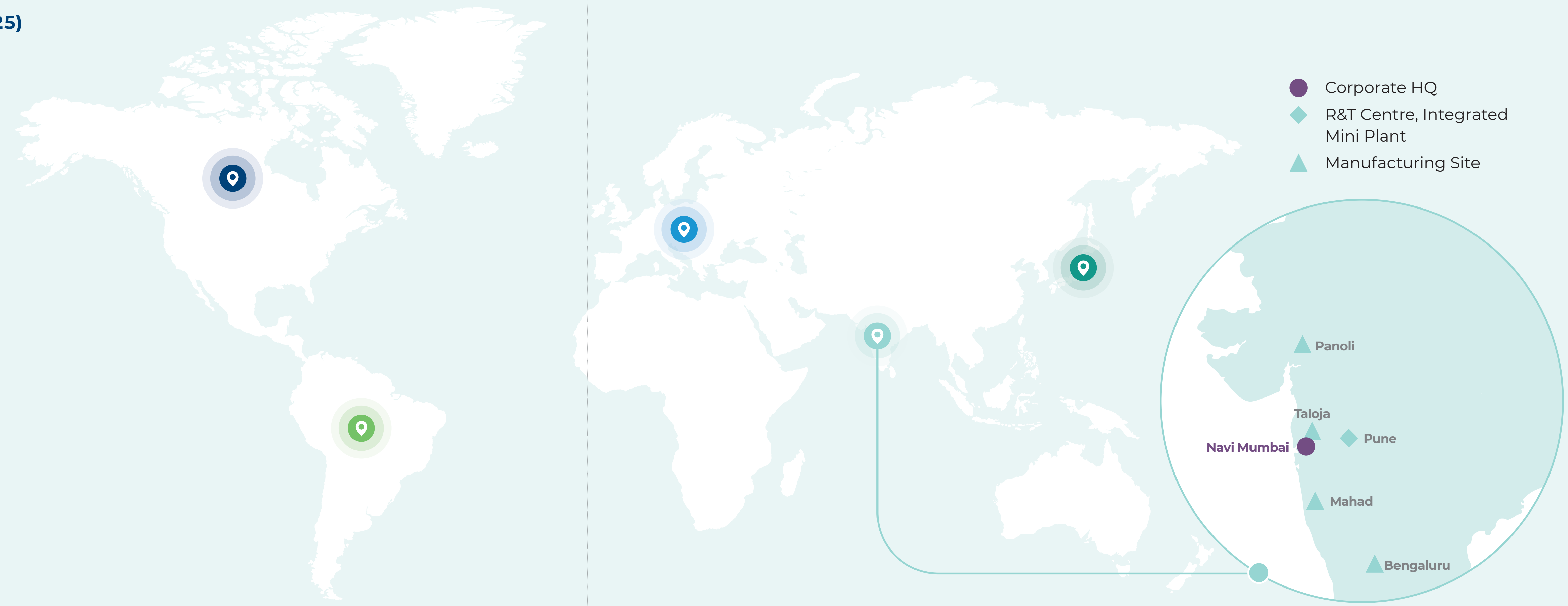
A Global Hub for Life Sciences

We operate five manufacturing sites and a world-class R&T centre, serving both domestic and global markets (Americas, Europe, Middle East & Africa, Asia, and Australia) through offices in the USA, Europe, India, and Japan.

Revenue Mix across Markets (2024-25)

(%)





Pharmaceuticals

Jigani Unit 1, Karnataka

- US FDA-approved API and Advanced Intermediates Manufacturing Site
- cGMP Multipurpose API Facilities

762 m³
Total reactor volume

Jigani Unit 2, Karnataka

- Scale-up and Launch Plant
- Multipurpose and Multiproduct cGMP Facility — APIs and Intermediates

93 m³
Total reactor volume

Panoli, Gujarat

- Acquired Manufacturing Site from Novartis in 2000
- US FDA-approved Site for KSMs and APIs
- Four Multipurpose Facilities

742 m³
Total reactor volume

Crop Protection

Mahad, Maharashtra

- First Manufacturing Facility of Hikal
- Specialty Chemicals, Fungicides, Herbicides, and Intermediate Manufacturing Site

549 m³
Total reactor volume

Taloja, Maharashtra

- Commissioned in 1997 in Technical Collaboration with Innovator company
- Fungicides, Insecticides, and Intermediates Manufacturing Site

593 m³
Total reactor volume

Panoli, Gujarat

- Acquired Manufacturing Site from Novartis in 2000
- Specialty Chemicals, Insecticides, Fungicides and Intermediates Manufacturing Site

720 m³
Total reactor volume

Note: Map not to scale.

WHAT WE DO

Pharmaceuticals Division

We manufacture APIs and intermediates, with strengths in chiral chemistry, custom synthesis, and contract research. We support global partners from gram- to kilogram- to tonne-scale production, backed by advanced facilities, regulatory compliance, and long-standing relationships with major pharma companies.

Manufactured Capital

1,600 m³
Capacity

Human Capital

2,061
Employees

218
Personnel in R&T and technical services

Financial Capital

INR 11,681 Million
Revenue

INR 1,374 Million
EBIT

47% YoY growth

327 bps
YoY increase in EBIT margin, driven by operating leverage

Serving

Pharmaceutical companies from early-stage development till commercial launch of chemical entities

Offerings

- Contract development and manufacturing
- APIs and intermediates
- Food ingredients and additives

Partnerships

Global pharmaceutical companies looking for commercial supply, contract research, custom synthesis and custom manufacturing of intermediates and APIs

Key Performance Indicators

Parameters	Overall Asset Base	Pharmaceutical Asset Base
Production Sites	5	3
Production Blocks	24	14
Integrated R&T Centre	1	1
No. of Active DMFs	-	69
Key Commercialised APIs	56	31
Total Employees	2,960	1,950
Capacity	4,100 m³	1,600 m³
Active Ingredients Sold in 2024-25	7,200 MT	2,850 MT
Advanced Intermediates Sold in 2024-25	1,200 MT	440 MT

The Hikal Advantage

Proven Expertise

Extensive experience in custom synthesis, contract research, and product development for global innovator companies.

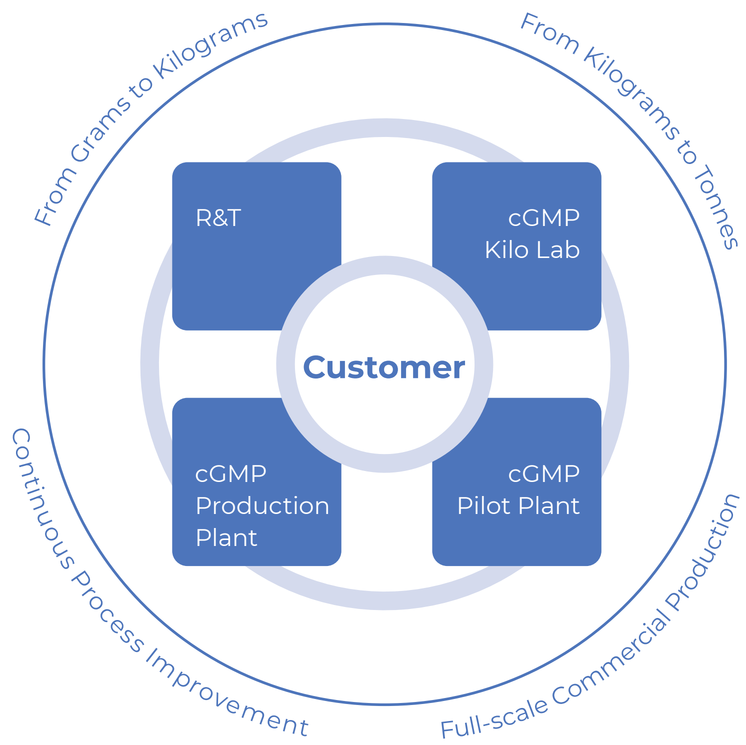
Strong R&D and Scale-up Capabilities

End-to-end development across the life sciences value chain, with lab-to-commercial scale-up and a high-potency lab at Pune R&T centre.

Globally Compliant Operations

Regulatory approvals from ANVISA GMP, US FDA (cGMP), TGA-GMP, KFDA (Korea), PMDA (Japan), AFMPS (Belgium), EDQM, EPA, and COFEPRIS (Mexico), and GMP-compliant Pharmaceuticals facility.

Our Capabilities



Our Products

Anti-convulsant	Anti-inflammatory	Analgesic	Anti-parasitic
Anti-lipemic	Anti-histaminic	Anti-depressant	Anti-psychotic
Anti-emetic	Anti-diabetic	Anti-thrombotic	Anti-viral
Haemorheologic			

Business Highlights for 2024-25

- Operational excellence and improved capacity utilisation continued to drive cost efficiency, innovation, and regulatory alignment across the business
- The CDMO segment maintains a robust pipeline from global innovators, with 12-15 new early-stage opportunities under discussion
- Late-stage CDMO programmes are progressed well, with two NCE starting material projects in Phase III trials targeting commercialisation by 2026-27, with the food ingredient project is on track to reach peak revenue in the next 2–3 years
- The API business delivered consistent growth, backed by a strong pipeline of 8–9 differentiated products, with plans to commercialise 2-3 products annually and a strategic focus on complex, high-growth therapeutic areas
- We continue to expand our market presence across Japan, Latin America, Korea, the Middle East, and the Southeast Asia

WHAT WE DO

Animal Health Division

We develop APIs and advanced intermediates for both farm and companion animal health segments, offering in-house products and contract manufacturing from cGMP-compliant facilities. In addition to our existing product pipeline, we are expanding with early-stage development projects focused on complex chemistry and high-value molecules.

Animal Health Business

10+
Animal Health focused APIs

57
Dedicated R&T resources in 4 dedicated labs

Serving
Companion and farm animal segments globally

4+
Existing relationships with Animal Health innovators

New Animal Health Multipurpose facility commissioned at Panoli, Gujarat (validation in progress)

Offerings
- Animal Health APIs and Intermediates
- Animal Health Contract Development and Manufacturing

Animal Health Division

Our Products

Analgesic	Anthelmintic	Anti-parasitic	Dementia

Business Highlights for 2024-25

- Steady growth driven by long-term innovator partnerships
- Completed validation for eight products with more underway to support global registrations and commercial launches
- Initiated development of two complex chemistry molecules
- Validated products are undergoing regulatory approvals globally

WHAT WE DO

Crop Protection Division

Rooted in science and driven by innovation, our crop protection portfolio spans insecticides, fungicides, herbicides, biocides, and intermediates. With decades of synthesis expertise, advanced manufacturing and regulatory know-how, we deliver cost-effective, compliant, and scalable solutions to our partners worldwide.

Manufactured Capital

2,500 m^3
Capacity

Human Capital

985
Employees

74
Personnel in R&T and technical services

Financial Capital

INR 6,917 Million
Revenue

INR 792 Million
EBIT

1,100 bps
Increase in revenue share from own products in 2024-25, indicating portfolio rebalancing and an innovation focus

Offerings

- Contract manufacturing
- Intermediates
- Insecticides
- Fungicides
- Biocides
- Specialty chemicals
  - Personal care products
  - Biocides
  - Electronic and battery chemicals
  - Homecare

Offerings

Crop protection companies for custom synthesis and custom manufacturing of intermediates and active ingredients

Key Performance Indicators

Parameters	Overall Asset Base	Pharmaceutical Asset Base
Production Sites	5	3
Production Blocks	24	10
Integrated R&T Centre	1	1
Kilo Lab (Scale up & Pilot)	3	2
Key Commercialised Products	56	25
Total Employees	2,960	1,010
Capacity	4,100 m^3	2,500 m^3
Active Ingredients Sold in 2024-25	7,200 MT	4,350 MT
Advanced Intermediates Sold in 2024-25	1,200 MT	760 MT

The Hikal Advantage

Robust Product Pipeline

Strong focus on research and integrated solutions drives a healthy development pipeline aligned to evolving customer needs.

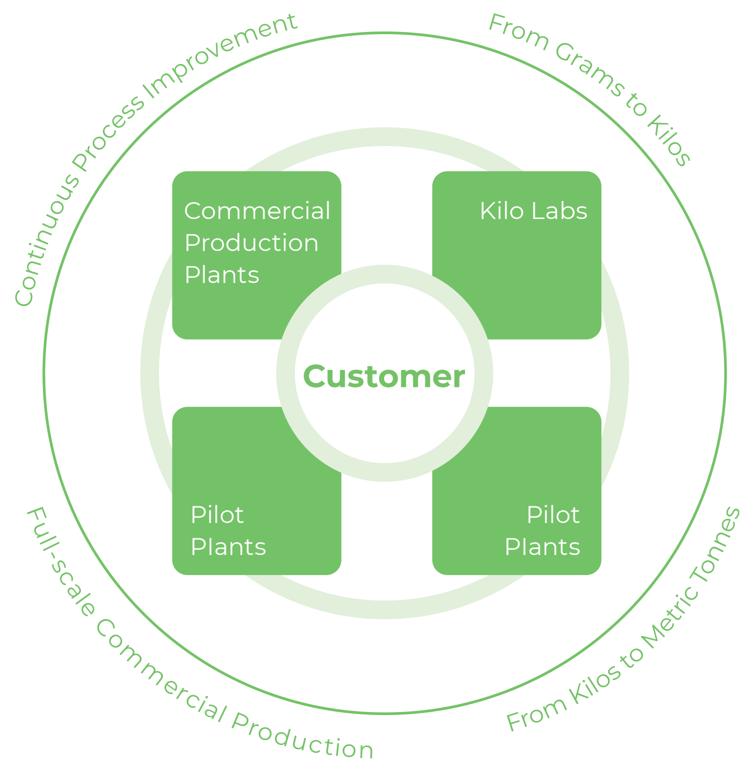
Customer-Centric Approach

Advanced manufacturing and technical strength enable delivery of end-to-end solutions, building long-term, value-driven partnerships.

Flexible Asset Base

Multi-use infrastructure ensures adaptability, efficient resource use, and sustained profitability amid changing market dynamics.

Our Capabilities



Our Products

Algaecide	**Biocide**	**Fungicide**
Herbicide	**Insecticide**	**Intermediate**

Business Highlights for 2024-25

- Our crop protection division saw growth, supported by a favourable product mix and improving domestic demand
- CDMO business gained momentum with eight active projects across new and existing customers
- Commercialisation of products developed over the past 2–3 years began contributing to revenue
- Investments continued in capacity, talent, and technology to scale CDMO operations and enhance process innovation and regulatory compliance
- Launched sub-category brands HiZenn (Personal Care) and HiFend (Biocides) to strengthen portfolio identity and customer focus
- The global crop protection market faced pressure from overcapacity, low pricing (especially from China), and geopolitical uncertainty
- Strategic focus on improving capacity utilisation, with plans to expand the specialty chemicals portfolio

Creating ‘Just the Right Chemistry’

We partner with global innovators and custom-generic companies to solve complex chemistry challenges across pharmaceuticals, animal health, biotech, crop protection, and specialty chemicals. Our Research & Technology Centre develops sustainable, efficient, and scalable processes for NCEs, generics, and lifecycle extensions. With deep scientific expertise and a focus on quality, IP protection, and reliable delivery, we offer integrated solutions aligned with evolving regulatory and environmental standards. Our commitment to green chemistry drives long-term value for both the business and the planet.

15
Synthetic Laboratories

One
Simulation Lab

46
Graduates

One
Process Safety Lab

288
Post Graduates

One
High Pressure Lab

One
Innovation Lab

One
Kilo Lab
(Scale-up and Pilot)

26
PhDs

Six
Process Improvement Labs

One
Solid State Chemistry Lab

Four
Instrumentation Labs

One
Effluent Treatability Lab

Differentiated Offerings

Route Scouting	Process Development	Analytical Method Development	Technology Development
Small Scale Synthesis	Scale-up Support	Process Engineering	Life Cycle Extension

Differentiated Capabilities

Flow Chemistry
- State-of-the-art setup with VaporTech and CSTR
- Handles bi-phasic, liquid–liquid, gas–liquid, and solid–liquid reactions
- Reduces effluent and estimates key unit operations for continuous processing

Solid State Lab
- Develops physical attributes for commercial readiness
- Expertise in polymorph screening, particle size control, crystallisation development
- Equipped with pXRD, Malvern Mastersizer, DSC, TGA, and hot-stage microscopy

Bio-catalysts
- Lab-to-plant expertise in enzyme-based synthesis
- Demonstrated enzymatic processes for commercial APIs (e.g., nitrilase, lipase, transaminase)
- Capabilities for enzyme recovery and reuse

Kilo Lab
- Scalable facility for kilo and pilot-scale production
- Enables feasibility and scale-up studies with geometrically matched reactors
- Supports cryogenic reactions (up to –80°C), fractionation at 2–3 Torr, and acidic/gaseous vapour scrubbing

Reaction Calorimetry
- Mettler Toledo RC1mx enables safe process development and scale-up
- Measures critical thermal parameters—heat of reaction, MTSR, accumulation—to reduce risk
- Minimises development time and outsourcing costs; widely used in pharma and chemical industries

Zero Liquid Discharge (ZLD) Facility
- No liquid effluent discharged from our Research and Technology site situated in Pune
- Enables internal water recycling, reduces freshwater usage, enhances sustainability and operational compliance
- Our manufacturing sites at Bangalore are also zero liquid discharge

New Canteen Facility – Sangam, Pune R&T
- Thoughtfully designed, modern dining space promoting employee well-being
- Features natural lighting, hygienic food setup, and comfortable seating
- Built using recyclable materials with minimal electricity use, reinforcing sustainability goals

KEY PERFORMANCE INDICATORS

Measures of Progress

Revenue
(in INR Million)

FY25	**18,598**
FY24	17,846
FY23	20,230
FY22	19,427
FY21	17,204

EBITDA
(in INR Million)

FY25	**3,335**
FY24	2,694
FY23	2,625
FY22	3,454
FY21	3,278

PAT
(in INR Million)

FY25	**909**
FY24	695
FY23	784
FY22	1,605
FY21	1,331

Net Worth
(in INR Million)

FY25	**12,622**
FY24	11,876
FY23	11,335
FY22	10,680
FY21	9,334

EPS
(in INR)

FY25	**7.37**
FY24	5.64
FY23	6.36
FY22	13.02
FY21	10.80

DPS
(in INR)

FY25	**1.40**
FY24	1.20
FY23	1.20
FY22	1.60
FY21	2.00

Long-term credit rating is maintained at A+ by ICRA

AWARDS AND RECOGNITION

Our Moments of Pride

WWF India Recognition

Chairman Acknowledged for Hikal's Contributions to the Nature Guardian Programme

ET NOW Best Organisations for Women — 5th Edition

Shortlisted; strong female representation, anti harassment policies, women centric benefits, CSR initiatives, diversity targets, leadership programmes

Employer of the Year — India HR Summit & Awards

Supportive and Inclusive Workplace – Employee Empowerment

Great Managers Award 2024 — People Business

Top 50 Companies with Great Managers – Leadership Development, Managerial Excellence

TISS Leapvault CLO Awards 2024

Gold: Skill Development Initiative
Silver: Employee Engagement Initiative – Innovative Programmes, Capability Building, and Higher Engagement

WOW Workplace Award 2025 — Manufacturing & Allied

Recognition Based on Employee Testimonials – Jombay AI-driven Engagement Framework

Imagexx 2024— Bronze Award

Corporate Communications recognised for #PledgeForGreenChange; environmental stewardship excellence.

RELATION OF OUR CAPITALS AND STAKEHOLDERS

Foundations of our Value Creation

Our Capitals

Financial Capital

We prioritise efficient capital allocation to generate sustainable, long-term value for our stakeholders.

INR 12,622 Million
Net worth

INR 18,598 Million
Revenue

Manufactured Capital

We enhance our infrastructure by expanding capacity, improving efficiency, and ensuring safety and sustainability through advanced technologies and processes.

5
Manufacturing facilities

4,100 m^3
Manufacturing capacity

Intellectual Capital

Our focus remains on developing innovative products and processes, supported by digital transformation and strategic partnerships to advance sustainability and innovation.

INR 822Million
R&T expenditure

358
R&T personnel count

Human Capital

We are committed to fostering an inclusive, performance-driven culture anchored in a zero-harm philosophy for our people and communities.

INR 5.44 Million
Investment in L&D

34,204 hours
EHS training provided to employees

Social and Relationship Capital

We nurture strong, long-term partnerships with customers, suppliers, and communities through ongoing engagement that supports business and social growth.

INR 29 Million
CSR expenditure

235,600
Lives impacted through CSR activities

Natural Capital

We leverage advanced technologies to adopt clean energy, lower emissions, and minimise waste across all our operations.

77%
Renewable energy consumption

6%
Reduction in water consumption

Linkage with Stakeholders

Investors
Drives shareholder value via disciplined capital use

Customers
Revenue growth through product innovation and reliability

Government & Regulators
Supports fiscal compliance and policy alignment

Customers
Delivers product quality through robust infrastructure

Employees
Ensures workplace safety and operational efficiency

Value Chain Partners
Enables scalable, seamless production partnerships

Investors
Innovation-led growth creates long-term competitive advantage

Customers
Addresses evolving needs with differentiated offerings

Value Chain Partners
Drives co-innovation through technical collaboration

Government and Regulators
Ensures innovation aligns with regulatory standards

Employees
Drives engagement through safety, development, and inclusion

Value Chain Partners
Builds ethical, people-first partner networks

Communities
Extends well-being through local employment and outreach

Customers
Builds trust through service consistency and engagement

Value Chain Partners
Strengthens reliability through transparent relationships

Communities
Fosters shared value through CSR partnerships

Government and Regulators
Supports public policy through proactive engagement

Investors
Enhances ESG profile and mitigates environmental risks

Employees
Promotes sustainability awareness and responsibility

Communities
Reduces environmental footprint and improves quality of life

Government and Regulators
Meets environmental standards and supports national goals

Our Growth Engine

Inputs

Financial Capital

INR **12,622** Mn
Equity

INR **7,442** Mn
Net debt

Manufactured Capital

4,100 m³
Manufacturing capacity

Intellectual Capital

INR **822** Mn
R&T expenditure

Human Capital

INR **5.44** Mn
L&D investment

34,204 hours
EHS training

Social and Relationship Capital

INR **29** Mn
CSR expenditure

Natural Capital

1,347,981.2 GJ
Total energy consumption

5,72,783 KL
Water consumption

Value-Creation Process

Motto
Just the right chemistry

Outputs

7
Patent applications filed in 2024-25

201
Patent applications filed till date

Zero
LTIFR

80%
Retention rate

100%
Critical suppliers assessed on ESG

108
CSR activities conducted

Outcomes

Financial Capital

INR **18,598** Mn
Revenue

INR **3,335** Mn
EBITDA

Manufactured Capital

7,200 MT
Active ingredients sold in 2024-25

1,200 MT
Advanced intermediates sold in 2024-25

Intellectual Capital

9
Papers published in academic journals

Human Capital

4
Safety initiatives

1,876
Workforce trained

Social and Relationship Capital

235,600
Lives impacted through CSR

Natural Capital

6%
Reduction in water consumption

40.85%
Reduction in Scope 1 GHG emissions

32.14%
Reduction in Scope 2 GHG emissions

Management Discussion and Analysis

Economic Review

Global Economic Review

The global economy demonstrated resilience in 2024, navigating a complex environment marked by geopolitical tensions, widespread elections across more than 60 countries, including five major economies and evolving monetary policies. Despite these uncertainties, global output grew by 3.3%, staying above recession thresholds but below pre-pandemic trends.

Inflation began to ease, supported by tighter monetary policy and cooling labour markets. Real household incomes improved due to falling inflation and steady wage growth, although consumer confidence remained fragile. Interest rates saw a shift during the year, with central banks in both advanced and developing economies initiating rate cuts to support growth as inflation moderated.

Global merchandise trade also rebounded, expanding 2.9%, its strongest performance relative to GDP since 2017. However, growth remained uneven, with strength in India and the US, a slowdown in China, and weak momentum in the Eurozone. Geopolitical conflicts continued to disrupt energy flows and supply chains, underscoring persistent systemic vulnerabilities.

Geopolitical Conflicts and U.S. Tariff Actions

The global economic environment in 2025 remains challenged by a combination of ongoing geopolitical conflicts and trade tensions. Prolonged conflicts in Ukraine and the Middle East continue to disrupt global supply chains, particularly in energy and key commodities, while emerging flashpoints in Asia and Africa add further complexity to the operating environment.

In parallel, recent tariff announcements by the United States have introduced additional uncertainty for global trade flows and investment decisions. These policy shifts have contributed to a moderation in U.S. growth forecasts and are weighing on global business sentiment. Companies are increasingly cautious, with several delaying capital deployment amid policy unpredictability.

The combined impact of geopolitical instability and protectionist measures is likely to influence global inflation trends, supply chain realignments, and capital flows in the near to medium term. Businesses are expected to remain focused on risk mitigation, diversification, and supply resilience as these factors evolve.

Outlook

Looking ahead to 2025 and 2026, the global economy faces a cautiously optimistic but uneven path. According to the IMF, global growth is projected at 2.8% in 2025 and 3.0% in 2026. Advanced economies are expected to grow more slowly, while emerging markets may face varying recovery trajectories, reflecting the divergence in growth path.

Inflation is forecast to decline to 4.2% in 2025 and 3.5% in 2026, with advanced economies likely to reach targets sooner than emerging markets. Central banks are expected to continue adjusting their policies cautiously, balancing growth support with inflation control.

Additionally, the global push for sustainability and the energy transition is influencing capital flows and industrial policy, with many economies aligning public investment and regulatory frameworks towards low-carbon growth. Also, the adoption of AI and automation is expected to drive incremental productivity gains, supporting long-term competitiveness and economic resilience.

While downside risks remain, from geopolitical volatility to supply chain pressures, the global economy is broadly positioned for a period of gradual recovery, supported by easing inflation, renewed consumer demand, and evolving growth strategies across regions.

Global Growth Forecast (%)

Particulars	2023*	2024	2025 (P)	2026 (P)
World Output	3.2	**3.3**	2.8	3.0
Advanced Economies	1.6	**1.8**	1.4	1.5
US	2.5	**2.8**	1.8	1.7
Eurozone	0.4	**0.9**	0.8	1.2
Japan	1.9	**0.1**	0.6	0.6
UK	0.1	**1.1**	1.1	1.4
Other Advanced Economies	1.8	**2.2**	1.8	2.0
Emerging Market and Developing Economies	4.3	**4.3**	3.7	3.9
China	5.2	**5.0**	4.0	4.0
India	7.8	**6.5**	6.2	6.3
Emerging Market and Middle-Income Economies	4.4	**4.3**	3.7	3.8
Low-income Developing Countries	4.0	**4.0**	4.2	5.2

Source: World Economic Outlook, IMF, April 2025

Note:

[1]P stands for projections.

[2]For India, data and forecasts are presented on a fiscal year basis, with FY 2024/25 (starting in April 2024) shown in the 2024 column. India's growth projections are 6.5% in 2025 and 6.2% in 2026 based on the calendar year.

*Source: World Economic Outlook, IMF, April 2024

Indian Economic Review

India remained the fastest-growing major economy in 2024-25 and became the fourth-largest globally, with real GDP growth estimated at 6.5% by the National Statistical Office (NSO), moderating from 9.2% in the previous year. The slowdown was attributed to reduced government capital expenditure, sluggish private investment, and weak consumption demand.

Despite this moderation, the economy demonstrated resilience. Nominal GDP tripled over the past decade, reaching INR 331.03 trillion, supported by structural reforms, digitalisation, a stable banking system, and containing inflation. The Union Budget 2025-26 aimed to revive investment momentum through infrastructure spending, social welfare measures, and digital public infrastructure to stimulate domestic demand and promote inclusive growth.

India's total exports rose 76% over the past decade, reaching USD 825 billion in 2024-25, led by engineering goods, electronics, and pharmaceuticals. The pharmaceutical sector strengthened its global position as the third-largest producer by volume, with exports to over 200 countries. Drug and pharmaceutical exports alone grew by 98% over the decade to USD 30.5 billion, driven by strong demand for generics, APIs, and formulations. The United States remained the largest destination, accounting for nearly a third of India's pharma exports, followed by the European Union, UK, Brazil, and South Africa. Additionally, India achieved a record foodgrain production of 347 MT, with agri-exports accounting for 11.7% of total exports, driven by improved productivity and enabling policies.

Outlook

India's economic outlook for 2025 and 2026 remains among the strongest globally, as reaffirmed by the NSO and RBI, even as other major economies face downward growth revisions. India is projected to grow at a stable 6.5% in 2025-26, supported by resilient domestic consumption, particularly in rural areas, rising public and private investment, expanding FDI, and greater integration into global trade and supply chains. According to the NSO, growth will also be underpinned by sustained momentum in infrastructure development, a strong services sector, and steady performance in manufacturing and construction. Improving export competitiveness and a stable macroeconomic environment further reinforce India's position as one of the world's fastest-growing major economies.

The Union Budget 2025-26 introduced significant tax relief to boost consumer spending—raising the tax free income threshold to INR 12 Lakh (effective exemption up to INR 12.75 Lakh, including standard deduction), expanding rebates and deductions to increase disposable income for middle income and rural households. Concurrently, the RBI implemented a larger-than-expected 50 bps repo rate reduction, cutting the policy rate from 6.0% to 5.5%, alongside a 100 bps CRR cut, to ease lending costs and stimulate demand.

This outlook is supported by solid macroeconomic fundamentals and a wide-ranging reform agenda spanning infrastructure, innovation, and financial inclusion. Flagship programmes like Make in India and the National Infrastructure Pipeline are accelerating industrial development, while the digital economy continues to boost productivity and expand access.

India's appeal as an investment destination is further enhanced by improved ease of doing business, proactive economic diplomacy, and strategic global partnerships. The pharmaceutical sector is also emerging as a key growth driver, with the market projected to reach USD 130 billion by 2030, supported by rising healthcare demand and growing R&D investment.

While challenges such as geopolitical tensions, oil price volatility, rural distress, and climate-related disruptions remain, sustained policy discipline and ongoing structural reforms, particularly in governance, regulatory simplification, and labour flexibility, will be critical for long-term growth.

With its resilient economic base and clear strategic focus, India is well-positioned to sustain its trajectory and move toward its goal of becoming a developed economy by 2047.

India's Growth Forecast (%)

Perticulars	2022-23	2023-24	2024-25 (E)	2025-26 (P)
India's Growth Forecast	7.6	9.2	6.5	6.5

Industry and Business Review

Global Pharmaceutical Industry

The global pharmaceutical industry is undergoing a period of steady transformation, shaped by scientific innovation, demographic shifts, the rising prevalence of chronic diseases, and increasing digital adoption. In 2024, the global pharmaceutical market was valued at USD 1,654 billion and is projected to grow from USD 1,746 billion in 2025 to USD 3,529 billion by 2035, reflecting a CAGR of 6.49% over the forecast period (2025-2035). While mature markets such as North America, Western Europe, and Japan are expected to grow at a slower pace due to already high per capita consumption, emerging economies like India, China, Southeast Asia, and Latin America are set to drive the next phase of volume-led growth. Asia Pacific, in particular, is projected to be the fastest-growing region during this period.

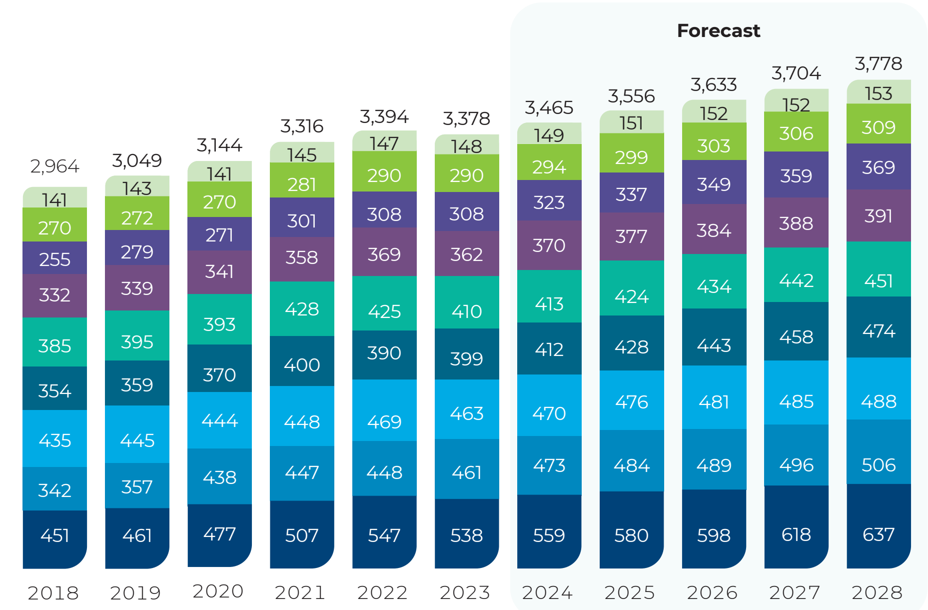
Multiple structural drivers are supporting this growth trajectory. These include an ageing global population, increasing incidence of chronic conditions, expanding healthcare spending by governments, and ongoing efforts to make medicines more accessible and affordable. Rising awareness and diagnosis rates in underserved regions, along with the introduction of low-cost OTC medications, are further contributing to global demand.

Therapeutic innovation remains a key growth driver, particularly in oncology and immunology, followed by mental health. The growing use of specialty medicines, along with the adoption of advanced biologics and small molecule therapies, continues to shape treatment patterns. A notable shift is being seen in metabolic care with the rapid uptake of GLP-1 drugs for diabetes and obesity, which are expected to significantly influence future usage trends. Fuelled by new brands and sustained investment in high-value therapies, overall spending remains robust across regions, despite pricing pressures and increasing reliance on confidential rebates in many markets.

Digital transformation is becoming integral to the industry's evolution. Pharmaceutical companies are increasingly leveraging AI, real-world evidence, and digital health platforms to streamline clinical trials, improve patient targeting, and optimise treatment delivery. These technologies are enhancing productivity, improving outcomes, and enabling faster response to patient needs.

At the same time, access and affordability remain ongoing challenges. High-income countries continue to consume twice as more medicines than low-income regions, where gaps in infrastructure, affordability, and distribution persist. In response, many healthcare systems, especially in developed markets, are adopting value-based pricing models, encouraging the use of generics and biosimilars, and exploring alternative reimbursement mechanisms to balance innovation with sustainability.

Global Pharmaceutical Industry Growth: 2018-2028



	CAGR% 2024-2028
Global	2.3
Japan	0.6
North America	1.3
China	3.7
Eastern Europe	1.6
Africa and Middle East	1.9
India	3.5
Western Europe	1.1
Latin America	1.9
Asia-Pacific	3.4

Global Pharmaceutical Market

(USD Billion)

Regions	2024	2020-2024 CAGR	2029	2025-2029 CAGR
Developed Markets	1,421.5	8.2%	1,945-1,975	5.5-8.5%
Pharmerging Markets	312.2	6.0%	375-405	3.5-6.5%
Other Markets	16.1	1.0%	18-22	2-5%
Global Pharmaceutical Market	1,749.8	7.7%	2,355-2,385	5-8%

Source: IQVIA 2025 report

Global Pharmaceutical Market – Share by Product Type

(USD Billion)

Region	Original Brands		Non-original Brands		Unbranded Generics		OTC, Vaccines and Others		Total	
Year	2024	2029	2024	2029	2024	2029	2024	2029	2024	2029
Developed Markets	1,091.6	1,555-1,585	120.6	135-165	124.6	120-150	84.7	95-115	1,421.5	1,945-1,975
Pharmerging Markets	88.4	115-135	106.3	120-140	41.1	40-60	76.5	80-100	312.2	375-405
Other Markets	4.4	3-7	8.4	8-12	0.8	0.7-1.1	2.6	2.5-3.5	16.1	18-22
Global Markets	1,184.3	1,685-1,715	235.3	270-300	166.5	170-200	163.7	180-210	1,749.8	2,355-2,385

Developed Markets

Medicine spending in developed markets is expected to reach USD 1,945 to USD 1,975 billion by 2029, driven by new and innovative treatments, even as generics and biosimilars increase competition. Immunology drugs are seeing steady use, with nearly half now facing biosimilar competition that is boosting access. Over time, spending is set to rise further, supported by medicines from established brands and new product launches.

Developed Markets – Pharmaceutical Spending and Growth

(USD Billion)

Region/Country	2024	2020-2024 CAGR	2029	2025-2029 CAGR
Top 10 Developed Markets	1,194.5	8.2%	1,635-1,665	5-8%
Other Developed Markets	227.0	7.8%	295-325	5.5-8.5%
Total Developed Markets	1,421.5	8.2%	1,945-1,975	5.5-8.5%

Growth by Region

The global pharmaceutical market is expanding across all major regions, with spending projected to grow by over 30% in North America, Europe, Asia Pacific, Latin America, and the Middle East & Africa. This growth is being driven by population expansion, rising healthcare needs, and increased use of high-value therapies.

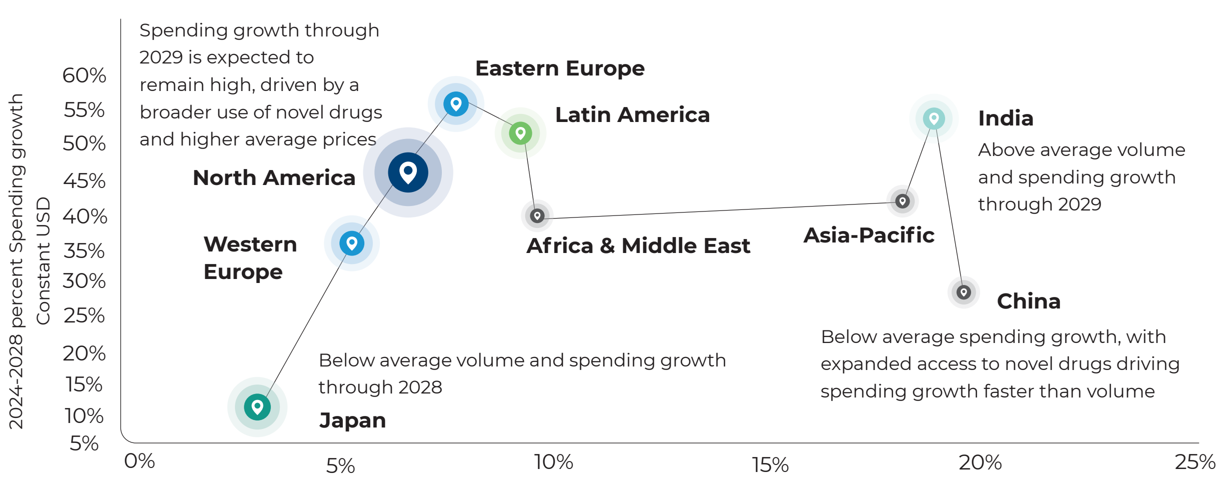
North America, holding 41.87% of the global market share in 2024, is led by the U.S., where high healthcare spending, strong policies, and robust biopharma investments fuel demand for biologics, oncology, and rare disease treatments. Hospital pharmacies dominate, with retail and online channels growing in chronic care.

In Europe, steady growth is supported by strong regulation and funding. Germany, France, and the UK lead the region, driven by demand for chronic and specialty treatments, biologics, and biosimilars.

Asia Pacific is the fastest-growing region, led by China, India, and Japan, backed by local manufacturing, growing clinical research, and broader healthcare access. China, the second-largest market, is set to grow volume by 8% and spending by 15% over five years, driven by access to novel drugs via the NRDL. Japan benefits from government support and demand for ageing and metabolic care.

In Latin America, the Middle East and Africa, growth is moderate and led by government initiatives, local production, and demand for chronic and infectious disease treatments, and are expanding through healthcare reforms and biopharma investments.

Spending and Volume Growth by Region



2025-2029 percent volume growth defined daily doses (DDD)

Source: IQVIA Market Prognosis, May 2025; IQVIA Institute, May 2025.

Notes: Spending growth in constant US$ and reflecting 5-year aggregate growth. Volume growth in defined daily doses (DDD) (see methodology).

Bubble size reflects projected spending in 2029 (see Exhibit 27 for relevant values).

Report: The Global Use of Medicines 2025: Outlook through 2029. IQVIA Institute for Human Data Science, June 2025.

Megatrends

Personalised Medicine and Genomics

The rise of genomic data has enabled the advancement of personalised medicine. Pharmaceutical companies are leveraging genetic insights to create therapies tailored to individual patient profiles. This approach not only enhances treatment effectiveness but also helps minimise adverse side effects.

Advances in Biotechnology

Biotechnology remains a key driver of innovation in drug development. Emerging biological therapies, including gene and cell therapies, are opening up new possibilities for treating conditions that have historically been difficult to manage.

Digital Health and Telemedicine

Digital technologies and telemedicine are transforming healthcare delivery, allowing patients to access medical advice and treatment remotely. Pharmaceutical companies are increasingly investing in digital health tools that support better patient outcomes and improve treatment adherence, particularly benefitting underserved and rural communities.

U.S. Food and Drug Administration's (FDA) Drug Approvals

In 2024, the FDA's Centre for Drug Evaluation and Research (CDER) approved 50 novel drugs never before marketed in the U.S., including gene therapies, RNA-based treatments, and CAR-T cell therapies, highlighting the agency's focus on precision medicine and expanding treatment options for previously untreatable conditions. FDA approvals are projected to increase to 70 in 2025, reflecting a sustained pipeline of innovation.

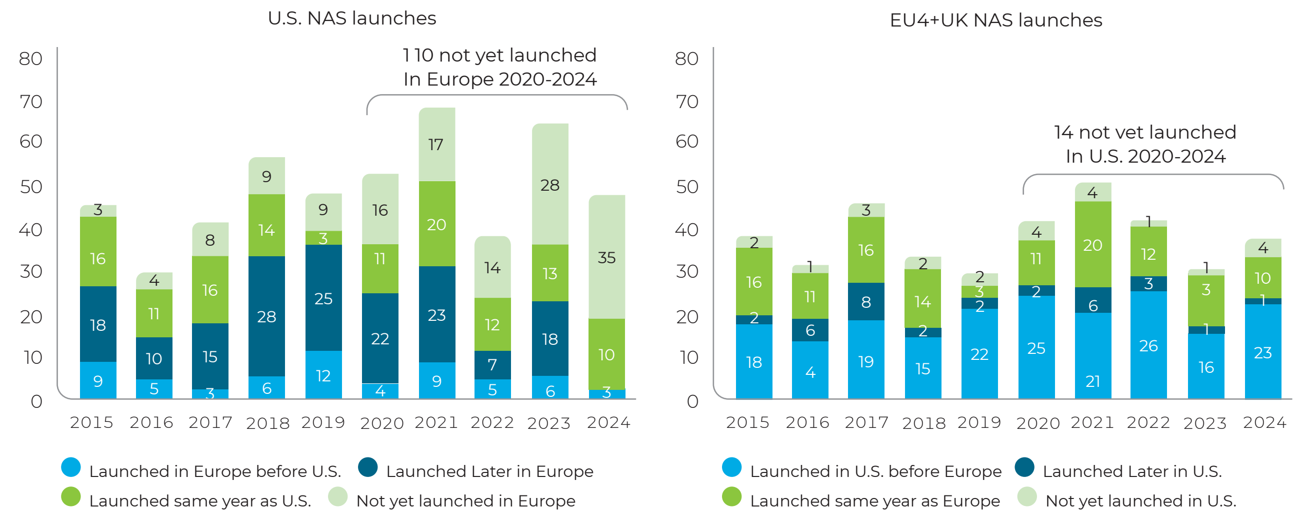
Between 2014 and 2023, the FDA approved 176 new drugs for the top 20 pharmaceutical companies, along with 33 post-approval acquisitions and 83 first-in-class launches, the majority in oncology. The U.S. remains the dominant first-launch market, with 40% of U.S.-launched NAS over the past five years still pending in key European markets—underscoring global access lags. Conversely, only 7% of Europe-launched drugs were not introduced in the U.S.

Regulatory complexity, along with evolving reimbursement and patent frameworks, continues to shape both innovation and accessibility, particularly in emerging economies.

50

Novel drugs were approved by the FDA in 2024, with 70 approvals expected in 2025

NAS Launches in the U.S. and EU4+UK, 2015-2024



New Drug Launches

The global drug development pipeline remains robust, with over 20,000 active programmes underway, 17% in Phase 1, 16% in Phase 2, and 6% in Phase 3. Among these, 69 New Active Substances (NAS) are in late-stage development, with oncology and immunology leading to therapeutic focus. Roughly 20% of late-stage pipelines of the top 20 pharmaceutical companies signal strong near-term commercial potential.

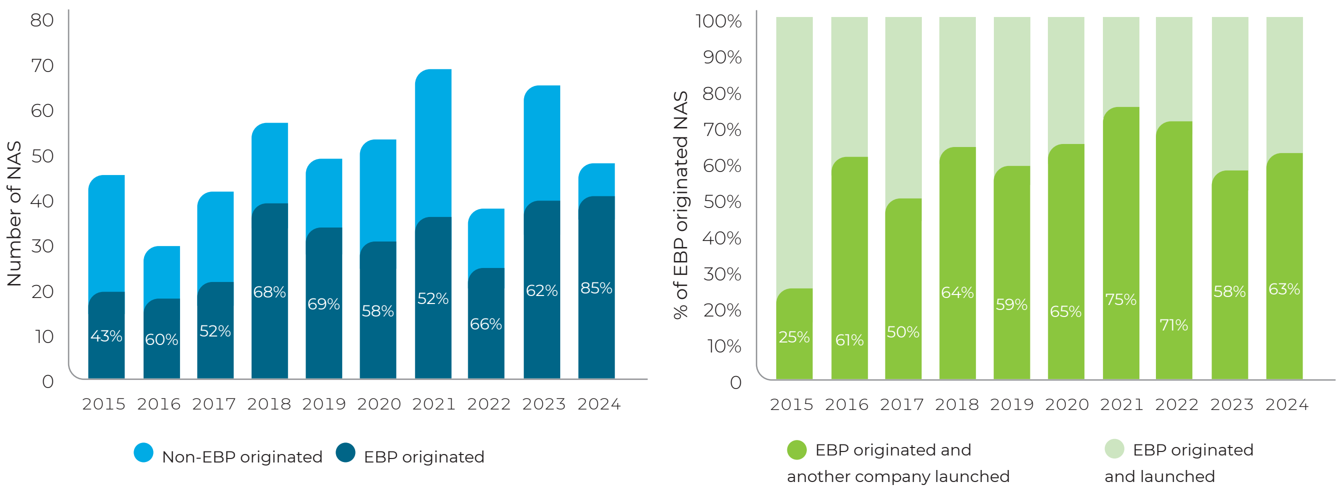
A notable shift is the increasing role of emerging biopharma (EBP) companies in bringing innovation to the market. In 2024, 85% of the 48 NAS launches originated from EBPs, with 41 of those launched directly by the originating company. Between 2020 and 2024, EBPs accounted for 59% of all NAS launches, marking a steady rise in their contribution to the global pipeline. EBPs are now progressing more assets through late-stage development, reflecting a reduced dependency on licensing to larger firms.

Globally, new drugs do not launch uniformly. The U.S. remains the most frequent first-launch country, while other markets often face delays of a year or more due to regulatory review cycles, pricing negotiations, and reimbursement hurdles. These delays contribute to ongoing disparities in timely access to novel therapies across geographies, especially between developed and emerging markets.

85%

Of the 48 NAS launched in 2024 originated from emerging biopharma (EBP) companies

Companies Originating and Filing FDA Regulatory Submissions for NAS and Percent of Launches by NAS Launch Year, 2015-2024



Source: IQVIA Institute. Jan 2025.
Notes: NAS Launches in the U.S. have been segmented by the originator, which is based on the company that filed the first patent. The segmentation laid out in Exhibit 2 is applied based on the revenue or R&D spend at the time of the patent filing. Launch company segmentation has been assessed by the FDA filing company, further verified by the status of that company in relation to acquisitions by other companies as the filing company does not often change retroactively to reflect new ownership.
Report: Global Trends in R&D 2025: Progress in Recapturing Momentum in Biopharma Innovation. IQVIA Institute for Human Data Science, March 2025.

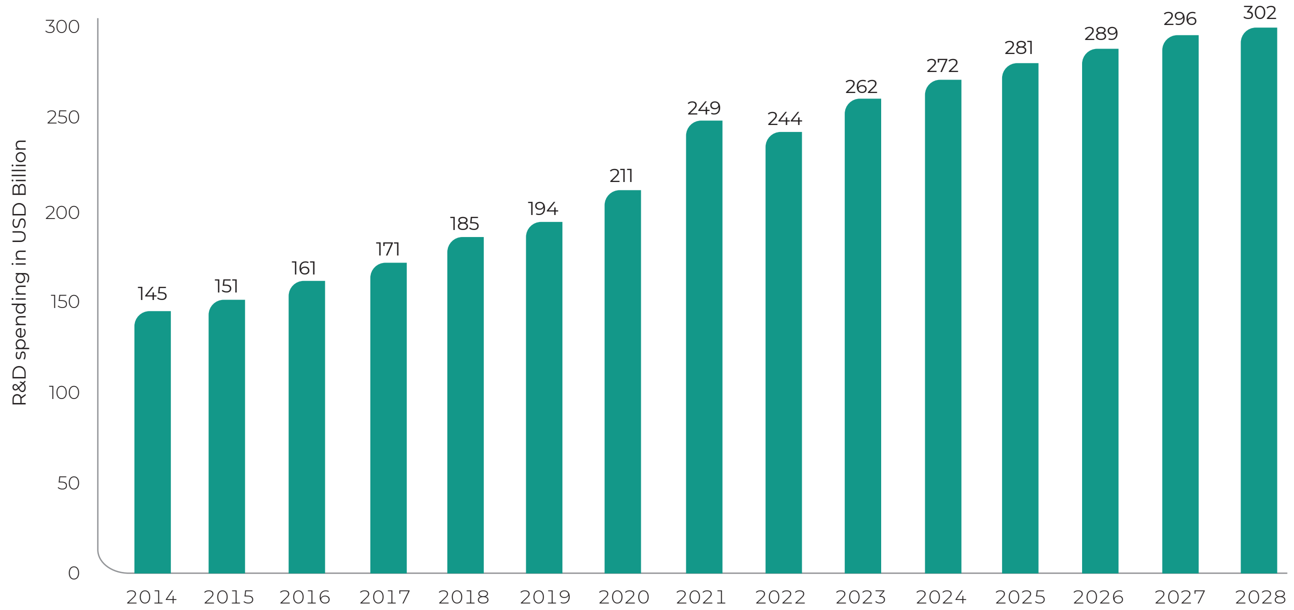
Pharmaceutical R&D

Pharmaceutical R&D remains central to industry growth, with global spending exceeding USD 244 billion in 2023, including over USD 80 billion by U.S. companies alone. Driven by ageing populations, chronic diseases, and patent expirations, firms continue investing heavily in new therapies, particularly in oncology, immunology, and rare diseases.

The global pipeline includes over 20,000 active drug programmes, supported by rising biopharma funding, stabilised clinical trial volumes, and improved Phase III success rates. Companies are increasingly using AI, real-world evidence, and outsourcing to speed up development and reduce costs.

Trial cycle times have stabilised in 2024, with inter-trial intervals improving significantly from pandemic highs. Drugs like semaglutide, adalimumab, and apixaban led spending in 2023, reflecting strong market uptake of high-impact therapies. Strategic initiatives, such as the USD 14 Million investment in the U.S. API Innovation Centre, highlight efforts to boost domestic capabilities and reduce supply chain dependence.

Total Global Spending on Pharmaceutical Research and Development from 2014 to 2028



Source: Statista

Indian Pharmaceutical Industry

India's pharmaceutical market is expected to grow to USD 38–42 billion by 2028, with a CAGR of 7–10% from 2024, driven by rising healthcare access, strong demand for acute and chronic therapies, and a robust generics ecosystem. The sector ranks 3rd globally by volume and 14th by value, contributing 20% of the world's generics and a large share of global vaccine supplies.

Affordable healthcare is becoming a national reality, with initiatives like PMBJP's 15,000+ Jan Aushadhi Kendras offering medicines at up to 80% lower prices. Production Linked Incentive (PLI) schemes are spurring domestic manufacturing of APIs, critical drugs, and medical devices, while bulk drug parks and upgraded labs are cutting costs and boosting self-reliance.

The industry's turnover crossed INR 4.17 Trillion in 2023-24, growing steadily at over 10% annually. With PLI-backed projects, improved insurance coverage, foreign investments of INR 12,800+ Crore, and widespread job creation, India's pharma sector is expanding and transforming lives at home and globally.

Positioning of India in the Global Pharmaceutical World

India is globally recognised as the 'Pharmacy of the World', supplying 20% of the world's generic medicines and a large share of UNICEF and WHO vaccines. Backed by a strong manufacturing base, skilled workforce, and globally compliant facilities, India has become the largest exporter of generics and a trusted partner in affordable healthcare delivery worldwide. Over the years, it has also emerged as a hub for APIs, biosimilars, and CDMO services, supported by proactive government policies and increasing foreign investment. With 100% automatic FDI permitted in greenfield ventures and up to 74% in brownfield projects through an automatic route, the sector ranks among India's top 10 most attractive for investors. This openness, combined with rising domestic value creation and a deepening innovation pipeline, positions India to expand its global pharmaceutical leadership in the years ahead.

Snapshot of Government Policies

Production Linked Incentive Scheme for Bulk Drugs (PLI 1.0)

Domestic Manufacturing of 53 KSMs / Drug Intermediates and APIs

Incentives

Fermentation Products

- FY 2022-26: **20%**
- FY 2026-27: **15%**
- FY 2027-28: **54**

Chemically Synthesised Products

- FY 2021-27: **10%**

Eligibility

Support under the scheme shall be provided only to manufacturers of critical KSMs/DIs and APIs registered in India subject to committed investment and minimum annual production capacity.

Tenure of scheme

Tenure of the Production Linked Incentive Scheme is 2020-21 to 2029-30. Base year of the scheme is 2019-20.

Production Linked Incentive Scheme for Pharmaceuticals (PLI 2.0)

Domestic Manufacturing of 53 KSMs / Drug Intermediates and APIs

Base Year

Financial Year 2019-20

Incentives

The total financial outlay is INR 150,000 Million allocated amongst 3 applicant groups based on revenue:

- Group A: **INR 11,000 Crore**
- Group B: **INR 2,250 Crore**
- Group C: **INR 1,750 Crore**

Scheme Tenure

Financial Year 2020-21 to Financial Year 2018-29.

Bulk Drugs Park Scheme

3 Bulk Drug Parks with Common Infrastructure Facilities

Tenure of the scheme

The scheme shall be operational during the period 2020-2021 to 2024-2025.

Proposer

The proposer shall be a State Government who can make only one proposal of Bulk Drug Park under the Scheme having a minimum area of 1,000 acres. For north eastern and hilly states the minimum area is 700 acres.

Incentives

INR 3,000 Crore for providing financial assistance for construction of Common Infrastructure Facilities in 3 Bulk Drug Parks with a maximum limit of INR 1,000 Crore.

Global Active Pharmaceutical Ingredients (API) Industry

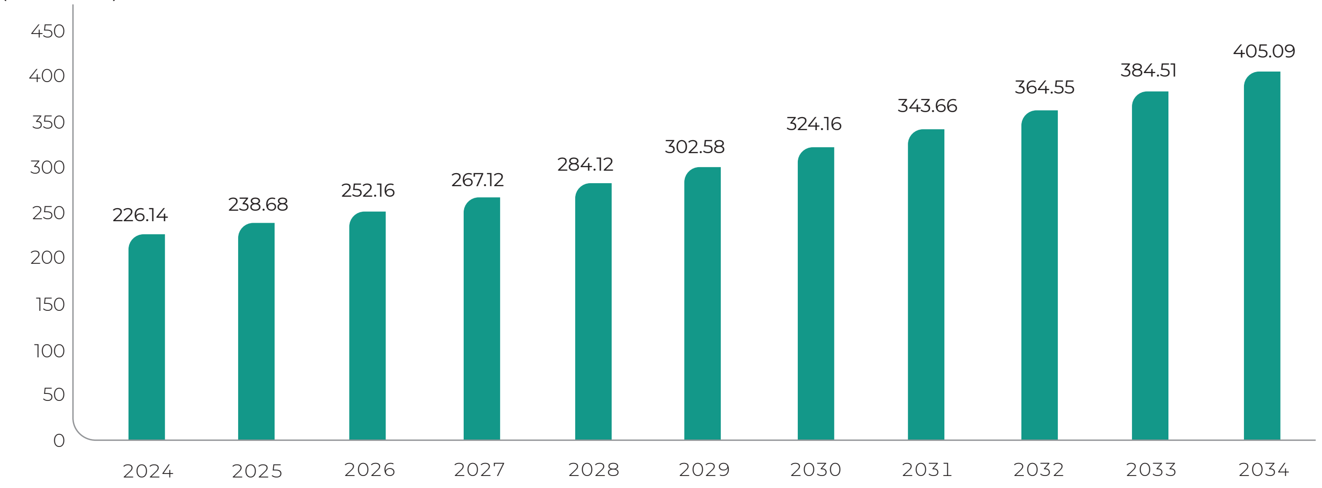
The global Active Pharmaceutical Ingredient (API) market is expanding steadily, projected to grow from over USD 260 billion in 2025 to more than USD 400 billion by 2030. Growth is driven by rising demand for generics, complex therapies, biologics, and biosimilars, alongside increasing chronic disease prevalence and patent expirations. Technological innovation, regulatory tightening, and supply chain localisation are reshaping the landscape.

Regionally, North America leads in innovation and biologics. Asia-Pacific, driven by India and China, dominates in volume and cost efficiency. Europe is focused on reshoring and quality. Latin America and MEA are seeing steady growth through rising healthcare needs and policy support.

Growth by Market Segment

Active Pharmaceutical Ingredients Market Size 2024 to 2034

(USD Billion)



The global active pharmaceutical ingredients market size is predicted to increase from USO 226.14 billion in 2024 to approximately USD 405.09 billion by 2034, expanding at a CAGR of 6.00% from 2025 to 2034.

Megatrends

Rise of Biologics and Specialty APIs

There is growing global demand for complex APIs used in targeted therapies, such as cancer immunotherapies and autoimmune drugs. Biologics and biosimilars are at the forefront of this trend, necessitating specialised infrastructure and advanced manufacturing techniques. This shift is reshaping the competitive landscape and pushing API players to invest in cell culture, recombinant technology, and monoclonal antibody production.

Onshoring and Supply Chain Diversification

The COVID-19 pandemic exposed the vulnerabilities of global API supply chains. In response, pharmaceutical companies and governments are localising manufacturing to reduce dependence on concentrated regions like China. This is leading to increased investments in domestic production hubs across the U.S., Europe, and India, and fostering API parks, PLI schemes, and regulatory fast-tracking.

Green Chemistry and Sustainable Manufacturing

Environmental concerns and tightening regulatory norms are accelerating the adoption of green chemistry principles in API production. Manufacturers are investing in technologies that reduce solvent usage, enable energy efficiency, and minimise hazardous waste, aligning with ESG goals and global sustainability commitments.

Indian Active Pharmaceutical Ingredients (API) Industry

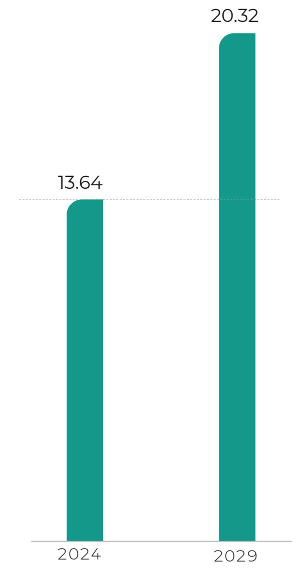
India's Active Pharmaceutical Ingredients (API) market is expected to grow from USD 13.64 billion in 2024 to USD 20.32 billion by 2029, at a CAGR of 8.31% (2024–2029), as per Mordor Intelligence.

In 2023-24 (April–January), India's drug and pharma exports reached USD 22.51 billion, marking an 8.12% YoY growth. In January 2024 alone, exports stood at USD 2.13 billion, accounting for 5.8% of total exports.

To boost local manufacturing of key starting materials (KSMs) and APIs, the Indian government is promoting domestic production through its Production Linked Incentive (PLI) scheme.

India Active Pharmaceutical

Ingredients (API) Market
Market Size in USD Billion
CAGR 8.31%



Source: Mordor Intelligence

Megatrends

Shift towards Self-Reliance and Reduced Import Dependency

India is actively working to reduce its reliance on Chinese imports, which currently account for over 70% of its API needs. Government initiatives like the Production Linked Incentive (PLI) scheme and investments in bulk drug parks are aimed at building a robust domestic API manufacturing ecosystem. This shift is strengthening local capabilities and supply chain resilience.

Rising Demand for Complex and Speciality APIs

There is growing demand for high-value, niche, and complex APIs such as oncology, cardiovascular, and central nervous system (CNS) therapies. Indian manufacturers are investing in advanced process technologies, R&D, and backward integration to develop differentiated products and enhance competitiveness in regulated markets like the US, EU, and Japan.

Increased Regulatory Alignment and Export Growth

Indian API manufacturers are aligning closely with global regulatory standards (e.g., USFDA, EMA, PMDA), enhancing trust and expanding export opportunities. The sector is seeing rising exports to regulated markets, supported by strong compliance, cost advantages, and a reputation for quality.

Global Contract Development and Manufacturing Organisation (CDMO) Industry

The global CDMO market is expected to grow at a CAGR of 7.2% from 2021 to 2026, driven by rising demand for specialised therapies and complex drugs. As pharma companies focus on targeted treatments, they increasingly rely on CDMOs for development and large-scale manufacturing support. The growing biopharma sector also fuels demand for advanced capabilities, especially in biologics and novel formulations. CDMOs with cutting-edge technologies are becoming key partners, helping reduce costs and speed up drug launches.

The market spans two main service areas, contract development (covering drug discovery and pre-clinical work) and contract manufacturing (for commercial production). Pharmaceutical and biotech firms are the primary clients, leveraging CDMO expertise to streamline operations and gain flexibility.

7.2%
Expected CAGR 2021-2028

Asia Pacific
Fastest Growing Market

Growth by Region

The U.S. CDMO market is expected to grow from USD 54.2 Billion in 2023 to USD 68.3 Billion by 2028, at a CAGR of 4.74%. China's CDMO market is set to expand from USD 27.1 Billion to USD 42.9 Billion over the same period, with a higher CAGR of 9.63%.

North America currently leads the global CDMO market due to its strong pharmaceutical and biotech industry and advanced clinical trial infrastructure. However, the Asia-Pacific region is expected to grow the fastest, driven by a rising domestic pharma market, skilled and affordable workforce, and government policies supporting CDMO growth.

Indian Contract Development and Manufacturing Organisation (CDMO) Industry

India's CDMO industry is expanding rapidly, with market size estimated at USD 7.9 billion in 2024, projected to reach USD 15.4 billion by 2033, growing at a 7.7% CAGR from 2025 to 2033. Another forecast anticipates the market doubling to USD 14 billion by 2028, driven by cost advantages over China and increasing demand from global pharma. Government support through PLI incentives and strong investments in biologics and tech platforms are accelerating this growth.

Although the proposed U.S. Biosecure Act has not been enacted, the underlying concerns around supply chain security continue to influence global sourcing decisions. This trend presents an opportunity for Indian CDMOs to position themselves as reliable, compliant, and cost-effective partners as global pharma seeks to reduce dependency on China.

Megatrends

Biologics and Biosimilars Drive CDMO Investments

Indian CDMOs are rapidly expanding capabilities in biologics and biosimilars, including mammalian/microbial expression systems and single-use bioreactors. Rising global demand for affordable, high-quality immunotherapies and monoclonal antibodies is pushing India to become a preferred destination for biologics manufacturing. Regulatory alignment with U.S. FDA and EMA is boosting trust and access to global markets.

Shift toward End-to-End Outsourcing

Pharma innovators increasingly prefer full-service CDMOs that can handle drug discovery, development, clinical trials, and commercial production. Indian CDMOs are responding by expanding into high-value areas like HPAPIs, sterile injectables, and complex generics. Tech integration, AI in drug discovery, automation, and real-time analytics, is improving speed, cost, and compliance.

Strong Capex and Policy Push

Major investments (e.g., Aragen's INR 2,000 Crore expansion) and PLI scheme support are accelerating infrastructure upgrades and capacity expansion. Government support, improved regulatory harmonisation, and global partnerships are positioning Indian CDMOs as strategic, long-term partners for pharmaceutical MNCs.

Hikal – Business Review of the Pharmaceutical Division

In 2024-25, our pharmaceutical business reported revenue of INR 11,681 Million and EBIT of INR 1,374 Million, marking a 47% y-o-y EBIT growth and a 327-bps margin improvement, driven by better capacity utilisation, operational efficiency, and a broader customer base.

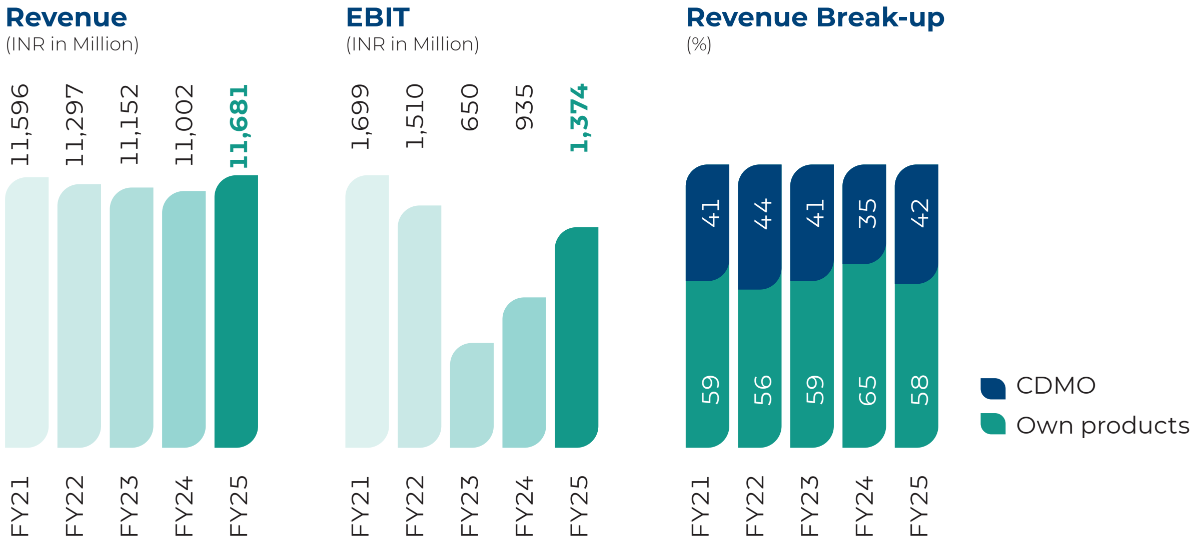
Despite ongoing geopolitical uncertainty, supply chain realignments, and cost pressures, the global pharma industry remains resilient, and we see strong momentum heading into 2025-26. We are actively working to reduce supply chain risks through backward integration, alternate vendor development, and localisation initiatives, while continuing to drive operational efficiency and margin improvement.

Our API segment experienced notable volume growth during the year, driven by increased demand from both long-standing clients and newly acquired customers. We continue to advance our portfolio expansion initiatives, which are beginning to yield results as product registrations started to come through across multiple geographies. These developments position us well for accelerated growth in the near term. Meanwhile, our CDMO business remains a key growth driver, with strong RFP inflows from global innovators and specialty chemical players. We are capitalising on the global China+1 strategy, which is driving increased traction in CDMO engagements. Several projects are progressing through development and validation stages. Additionally, our food ingredients project is advancing well and marks a strategic diversification into high-value, adjacent segments.

We are strengthening our presence in complex, high-growth therapeutic areas and expanding into key international markets such as Japan, Latin America, Korea, the Middle East, and Southeast Asia. We are also focused on expanding our capabilities at the R&T site to drive future business and revenue growth. Our focus remains on product innovation, regulatory alignment, and speed-to-market to build long-term customer relationships and ensure sustainable growth. We successfully cleared both the ANVISA GMP and PMDA audits at our Jigani facility, reinforcing our commitment to global quality standards. In addition, we completed 22 customer audits during the financial year 2024–25, reflecting continued trust and confidence in our operations. We also made progress on our regulatory pipeline, with eight DMF's filed in 2024-25 and registrations secured in key regulated markets including the EU, Japan, and Australia.

We are also advancing our digital and Industry 4.0 initiatives across manufacturing and R&D. These efforts are driving operational agility, enhancing quality, and creating longterm differentiation. Backed by these strengths, and with a strong pipeline of differentiated products, increased development activity, and a stable revenue mix in 2024-25, we are well-positioned for a stronger performance in 2025–26.

Pharmaceuticals Performance Trajectory



API

Hikal's API division's performance was led by strong volume growth, increased offtake of new molecules, and robust global contracts with major pharmaceutical companies.

The division remains focused on complex APIs and continues to expand its portfolio, supported by sustained investments in R&D. With 8-9 differentiated products currently in the pipeline and plans to commercialise 2-3 new APIs annually, we are strengthening our position in high-growth and niche therapeutic areas. This strategy is also helping deepen our market presence across Japan, Latin America, Korea, the Middle East, and Southeast Asia.

As part of our forward strategy, we will be investing in high-potency API (HPAPI) technology to serve the small-volume, high-value segment, marking a significant step into specialty and precision therapeutics.

CDMO

Our Contract Development and Manufacturing Organisation (CDMO) segment remains a key growth engine. We have a strong pipeline of development projects from global pharma innovators and specialty chemical companies. Inquiry levels are rising across both early- and late-phase programmes, as customers seek reliable partners with high-quality development capabilities and backward-integrated supply chains. We have also enhanced our technology platforms and capabilities to handle the complex chemistries required by innovator customers.

During the year, we strengthened customer relationships in North America and Europe, as global supply chain diversification trends prompted partners to seek more agile and dependable CDMO collaborators.

We saw an improved offtake from key clients, with several promising projects advancing toward development and validation stages. Additionally, our food ingredients project is progressing positively, reinforcing our diversification strategy and opening up new opportunities in high-value, adjacent sectors.

Global Animal Health Industry

According to Grand View Research, the global animal health market was valued at USD 62.89 billion in 2024 and is projected to reach USD 112.33 billion by 2030, growing at a CAGR of 10.46%. IMARC places it at USD 38.99 billion in 2024, expected to reach USD 51.33 billion by 2033, with a CAGR of 2.79%. North America led the market with a 44.9% share in 2024, driven by high pet ownership, quality veterinary care, and robust infrastructure.

Growth in the market is driven by rising concerns over zoonotic infections, which have led to increased investments in vaccines, diagnostics, and antimicrobial therapies. Governments are tightening regulations and expanding disease surveillance, while public campaigns are promoting responsible pet ownership and vaccination. The livestock sector is strengthening biosecurity to prevent disease outbreaks and ensure food safety.

Advances in veterinary diagnostics enable faster detection and response to emerging threats.

Pharmaceutical companies are actively developing new therapies and biologics to combat zoonotic diseases. Increased funding in veterinary research is accelerating innovation, and the integration of digital technologies is enhancing disease monitoring and real-time data sharing. A collaborative approach between veterinary and human healthcare sectors is also advancing One Health initiatives for more effective disease management.

Growth by Regional Market Segment

North America led in 2024 with a 35.7% share, driven by disease prevalence, advanced infrastructure, and strong policy support. The U.S. dominates with robust government programmes and widespread pet insurance adoption.

Europe ranks second, backed by high pet ownership, sustainable regulations, and EMA-led access initiatives. The UK leads with high pet insurance coverage; Germany sees steady growth with strong R&D and livestock base.

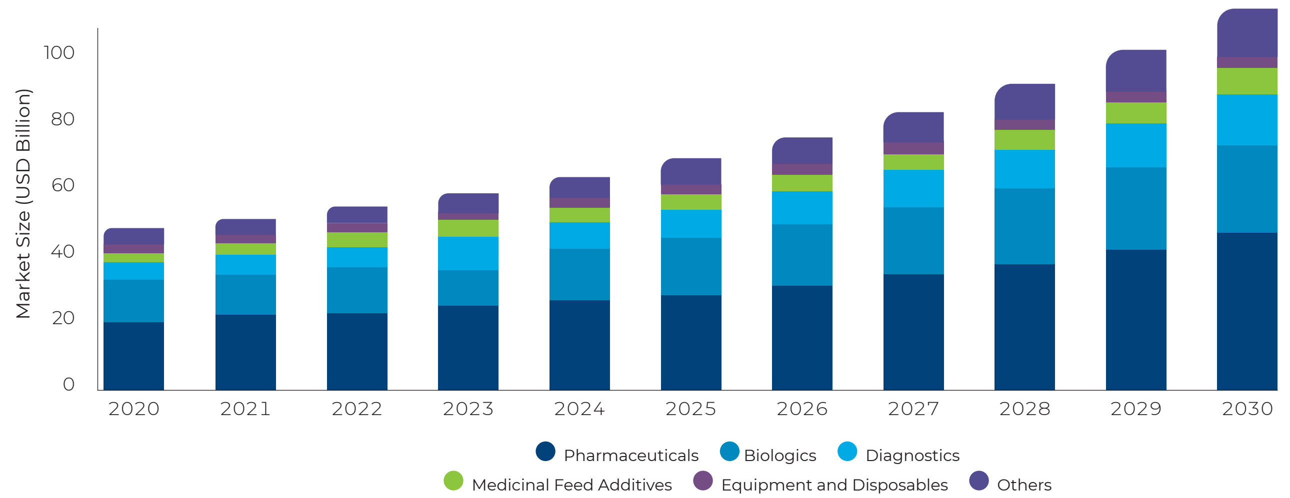
Asia Pacific is growing fast with rising R&D, affordable vet care, and government-backed disease control. India is expanding with increased funding, digitisation, and regulatory support for vaccine security.

Latin America benefits from healthcare reforms, rising awareness, and government support. Brazil drives growth with large pet ownership and a strong livestock industry.

The Middle East and Africa are growing due to disease outbreaks and food security needs. South Africa is focusing on poultry health and rabies control through targeted programmes.

Animal Health Market

Size, by Product, 2020 - 2030 (USD Billion)



Indian Animal Health Industry

The Indian animal health market is estimated at USD 1.97 billion in 2024 and is projected to grow at a CAGR of 13.9% from 2025 to 2030. Growth is driven by rising government support, increasing product launches, evolving regulations, a thriving startup ecosystem, growing R&D investments, and tech adoption.

Recent developments reflect this momentum. In + 2025, the Union Cabinet approved a revised Livestock Health and Disease Control Programme (LHDCP) with a budget of INR 3,880 crore (USD 453 Million). Key focus areas include mass vaccinations, mobile veterinary units, and the distribution of affordable medicines under the Pashu Aushadhi initiative.

India is also strengthening disease preparedness. In November 2024, the government launched a USD 25 Million animal health security project with G20 funding and support from the ADB, World Bank, and FAO. It aims to upgrade labs, modernise surveillance, and digitise data systems by 2026.

Progress on the regulatory front includes the removal of the outdated TABST vaccine test by the Indian Pharmacopoeia Commission in July 2024, aligning India with global best practices in animal welfare.

The country is also embracing digital solutions. In May 2024, the Department of Animal Husbandry signed an MoU with UNDP to use AI for vaccine tracking and to deploy UNDP's Animal Vaccine Intelligence Network (AVIN) to enhance livestock immunisation and insurance coverage.

Megatrends

Shifting Consumer Behaviour Driving Pet Care Premiumisation

India is witnessing a surge in pet ownership, particularly among nuclear families and urban youth. This shift is fuelling demand for premium pet nutrition, preventive healthcare, and responsible ownership practices such as spaying and neutering. Pet parents are increasingly prioritising regular check-ups, tailored diets, and wellness solutions, reshaping the animal health value chain.

Digital Acceleration Transforming Animal Health Access and Engagement

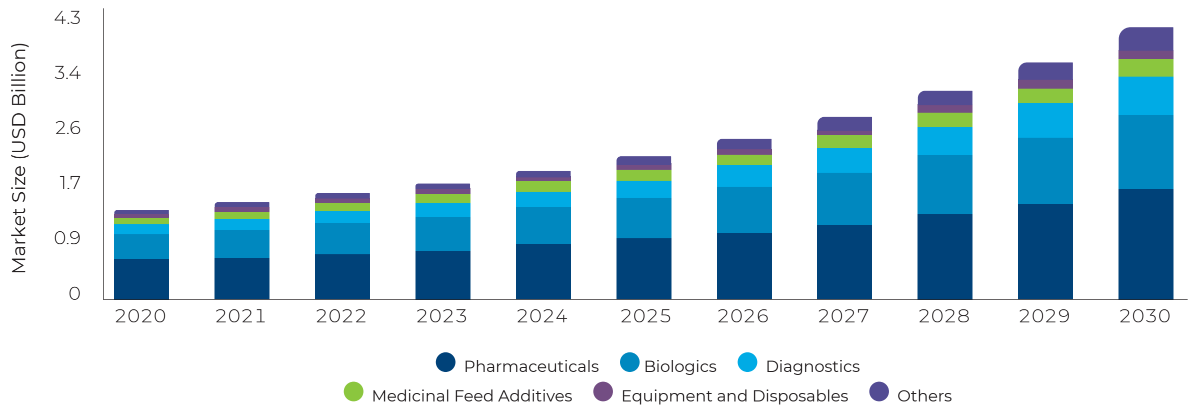
Digital adoption is rapidly transforming the sector, with tech-enabled startups leveraging IoT, e-commerce, and direct-to-consumer models. These platforms are improving awareness, access to care, and personalised pet solutions, driving the rise of digital-first animal health brands and services across urban India.

Government Focus Strengthening Veterinary Infrastructure and Innovation

Favourable government initiatives, such as increased funding, vaccination programs, and the launch of digital approval platforms like 'Nandi', are reinforcing the regulatory ecosystem and encouraging innovation. These efforts are critical to improving livestock health, boosting veterinary drug development, and supporting the sector's long-term growth.

India Animal Health Market

Size, by Product, 2020 - 2030 (USD Billion)



Hikal – Business Review of the Animal Health Division

Our Animal Health business continues to grow steadily, not merely as a manufacturer but as an integrated development partner to global innovators, supporting early-stage process development, validation, and lifecycle management of differentiated APIs. With strategic sourcing and backward integration for key intermediates, we help global animal health companies de-risk their supply chains while maintaining cost and quality controls. For animal health innovators navigating increased scrutiny on API traceability, we offer transparent supply chains, cGMP-compliant quality systems, and robust documentation, helping ensure market access and regulatory continuity.

With rising demand for pet care and livestock productivity, we are augmenting capacity and diversifying product platforms to support global growth in veterinary medicine.

We continue to enhance our digital manufacturing practices to improve yield, impurity control, and operational throughput, critical levers in API manufacturing. Our animal health operations also emphasise green chemistry, solvent recovery, and effluent management, aligned with the principle of protecting animal and environmental health together.

Under a long-term agreement with a leading innovator customer, we have successfully completed validation for eight products and are on track to complete a few more. These efforts support product registration and will enable commercial launches in global markets in the coming quarters. Our proven execution of technology transfer and rapid scale-up across multiple products has helped partners de-risk commercialisation and meet regulatory timelines globally.

This partnership has acted as a force multiplier—early wins brought new inquiries and opportunities from other innovator customers. As a result, we are now engaging with multiple global clients and building a healthy pipeline of high-value projects.

We are also expanding our capabilities into process development and synthesis of complex molecules. Early results have been encouraging and reinforce our reputation as a reliable partner in differentiated chemistries. With rising demand for veterinary therapeutics, tighter regulations, and a global shift toward innovation-led outsourcing, the Animal Health segment presents strong long-term growth potential.

Case Study

Strategic Partner for Complex Animal Health Solutions

Market Context

The global Animal Health (AH) sector is witnessing a structural shift, driven by three key trends

Regulatory Intensification

Global authorities are tightening norms, especially around antibiotics and parasiticides, raising the bar for quality, traceability, and documentation.

Shift to Specialised, Low-Volume APIs

Innovator companies are increasingly outsourcing the development and manufacturing of low-volume, high-complexity APIs requiring multi-step synthesis, creating opportunities for high-capability CDMOs.

India's Rising Strategic Role

India is emerging as a preferred destination for animal health API manufacturing post-COVID, supported by cost advantages and global supply chain diversification away from China.

Hikal's Differentiated Response

Platform Strength in Complex Synthesis

Hikal's ability to execute long synthesis chains with precise impurity control positions it well to deliver on the growing demand for specialised APIs.

Regulatory Readiness across Geographies

With deep regulatory intelligence and audit readiness, Hikal enables consistent supply to regulated markets including the US, EU, and Japan—aligning with the rising regulatory expectations worldwide.

High Standards Beyond Manufacturing

Hikal's robust focus on analytical method development, stability studies, and process validation ensures it delivers complete development support, not just manufacturing capacity.

Backward Integration for Supply Assurance

By synthesising key intermediates in-house, Hikal reduces reliance on imports from China and ensures a more reliable and cost-stable supply chain—highly valued by global customers seeking de-risked operations.

Sustainability-driven Process Innovation

Green chemistry routes that reduce solvent usage, minimise effluent, and enhance atom economy are embedded in Hikal's operations—supporting the ESG goals of animal health innovators.

Leveraging Cross-divisional Expertise

Hikal's Animal Health division draws upon capabilities built in its human pharma and crop protection businesses, particularly in complex synthesis, impurity profiling, and Quality-by-Design (QbD) implementation—to enhance delivery quality and efficiency.

Global Crop Protection Industry

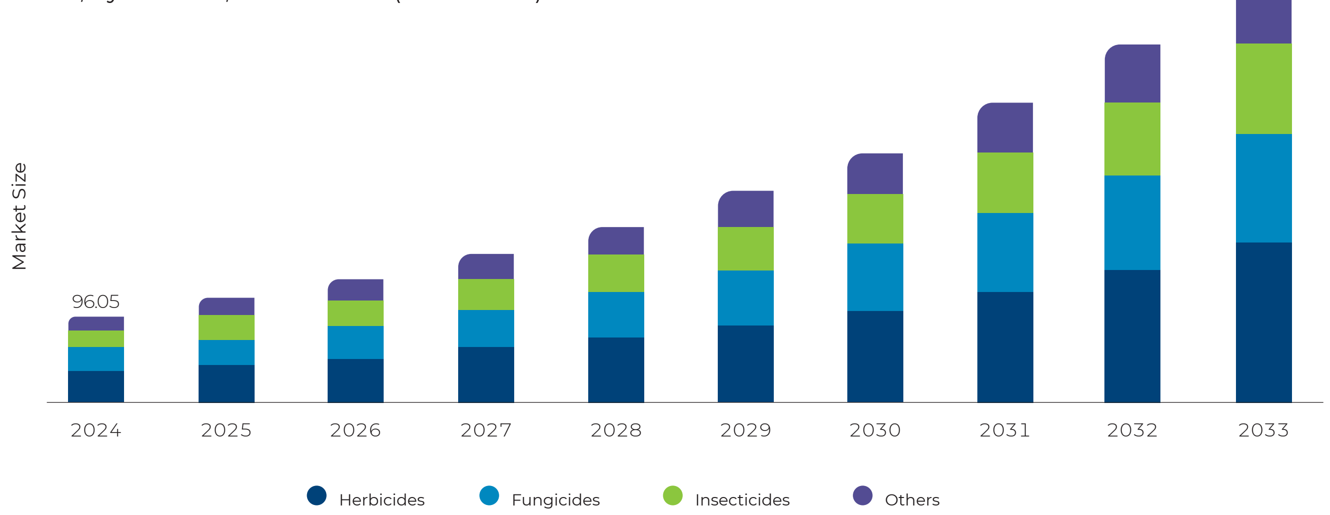
According to IMARC, the global crop protection chemicals market was valued at USD 96.05 billion in 2024 and is expected to reach USD 141.69 billion by 2033, growing at a CAGR of 3.96% (2025–2033). North America leads with over 39.9% market share in 2024. Key growth drivers include the rising global population, projected to reach 9.7 billion by 2050, and the need for higher crop yields from limited arable land. Soil degradation, climate-induced pest pressure, and changing dietary preferences are pushing demand for effective pest and disease control.

Technological advances like precision farming, improved formulations, and integrated pest management are supporting market expansion. Government support, increasing farmer awareness, and the shift toward sustainable, bio-based solutions are shaping the future of the industry.

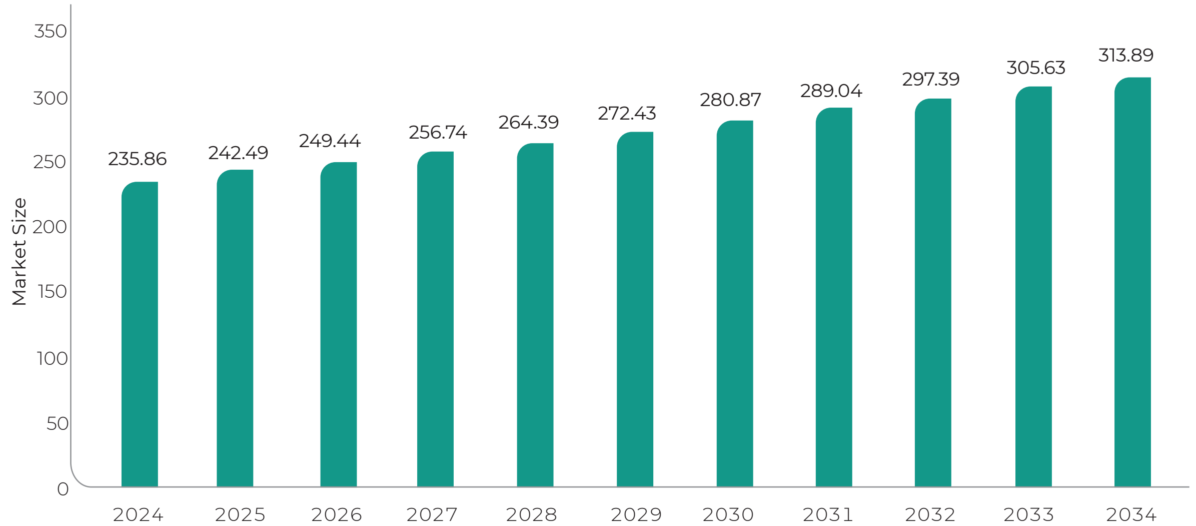
In the U.S., adoption of advanced farming technologies, GM crops, and a focus on maximising yield are major factors. Climate variability and increased pest outbreaks have raised the demand for reliable chemical solutions, backed by research investments and evolving regulatory support.

Crop Protection Chemicals Market Forecast

Size, by Product, 2024 - 2033 (USD Billion)



Forecasted Agrochemical Market Performance, 2024-2034 (USD Billion)



Source: Precedence Research

Growth by Product Type

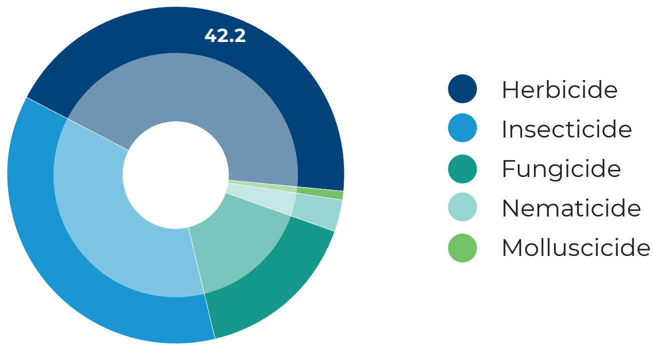
Herbicides make up about 42% of the global crop protection market in 2024. Their strong position is due to the need for effective weed control, as weeds can reduce crop yields by nearly 28%. The growth of farmland and modern farming practices has further driven herbicide use. Farmers also rely on herbicides to fight resistant weeds, which are becoming a bigger issue worldwide. Herbicides work well across different types of crops and weeds, making them a top choice.

The herbicide segment is expected to grow at a CAGR of about 5% from 2024 to 2029. This is supported by increasing weed-related crop losses and the need to improve yields. The rise of conservation agriculture, better herbicide formulations for resistant weeds, and new application technologies are boosting demand. Greater farmer awareness and rising food needs globally are also fuelling this growth.

Insecticides protect crops from insect pests, especially in areas affected by climate change.

Fungicides help manage fungal diseases, mainly in humid climates. Molluscicides control snails and slugs, and nematicides target soil pests that harm roots. Together, these tools support integrated pest management for better crop health and productivity.

Global Crop Protection Chemicals Market: Market Share by Function Segment (2024)



Source: Mordor Intelligence

Growth by Region

North America dominates the global crop protection chemicals market with over 41% share in 2024. Growth is led by large-scale farming and a shift to biopesticides as stricter EPA regulations take hold. The U.S. market alone is expected to grow at ~6% CAGR, reaching USD 40.1 billion by 2034.

In Europe, the move toward organic farming is accelerating, driven by the EU's Green Deal goal of cutting chemical pesticide use by 50% by 2030.

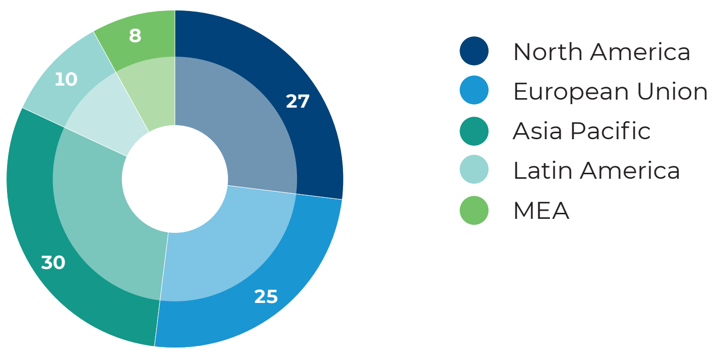
Asia Pacific is the fastest-growing region, with a projected CAGR of 3.07%. Growth is fuelled by large-scale farming in India and China, rising food security efforts, and continued reliance on synthetic pesticides.

Latin America, led by Brazil, is adopting precision agriculture tools like drones and satellite tech to optimise pesticide use and reduce environmental impact.

The Middle East and Africa are expanding steadily, with countries like South Africa using specialised chemicals to protect crops from extreme weather and ensure stable food production.

Agrochemicals Market Share, By Region 2024

(%)



Source: Precedence Research

Megatrends

Climate Change Intensifying Pest and Disease Pressure	Rising Chemical Usage Due to Modern Farming Practices	Evolving Market Dynamics and Cost Differentiation
Rising global temperatures, shifting rainfall patterns, and extreme weather are causing unusual outbreaks of pests and diseases. These disruptions are forcing farmers to increase pesticide use, particularly fungicides and herbicides, to protect yields and maintain crop health.	The average global use of crop protection chemicals has risen to 117.9 kg/ha in 2022, driven by the expansion of monoculture farming and intensive agriculture. The need to control resilient pests and herbicide-resistant weeds is pushing up demand for products like glyphosate and cypermethrin.	The market is witnessing increasing price variation among key crop protection chemicals, reflecting their spectrum, effectiveness, and regional demand. High-priced chemicals like cypermethrin are gaining traction for broad-spectrum pest control, while affordable options like malathion and mancozeb continue to dominate due to accessibility and wide usage.

Indian Crop Protection Industry

India's crop protection chemicals market is expected to grow from USD 2.59 billion in 2025 to USD 3.21 billion by 2030, at a CAGR of 4.35%.

As farming practices evolve, India's agriculture is increasingly adopting modern and sustainable techniques. About 20.8% of cultivated land is used for oilseeds, showing strong potential for crop protection solutions. Farmers are now using precision farming and integrated pest management, especially for commercial crops.

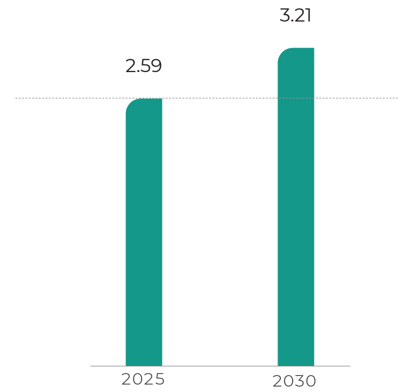
Key market trends include the rising adoption of precision farming and integrated pest management, growing demand for bio-based and sustainable solutions, increased use of insecticides driven by persistent pest pressures, and a shift towards targeted, technology-enabled strategies to improve farm productivity.

The market is facing growing pest-related losses. In 2022, pesticides accounted for 72.5% of the market, as farmers tackled pests like aphids, stem borers, and armyworms. Rice alone faces annual losses of USD 296.1 Million due to root-knot nematodes. Across all crops, 21.3% of yield losses are caused by plant parasitic nematodes, leading to economic losses of USD 1.58 billion.

Despite these challenges, targeted solutions are showing success. In Kodagu, Karnataka, strategic molluscicide use across 300 acres helped reduce mollusk infestations by 90%, improving outcomes for 40–45 plantations. Rising farmer awareness and the development of pest-specific products are helping improve productivity nationwide.

India Crop Protection Chemicals Market

Market Size in USD Billion
CAGR 4.35%



Source: Mordor Intelligence

Hikal – Business Review of the Crop Protection Division

The global crop protection industry continues to face pressure from overcapacity, low pricing, especially from China, and geopolitical uncertainties. Trade disruptions and input cost volatility have added to the challenge. While global prices remain subdued, inventory levels are easing, and volumes are beginning to recover. Domestic demand for select products is also picking up.

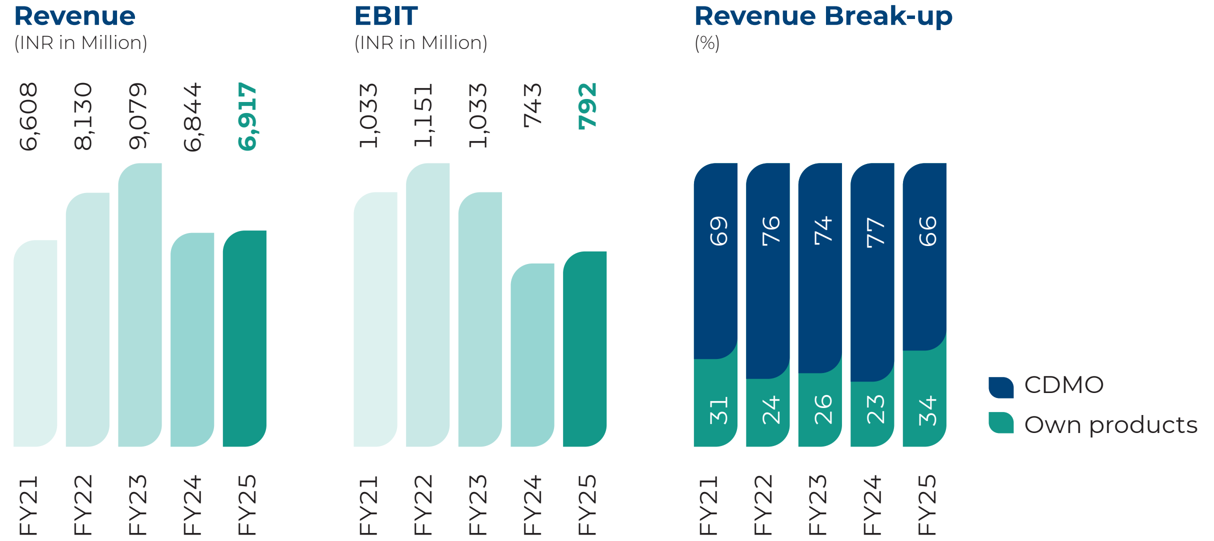
We expect the crop protection business to stay flat in 2025-26, with recovery likely from 2026-27. Innovator companies are rebalancing portfolios and focusing on product innovation and partnerships, which opens up long-term opportunities for us. In response, we are improving capacity utilisation, expanding into specialty chemicals, and launching new products in the second half of 2025-26.

In 2024-25, crop protection revenue stood at INR 6,917 Million with EBIT of INR 792 Million and margins at 11.4%. A favourable product mix and improving domestic demand supported profitability despite continued global headwinds.

Our CDMO business continues to gain strong traction. We currently have eight active projects with both existing and new customers. Several audits and technical evaluations were successfully completed. Commercialisation of products developed over the last 2–3 years has started contributing to revenue.

We continue to invest in capacity, talent, and new technologies to scale operations. Our expertise in complex chemistry, process optimisation, and regulatory compliance positions us as a trusted partner for global innovators. The CDMO pipeline remains strong, and we are focused on converting these opportunities into long-term growth.

Crop Protection Performance Trajectory



Hikal – Research and Technology Review

Elevating Capabilities

We continued to enhance our commercial and technical capabilities to meet evolving customer needs and ensure scalability from lab to pilot to plant. As a technology-driven partner in pharmaceuticals and crop protection, Hikal invests 4-5% of annual sales in Research & Technology (R&T), with a strong emphasis on safe, efficient, and eco-friendly processes.

During the year, we commissioned a Reaction Calorimeter facility (May 2024) at our R&T Centre, equipped with Mettler Toledo RC1mx. This advanced tool enables safe scale-up by accurately determining thermal profiles, including MTSR, heat of reaction, and accumulation. By bringing this capability in-house, we are reducing outsourcing costs and development timelines, while strengthening our ability to assess thermal hazards early in the process development stage.

We also expanded lab infrastructure and invested in advanced analytical tools to support high-complexity chemistry, aligning with our long-term focus on innovation and quality.

Process Improvement

During process development, we focus on reducing cycle times and solvent usage by recycling recovered solvents, with the goal of minimising waste and its long-term environmental impact.

Filings

Our R&T team filed two US Drug Master Files (DMFs) and completed one Certificate of Suitability (CEP) to the European Pharmacopoeia, along with six CEP amendments and six US DMF amendments for the pharmaceutical segment.

Advancing Innovation in Animal Health APIs

As part of our portfolio expansion, we are making significant progress in developing Animal Health APIs. Several APIs developed by our R&T team have been successfully validated at our new Animal Health Manufacturing facility in Panoli, with validation for additional APIs currently underway. We have filed patent applications for three of these APIs, covering the innovative processes developed by R&T, and submitted related journal articles for publication.

Additionally, we have initiated the development of two Complex Chemistry Molecules in the Animal Health segment. For the one molecule, process development is ongoing at R&T, with validation planned at our manufacturing facility. The second molecule is being validated at the Kilo Lab, with initial customer supply in progress, followed by further process optimisation and commercial scale validation.

Embedding Green Chemistry in Animal Health API Development

We apply Green Chemistry principles in the development of our Animal Health APIs, reinforcing our commitment to sustainability. Several APIs were successfully developed alongside ongoing projects, with plant-scale validation completed at Unit 2. The completion of multiple API developments demonstrates our technical strength and consistent focus on environmentally responsible solutions that deliver both efficacy and positive environmental impact.

CDMO

During 2024-25, the CDMO team has secured a repeat order for a hazardous Click Chemistry project and are preparing for larger-scale batches at Unit 2. We also completed batches in a cryo reactor for a customer project, safely handling highly pyrophoric butyllithium solution.

Innovation, Safety and Sustainability in Process Development

Scaling Click Chemistry with Safety

We reached a major milestone by successfully developing and scaling Click Chemistry for large-scale application, becoming the first in India to do so with stringent safety protocols in place. This reflects our strong focus on both innovation and safe operations.

Process Development for a Flavouring Agent

Our team developed a robust synthesis route for a flavouring agent, laying the groundwork for future scale-up. This achievement reinforces our focus on delivering high-quality, customer-aligned solutions.

Greener Processes for Advanced Intermediates

We created an environmentally sustainable process for an advanced intermediate by eliminating hazardous reagents and enhancing both Process Mass Intensity (PMI) and throughput, demonstrating our commitment to greener and more efficient manufacturing.

Establishing a Process Safety Lab

A new Process Safety Lab was set up at our R&T centre, equipped with advanced tools such as Reaction Calorimetry, Gas Evolution Kit, HF-Cal, and DSC. A dedicated team of scientists oversees the lab to drive safe innovation and process reliability.

Zero Liquid Discharge (ZLD)

We undertook a project to achieve zero liquid discharge (ZLD) at our facility. We have successfully installed and commissioned a 30 KLD Ultrafiltration (UF) and Reverse Osmosis (RO) plant, along with a 10 KLD Mechanical Vapour Recompression (MVR) system followed by an Agitated Thin Film Dryer (ATFD).

Crop Protection

Our dedication to innovation and process optimisation has led to remarkable achievements this year.

Outlook

As part of our R&T strategy, we will continue to prioritise customer-recommended and in-house product developments, with a focus on effective commercialisation. Our aim is to convert contract development projects into long-term manufacturing opportunities across the pharmaceutical and crop protection divisions.

To enhance product competitiveness, we are implementing process improvements, productivity measures, and cost-reduction strategies. We continue to invest in advanced technologies and forge strategic partnerships to support these efforts.

Our commitment to newer, greener technologies will help reduce our carbon footprint, optimise resource use, and improve overall process efficiency.

Financial Review

Consolidated Abridged Profit and Loss Statement

(INR in Million)

Particulars	2024-25	2023-24
Total Revenue	**18,598**	17,846
EBITDA	**3,335**	2,694
PBT	**1,239**	954
PAT	**909**	695

Revenue from Operations

Our total revenue registered an increase of 4% YoY, reaching INR 18,598 Million compared to the previous year's figure of INR 17,846 Million.

Commentary

Deeper market penetration in geographies such as Latin America and Korea combined with entry into new businesses of animal health and specialty chemicals resulted in revenue growth.

EBITDA

Our EBITDA for the current financial year stood at INR 3,335 Million, marking a growth of 24% YoY, compared to the previous year's figure of INR 2,694 Million, with margins at 17.9%.

Commentary

Initiatives towards cost leadership and transition to high margin product mix have resulted in higher EBITDA margins.

PAT

In 2024-25 our PAT amounted to INR 909 Million, compared to the previous year's figure of INR 695 Million.

Commentary

Improved profitability and operating leverage has resulted in higher PAT.

Cash Flow Position

As of 31 March 2025, cash flow position is strained on account of market dynamics predominantly driven by increased account receivables by four days. The Company generated INR 2,804 Million from operating activities, a increase from the previous year's figure of INR 1,866 Million. The Company's investing activities resulted in a cash outflow of INR 1,365 Million, which was utilised to expand capacity as part of Hikal's ongoing capex programme aimed at realising future business opportunities. Meanwhile, financing activities led to a outflow of INR 1,436 Million, indicating an degrade Cash Flow from the previous year's figures. As of 2024-25, the Company's closing balance of cash and cash equivalents stood at INR 129 Million.

Commentary

Improved cash flow on account of significantly high operating profit coupled with controlled capital expenses towards assets.

Debt Position

In 2024-25, the net-debt equity ratio has decreased to 0.59 compared to 0.67 in the previous year. The interest cost incurred during the current fiscal year was INR 752 Million, indicating an increase from the previous year's interest cost of INR 564 Million.

Commentary

Long-term debt repayment and capital expenditure was funded largely through the internal accruals resulted in improved debt equity ratio.

Return on Equity (RoE) and Return on Capital Employed (RoCE)

2024-2025 saw an increase in the Return on Equity (RoE) to reach 7.41% compared to the previous year's figure of 5.99%. The Return on Capital Employed (RoCE) has also increased by 204 bps from 7.69% in 2023-24 to 9.73% in 2024-25.

Commentary

Improved profitability on account of cost improvement initiatives and operating leverage has culminated in improved returns.

Capex

For 2024-25, we have allocated a total of INR 1,373 Million towards a Capex programme aimed at increasing capitalisation. The funds will be used to create multi-product plants that will benefit both the Pharmaceutical and Crop Protection divisions, as well as upgrade the infrastructure of existing production facilities.

Commentary

We anticipate that these new plants will reach full capacity utilisation within next 2-3 years. We are committed to the Capex investment for capitalising on long term growth opportunities such as emerging Animal Health business.

Consolidated Cash Flow Statement

(INR in Million)

Particulars	As on 31 March 2025	As on 31 March 2024
Opening Cash and Cash Equivalents	**126**	267
Cash flows from		
(a) Operating Activities	**2,804**	1,866
(b) Investing Activities	**(1,365)**	(1,737)
(c) Financing Activities	**(1,436)**	(270)
Closing Cash and Cash Equivalents	**129**	126

Key Financial Ratios

Particulars	As on 31 March 2025	As on 31 March 2024	Variance (%/bps)
Debtor Turnover	**3.46**	3.59	4
Inventory Turnover	**2.62**	2.66	1
Interest Coverage Ratio	**4.44**	4.78	7
Current Ratio	**1.26**	1.28	1
Net Debt Equity Ratio	**0.59**	0.67	12
Net Profit Margin (%)	**4.90**	3.90	26
Net worth	**12,622**	11,876	6

Strategic Review

Project Pinnacle

Project Pinnacle is our business transformation initiative designed to advance the next phase of our growth strategy and strengthen our operational pipeline. Now in its third phase, the project is continuing its results, driving sustainable growth through supply chain momentum, de-risking measures, differentiated capabilities, global customer acquisition, and the development of a robust technology platform.

Our Strategic Ambitions

- Leadership in ESG
- Manufacturing Excellence
- Research and Technology
- Customer Centricity
- Supply Chain Management

Leadership in ESG

In line with our purpose of improving lives and serving the community, we are committed to embedding sustainability across all aspects of our operations. As part of our ESG framework, we continuously identify areas for improvement and engage with global rating agencies to benchmark our progress.

Our efforts have earned us notable recognition, including a Bronze Medal from EcoVadis at an organisation level and inclusion in the CDP B List. Looking ahead, it will continue to be a strategic priority, supported by a defined roadmap to drive lasting environmental and social impact.

In 2024-25, we submitted the UNGC Communication on Progress (CoP) report and carried out BRSR limited assurance. We also initiated GHG Scope 1, 2, and 3 emission accounting for the current year as part of our commitment to submit near-term SBTi targets by the end of 2025-26. Implementation of the SBTi roadmap is already underway.

We made significant strides in energy sustainability, with 77% of our electricity consumption met through renewable sources. A comprehensive safety diagnostic study was conducted by a renowned consultant to enhance our inherent safety strategy at manufacturing facilities.

We are also embedding ESG considerations into our technology selection process for upcoming projects, such as, we adopted automatic vertical plate filters, electrically operated diaphragms, and water-based PU paints, technologies chosen for their lower environmental footprint.

Manufacturing Excellence

We invest in our operations to optimise resources, enhance operational efficiency, and expand capacity through new equipment.

Competitive Advantage

Our advanced GMP and non-GMP manufacturing facilities further enable us to meet diverse customer requirements across all business segments.

We Use it

- To ensure on-time delivery of our products to valued customers
- To maintain profitability without compromising our quality and ESG commitments

Case study

HIBEX Productivity Challenge

We launched the 'HIBEX Productivity Challenge', a Company-wide Capital Efficiency Programme aimed at holistic sustainable outcomes. This innovative micro-battle competition keeps every Hikalite engaged while delivering tangible results in:

- Increased asset throughput
- Sustained higher profitability
- Improved asset returns through sustainable operations

Initiatives Undertaken

Capacity

Addition of

Invested in debottlenecking CAPEX for capacity enhancement

Capability

HIBEX

- Inaugurated an enhanced process safety lab
- Implementation of self-managed teams (SMTs) across businesses
- 20% production increment for one pharmaceutical product facilitated by automation and efficient material handling
- Achieved 20% cost improvement across 3 generic APIs

Compliance

Planned Approvals

- ZLD (Zero Liquid Discharge) has been set up at R&T

Research and Technology

Our focus on leveraging science and technology enables us to deliver high-quality products and solutions while enhancing site productivity and business profitability. To support this, we are expanding capacities and investing in new laboratories and advanced equipment.

Competitive Advantage

Our R&T capabilities rely on our Company's culture of innovation, research, and collaboration.

We Use it

- To diversify our product portfolio by creating high-value new products
- To improve the profitability of our existing product portfolio
- To create a differentiated value proposition by developing capabilities across complex chemistries

Customer Centricity

At the core of our business is a customer-centric strategy focused on delivering exceptional experiences. By combining custom manufacturing with bulk development services, we offer a distinctive value proposition backed by broad and differentiated capabilities.

Competitive Advantage

Our customer orientation relies on our commitment to being a reliable partner for our customers.

We Use it

- To build meaningful and value accretive partnerships with our customers
- To provide exceptional customer service and innovate basis customer feedback to build loyalty and advocacy

Initiatives Undertaken

Key Account Management (KAM) Systems

We enhanced our KAM approach across multiple accounts to build deeper strategic relationships. As part of our KAMs, we have:

- Defined priority accounts basis current size and full potential
- Defined key roles and responsibilities to manage priority accounts and ensure delivery excellence
- Developed a mechanism to consistently ensure customer delight

Customer Roadshow

- Roadshow through strategic locations across the globe, including Japan, South Korea, Europe, the US, and Latin America
- It is an opportunity to engage with senior leadership from our existing esteemed clientele while forging new connections with potential customers
- It will help in paving the way for future partnerships that will be instrumental in realising our vision

Supply Chain Management

Amid rising geopolitical tensions, geo-concentration concerns, and growing ESG considerations, we are actively de-risking our supply chain through a combination of backward integration, alternative sourcing, strategic partnerships, localisation, and digitisation initiatives.

Competitive Advantage

A resilient, de-risked supply chain enables us to navigate global uncertainties while ensuring continuous supply to our customers.

We Use it

- To de-risk our production process, while keeping our supply chain reliable
- To maintain market competitiveness during times of global business shocks

Initiatives Undertaken

Backward Integration

We have initiated backward integration for KSMs and started multi-sourcing from diverse geographies to mitigate disruption.

Localisation

We have started to develop connections with local vendors to initiate and expand supply chains within India.

Alternate Sources and Partnerships

- We have started partnerships with suppliers in India, Europe, Japan, and Korea for supply chain security
- New partners developed for domestic strategic sourcing

Digitised and Integrated Supply Chain

- We have started identification of weak links in our supply chain for improvement
- We have started building up inventory and building real-time network visibility

Regulatory Compliance

We are committed to green chemistry and engineering and continue to invest in processes and systems that enable safe, responsible operations in line with global regulatory standards.

Competitive Advantage

Our production plants are compliant with international agencies like the US FDA, PMDA, EU, and other global agencies.

We Use it

- To create shared value and maintain business sustainability
- To align our interests with collective well-being

Key Regulatory Approvals

Integrated Management Systems across All Sites

Risk Management

At Hikal, we believe that managing risks is a vital part of our overall strategy. It enables us to operate efficiently and meet our goals. We recognise that effective risk management is essential to achieving our objectives. That is why we proactively identify and mitigate potential risks.

This approach allows us to embed risk management into our Company culture. We consider it not just a requirement but vital for successfully navigating our business challenges.

Since implementing a structured risk management approach in October 2021, we have observed significant improvements in areas such as Supply Chain Management, Business Continuity Planning, Compliance, Financial Oversight, and Information Technology. This approach equips us to tackle challenges and accomplish our strategic goals.

Risk Management Objectives

To ensure that all our current and future material risk exposures are identified, assessed, quantified, appropriately mitigated, and managed, i.e., to ensure adequate and robust systems for risk management.

To ensure compliance with appropriate regulations, including those related to ESG, through the adoption of best practices.

To ensure business continuity and sustainable growth with financial stability.

Risk Management Process

An effective risk management process requires continuous and consistent assessment, mitigation, monitoring, and reporting of risk issues across the full breadth of the Company. All senior executives, under the guidance of the Managing Director, are responsible for monitoring management's processes and results in identifying, assessing, and managing risks. The risk management process adopted by us has been tailored to our business processes, with reference to ISO 31000 and the COSO ERM frameworks.

Hikal Limited's focus is on mitigating risks towards meeting the following broad objectives:

Financial
Achievement of revenue and profitability targets.

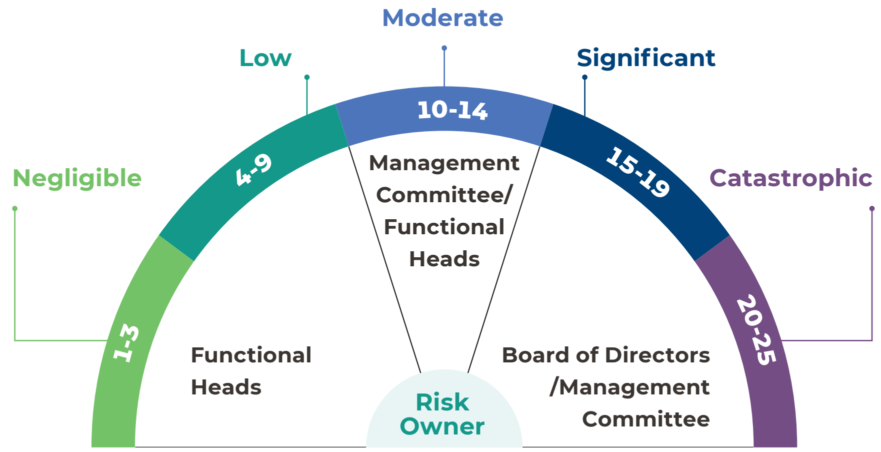
Environment, Health, and Safety (EHS)
Impact on environment and human safety.

Regulatory Compliance
with regulatory requirements.

Employee Skill Enhancement and Retention
Maintaining employee satisfaction and retention rate.

Broadly categorising, the risk management process consists of the following stages/steps:

Risk Assessment (Identification, Analysis and Evaluation)
This involves identifying risks and likely causes that could affect the Company's objectives. Risk evaluation involves comparing the level of risk identified during the analysis process with the predefined risk weight to assess the potential severity of impact and the probability of occurrence.



Risk Treatment (Mitigation Plan)
The Company takes various measures to respond effectively to risks. This includes drafting and executing mitigation plans based on the Company's Risk Appetite, which is the amount of risk the Company is willing to accept to achieve its objectives.

Monitoring, Review, and Reporting
Monitor the movement of identified risks and the effectiveness of existing risk management measures. Report these risks and management measures to the Risk Management Committee.

Communication and Consultation (Training and Awareness)
The Chief Risk Officer, in collaboration with the Risk Owners and Risk Champions, conducts regular and mandatory training programmes on risk management, enabling each employee to contribute proactively to effective risk management. External professional help is also taken when necessary.

Risk Governance

Roles & Responsibilities

Risk Management Committee
Reviews and approves the Risk Management Policy

Chief Risk Officer
Assesses and monitors risks that the Company could potentially face

Management Committee
Identifies risks, develops risk mitigation plans, and implements risk mitigation strategies

Functional Heads
Implementation of mitigation plans under the guidance of the Management Committee

Risk Management Committee

Mr. Jai Hiremath
Executive Chairman

Mr. Sameer Hiremath
Vice Chairman and Managing Director

Mr. V. Ramachandra Kaundinya
Independent Director

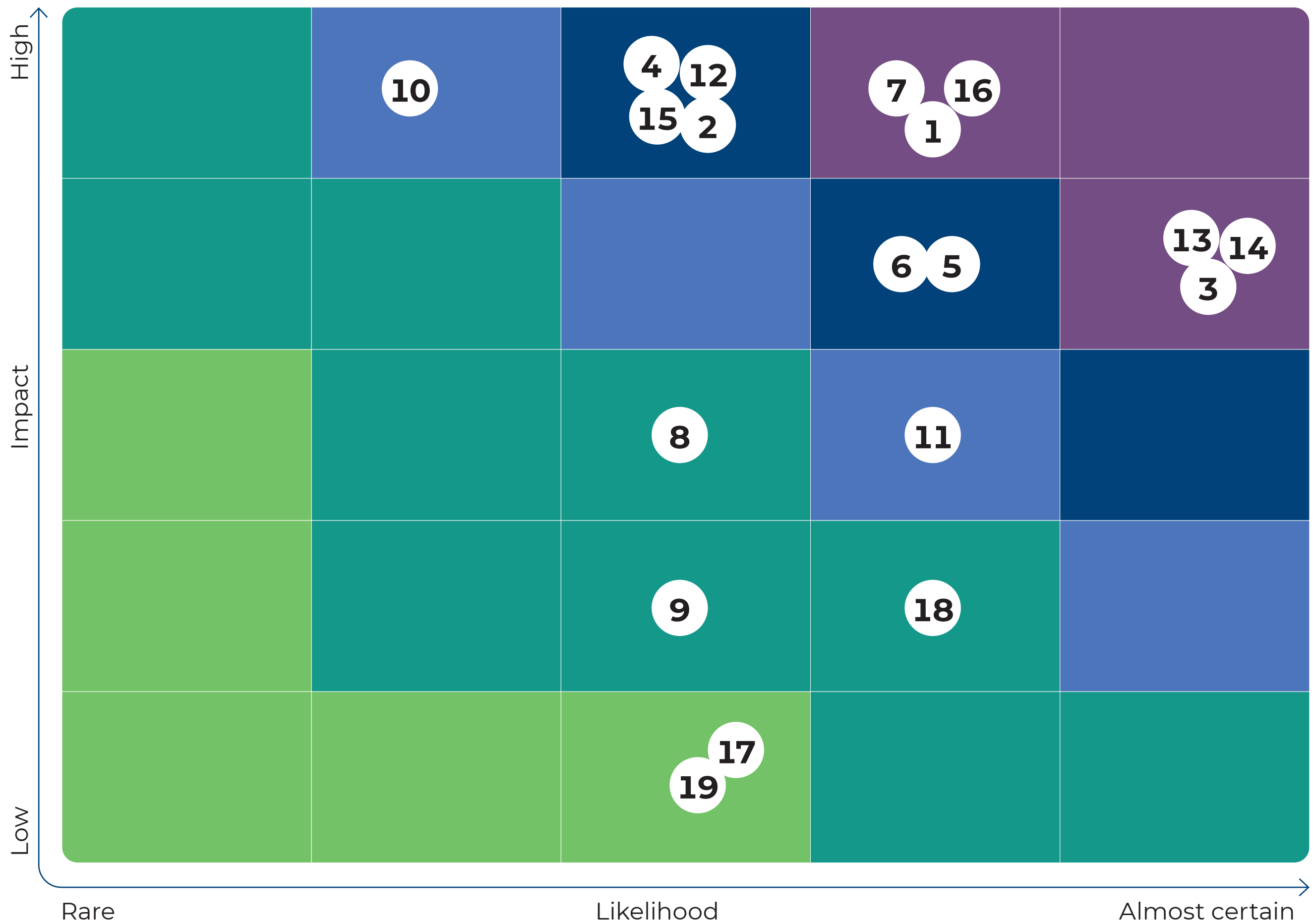
Mr. Ravi Kapoor
Independent Director

Mr. Anish Swadi
Senior President – Animal Health and Business Transformation

Risk Profile

We regularly monitor the identified risks using Key Risk Indicators (KRIs) and Key Performance Indicators (KPIs). In our Group meetings with Risk Champions, we analyse and discuss each risk to encourage ongoing conversations about managing them. We reassess the risks based on feedback from the Management Committee. This continuous evaluation has resulted in Hikal's risk register listing 19 different risks, with six rated as catastrophic, six as significant, two as moderate, three as low, and two as negligible.

Hikal Risk Map



1. PCB consents and hazardous waste guidelines
2. Unsafe practices
3. Frequent USFDA updates
4. Regulatory non-compliance
5. Increasing competition
6. Key products and customers' dependence
7. Crisis and Risk Management
8. Natural disaster
9. IT-DRP
10. Geopolitical
11. Monopoly and limited suppliers
12. Dependence on China
13. R&T project timeline and budget
14. Capital project cost and schedule overruns
15. Cyber attack
16. High employee attrition rate
17. Unutilised GST input credit
18. Increasing interest rate
19. Foreign exchange volatility

● **Negligible** ● **Low** ● **Moderate** ● **Significant** ● **Catastrophic**

Risk and Response

Risk Description	Action Taken
Non-complying with PCB consent and hazardous waste guidelines	• Implemented an online monitoring system for effluent and boiler stack across all Hikal sites • A digital information Board providing updates on environmental and safety issues was installed at each facility's entrance • Quarterly EHS compliance audits were conducted of all sites
Unsafe practices and deployment of workforce (Company and Contractor) in non-specified areas leading to accidents	• Safety programmes, including plant safety inspections, safety meetings, one-minute safety tips, and near-miss reporting, have been organised to ensure participation from all employee levels • Globally Renowned Consultant has been appointed to lead the safety culture transformation initiative
Issues arising from USFDA inspection may adversely impact Company revenue, reputation, etc.	We are currently reviewing our policies and procedures to ensure that all activities are in full compliance with USFDA requirements, and we expect to receive clearance from them soon
Delays in regulatory approvals and meeting compliance requirements pose challenges to the rapid growth of the business	An effective governance system is established, ensuring that compliance status is regularly updated to the relevant authorities and corrective actions are taken promptly
Challenge in achieving revenue growth from non-Gaba products	The pharma business expanded geographically into new countries. We have initiated transactions with numerous new customers over the past two years
Difficulty in achieving revenue growth from existing products and meeting budgeted targets for new products	We have strengthened several processes, including KAM, customer feedback, customer risk assessment, and salesforce utilisation, to address this risk
Crisis and Risk Management	A crisis communication plan was implemented, and training was given to all concerned, including business unit heads
Risk of business loss due to natural disasters	• On-site emergency plans were evaluated for all locations. Identified gaps were addressed. The effectiveness of on-site emergencies is ensured through periodic mock drills. • In addition, capital expenditures were allocated to each site to enhance preparedness for handling potential flood situations
Lack of Disaster Recovery Plan (DRP) leading to revenue and productivity loss	• An IT DRP drill is conducted at regular intervals • The process is set up to store PLC programme backup in the cloud • The DR system for the ERP application has been developed
Business uncertainty or loss of receivables due to transacting business in countries where political and economic conditions threaten trade	• The credit insurance policy was renewed with an adequate amount of coverage • The Company implemented Hikal's revised credit policy • The Company engages in secured transactions with high-risk countries
Monopoly/ limited suppliers for raw materials	• Alternate vendors were developed to mitigate risk and reduce prices • We have nearly eliminated our reliance on monopolistic suppliers in the Crop division
Any geographic risk in China may significantly affect Hikal's operation	• We are working to develop alternative vendors outside China whenever possible. Additionally, we are closely monitoring geopolitical shifts and ensuring our operations continue uninterrupted

Risk Profile: Increase in Risk Profile | Decrease in Risk Profile | Same as last year

● **Negligible** ● **Low** ● **Moderate** ● **Significant** ● **Catastrophic**

Risk Description	Action Taken
Develop new (modified) products or services within the anticipated timeline and budget (R&T)	• The timesheet application has been developed, and the deployed resources' timing is logged in the timesheet • The Company is streamlining the process of estimating project costs
Project Costs and Schedule Overruns	• The Company emphasises its 'Be one team' philosophy, and all relevant departments work in good coordination while following standard processes. Periodic project workshops are conducted to prepare mitigation strategies for identified project risks. • The Company ensures that budget revisions comply with the requirements of the DOA
Exposure to a cyber-attack in the absence of updated security measures	We have IT protection systems, including SOC, Firewalls, Barracuda, CrowdStrike, Patches, and Zscaler. The responsible individuals are tasked with monitoring and addressing alerts as a priority for these protection systems
Attrition level is high in junior and middle management cadre due to high demand	The Company is centred around three main areas: culture, capability, and connection, also known as the 3Cs. The HR department is implementing specific initiatives in each area to ensure maximum impact. The Company has redefined its attrition matrix to control attrition better, resulting in an increased risk rating
Unutilised GST input credit in Maharashtra	Unused GST input credit is steadily decreasing due to credit allocation to other states and the strict monitoring of sales and purchase transactions
Increase in interest rate will impact profits	The interest rate has steadily increased over the past four years. However, it remains more favourable than the market rate. The Company has taken various measures to mitigate interest rate risks, including establishing relationships with new lenders to obtain competitive rates, ensuring sufficient line availability across all lenders, negotiating more favourable terms and pricing, and exploring alternative financing sources
The adverse impact due to Foreign Exchange Volatility	The Treasury Department monitors Forex's position daily and reports to the Board every quarter

Risk Profile: Increase in Risk Profile | Decrease in Risk Profile | Same as last year

Negligible **Low** **Moderate** **Significant** **Catastrophic**

Human Resources

Our people are integral to our long-term growth and operational excellence. In 2024-25, we continued to strengthen our human capital through focused efforts in inclusion, employee well-being, learning and development, and workplace safety.

We maintained a strong emphasis on diversity and equal opportunity, with structured initiatives such as the Women's Forum, MD Connect sessions, and leadership engagement platforms. Our wellness programme Ojas and employee engagement platform Uday supported physical and mental well-being across locations. High-performing individuals and teams were recognised through the Parigyaan awards framework.

Skill development remained a key priority, with over 44,521 training hours delivered through technical, behavioural, and digital learning formats, including LinkedIn Learning. Programmes focused on safety, compliance, leadership, and functional capabilities were implemented across levels. Safety performance was further strengthened through structured interventions, including the 21-Day Safety Challenge, site-specific mock drills, and expanded digital reporting systems.

We upheld our commitment to human rights through robust governance mechanisms, awareness sessions, and policy enforcement. Grievance redressal, anti-discrimination measures, and adherence to global labour standards remain core to our people practices.

Internal Controls and their Adequacy

The Company is dedicated to maintaining an independent and objective internal audit function that operates across all sites and business units. The mission of Hikal's Internal Audit Department is not just a function but a crucial pillar of the Company's success. It plays a vital role in assisting management and the Board in achieving their objectives by employing a systematic and disciplined approach to evaluate and enhance the effectiveness of Hikal's governance, risk management, and internal control processes.

Objectives of Hikal's Internal Audit Department

- Assist the organisation in fulfilling its governance responsibilities
- Ensure the adequacy of controls within Hikal's systems and activities and bring any deficiencies to the attention of operational management and, ultimately, the Audit Committee or relevant authorities.
- Advise management on cost-effective controls for new or modified systems and activities.
- Identify opportunities to reduce costs through improved efficiency within systems and activities.
- Examine whether employees' actions comply with policies, standards, procedures, and applicable laws and regulations.
- Support management in developing risk management strategies for business risks.
- Assist management in standardising departmental processes.
- Stay updated with industry best practices and emerging trends.

The Internal Audit Department assesses the adequacy and effectiveness of internal control systems using a systematic and disciplined approach. It collaborates with management to challenge and enhance existing and proposed practices while suggesting ideas for process improvements.

The Management Committee ensures the establishment of internal controls that effectively comply with relevant laws and regulations. Procedures are in place for the timely detection of errors and fraud. Management is accountable for taking prompt and appropriate actions to address any control issues or risks that exceed acceptable limits.

The Internal Audit Department has completed all audits as per the audit plan for the fiscal year 2024-25. Audit reports were discussed with the management committee and audit committee on a quarterly basis, and appropriate actions were taken to address all audit findings.

Additionally, the Company has implemented an internal control system that includes entity-level controls, Information Technology General Controls, and financial and operating controls. Operational effectiveness testing of these controls over financial reporting was performed for the fiscal year 2024-25, as mandated by SEBI Regulations and the Companies Act, 2013, with satisfactory performance noted for all these controls.

Towards a Sustainable Tomorrow

At Hikal, sustainability is integrated across our pharmaceutical and crop protection businesses. We are committed to creating meaningful impact by minimising our environmental footprint, fostering a safe and inclusive workplace, and supporting the well-being of the communities where we operate.

Targets and Roadmap

Climate Protection

- Scope 1 and 2 emissions: 30% by 2027-28 (vs 2022-23);
- Scope 3 emissions: inventory calculation completed
- SBTi target is under development
- Share of RE: 80% by 2027-28 (vs 2022-23:56.4%)
- Product level carbon footprint calculations for minimum 4 products by 2025-26
- ECOVADIS gold rating by 2025-26

Material Circularity

- Total waste recycle : 80% by 2027-28 (vs 2022-23)

Water Usage

- Water consumption rate: 15% by 2027-28 (vs 2024-25)

Diversity and Inclusion

22% women in corporate (2023-24) and plan to increase this percentage significantly over next 5 years.

Aiming to achieve EcoVadis Gold rating by 2025–26

*from Mahad, Taloja and Panoli

Highlights 2024-25

Environment

77%
Total renewable energy consumption*

38.30%
tonnes CO_2e emissions reduction from base year 2022-23

6%
Reduction in freshwater consumption

78%
Waste recycled

Strategic Priorities

- Decarbonisation
- Water Management
- Material Circularity

Social

34,204 Hours
EHS training

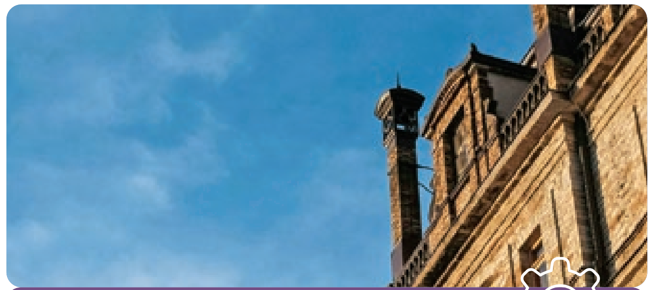
Zero
Loss time injury frequency rate (LTIFR)

Zero
Fatalities

235,600
CSR beneficiaries

Strategic Priorities

- Diversity and Inclusion
- Health and Safety
- Employee: Customers
- Community Relations



Governance

55%
Independent Board of Directors

27.3%
Women Directors

Zero
Cases of data privacy breaches

Zero
Complaints related to conflict of interest

Strategic Priorities

- Governance and Corruption
- Transparency and Risk Management
- Fair Sourcing

STAKEHOLDER ENGAGEMENT

Maximising Stakeholder Value

We firmly believe that purposeful and continuous stakeholder engagement is essential for fostering enduring, responsible growth. Through open, transparent, and responsive dialogue, we gain deeper insights into stakeholder expectations, stay ahead of emerging issues, and align our strategic priorities with evolving societal and business needs.

Stakeholder Engagement Process

Stakeholder Identification

We identify stakeholders as individuals, groups, or institutions that can influence, or be influenced by, our operations.

Stakeholders Classification

We classify stakeholders into internal (e.g., employees, management) and external (e.g., customers, investors, regulators) groups based on their relationship with our organisation.

Engaging with Stakeholders

We engage with our stakeholders through approaches tailored to each group.

Stakeholder Engagement

Investors

Mode of Engagement

- Analyst meets and management interactions
- Quarterly earnings Call, financial reports, and presentations
- Annual general meetings (AGMs)
- Annual Reports
- Official communication channels: advertisements, publications, website, and social media

Stakeholder Expectations and Concerns

- Deliver superior returns by optimally utilising resources
- Company's capital should grow to support the expansion of its operations
- Effective governance
- Transparency/visibility of the business operation
- Effective risk management

Frequency of Engagement

Continuous engagement

Key Outcomes

- Sustainable growth and returns
- High standards of corporate governance and risk management

Employees

Mode of Engagement
- Timely internal communications
- Capability development programmes
- Performance appraisal
- Grievance redressal mechanisms
- Wellness programmes

Stakeholder Expectations and Concerns
- Satisfaction and motivation
- Fair wages and rewards, improved work-life balance
- Regular training and skill development
- Career growth
- Safe and secure work environment
- Healthy workplace

Frequency of Engagement
Continuous engagement

Key Outcomes
- Satisfaction and motivation
- Fair wages and rewards
- Improved work-life balance
- Regular training and skill development
- Career growth
- Safe and secure work environment
- Healthy workplace

Value Chain Partners

Mode of Engagement
- Supplier development initiatives
- Vendor assessment and review
- Training workshops and seminars
- Supplier audits
- Official communication channels: advertisements, publications, website, and social media

Stakeholder Expectations and Concerns
- Nurturing a mutually beneficial relationship, with trust, reliability, leading to shared success
- Ethical business practices

Frequency of Engagement
Continuous engagement

Key Outcomes
- Timely payment
- Continuity of orders
- Capacity building
- Transparency

Customers

Mode of Engagement
- Customer meetings
- Official communication channels: advertisements, publications, website, and social media
- Conferences and events
- Customer feedback and satisfaction survey

Stakeholder Expectations and Concerns
- Provide best-in-class products and services
- Quality
- Compliance and consistency
- Timely delivery
- Technical support
- Competitive pricing
- Increased focus on sustainability

Frequency of Engagement
Continuous engagement

Key Outcomes
- Timely delivery
- Wide range of high-quality products that meet customer requirements
- Competitive pricing
- Easy availability through large distribution network
- Post-sales support

Communities

Mode of Engagement
- CSR partnerships
- Community welfare programmes
- Meetings and briefings
- Training and workshops
- Impact assessment surveys
- Official communication channels: advertisements, publications, websites, and social media
- Complaints and grievance mechanism

Stakeholder Expectations and Concerns
- Infrastructure development
- Funding for community programmes and livelihood programmes
- Contribution to the local economy

Frequency of Engagement
Continuous engagement

Key Outcomes
- Infrastructure development
- Funding for community development
- Training and livelihood programmes
- Contribution to the local economy

Government and Regulators

Mode of Engagement
- Statutory compliances filings and meetings
- Official communication channels
- Advertisements, publications, websites, and social media
- Phone calls, emails, and meetings
- Regulatory audits/inspections

Stakeholder Expectations and Concerns
- Compliance with laws and regulations, transparency and ethical conduct
- Collaboration on policy development
- Contribution to economic development, and commitment to environmental and social responsibility

Frequency of Engagement
Continuous engagement

Key Outcomes
- Aligning with the government to support economic development
- Continued contribution to the exchequer

Media and Analysts

Mode of Engagement
- Press releases, media interviews, email advisories
- Website management
- Social media posts and updates

Stakeholder Expectations and Concerns
- Accurate and timely information
- Transparency and openness
- Access to key executives and experts
- Regular updates on company performance and strategic initiatives
- Insight into industry trends and company positioning

Frequency of Engagement
Continuous engagement

Key Outcomes
- Positive media coverage and analyst reports
- Enhanced corporate reputation and public image
- Improved investor confidence and market perception

MATERIALITY ASSESSMENT

Focusing on What Matters Most

In 2021-22, we conducted a comprehensive materiality assessment to identify the most significant ESG issues across our operations and value chain. The process helped us to identify emerging risks and opportunities, align our strategic priorities with stakeholder expectations, and guide effective resource allocation. Each issue was assessed for its impact on our business and its broader implications for the environment, society, and communities.

Materiality Assessment Process

1 Creating a Pool of Material Issues

Identifying material issues in alignment with national and international frameworks and standards, and assessing trends presented by peers

Identification of internal and external stakeholders

2 Materiality Assessment Process

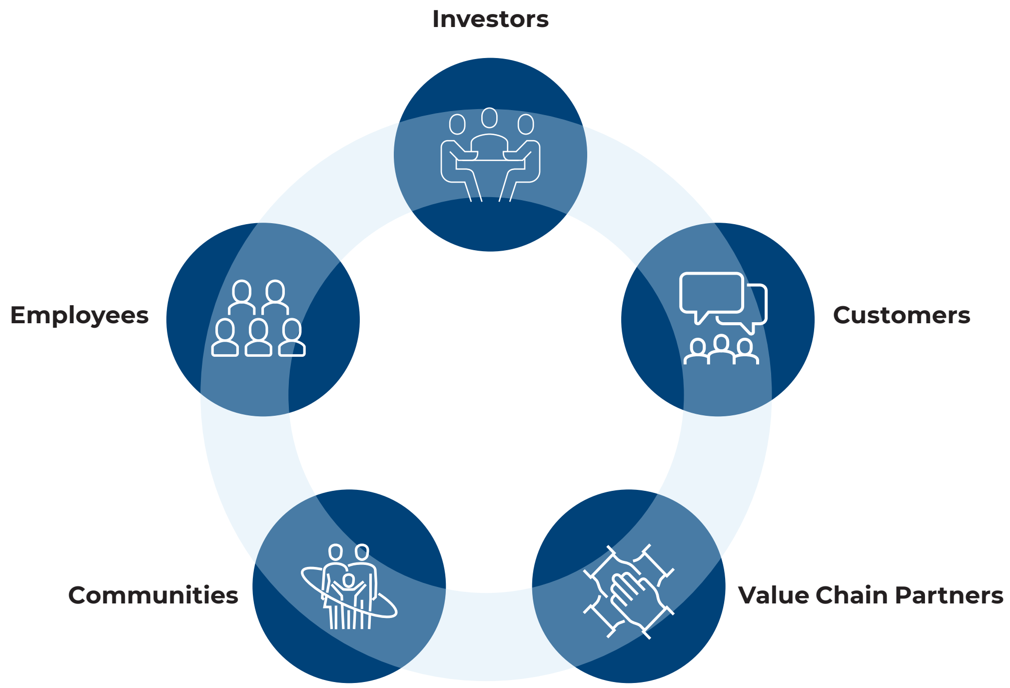
Referring to international standards, including SASB and GRI, specifically for the Chemicals, Biotechnology, and Pharmaceuticals sectors

- Benchmarking of peers
- Internal data review
- Stakeholder survey
- Media analysis for understanding trends / issues

3 Prioritise Material Topics

Finalised 20 material topics by focusing on common themes from industry peers and pressing ESG issues relevant to our, business aligned with SASB and GRI standards

Stakeholders Considered



Materiality Matrix

Environment

1 Energy Efficiency and Carbon Emissions

Why Its Material/Risk and Opportunity

It poses both risks and opportunities. Inaction to curb emissions can result in regulatory penalties and reputational harm. Proactive efforts to reduce emissions and increase efficiency can enhance our brand reputation, boost competitiveness, and lower costs.

Read more Page 89→

Strategic Initiatives

- Optimisation of production processes to enhance efficiency
- Upgradation of equipment and machinery to minimise energy wastage
- Power Purchase Agreements with solar power developers
- Signing agreements for hybrid renewable energy project

Stakeholders Impacted

UN SDGs Addressed

2 Air Pollution

Why Its Material/Risk and Opportunity

Air pollution invites regulatory pressures, fines, and reputational damage. Reducing emissions offers opportunities to enhance brand value, attract eco-conscious customers, increases competitiveness, and support environmental commitments.

Read more Page 91 →

Strategic Initiatives

- Real-time monitoring of emissions
- Using advanced technologies to reduce emissions at the source
- Engaging approved laboratories to conduct regular air quality assessments

Stakeholders Impacted

UN SDGs Addressed

3 Waste Management

Why Its Material/Risk and Opportunity

Inadequate waste management can cause environmental damage, health hazards, and regulatory non-compliance, potentially resulting in penalties and reputational damage.

Read more Page 92 →

Strategic Initiatives

- Adhering to the R3 principle of waste management
- Handing over e-waste and plastic waste to authorised recyclers
- Disposing of hazardous waste responsibly

Stakeholders Impacted

UN SDGs Addressed

4 Water and Effluent Management

Why Its Material/Risk and Opportunity

Insufficient water availability can disrupt operations, increase costs. Effective water management offers financial and environmental benefits.

Read more Page 93 →

Strategic Initiatives

- Implementing Zero Liquid Discharge (ZLD) systems
- Enhancing steam recovery processes to improve water efficiency
- Operating Effluent Treatment Plants (ETPs) at all manufacturing facilities

Stakeholders Impacted

UN SDGs Addressed

5 Green Chemistry

Why Its Material/Risk and Opportunity

Embracing green chemistry opens doors to new markets and reduces risks associated with hazardous substances.

Read more Page 94 →

Strategic Initiatives

- Incorporating green chemistry across product development
- Investing in safe and responsible operations
- Collaborating with industry partners to drive green chemistry innovations

Stakeholders Impacted

UN SDGs Addressed

Social

7 Diversity, Inclusion and Equal Opportunities

Why Its Material/Risk and Opportunity

Diversity and inclusion present a key opportunity, driving innovation, widening talent pools, boosting engagement, and enhancing reputation, thereby contributing to long-term success.

Read more Page 97 →

Strategic Initiatives

- Empowering women through dedicated platforms
- Ensuring merit-based promotions
- Hosting the Hikal Women's Forum to support women

Stakeholder Impacted

UN SDGs Addressed

8 Employee Well-being, Benefits and Retention

Why Its Material/Risk and Opportunity

Focusing on employee well-being and benefits enhances satisfaction and retention, increases engagement, and drives productivity.

Read more Page 98 →

Strategic Initiatives

- Conducting training programmes
- Offering various employee benefit schemes
- Hosting employee wellness programmes
- Providing medical health camps

Stakeholder Impacted

UN SDGs Addressed

9 Employee Training and Skill Development

Why Its Material/Risk and Opportunity

Training and skill development increases the employee satisfaction level, attracts top talent, and supports talent retention, contributing to long-term success.

Strategic Initiatives

- Organising regular town hall meetings
- Conducting training programmes for employee upskilling
- Targeted training for skill development

Stakeholder Impacted

Read more Page 103 →

10 Occupational Health and Safety

Why Its Material/Risk and Opportunity

Neglecting OHS compliance can lead to accidents, injuries, and illnesses, affecting employee well-being and can attract legal liabilities and reputational damage.

Strategic Initiatives

- Implementing proactive safety measures
- Conducting regular HIRA assessments
- Deploying dedicated EHS teams at all sites

Stakeholder Impacted

UN SDGs Addressed

Read more Page 105 →

11 Human Rights and Community Relations

Why Its Material/Risk and Opportunity

Respecting human rights and addressing grievances are crucial. Community development initiatives, such as education and skills training, enhance reputation and foster community support.

Strategic Initiatives

- Conducting human rights due diligence with support from an independent agency
- Establishing a formal grievance redressal mechanism
- Organising awareness sessions on human rights for employees

Stakeholder Impacted

UN SDGs Addressed

Read more Page 108 →

Governance

12 Ethical Business Practices and Governance

Why Its Material/Risk and Opportunity

Ethical business practices build trust, enhance reputation, ensure compliance, and promotes stakeholders trust leading to accountable growth.

Strategic Initiatives

- Training for employees on business ethics
- Ensuring board independence
- Implementing the Code of Conduct, Whistle-blower Policy, and other governance policies

Stakeholder Impacted

UN SDGs Addressed

Read more Page 113 →

13 Risk Management and Business Continuity

Why Its Material/Risk and Opportunity

Poor risk management may result in operational disruptions. Risk assessment, and management increases resilience reduces incidents, and loss. Efficient business continuity planning ensures long term growth.

Strategic Initiatives

- Dedicated Risk Management Committee
- Regularly assessing key risks
- Developing and monitoring risk mitigation plans

Stakeholder Impacted

UN SDGs Addressed

Read more Page 68 →

14 Sustainable Supply Chain

Why Its Material/Risk and Opportunity

Prioritising supply chain sustainability boosts competitiveness, meets consumer demand, cuts environmental impact, ensures compliance, and builds long-term supplier partnerships.

Strategic Initiatives

- Implementing a Green Supply Chain Policy across our value chain
- Evaluating suppliers based on ESG performance criteria
- Prioritising local procurement

Stakeholders Impacted

UN SDGs Addressed

Read more Page 116 →

15 Data Integrity and Security

Why Its Material/Risk and Opportunity

Protecting data integrity and security is critical to safeguarding assets and trust. Breaches can lead to financial losses, reputational damage, and legal issues.

Strategic Initiatives

- Implementing multi-layered cybersecurity solutions across IT systems
- Providing data security training to employees

Stakeholders Impacted

UN SDGs Addressed

Read more Page 117 →

16 Product Quality, Safety and Labelling

Why Its Material/Risk and Opportunity

Ensuring product quality, safety, and labelling prevents defects, legal risks, and reputational harm while building compliance and consumer trust.

Strategic Initiatives

- Labelling all products with detailed, accurate information
- Providing comprehensive product information
- Training employees on product safety

Stakeholder Impacted

UN SDGs Addressed

Read more Page 117 →

17 Sustainable Financial Performance

Why Its Material/Risk and Opportunity

Integrating sustainability into financial strategies offers reputation enhancement, and investor attraction. It ensures long-term viability competitiveness while creating value for stakeholders.

Strategic Initiatives

- Investing in clean energy solutions
- Identifying opportunities to reduce environmental impact and investing in them

Stakeholder Impacted

UN SDG Addressed

Read more Page 115 →

18 Research and Innovation

Why Its Material/Risk and Opportunity

Regulatory compliance avoids legal risks and penalties, while enhancing trust, operational stability, market access, and long-term sustainable business growth.

Strategic Initiatives

- Aligning with national and international standards, laws, and regulations
- Partnering with government bodies to support regulatory initiatives

Stakeholders Impacted

UN SDG Addressed

Read more Page 117 →

19 Regulatory Compliance

Why Its Material/Risk and Opportunity

Regulatory compliance mitigates legal risks and penalties, while enhancing trust, operational stability, market access, and long-term sustainable business growth.

Strategic Initiatives

- Aligning with national and international standards, laws, and regulations
- Partnering with government bodies to support regulatory initiatives

Stakeholders Impacted

UN SDGs Addressed

Read more Page 115 →

20 Customer Satisfaction

Why Its Material/Risk and Opportunity

Failing to meet customer expectations can result in loss of business and credibility. Meeting their expectations strengthens trust, drives growth, and builds long-term strategic partnerships.

Strategic Initiatives

- Maintaining open communication with customers
- Adapting to evolving customer needs
- Collecting regular customer feedback for improvement

Stakeholder Impacted

UN SDGs Addressed

Read more Page 117 →

ENVIRONMENT

Driving Environmental Stewardship

At Hikal, we strive to minimise our carbon footprint by embedding sustainability into every aspect of our operations. From advancing green chemistry solutions to reducing resource intensity, conserving energy and water, controlling emissions, and minimising waste, we are committed to driving measurable environmental progress while supporting a healthier planet for future generations.

Material Topics Covered

- Energy Efficiency and Carbon Emissions
- Air Pollution
- Waste Management
- Water and Effluent Management
- Green Chemistry
- Biodiversity Protection

Highlights for 2024-25

1,038,458.5 GJ
Total renewable energy consumption

INR 133.98 Million
Yearly savings due to investments in energy efficiency

8%
Waste reused

Contribution to UN SDGs

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

14 LIFE BELOW WATER

15 LIFE ON LAND

Energy Efficiency and Carbon Emissions

We have established a comprehensive energy management strategy that focuses on optimising consumption, minimising waste, and increasing renewable energy integration. Through initiatives like solar and wind projects, alongside upgrading boiler burners and enhancing chillers, we are actively lowering our carbon footprint while continuously improving operational efficiency.

Energy Efficiency

Our Corporate-level Energy Conservation Committee (EnCon) spearheaded multiple initiatives to improve energy efficiency across our operations. We streamlined production processes and implemented key upgrades to equipment and machinery to reduce energy wastage and boost operational efficiency. Advanced energy management systems were deployed across sites to monitor and optimise consumption in real time. These concerted efforts resulted in tangible energy savings. Our total energy consumption from both renewable and non-renewable sources was 1,347,981.2 GJ, reflecting a 5.11% decrease from the 2023–24 financial year. Of this, energy derived solely from renewable sources amounted to 1,038,458.5 GJ, marking a 18% increase in absolute renewable energy consumption. The share of renewable energy in overall consumption increased from 62% to 77% compared to the previous fiscal year.

INR 7.84 Million
Yearly investments in energy efficiency and process optimisation measures

37,44,39,222.2 kWh
Total electricity consumption

30,377.49 MT CO_2e
Net emissions reduction

Energy Efficiency Measures

Crop Protection Division

- Replacement of FO boiler burners to improve efficiency
- Installation of a back-pressure turbine for electricity generation from the biofuel boiler
- Use of centrifugal compressor instead of screw compressor for the chilling plant
- Reduction in steam consumption by replacing the steam ejector with a dry vacuum pump
- Replacement of conventional air compressor drains by zero air loss drains
- Reduction in steam consumption by lowering the reaction temperature from 50°C to 35-40°C

Pharmaceutical Division

- Manual control replaced with cascade control system for energy efficiency improvement in BRU units
- Installing Variable Frequency Drives (VFDs) in cooling tower pumps
- Reduction in cooling tower make-up water and effluent treatment costs up to 20 % through utilisation of RO reject water and reactor jacket recovery
- Energy saving initiatives in cooling tower and compressed air systems
- Reduction in steam consumption by utilisation of waste heat and efficiency improvement
- Steam cost reduction by outsourcing steam supply on green fuel

Pune Research and Technology (R&T)

- Installation of the hot water system to replace the indirect hot water system with steam heating
- Installation of VFDs in fume hood exhaust blowers, and controlling fume hood shutter opening to reduce draft draft airflow and energy consumption

Carbon Emissions

At Hikal, we closely monitor emissions across all manufacturing locations, with a strong emphasis on adopting cleaner technologies. Measures such as biofuel boilers, solvent recovery systems, and real-time emission tracking contributed to a reduction of 30,377.49 $MTCO_2e$ in 2024-25. Our Scope 1 emissions totalled 12,664.34 ($MTCO_2e$), while Scope 2 emissions amounted to 45,655.89 $MTCO_2e$. Scope 3 emissions amounted 1,91,158.53 $MTCO_2e$.

Decarbonisation Roadmap

We have formulated a comprehensive decarbonisation strategy in line with our target to reduce Scope 1 and 2 emissions by 30% by 2027-28 and setting baseline emissions for Scopes 1 and 2. This strategy focuses on improving energy efficiency, expanding renewable energy use, and leveraging waste heat recovery. Targeted interventions across our Crop Protection and Pharmaceutical divisions have been initiated to accelerate progress towards this climate commitment.

Phase

1 Initiation Programme (Completed)

- Baselining for GHG emission (Scope 1 and 2)
- Material Topics Identification
- GHG emssions Reduction Targets (SBTis)
- Deployment of ESG Platform
- Evaluation of ESG Readiness and Performance vs. Peers

2 Programme Governance (Ongoing)

- Baselining for GHG emission (Scope 3)
- Signatory to SBTi
- Setting Scope 1 and Scope 2 Emissions Target based on Phase 1 Findings
- Design of Decarbonisation Pathway
- Energy Efficiency Audit
- Renewable Energy Integration
- Accounting of Scope 3 Emissions

3 Actions and Impact (To commence)

- Submission SBTi Targets
- Deployment of Energy-saving Project
- Public Goals (Carbon Neutrality, SBTi, RE100, other)
- Verified Emissions Reductions
- Renewable Energy and Cleantech (PPA / VPPA)

Renewable Energy

We have strengthened our renewable energy commitment by partnering with solar developers through Power Purchase Agreements and implementing a hybrid wind-solar project. Currently, the Mahad, Taloja and Panoli plants are using renewable energy for their operations. Concurrently, we are converting our Low Sulphur Heavy Stock boiler to use biomass briquettes derived from agricultural residues and wood waste. This transition marks a pivotal shift to renewable biomass, strengthening our commitment to sustainable, eco-friendly fuel sources in operations.

2.9 MW
Renewable energy capacity of Panoli unit

3 MW
Renewable energy capacity of Mahad unit

8 MW
Renewable energy capacity of Taloja unit

INR 91.5 Million
Total cost saving*

* On account of renewable energy use in Mahad, Taloja and Panoli plants

Air Pollution

We adopt a technology-driven approach to air emission control through real-time monitoring, ensuring compliance with stringent environmental standards. Ozone-depleting substances are now included in our GHG calculations, improving accuracy and reinforcing our commitment to clean air.

Our Approach to Reduce Air Pollution Includes:

Dual Approach to Air Quality Monitoring

We follow a comprehensive internal and external monitoring strategy to manage air quality. Internally, advanced online instruments continuously track emissions and key air quality parameters. Externally, MoEF-approved laboratories conduct assessments to verify compliance with regulatory requirements.

Emission Control Systems in Operations

We have implemented robust emission control systems for boilers, diesel generators, and scrubbers, including bag houses for boiler stacks to reduce particulate matter. These measures ensure compliance with environmental regulations and uphold high standards of operational performance.

Site-specific Monitoring Initiatives

At our Bengaluru pharmaceutical units, Continuous Air Quality Monitoring Systems (CAQMS) provide real-time air quality data. At our Crop Protection units, ambient air is monitored monthly by a MoEF-approved agency, while 24/7 monitoring across sites ensures comprehensive environmental oversight and compliance.

Reducing Diesel Dependency

We have strategically introduced express feeder systems across all industrial units to drastically reduce reliance on diesel generators and curb associated emissions. This initiative ensures a reliable power supply while exemplifying our unwavering commitment to a low-emission, sustainable operational framework.

Waste Management

We implement rigorous procedures for handling hazardous, non-hazardous, e-waste, and biomedical waste, ensuring strict regulatory compliance. Our specialised laboratory pioneers advanced treatability studies, while systematic audits drive continuous optimisation, enhancing resource efficiency and minimising environmental impact throughout our operations.

78% Waste recycled

8% Waste reused

Waste Generated

During the reporting year, we generated 2.35 MT of e-waste, 208.62 MT of plastic waste, 0.017 MT of biomedical waste, 6,089.38 MT of other non-hazardous waste, and 52,535.58 MT of hazardous waste. Of the total waste generated, 4,712.2 MT was reused and 41,353.7 MT was recycled. In total, 46,065.9 MT of waste was diverted from landfill, reflecting our ongoing efforts to enhance circularity.

Waste Collection & Disposal

At Hikal, we follow the R3 principles: Reduce, Reuse, Recycle - for comprehensive waste management. Waste is segregated, treated, and disposed of in accordance with regulations. Through our 'Wealth from Waste' initiative, we recover and reuse organic solvents and co-process waste with the cement industry.

A dedicated lab conducts waste treatability studies and has enabled conversion of by-products into intermediates. E-waste and plastic are sent to authorised recyclers. We have shifted from drums to ISO-standard tankers to reduce environmental impact and improve transport efficiency.

As a licensed importer, we comply with EPR norms. Hazardous waste is handled via authorised recyclers and CHW-TSDFs, ensuring safe and compliant disposal.

Water and Effluent Management

572,783 kL Water footprint

6% Reduction in freshwater consumption compared to 2023-24

Water plays an essential role in our manufacturing processes, and we are committed to managing it sustainably. Our site sources water through authorised industrial bodies and strictly complies with groundwater usage norms.

We leverage a range of advanced technologies, including Zero Liquid Discharge (ZLD) and steam recovery, to minimise our freshwater dependency and reinforce responsible water stewardship across our operations.

Water Consumption

In 2024-25, we continued to prioritise responsible water use across our operations, with total water consumption amounting to 572,783 kilolitres (kL) and sourced from third-party (Industrial Estate MIDC/GIDC). Our focus on water efficiency and conservation initiatives has been instrumental in driving our progress. This is reflected in our water intensity, which stood at 30.8 kilolitres per revenue from operations (kL/INR Million).

Water Conservation and Recycling Initiatives

- Multi-effect evaporators installed at pharmaceutical sites
- Process water is recycled for washing at Crop Protection sites
- Zero Liquid Discharge (ZLD) facility
- Reverse osmosis system at ETP outlet water
- Optimising processes to minimise water consumption per batch
- Rainwater harvesting
- Reducing the amount of boiler and cooling tower blowdown through a water treatment regimen
- Providing training sessions to raise awareness about water conservation

Zero Liquid Discharge

We aim to reduce our water footprint by 2% through initiatives like Zero Liquid Discharge, steam recovery, and advanced effluent treatment. Our Pune R&T site runs a 30 KLD ZLD plant, with other sites use Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) to maximise reuse. Our Effluent Treatment Plant is equipped with an Online Continuous Emission and Effluent Monitoring system to monitor effluent quality. Mechanical Vapour Recompression systems recover water from condensate, producing pure distillate and concentrated waste, cutting evaporation energy consumption by over 90% and enhancing overall water recycling efficiency.

Green Chemistry

Green chemistry is central to our innovation strategy at Hikal, guiding us to design safer, more efficient, and environmentally responsible processes. Our R&T Centre integrates Green Chemistry Principles to enhance yields, throughput, and effluent treatability, We use tools like Design of Experiments (DoE), and does simulation, and mechanistic analysis for scalable development.

Waste treatability is assessed at lab stage before commercialisation. As the only Indian member of the American Chemical Society's Green Chemistry Pharma Roundtable Institute (ACS GCPRI), we lead in sustainable pharma practices. This has improved our product differentiation, reduced environmental impact, and enhanced supply chain resilience.

We continue to expand our sustainable product portfolio, optimise processes, collaborate with peers, and strengthen our green metrics for greater transparency and accountability.

Biodiversity Protection

At Hikal, we prioritise biodiversity through green belt development, ecological assessments, and stakeholder engagement, ensuring growth aligns with environmental responsibility.

Our manufacturing units are located in designated industrial zones, away from sensitive habitats, with ongoing ecological monitoring in place. Near Bannerghatta National Park, we are in the process to seek a 'No Objection Certificate'. A green belt has also been developed near our chemical facility to support biodiversity.

#PledgeForGreenChange: World Environment Day

World Environment Day at Hikal was celebrated as a week-long affair, reflecting our deep-rooted commitment to sustainability and environmental care. To mark World Environment Week (2025), Hikal employees across all sites united in a spirited celebration of environmental responsibility.

The week began with an oath-taking ceremony, reinforcing our shared commitment to the planet. Through the #PledgeForGreenChange campaign, employees received saplings and pledged to nurture them as 'plant parents', symbolising long-term care for nature.

Tree plantation drives brought life to our premises, while creative contests, ranging from poster-making to plant displays, ignited awareness. Interactive quizzes and plant care workshops further inspired reflection and action. The week was a vivid expression of our belief that environmental stewardship starts with personal accountability.

SOCIAL

Building Enduring Partnerships

Material Topics Covered

- Diversity, Inclusion and Equal Opportunities
- Employee Well-being, Benefits and Retention
- Employee Engagement, Training and Skill Development
- Occupational Health and Safety
- Human Rights and Community Relations

Highlights for 2024-25

44,521 Hours
Skill upgradation training

34,204 Hours
EHS training

Zero
Fatalities

100%
Employee return to work and retention rates

2,35,600
CSR beneficiaries

INR 29 Million
CSR expenditure

Contribution to UN SDGs

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

At Hikal, we are dedicated to nurturing an inclusive and empowering workplace where every voice is respected and every contribution is recognised. We invest in our employees' growth and well-being and uphold zero tolerance for discrimination. We actively contribute to society through our Srijan initiative, driving meaningful impact across our organisation and the communities we serve.

Diversity, Inclusion and Equal Opportunities

At Hikal, we are committed to nurturing a diverse, inclusive, and equitable workplace where every employee feels respected and empowered to succeed. We value the unique strengths that diverse people, genders and age groups bring in. Among our various initiatives, the Women's Forum stands out as a key example of Hikal's sustained efforts to promote gender diversity and inclusion.

Embracing Diversity

At Hikal, Diversity and Inclusion are embedded in our core values and workplace culture. This is clearly demonstrated at our Pune R&T Centre, which has one of the highest representations of women across the organisation. Women hold significant roles at all levels, including leadership positions on the Site Management Committee. We uphold our Code of Conduct with rigour, viewing any undue influence on decisions as a serious ethical violation.

Hikal's Women's Forum

The Hikal Women's Forum is a collaborative platform that empowers female employees through mentorship, advocacy, and mutual support. It encourages both personal and professional growth through collaborations. The Women's Forum conducts monthly meetings across all units, aiming to build trust and strengthen bonds among female employees. These gatherings feature engaging activities, training sessions, and awareness talks, creating a safe and supportive space for learning.

Women's Day Celebration

At Hikal, Women's Day was celebrated with a week of inspiring sessions, joyful gatherings, and our first multi-site women's outing. The celebrations concluded with a company-wide Diversity and Inclusion webinar, reaffirming our commitment to equity, empowerment, and meaningful recognition.

7%
Women employees in total workforce

100%
Facilities accessible to specially-abled persons

Zero
Sexual harassment complaints registered

Sexual Harassment Policy

Hikal enforces a strict anti-sexual harassment policy, ensuring a safe and respectful workplace. Aligned with POSH guidelines, our Internal Complaints Committee addresses concerns confidentially and fairly, reinforcing our commitment to gender equality and zero-tolerance approach to discrimination. We conducted a virtual PoSH awareness session, led by our in-house trainer, to educate employees on workplace conduct and legal provisions under the PoSH Act.

Employee Well-being, Benefits, and Retention

At Hikal, we are dedicated to the well-being of our employees, promoting health and wellness through various programmes and targeted training initiatives. Our efforts focus on fostering a supportive and healthy work environment.

100%
Of employee covered in well-being measure

100%
Of our units with employee engagement plan

Employee Well-being and Engagement Initiatives

Ojas
Employee Wellness Programme

Parigyaan
Employee Recognition

Uday
Employee Engagement Programme

Our initiatives

Ojas – Employee Wellness Program

Uday – Employee Engagement Program

NeeV – Employee Orientation and Integration Program

Parichay – Employee Referral Program

Ojas – Employee Wellness Programme

Ojas represents our commitment to nurturing a healthier, more balanced workforce. By offering wellness activities like yoga, Zumba, stress-relief sessions, and health awareness programmes, Ojas encourages employees to prioritise self-care. This focus on well-being supports sustained energy, resilience, and a positive work environment across the organisation.

Initiatives under Ojas during 2024-25

Health Awareness Session on Ergonomics

As part of the 'OJAS' initiative, our Taloja site hosted a Health Awareness Session on posture and ergonomics. A follow-up session was conducted during Safety Week to reinforce workplace wellness practices.

Stress Management Session

Hikal Mahad partnered with Neulife Medicorp to organise a three-day Half-Yearly Medical Health Camp focused on safeguarding employee well-being. A total of 190 employees participated, undergoing clinical examinations, BMI checks, blood pressure and vision tests, urine analysis.

Health Awareness Sessions on Cancer and Tuberculosis

Taloja site hosted Health Awareness Sessions on cancer and tuberculosis in collaboration with Sanjeevan Life Beyond Cancer. Attended by 70 employees, the expert-led sessions focused on screening, early detection, prevention, and timely treatment.

Zumba Dance Session

Regular Zumba dance wellness sessions are held across our sites to promote physical and mental well-being. These are tailored especially for female employees to support heart health, relieve stress, and to create a lively, positive atmosphere.

Uday – Employee Engagement Program

Uday -Employee Engagement Programme

Uday fosters meaningful employee engagement through curated activities that celebrate connection and collaboration. From festive celebrations and sports events to team-building workshops, town halls, and movie days, Uday creates shared experiences that strengthen bonds, enhance workplace culture, and align employees with our organisational values and vision.

Initiatives under Uday during 2024-25

Celebrating Togetherness through Festivals

Vibrant celebrations of festivals such as Gudi Padwa, Ganesh Chaturthi, Independence Day, Diwali, and Dussehra were held across sites. Traditional décor, regional cuisine, and cultural activities fostered camaraderie, honoured our rich heritage, and created memorable experiences.

Town Hall Meetings: Reinforcing Engagement

Town Hall meetings serve as a vital platform for transparent communication and collective engagement. Updates on plant operations, key initiatives, and training programmes are provided during these meetings, and achievers are recognised, nurturing an inclusive culture.

Movie Day: Strengthening Bonds beyond Work

Movie Day was curated for teams from the Taloja and CBD sites. The event offered a delightful escape from routine, with employees and their families enjoying a popular film and engaging in meaningful interactions, nurturing a vibrant workplace culture.

Celebrating Sportsmanship across Hikal Sites

Hikal's Sports Week 2024 brought together employees across locations in a vibrant celebration of teamwork and friendly competition. From indoor games to outdoor cricket and tug-of-war, each event fostered unity, energy, and the enduring spirit of 'One Hikal'.

Parigyaan – Employee Recognition Programme

Parigyaan is our flagship recognition programme that celebrates individuals who exemplify dedication, performance, and impact. By fostering a culture of appreciation and excellence, it strengthens employee engagement across the organisation. Numerous awards were conferred across locations to honour exceptional contributions that advanced our collective goals and values.

Awards under Parigyaan

- Spot Award
- Employee of the Month
- Innovation Award
- Team of the Month
- Department of the Month
- Lab of the Year
- Safety Champion of the Month
- Rising Star of the Month

Initiatives under Parigyaan in 2024-25

Chairman's Excellence Award

The Chairman's Excellence Awards made a remarkable comeback in a virtual format, connecting Hikalites across locations to celebrate exceptional achievements. The event recognised excellence through eight individual awards, six Cultural Pillar Brand awards, and 170 Team Excellence awards, reflecting Hikal's strong culture of appreciation and commitment to inspiring performance across the organisation.




Jigani 2
Awarded Best manufacturing site

170
Individuals in 9 Teams Awarded Cultural Pillar Brand Ambassador

6
Individuals Awarded for Team Excellence

8
Individuals Awarded for Individual Excellence

Awards at Town Hall Meetings

Town hall meetings were conducted across sites to foster open communication and collaboration. As part of the Parigyaan programme, employees were recognised through awards such as Rising Star, Innovation Award, Safety Champion, and Team Excellence. Select locations also celebrated employees who achieved Lean Six Sigma Yellow Belt certifications, reinforcing continuous improvement.

Employee Benefits

We prioritise employee well-being through a range of thoughtfully designed benefits. From comprehensive medical insurance for employees and their families to transport facilities, each offering supports a healthier, more secure work environment. All our employees are covered under various welfare and social security benefits. Health insurance and accident insurance coverage extend to 100% of our workforce. All married women covered under statutory maternity leave and all married men are eligible for paternity leave.

Employee Retention

We place strong emphasis on employee retention and succession planning. Talent evaluations are conducted through detailed technical questionnaires to assess each employee's skills and potential. Continuous training is provided to help employees enhance their knowledge and capabilities. We actively seek feedback to improve the work environment, foster ongoing development, and shape the organisation's future through inclusive, collaborative growth.





Employee Hour

Employee Hour is organised across multiple sites to encourage open dialogue between employees and senior leadership in a relaxed, informal setting. These sessions help new joiners understand Hikal's values, culture, and strategic priorities, while also offering a platform to share feedback. This initiative supports smoother onboarding, strengthens engagement, and fosters a more inclusive and collaborative work environment.

Talent Evaluation and Development

The Business Excellence and HR teams conduct a focused talent evaluation through a detailed technical questionnaire. This exercise enables employees to refresh and expand their knowledge while offering insights into their technical strengths. The initiative supports continuous learning and career development, forming a key part of Hikal's broader talent evaluation and capability-building framework.

Employee Referral Scheme

A PEP talk was conducted to reinforce the employee referral scheme, explaining the process, outlining key steps, and highlighting rewards for successful referrals. This initiative encourages active participation, empowering employees to contribute to talent acquisition by referring qualified candidates from their networks and supporting the organisation's recruitment goals.

Value Week

Hikal's 9th Values Week, held from 8 to 12 July 2024, brought together employees across all sites to celebrate the spirit of our Core Values and Culture Pillars. With the theme 'Values Drive Excellence', the week featured enthusiastic participation, meaningful engagements, and community-focused initiatives. From recognising long-term contributions and nurturing team bonds to promoting sustainability and social engagement, the week was a powerful testament to how values truly drive excellence at Hikal. It united Hikalites through purpose, pride, and performance.







Glimpse from our Site offices CBD Office

At the CBD office, Values Week was brought to life through high-impact engagement and strong employee participation. Daily value-themed activities fostered camaraderie, while creative initiatives like Cheers from Peers 'reinforced' a culture of recognition and respect.

Pune R&T

Pune R&T embraced the week with a focus on innovation, empathy, and teamwork. Employees shared personal experiences of value-based leadership, while a blood donation drive, voluntary contributions, and a plantation initiative demonstrated collective compassion and civic responsibility.

Panoli

Panoli site blended creativity with purpose and impactful community outreach. Artistic expression was projected in the 'Wealth from Waste and Hikal's Got Talent events', while an emotionally resonant visit to an old age home by women employees highlighted our value of empathy in action.

Taloja

Taloja site demonstrated a strong commitment to sustainability and innovation. Employees and their families took part in a Wealth from Waste initiative, creating art from recyclables, while the tree plantation drive underscored our dedication to environmental stewardship.

Jigani Units 1 & 2

At Jigani site, the focus was on cultivating team synergy and environmental care. A green belt plantation drive around the site served as a tangible expression of our sustainability goals, while high-energy team-building activities reinforced trust and interdepartmental coordination.

Mahad

Mahad's celebration revolved around unity, growth, and environmental responsibility. Employees participated in meaningful plantation activities and showcased remarkable creativity in various contests.

Employee Engagement, Training and Skill Development

We are committed to continuous employee training and development to build a capable and future-ready workforce. Our diverse learning programmes focus on upskilling and reskilling, supporting both technical and behavioural growth. These initiatives aim to enhance individual performance, foster professional growth, and ensure our employees contribute effectively to our long- term success.

100%
Employees received training on health and safety

Employee Training and Development

At Hikal, we prioritise capability building through structured learning interventions that support career progression and enhance employee satisfaction. Our development framework includes access to platforms such as LinkedIn Learning, enabling employees to deepen functional expertise and strengthen leadership competencies, aligned with evolving business needs and individual growth aspirations.

Training and Development Programmes during 2024-25

Interpersonal Effectiveness and Productivity Training

A site-wide workshop was held to develop communication and time management skills. Employees learned active listening, conflict resolution, and strategies to boost productivity and collaboration.

Speech Crafters Session

At CBD, the L&OD team launched a public speaking programme to help employees overcome stage fright. Participants delivered speeches judged by experts, with a badge system introduced to recognise progress.

Knowledge Sharing Session

The R&T team's bi-monthly sessions, led by DQA, covered topics like regulatory compliance, ALCOA+ principles, and nitrosamines—fostering learning, collaboration, and technical excellence.

Employee Orientation Programme

Under the 'Neev' programme, six new joiners were welcomed. Site HR Head Vishal Patil encouraged feedback and open dialogue, reinforcing collaboration, continuous learning, and shared ownership.

Learning and Development - LinkedIn Learning

At Hikal, we prioritise Learning and Development to strengthen workforce capabilities. In partnership with LinkedIn, we offer curated courses aligned with our operational needs, covering diverse topics from Construction Safety to Public Speaking. These targeted learning initiatives help bridge skill gaps, enhance technical and soft skills, and ensure our employees remain equipped to meet evolving industry standards with confidence.

45,028
Total video views

100%
Repeat learners

75%
Enrolled for Construction Safety course

4.9%
Average course rating

Popular Technical Courses and Participation

Construction Safety
This course attracted the highest engagement, with 65% of employees participating and rating it 4.7 out of 5. It played a key role in enhancing awareness of safety protocols and regulatory compliance.

Construction Management: Safety and Health
With 57% participation and the highest course rating of 4.8, this programme provided advanced safety management skills crucial for operational excellence and personal development.

Occupational Safety and Health
Engaged 53% of employees and delivered essential knowledge on workplace safety, contributing to a stronger culture of compliance and preventive practices.

Building Soft Skills for Holistic Development

We also introduced programmes such as Public Speaking, Quality Management, and Project Management to enhance interpersonal effectiveness. While these courses were well-received, participation was lower, indicating a preference for technical content.

Occupational Health and Safety

At Hikal, excellence in safety is our core priority. We conduct regular training and awareness campaigns to address workplace hazards and ensure strict adherence to safety protocols. Our commitment is reinforced through frequent audits, with all recommendations systematically implemented to strengthen our culture of safety and compliance.

Zero
LTIFR

Zero
Total recordable work-related injuries

34,204
Hours of EHS Training to Employee and Contract Employee

Ensuring Employee Health and Safety

We have strengthened our safety culture through introduction of high-impact initiatives. Our behaviour-based programme 'Surakshapath' has reduced behavioural risks across operations. Complementing this, our One Minute for Safety talks, structured EHS Induction sessions, and Wet Drills have further strengthened safety awareness. These helped embed a proactive, organisation-wide mindset focused on continuous improvement in occupational health and safety practices.

OUR PLATFORMS/ SYSTEMS
mySetu
EHS Portal

Ensuring Employee health and Safety

Ojas

Our INITIATIVES
One Minute
Safety Programme

Strengthening Safety through Risk Evaluation

At Hikal, workplace safety begins with rigorous hazard assessments through HIRA and HAZOP studies for all activities. Dedicated EHS teams oversee implementation of safety protocols across sites. We also collaborate with accredited labs and leverage our R&T Centre's expertise to ensure full compliance with safety and regulatory standards.

Strengthening Digital Safety Reporting

We have enhanced our safety systems with the Company-wide rollout of the 'mySetu' digital platform, enabling prompt reporting of hazards, near misses, and incidents. Each report is analysed for root causes, with corrective actions tracked to closure, driving continuous improvement and strengthening our incident prevention efforts across operations.

Strengthening Preventive Healthcare

We prioritise employee well-being through comprehensive non-occupational healthcare support, including 24/7 access to on-site medical officers and trained personnel. Regular preventive check-ups and annual health camps are conducted, with all employees covered under group medical and accidental insurance, ensuring a holistic, preventive approach to workplace health and overall employee safety.

Strengthening Safety Awareness through Training

To strengthen safety awareness, we conducted regular training interventions, particularly for shop floor teams. Initiatives such as toolbox talks, safety briefings, and one-minute safety sessions were organised to reinforce critical safety protocols. These efforts have deepened employees' understanding, promoted proactive safety behaviour, and embedded a strong culture of safety within daily operations across our facilities.

Fire Safety Training

At our Jigani site, employees were trained to identify fire hazards, follow preventive measures, and execute safe evacuation. The session enhanced confidence in handling fire extinguishers and strengthened overall emergency preparedness.

ERT Training and Mock Drill

A fire safety drill was held at Hikal CBD and Taloja by an external trainer with EHS Head coordination. Emergency Response Team members and staff received hands-on training in rescue and evacuation, reinforcing our safety commitment.

One Minute Safety Programme

Held every fourth Saturday at Pune R&T, the programme covers unsafe acts, conditions, near misses, and incident reports. During the pandemic, sessions moved to online platform, encouraging virtual sharing of safety experiences and learnings.

Championing a Culture of Safety: Hikal's 21-Day Safety Challenge

Championing a culture of safety, Hikal launched a 21-Day Safety Challenge across all sites under the theme 'Our Safety, My Responsibility'. Kicked off with a virtual inauguration, the initiative encouraged personal ownership of safety. Each location added its own creative flair, energising teams and reinforcing that safety at Hikal is not an event but a shared, ongoing commitment.

Highlights of 21-Day Challenge

Safety Skits

It highlighted real-life scenarios and reinforced safe practices in a relatable way.

Safety Book

A handy Pocket Safety Book was shared across sites with key safety tips and protocols.

Safety Buddy System

Safety Buddy system was introduced to foster peer accountability and mutual support.

PPE Exhibition

PPE exhibition was held to showcase the correct use and importance of personal protective equipment.

Fire Safety Training

Training sessions on fire safety, ergonomics, mock drills, CPR, and hazard haunt were conducted.

Trainings Conducted during the Safety Month

Basic Life Support Training

The training equipped employees with essential emergency response skills, covering CPR, AED use, and basic first aid to boost confidence and preparedness

Mock Drill

A surprise mock drill simulated emergency scenarios to assess readiness, reinforce protocols, and strengthen decision-making under pressure

Report it Right

Focused training was held under the 'Report it Right' initiative to guide employees on reporting incidents and near misses accurately, enabling timely intervention and promoting safety ownership

Machine Safety

A practical session enhanced awareness of machine safety, covering lockout-tagout, emergency stops, and hazard identification to ensure safe handling of high-risk equipment

Human Rights and Community Relations

At Hikal, respect for human rights forms the foundation of our values and workplace culture. We are committed to upholding dignity, fairness, and inclusivity across our operations, with zero tolerance for discrimination, harassment, or forced labour. Beyond the workplace, our CSR programme 'Srijan' extends this commitment by supporting community development through focused initiatives in education, healthcare, environmental sustainability, cultural heritage, and employee-led outreach.

97.52%
Total permanent employees have been provided training on human rights

100%
Permanent workers are associated with a union

Respecting Human Rights

At Hikal, we are deeply committed to safeguarding human rights across all our operations. In collaboration with an independent agency, we conduct rigorous human rights due diligence to identify and assess potential risks. Annual audits, led by our Internal Audit and EHS teams, ensure sustained compliance and enable timely, effective corrective actions where needed.

Freedom of Association

Our organisation wholeheartedly endorses the freedom of association and the right to establish and join unions, in accordance with international labour standards. We believe that employee unions help to safeguard the interests of our workers.

Child Labour, Forced and Compulsory Labour

We strictly prohibit discrimination, harassment, child and forced labour. Our 'No Child or Forced Labour Policy' ensures no one under 18 is employed and all work is freely chosen across all sites. We do not tolerate discrimination in any form and ensure equal opportunities in recruitment, training, promotion, remuneration, and all other aspects of employment.

Mechanism to Address Grievances

Our grievance redressal framework enables employees and stakeholders to raise concerns fairly and transparently. Policies such as POSH (Prevention of Sexual Harassment) and the Whistle-blower Policy ensure a safe, respectful, and accountable environment for all individuals across our organisation.

Training on Human Rights

We take pride in empowering our workforce with a clear understanding of human rights and our organisational values. Through focused training, we ensure that every employee is well-informed and aligned with our commitment to respect, equality, and dignity, fostering a workplace culture grounded in integrity and shared responsibility.

Community Relations

Our CSR commitment reflects our goal of creating shared value for communities near our operational sites. Through our flagship programme, 'Srijan', we focus on five key pillars: Education, Healthcare, Employee Involvement, Environmental Protection, and Heritage Conservation. Partnering with NGOs across sectors, we strive to deliver meaningful, lasting impact for both local communities and the natural environment.

1.2 lakhs
Students benefitted

INR 29 Million
CSR expenditure

1.5 lakhs
Patients benefitted

Our Contribution to UN SDGs

CSR Programme and Intervention Areas

Anahat
Environment and ecology protection

Sampark
Employee contribution

Medha
Education and skill development

Rachna
Protection of national heritage, art, and culture

Kaushalya
Healthcare and sanitation

Anahat

Watershed Management Project

To mark World Earth Day 2024, an integrated watershed development project was launched at Pimpalkond village in Mahad taluka through a collaborative effort between Hikal and a partner NGO. The initiative aims to enhance water availability for agriculture, livestock, and household needs, while promoting sustainable water resource management and long-term access to safe drinking water for the local community.

Sustainable Support for Pilgrims

During the Ambaji Padyatra, we partnered with GPCB Gandhinagar to set up a sustainability kiosk supporting pilgrims. Used plastic bottles were exchanged for 1,000 reusable steel ones, promoting clean drinking practices and reducing single-use plastic. Collected plastic waste was recycled, combining environmental responsibility with meaningful support for thousands undertaking the spiritual journey.

Medha

Infrastructure Development Work

At Zilla Parishad Primary School in Dattawadi-Nere, we completed infrastructure upgrades, including a tin shed, handwash station, and cement tank. Scout uniform accessories were also provided to 40 students for the Independence Day parade. The initiatives were well-received by staff and parents, reflecting our continued support for education and student well-being.

Mentorship and Career Counselling

We launched a CSR initiative in Maharashtra to support mentorship and career counselling for 150 underprivileged girls, in partnership with Light of Life Trust and Mentoria. Our CSR Head engaged with students, conducted career assessments, and distributed certificates to successful participants. The programme aims to bridge the opportunity gap by empowering young girls with guidance to make informed career choices and build confident futures.

Kaushalya

Ambulance Donation to Mahad-based Social Organisation

We donated a fully equipped ambulance to a rural healthcare NGO to support emergency medical needs of underprivileged communities, reinforcing our commitment to accessible healthcare in remote areas.

Blood Donation Camp

As part of Values Week, employees across departments participated in a blood donation camp, reflecting strong commitment to community welfare and contributing to life-saving healthcare support.

Voluntary Donation Drive

In collaboration with a charitable organisation, we organised a donation drive during Values Week. Employees generously contributed essentials, many purchasing new items, demonstrating empathy and alignment with our values.

Strengthening Safety Infrastructure

We upgraded key police station facilities to enhance hygiene and public interaction. The initiative supported cleaner, functional spaces and improved working conditions for frontline law enforcement.

Empowering Families through Autism Awareness

Through the Umeed Parent Programme, we provided families of children with special needs with resources and guidance, promoting confidence, early intervention, and better caregiving outcomes.

Rachna

Marg Foundation

We support Marg Foundation in promoting Indian art, culture, and heritage through publications, research, and education. We widen the access to knowledge, and help to preserve traditions, inspiring future generations to follow artistic legacy.

National Centre for the Performing Arts (NCPA)

Our association with NCPA strengthens India's performing arts ecosystem. We support programmes that bring world-class performances to diverse audiences, preserving classical art forms while encouraging innovation.

Mehli Mehta Foundation

We partner with the Mehli Mehta Foundation to foster love for Western classical music. Through workshops and concerts, the foundation cultivates musical appreciation, discipline, and creativity in children.

Zirad Art & Heritage Foundation

We support Zirad Foundation in preserving local art, craft and heritage while empowering rural communities. We create avenues artisans to sustain their livelihoods, bridging tradition with contemporary relevance, ensuring cultural continuity.

Sampark

Lunch and Laughter with Old Age Home Residents

As part of a values-led initiative, women employees visited a local old age home, sharing lunch, laughter and heartfelt conversations with the residents. The activity fostered warmth, connection, and joy, while reflecting a strong commitment to community well-being. This simple yet meaningful gesture embodied compassion and reinforced the importance of giving back and brightening the lives of others.

Leading towards a Sustainable Tomorrow

Material Topics Covered

- Ethical Business Practices and Governance
- Regulatory Compliance Skill Development
- Sustainable Financial Performance
- Sustainable Supply Chain
- Data Integrity and Security
- Product Quality, Safety, and Labelling
- Research and Innovation
- Customer Satisfaction

Highlights for 2024-25

55%
Independent Directors

27.3%
Women Directors

Zero
Corruption incidents reported

Zero
Cases of Conflict of Interest

Contribution to UN SDGs

At Hikal, strong governance is central to our responsible and ethical business conduct. Grounded in principles of fairness, transparency, and integrity, our governance framework enables effective stakeholder engagement, informed decision-making, and long-term value creation, ensuring we remain resilient and responsive in a dynamic operating environment.

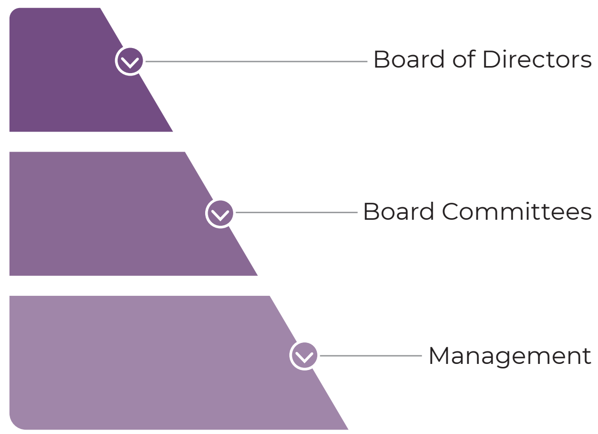
Ethical Business Practices and Governance

At Hikal, ethical business practices form the foundation of our governance framework. We are committed to upholding integrity, transparency and accountability across all levels of operation. Drawing on globally recognised principles, we embed fairness and strong ethical standards into our systems, fostering stakeholder trust, enhancing oversight, and enabling responsible decision-making that supports long-term value creation.

Governance Structure

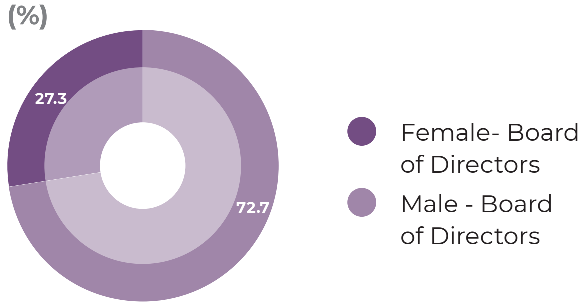
Our Board of Directors upholds the highest standards of transparency, integrity, and accountability across all levels of the organisation. In parallel, the Management Committee drives the execution of our value-creation strategy, with a clear focus on delivering inclusive and sustainable outcomes for all stakeholders.

Governance Structure



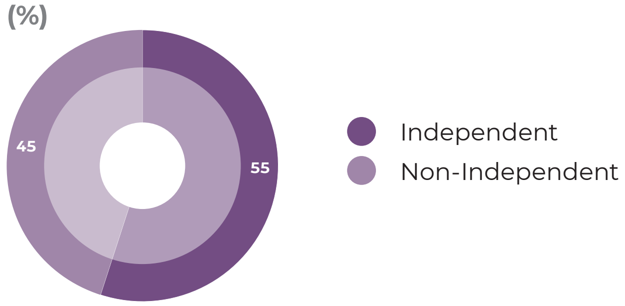
Board Diversity

(%)



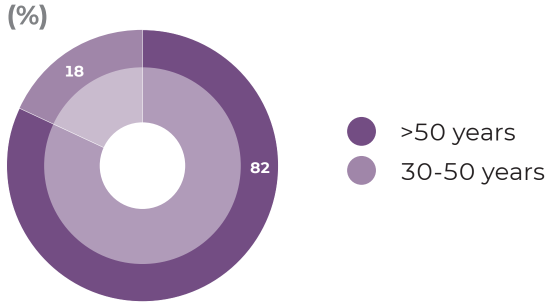
Board Independence

(%)



Board Age Profile

(%)



Ethics and Business Practices

Our leadership has established a robust policy framework to promote ethical conduct, transparency, and sustainability throughout our organisation. We adhere to the highest international standards in corporate governance. Each year, every employee completes an online training programme and assessment to ensure a thorough understanding of our corporate governance principles. Externally, our code of conduct and governance policies are openly published on our corporate website.

Our Policies

Whistle Blower Policy	Code of Conduct
CSR Policy	Community Grievance Redressal Policy
Code of Conduct for Board Members and Senior Management	Dividend Distribution Policy
Risk Management Policy	Policy for Determining Material Subsidiary
Related Party Transactions Policy	Remuneration Policy

Click on for more details

Regulatory Compliance

Regulatory compliance remains a central pillar of our operations, with concerted efforts to align meticulously with both domestic and international standards. By embracing multi stakeholder collaborations and actively engaging in public consultations, we ensure that we play an influential role in shaping the regulatory environment.

Navigating Regulatory Complexity

At Hikal, we align our corporate governance with diverse legal frameworks, including company law, securities regulation, tax, labour, environmental, and data protection laws. We proactively address overlaps and potential conflicts by maintaining a coherent regulatory approach with clearly defined roles across internal functions. We also monitor cross-jurisdictional regulations to avoid regulatory arbitrage and ensure compliance.

Membership with Associations

We are proud to maintain strategic affiliations with premier industry associations, which empower us to actively shape policy frameworks and establish best-practice benchmarks—thus affirming our reputation as a progressive and responsible corporate leader.

We Hold Memberships in the Following Associations:

Confederation of Indian Industry (CII)	Indian Merchants Chamber (IMC)	Indian Chemical Council	Crop Care Federation of India
Federation of Indian Chambers of Commerce & Industry (FICCI)	National Safety Council	Pesticides Manufacturers & Formulators Association of India (PMFAI)	Agro Chem Federation of India

Sustainable Financial Performance

At Hikal, sustainable financial performance is a central pillar of our long-term strategy. While some perceive environmental initiatives as burden on resources, we consider them high-return investments—critical drivers of value creation. By purposefully allocating capital to sustainability initiatives, we not only uphold our responsibility to the environment, but also strengthen our competitive and financial standing.

Over the past two years, we have invested INR 4 Million in clean energy solutions, resulting in a meaningful reduction of 30,377 $MTCO_2e$ in greenhouse gas emissions and achieving cost efficiencies totalling INR 91.50 Million by use of renewable energy. These outcomes clearly underscore that our eco-friendly initiatives are not only environmentally responsible but also financially prudent.

Looking forward, we remain committed to identifying innovative opportunities that reduce our ecological footprint while delivering additional financial upside. This steadfast commitment attests to our firm belief that sustainability and profitability are mutually reinforcing and essential to achieving long-term resilience and success for both Hikal and the planet.

Sustainable Supply Chain

We have adopted a Green Supply Chain Policy that applies to all value chain partners, reinforcing our commitment to sustainability. Suppliers are expected to meet defined ESG criteria. We also prioritise local sourcing wherever feasible, promoting environmental responsibility and supporting the well-being of surrounding communities.

Strategy for Sustainable Supply Chain

We are actively investing to develop self-reliance through:

1 Backward Integration
- End-to-end process development
- Technology solution for KSM manufacturing
- Capacity deployment

2 Outsourcing/ Partnership
- Strategic tie-ups
- Tech transfer
- Operational and financial support

3 Local Vendor Development
- Identify right vendors
- Compliance support
- Process support

Supplier Assessment

We uphold stringent supplier evaluation standards for our critical value chain partners in India, with a sharp focus on EHS, quality, and statutory compliance. Through detailed on-site and remote audits, we thoroughly assess our suppliers' ESG performance, ensure respect for human rights, and verify adherence to safe and compliant working conditions. To date, no significant actual or potential adverse social impacts have been identified, demonstrating our firm commitment to ethical sourcing and responsible supply chain governance.

100%
Critical value chain partners assessed for health and safety practices

Assessment of Value Chain Partners (%)

Human rights criteria	2022-23	2023-24	In 2024-25
Child labour	100	100	**100**
Forced labour/involuntary labour	100	100	**100**
Sexual harassment	100	100	**100**
Discrimination at workplace	100	100	**100**
Wages	100	100	**100**

100%
Value chain partners assessed for safe working conditions

Data Integrity and Security

We have deployed multi-layered security solutions in our IT systems to safeguard against direct exposure or vulnerabilities to cyber-attacks.

- Email gateway, antivirus, and anti-phishing measures to enhance email security
- Real-time monitoring and defence against known and zero-day attacks with Endpoint Detection and Response (EDR) solution, featuring Advanced Threat Protection (ATP) engines
- Protection against zero-day attacks for all end-user devices and servers with antivirus solutions
- Added security layer for server access with multi-factor authentication utilising OTP
- Ensuring safe internet access with best-in-class web-security solutions

Zero
Data breaches during 2024-25

Product Quality, Safety, and Labelling

We place the highest importance on product quality, safety, and accurate labelling to ensure full compliance and transparency. Employees receive rigorous training and follow strict protocols to uphold these standards.

Every product is clearly labelled in line with statutory and customer requirements, and each consignment includes detailed safety instruction sheets.

We maintain quality agreements with customers, offering comprehensive product information and proactively gathering feedback to enhance satisfaction. Regular evaluation of this feedback helps us continuously improve our services and align with evolving customer expectations.

Research and Innovation

At Hikal, innovation drives our sustained growth and competitive edge. We invest consistently in advanced technologies and manufacturing to stay ahead in an evolving industry. Through initiatives like HiBEX and Project Pinnacle, we introduce customer-centric products and identify cost-effective solutions. These efforts have strengthened our presence in global markets, including Japan, Latin America, and the Middle East.

Customer Satisfaction

At Hikal, our business teams engage in regular review meetings with customers to address concerns, explore service enhancements, and strengthen collaboration. This ongoing dialogue fosters transparency and trust, enabling us to align with evolving customer expectations and industry dynamics. By maintaining open communication, we ensure that our solutions remain relevant, value-driven, and aligned with our customers' strategic goals.

Board's Report

To,

The Members,

The Directors are pleased to present the 37th Annual Report with the Audited Standalone & Consolidated Financial Statements for the financial year ended 31 March 2025.

1. Financial Results

₹ in million

Particulars	2024-25	2023-24
Total Revenue	**18,648**	17,871
Profit before interest & depreciation	**3,335**	2,694
Interest	**752**	564
Profit before depreciation	**2,583**	2,130
Depreciation	**1,344**	1,176
Profit before taxation	**1,239**	954
Provision for taxation		
- Current tax	**300**	284
- Deferred tax	**30**	(25)
Profit after tax	**909**	695
Reserves and surplus	**12,375**	11,629
Dividend on equity share	**148**	148

2. COMPANY PERFORMANCE

The Company achieved revenue of ₹ 18,648 million in 2024-25, against ₹ 17,871 million in the previous year, recording a growth of 4%. The sales of the pharmaceutical business recorded an increase of 6% to ₹ 11,681 million, while the sales of the Crop Protection saw a growth of 1% to ₹ 6,917 million.

The EBIDTA margins improved by 281 bps on the back of stable raw material prices, improved product mix and ongoing business excellence initiatives and stood at around 18%, increased from ₹2,694 million in the previous year to ₹ 3,335 million in 2024-25. Absolute EBITDA also increased by ₹ 641 million. The Profit before Tax (PBT) increased by 30% from ₹ 954 million in the previous year to ₹ 1,239 million in 2024-25. Profit After Tax (PAT) witnessed a growth of 31% from ₹ 695 million in the previous year to ₹ 909 million in 2024-25. The Earning per Share (EPS) also increased from ₹ 5.64 in the previous year to ₹ 7.37 in 2024-25.

The Company is incurring substantial capital expenditure for growth in the Pharmaceutical and Crop Protection businesses to augment capacities for existing products and to create capacities for new products, as well as investments in Research & Technology.

The Company has prudently been funding the growth Capex with a mix between internal accruals and long-term loans. In doing so, the Company ensures that it maintains a healthy liquidity position and that its financial gearing and debt service coverage are at comfortable levels.

The Current Ratio of the Company is at 1.26 for 2024-25, as against 1.28 in the previous year. The net Debt to Equity Ratio improved from 0.67 in March 2024 to 0.59 in March 2025, while the Debt Service Coverage Ratio (DSCR) declined from 1.52 in the previous year to 1.45 in 2024-25.

3. EXPORTS

Exports for the year 2024-25 were ₹ 11,471 million (62% of total sales) as compared to ₹11,082 million (63% of total sales) in the previous year. The increase in exports was due to diversifying our product portfolio.

4. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis on the Company's operations is provided in a separate section and forms part of this Annual Report.

5. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company's Business Responsibility and Sustainability Report, in terms of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations), is provided in a separate section and forms part of this Annual Report.

6. DIVIDEND & RESERVES

The Company had in the financial year 2024-2025 declared and paid in the month of February 2025 an interim dividend of 30% i.e. ₹ 0.60 per share of face value of ₹ 2/- each. Further, the Board has recommended a Final Dividend of 40% i.e. ₹ 0.80 per share of ₹ 2/- each. The Payment of Final Dividend is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company. If the final dividend is approved by the shareholders, the total dividend for the Financial Year 2024-25 shall aggregate to 70% i.e. ₹ 1.40/- per share of face value ₹ 2/- each.

As per the Income Tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

During the year under review, the Company has not transferred any amount to any of the reserves maintained by the Company.

The Dividend Distribution policy of the Company which provides the Company's philosophy on Dividend is available on the website of the Company at https://www.hikal.com/uploads/documents/HIKAL-DividendDistributionPolicy.pdf

7. MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed in this Integrated Annual Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and the date of this Integrated Annual Report.

8. SHARE CAPITAL

There has been no change in the Company's paid-up share capital during the current financial year. The paid-up equity share capital as on 31 March 2025, stood at ₹ 246.60 million. During the financial year, the Company did not issue shares with differential voting rights nor granted any stock options or sweat equity. As on 31 March 2025, none of the Company's Directors held instruments convertible into equity shares of the Company.

9. ANNUAL RETURN

The Annual Return of the Company, as required under Section 92 of the Companies Act, 2013 (the Act), read with the Rules framed thereunder, in the prescribed Form MGT-7, is available on the website of the Company at www.hikal.com/documents/agm.

10. SUBSIDIARIES

The Company has two subsidiaries viz. Acoris Research Limited and Hikal LLC, USA. A statement containing the salient features of the Financial Statements of Subsidiaries in the prescribed Form AOC-1, is attached as **"Annexure A"** to this Report. The Company will provide the Financial Statements of the subsidiaries and the related information to any member of the Company who may be interested in obtaining the same. The financial statements of the subsidiaries will also be available for inspection in electronic mode. Members who wish to inspect the same are requested to write to the Company by sending an email to secretarial_agm@hikal.com. The Consolidated Financial Statements of the Company, forming part of this Annual Report, include the Financial Statements of Subsidiaries. The Financial Statements of Subsidiaries are also hosted on the website of the Company at www.hikal.com/documents/annual-reports.

11. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013, and the Company's Articles of Association, Mr. Amit Kalyani (DIN - 00089430), Director, retires by rotation at the forthcoming Annual General Meeting (AGM), and being eligible, offers himself for re-appointment.

Mr. Shrikrishna Adivarekar (DIN: 06928271) was reappointed as an Independent Director of the Company for the second consecutive term of 5 years with effect from 22 December 2024 by the Members by passing a special resolution at the 36th Annual General Meeting of the Company held on 17 September 2024.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 14 May 2025 re-designated Mr. Sameer Hiremath as Vice Chairman and Managing Director of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, and Regulation 16(1) (b) of SEBI Listing Regulations as amended. In the opinion of the Board, the Independent Directors possess the integrity, requisite qualifications expertise and experience (including proficiency) required to contribute to the quality and better governance of the Board processes.

Details of the number of Board meetings, held during the financial year 2024-25, are mentioned in the Corporate Governance Report, which forms an integral part of this Annual Report.

12. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, and SEBI Listing Regulations, as amended, a structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning, like composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out in accordance with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations. In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The Nomination and Remuneration Committee has reviewed the implementation and compliance of effective evaluation of performance of the Board, its committees and individual directors. The Board of Directors expressed their satisfaction with the evaluation process.

13. WHISTLE-BLOWER POLICY

The Company has a Whistle Blower policy to report genuine concerns or grievances. The Whistle Blower Policy is posted on the Company's website https://www.hikal.com/uploads/documents/HikalWhistleBlowerPolicyRev2024.pdf.

14. NOMINATION & REMUNERATION POLICY

The Company has a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Nomination and Remuneration Policy of the Company is attached as **"Annexure B"** to this Report. This policy also lays down criteria for selection and appointment of Board members. The details of this policy are explained in the Corporate Governance Report and uploaded on the Company's website https://www.hikal.com/uploads/documents/RemunerationPolicy.pdf

15. RELATED PARTY TRANSACTIONS

All related party transactions entered during the financial year, were at an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the Company's interest at large. The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is attached as **"Annexure C"**.

All related party transactions were placed before the Audit Committee for approval.

The policy on Related Party Transactions, as approved by the Board, is uploaded on the Company's website https://www.hikal.com/uploads/documents/RelatedPartyTransactionPolicy.pdf.

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

No significant or material order has been passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future operations.

17. RISK MANAGEMENT

The Company has a robust business risk management framework in place to identify and evaluate all business risks. The Company recognises risk management as a crucial aspect of the Company's management and is aware that identification and management of risk effectively is instrumental in achieving its corporate objectives.

The Company has identified the business risks, and the business heads, who are termed as risk owners, assess, monitor and manage these risks on an ongoing basis. The risk owners assess the identified risks and continually identify any new risks that can affect the business. Different risks such as technological, operational, maintenance of quality, reputational, competition, geopolitical, environmental, foreign exchange, financial, human resource and legal compliances, among others, are assessed on a continuous basis.

The risks mentioned in the risk register are reviewed by the Risk Management Committee at regular intervals to assess and mitigate the risk from time to time. The findings of the Risk Management Committee along with the actions taken to mitigate the risks are sent to the Board for its reference.

The strategies are reviewed, discussed and allocation of appropriate resources is done as and when necessary. The risk management programme, internal control systems and processes are monitored and updated on an ongoing basis. A built-up mechanism has been established to identify, measure, control, monitor and report the risks. Business heads are responsible for rolling out the risk assessment and management plan within the organisation.

18. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby, strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen them. The Company has a robust management information system, which is an integral part of the control mechanism.

Your Company implemented proper Internal Financial Controls, and these financial controls were adequate and effectively operated during FY 2024-25.

19. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, following were the Key Managerial Personnel of the Company as on 31 March 2025:

Mr. Jai Hiremath, Executive Chairman (WTD)

Mr. Sameer Hiremath, Vice-Chairman & Managing Director

Mr. Sarangan Suresh, Whole Time Director

Mr. Kuldeep Jain, Chief Financial Officer

Mr. Rajasekhar Reddy, Company Secretary.

20. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

The details under Section 186 of the Companies Act, 2013, are given in Note No. 54 to the notes to the financial statements.

21. DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors state that:

(i) In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, were followed and there are no material departures from the same;

(ii) The Directors 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 2024-25, and of the profits of the Company for that year;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The annual accounts have been prepared on a going concern basis;

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

(vi) The Directors have devised a proper system to ensure compliance with the provision of all applicable laws and that such systems are adequate and are operating effectively.

22. STATUTORY AUDITOR

M/s S R B C & CO. LLP has been re-appointed as the Statutory Auditors at the 36th Annual General Meeting of the Company held on 17 September 2024 for the second term of 5 consecutive years to hold the office from the conclusion of 36th Annual General Meeting till the conclusion of 41st Annual General Meeting to be held in the year 2029.

The Auditor's report prepared by S R B C & CO. LLP, to the members on the financial statements of the Company for the year ended 31 March 2025, does not contain any qualifications, adverse or disclaimer remarks. No fraud has been reported by the Auditors to the Audit Committee or the Board.

23. COST AUDITOR

The Company has maintained cost accounts and records as specified in the Central Government under Section 148(1) of the Companies Act, 2013. For FY 2024-25, M/s. V. J. Talati & Co., (FRN: R00213), Cost Accountants conducted the audit of the cost records of the Company.

The Company has re-appointed M/s. V. J. Talati & Co., (FRN: R00213) as the Cost Auditor to carry out the audit of cost accounts for the financial year 2025-26. The requisite resolution for ratification of remuneration payable to Cost Auditors for the financial year 2025-26, by the shareholders has been set out in the Notice of AGM. The cost audit report for the financial year 2023-24 was filed with the Ministry of Corporate Affairs, Government of India on 13 August 2024.

24. SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 read with Rules made thereunder, the Board had appointed M/s Dhrumil M. Shah & Co. LLP (ICSI Unique Code L2023MH013400), Practicing Company Secretaries to conduct the Secretarial Audit of the Company.

The Secretarial Audit Report in Form MR 3 for the financial year ended 31 March 2025, is annexed to this report as **"Annexure D"** and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

The Annual Secretarial Audit Report issued by the Secretarial Auditor in terms of Regulation 24A of the Listing Regulations has been submitted to the Stock Exchanges and is available on the website of the Company https://www.hikal.com/documents/corporate-governance.

Pursuant to the amendments to the SEBI Listing Regulations, the Board, on the recommendation of the Audit Committee, has approved and recommended to the Members, the appointment of M/s Dhrumil M. Shah & Co. LLP (ICSI Unique Code L2023MH013400), as the Secretarial Auditor of the Company, for a period of five consecutive years inclusive of FY 2026.

Brief details as required under the SEBI Listing Regulations, are provided in the Notice of 37th AGM. The Directors recommend the appointment of M/s Dhrumil M. Shah & Co. LLP (ICSI Unique Code L2023MH013400), as the Secretarial Auditor for approval by the Members.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Based on the recommendation of the Corporate Social Responsibility Committee (CSR Committee) the Board has adopted a CSR Policy that provides guiding principles for selection, implementation and monitoring of CSR activities and formulation of Annual Action Plan. The CSR Policy may be accessed on the Company's website www.hikal.com/uploads/documents/corporate-socialresponsibility-polic-srijan.pdf.

The Annual Report on CSR activities is annexed herewith marked as **"Annexure E"** and forms an integral part of this Report.

26. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ("POSH Act"), the Company adopted a 'Policy on Appropriate Social Conduct at Workplace'. The policy is applicable for all employees of the organisation, which includes corporate office and manufacturing units. The policy is applicable to non employees as well, i.e. business associates, vendors and trainees, among others.

An Internal Complaints Committee, as required under the provisions of the POSH Act has also been set up to redress complaints received on sexual harassment as well as other forms of verbal, physical, written or visual harassment.

During the financial year 2024-25, the Company did not receive any complaints of sexual harassment and no cases were filed under the POSH Act.

a. Number of complaints filed during the financial year 2024-25: NIL

b. Number of complaints disposed off during the financial year 2024-25: NIL

c. Number of cases pending for more than 90 days - NIL

27. MATERNITY BENEFIT

During the year under review the company has complied with the applicable provisions relating to Maternity Benefits Act 1961.

28. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

- **Transfer of Unclaimed Dividend to IEPF**

During the financial year, final dividend relating to the year ended 31 March 2017 and the interim dividend for the year ended 31 March 2018, amounting to ₹ 381219/- that had not been claimed by the shareholders were transferred to the Account of IEPF as required under Sections 124 and 125 of the Act.

- **Unclaimed dividend as on 31 March 2025**

The Shareholders are requested to lodge their claims with the Registrar and Share Transfer Agents of the Company i.e. MUFG Intime India Pvt. Ltd., for unclaimed dividend.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31 March 2025, on the website of the Company https://www.hikal.com/documents/dividend-shares. The same are also available on the website of the IEPF Authority www.iepf.gov.in.

- **Transfer of Equity Shares**

As required under Section 124 of the Act, during the financial year, 7305 Equity Shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, were transferred by the Company to the IEPF Authority. Details of such shares transferred have been uploaded on the website of the Company https://www.hikal.com/documents/dividend-shares. The same are also available on the website of the IEPF Authority www.iepf.gov.in.

29. SAFETY AND ENVIRONMENT

The company's safety principles are fundamental rules and guidelines designed to prevent accidents, injuries, and illnesses in the workplace. These principles are crucial for maintaining a safe and healthy work environment, fostering a positive safety culture, and ensuring compliance with relevant regulations. We strongly believe in "Our Safety My Responsibility" and it was chosen as theme during safety month celebration during March – 25. The core guiding principle for EHS in "Our Safety My Responsibility" is prioritising safety and health as fundamental rights for all workers, with the goal of preventing all injuries and illnesses. This involves a commitment to a proactive, risk-based approach, clear communication, care for others and a culture of shared responsibility where every employee actively participates in maintaining a safe and healthy work environment.

30. DEPOSITS

The Company did not accept any deposits and as such there were no overdue deposits outstanding as on 31 March 2025.

31. EMPLOYEES

The Company considers its human capital an invaluable asset. The Company continued to have cordial relationships with all its employees. Management and employee development programmes and exercises were conducted at all sites. The Company has conducted various in-house skill developmental programmes and also has sponsored for various external seminars for other developmental programmes to enhance the skill set of the employees at various levels. The total workforce of the Company stood at 3112 as on 31 March 2025, including 2062 permanent employees.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this Report. However, the Report and the financial statements are being sent to the members, excluding the aforesaid statement. In terms of Section 136 of the Companies Act, 2013, the said statement is open for inspection. Any member interested in obtaining such particulars may write to the Company Secretary at secretarial_agm@hikal.com.

32. CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the requirements of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, a statement showing particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, forming a part of the Board's Report, is given in the enclosed **"Annexure F"** which forms a part of this Report.

33. CORPORATE GOVERNANCE

A report on Corporate Governance, along with a certificate from M/s Dhrumil M. Shah & Co. LLP, Practicing Company Secretaries regarding the compliance of the requirements of Corporate Governance, as stipulated under the provisions of Regulation 34 of the SEBI Listing Regulations, is annexed to this Annual Report.

34. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, during the Financial Year 2024-25.

35. AWARDS & RECOGNITIONS

The details of the Awards and Recognitions earned by the Company during the financial year 2024-25 have been provided as part of this Integrated Annual Report at page no. 25.

36. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no instances of these matters during FY 2025:

i. There has been no change in the nature of business of the Company

ii. There were no applications made or proceeding pending under the Insolvency and Bankruptcy Code, 2016

iii. There was no instance of one-time settlement with any bank or financial institution.

37. ACKNOWLEDGEMENTS

The Board of Directors place on record their appreciation of the contribution and sincere support extended to the Company by our bankers, financial institutions and valued customers and suppliers.

The Board also places on record its appreciation for the impeccable service and generous efforts rendered by its employees at all levels, across the Board, towards the overall growth and success of the Company.

38. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Director

Jai Hiremath
Executive Chairman
DIN: 00062203

Date: 7 August 2025
Place: Mumbai

"ANNEXURE – A"

FORM NO. AOC-1

Statement containing the salient features of the financial statements of subsidiaries

Form AOC-1-pursuant to the first proviso to sub section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014

Financial Highlights

(₹ in million)

Sr. No	Particular	Acoris Research Limited (1 April 2024 to 31 March 2025)	Hikal LLC, USA (1 April 2024 to 31 March 2025)
1.	Share Capital	151	-
2.	Reserves	(151)	1
3.	Total Assets	-	9
4.	Total Liabilities	-	9
5.	Investments	-	-
6.	Total Revenue	-	75
7.	Profit/(loss) Before Tax	-	(1)
8.	Provision for Tax	-	-
9.	Profit/(loss) After Tax	-	(1)
10.	Proposed Dividend	-	-
11.	% of Shareholding	100	100

Jai Hiremath
Executive Chairman
DIN:00062203

Sameer Hiremath
Vice Chairman and Managing Director
DIN: 00062129

V Ramachandra Kaundinya
Independent Director
DIN: 00043067

Date: 7 August 2025
Place: Mumbai

Kuldeep Jain
Chief Financial Officer

Rajasekhar Reddy
Company Secretary

"ANNEXURE – B"

Hikal Limited

Remuneration Policy

PREAMBLE

This policy shall be called the Nomination and Remuneration Policy ("Policy") of Hikal Limited ("the Company") and is framed as per the statutory requirements prescribed under the Companies Act, 2013 ("the Act") read with the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended from time to time.

The composition of the Nomination and Remuneration Committee (NRC) of the Company is in compliance with Section 178 of the Companies Act, 2013, read along with the applicable rules thereto and the Listing Regulations.

This Policy applies to the Company's Directors, Senior Management, including its Key Managerial Personnel (KMP) and other employees.

The Board of Directors/ Nomination and Remuneration Committee (NRC) will have the powers to make deviations from this Policy in extraordinary circumstances as and when felt necessary in the interest of the Company and on reasonable grounds within the regulatory/ legal framework.

All the words and expressions used in this Policy, unless defined hereafter, shall have the meaning respectively assigned to them under the Act and the Listing Regulations or the Rules, Notifications and Circulars made/ issued thereunder, as amended, from time to time.

OBJECTIVES

The objective of this Policy is to attract, motivate, and retain the best talent in the industry, create a congenial work environment and offer appropriate remuneration packages and retirement benefits and include:

1. Laying down criteria for and identification of persons who are qualified to become Directors and who may be appointed in senior management of the Company.
2. Specification of the manner for effective evaluation of performance of Board, its committees and individual Directors, to be carried out either by the Board, by the NRC or by an independent external agency and review the implementation and compliance of the process of evaluation of performance.
3. To lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management and determination of their remuneration structure keeping in view integrity, qualifications, expertise and experience of the person.
4. To ensure Board diversity, development of a succession plan for the Board and regularly review of the plan.
5. To formulate the criteria for determining qualifications, positive attributes, and independence of a Director.

THE NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee in place as per the composition specified under the Listing Regulations.

The charter or the terms of reference of the NRC shall be as prescribed under the Act and the Listing Regulations and may be amended by the Board from time to time, without deviating from the statutory requirements.

NRC may consider delegating any of its powers to one or more of its members or the Secretary of the Committee. The Company Secretary of the Company shall act as Secretary of the Committee.

DIRECTORS

As per the policy followed by the Company since inception, the Non-Executive Directors shall be paid remuneration in the form of sitting fees for attending Board and Committee meetings as approved by the Board of Directors from time to time, subject to statutory provisions. The Non-Executive Directors may also be paid commission of the profits of the Company, subject to the approval of the Board of Directors and the members of the Company. The terms of appointment and tenure, will be subject to the provisions of the Act and the Listing Regulations, in force, at that time.

Remuneration of Executive Directors, including Managing Director, reflects the overall remuneration philosophy and guiding principle of the Company. When considering the appointment and remuneration of Executive Directors, the NRC shall consider pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company.

The NRC, while designing the remuneration package, shall consider the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully.

The term of office and remuneration of Executive Directors shall be subject to the approval of the Board of Directors, shareholders and the limits laid down under the Act and the Listing Regulations from time to time. No severance fees shall be paid to any Directors, unless otherwise specified in their terms of appointment.

EVALUATION OF PERFORMANCE

The evaluation of performance of the Board, its Committees and individual Directors shall be carried out either by the Board or an independent external agency. The NRC shall specify the manner for effective evaluation of performance of Board and review its implementation and compliance.

The Independent Directors shall, in a separate meeting carry out, the evaluation of performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors. The evaluation of performance of Independent Directors shall be carried out by the entire Board, excluding the Director being evaluated.

The evaluation shall be carried out broadly based on the following criterion:

1. Director's background, knowledge and skills are relevant to the Board and business of the Company.
2. Attendance of Directors in the meetings and whether the Director devotes sufficient time for Board matters and actively participates in the matters that are being discussed at the meetings.
3. Whether the Director is available for any discussions/inputs outside of Board/ Committee meetings.
4. Whether the Director helps in bringing an independent judgement to bear on the deliberations especially on strategy, risk management and performance of the Company.
5. Whether the Director works towards safeguarding the interest of all stakeholders in the Company.
6. Whether the Director brings quality and value in Board discussions.
7. Whether the Director is cordial towards his fellow Directors and is reasonable and objective in his views without obstructing the flow of the board process.

BOARD DIVERSITY AND SUCCESSION PLANNING

As prescribed under the Act and the Listing Regulations, the Board shall have an optimum combination of executive, non-executive, independent directors and woman Directors.

The Company believes that a truly diverse Board is essential to the achievement of its strategic and commercial objectives. A diverse Board will bring in a comprehensive skill-set from various fields like finance, leadership, information technology, corporate restructuring, sales & marketing, environment health social & governance matters and will bring an edge to the growth of the Company.

The NRC shall assist the Board in reviewing the composition of the Board and assessing and identifying the necessary skill set, experience and expertise required on the Board and shall make recommendation to the Board towards identification and appointment of candidates possessing the desirable competencies.

The NRC shall periodically review to assess the possible vacancies on the Board, well in advance to ensure continuity in the smooth functioning of the Board process. In case of foreseen vacancies the NRC shall assist the Board in identifying suitable candidates, well in advance, to maintain the equilibrium on the Board with regard to competencies, experience and expertise. In case of any unforeseen vacancies the NRC shall assist the Board to identify a suitable candidate to fill such vacancies as soon as possible and at all times within the statutory timeframe prescribed for the same.

For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

REMUNERATION

The Company's Remuneration Policy is guided by principles and objectives as more fully and particularly envisaged under the Act and the Listing Regulations, inter alia, principles pertaining to determining qualifications, positive attributes, integrity, and independence. Remuneration packages for Executive Directors are designed subject to the limits laid down under the Companies Act, 2013 and the Listing Regulations, to remunerate them fairly and responsibly. The Executive Directors' remuneration comprises salary, perquisites and performance-based commission on profits of the Company/reward apart from retirement benefits such as PF, Superannuation, and Gratuity, among others, as per the Company Rules.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long term. While designing remuneration packages, industry practices and cost of living are also taken into consideration.

The Executive Directors are entitled to customary non-monetary benefits such as company cars, furnished accommodation, healthcare benefits, leave travel, and communication facilities, among others. The severance payments are governed by the prevalent provisions of the Act.

REMOVAL

Due to reasons for any disqualification mentioned in the Act or the Listing Regulations or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Act, rules and regulations.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the Listing Regulations and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Appointment of KMP & senior management and cessation of their service are subject to the approval of the NRC and the Board of Directors. Remuneration of KMP and other Senior Management Personnel is decided by the Chairman and Managing Director, broadly based on the Remuneration Policy in respect of Executive Directors, the total remuneration comprises:

1. **A fixed base salary:** Set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. **Perquisites:** In the form of house rent allowance/accommodation, business/professional development allowance, reimbursement of medical expenses, conveyance, telephone, and leave travel, among others.
3. **Retirement benefits:** Contribution to PF, other retirement benefits, and gratuity, among others as per Company Rules.
4. **Motivation/Reward:** A performance appraisal is carried out annually and promotions/ increments/ rewards/ variable pay are decided by Chairman and/or Managing Director based on the appraisal and recommendation as applicable.
5. **Severance payments:** In accordance with terms of employment, and applicable statutory requirements, if any.

OTHER EMPLOYEES

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary, they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. Policy of motivation/ reward/ severance payments are applicable to this category of personnel as in the case of those in the management cadre.

DISCLOSURE OF INFORMATION

Information on the total remuneration of members of the Company's Board of Directors, Executive Directors and KMP/Senior Management Personnel may be disclosed in the Company's Annual Report and other returns and publications as per statutory requirements.

DISSEMINATION

This Policy will be published on the Company's website.

"ANNEXURE – C"

FORM NO. AOC-2

(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)

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

1.	Details of contracts or arrangements or transactions not at arm's length basis:	
(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/ arrangements/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2.	Details of material contracts or arrangement or transactions at arm's length basis:	
(a)	Name(s) of the related party and nature of relationship	Mr. Anish Swadi, relative of Directors
(b)	Nature of contracts/ arrangements/ transactions	Appointment as Senior President – Animal Health & Business Transformation (Office of Profit)
(c)	Duration of the contracts/ arrangements/ transactions	Five years commencing from 1 October 2021
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As per the Resolution passed at Item no. 7, at the 33rd AGM held on 2 September 2021.
(e)	Date(s) of approval by the Board, if any	6 May 2021
(f)	Amount paid as advances, if any	N. A.

For and on behalf of the Board of Directors

Jai Hiremath
Executive Chairman
DIN: 00062203

Date: 07 August 2025
Place: Mumbai

"ANNEXURE D"

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Hikal Limited
CIN: L24200MH1988PTC048028
717/718 Maker Chamber V,
Nariman Point, Mumbai 400021

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

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

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

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable as there was no reportable event during the financial year under review**

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable as there was no reportable event during the financial year under review**

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable as there was no reportable event during the financial year under review**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable as there was no reportable event during the financial year under review**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable as there was no reportable event during the financial year under review**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable as there was no reportable event during the financial year under review**

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

vi) We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following law applicable specifically to the Company:

- Drugs and Cosmetics Act, 1940;
- Drugs (Prices Control) Order, 2013;
- Factories Act, 1948;
- The Manufacture, Storage and import of Hazardous Chemical Rules, 1989
- Environment Protection Act, 1986;
- Air (Prevention and control of pollution) Act, 1981
- Water (Prevention and control of pollution) Act, 1974
- The Patents Act, 1970
- The Trade Marks Act, 1999;
- Legal Metrology Act, 2009;
- Information Technology Act, 2000; and
- Insecticides Act, 1968

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

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 Securities and Exchange Board of India (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, Standards, etc. as mentioned above subject to following observations:

The Company had submitted a settlement application to SEBI in connection with a Show Cause Notice dated 22 August 2023, regarding alleged non-compliance with disclosure obligations under the SEBI (LODR) Regulations, 2015. The application was reviewed and approved by SEBI's High Powered Advisory Committee and the Panel of Whole Time Members. In line with the settlement terms, the Company remitted a settlement amount of ₹43,97,250/- and duly disclosed the same to the stock exchanges on 29 November 2024

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that based on the review of the compliance mechanism established by the company and on the basis of Compliance certificate(s) issued by various departments and taken on record by the Board of Directors at their meetings, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above:

The Company has filed an appeal before the Hon'ble Supreme Court against the NGT order dated 24 March 2023. Vide interim orders dated 9 April and 24 April 2024, the Court directed that no coercive action be taken against the Company and instructed it to deposit ₹50 Million, including ₹9.8 Million to be paid to the legal representatives of the deceased. The amount was deposited on 8 May 2024 and the matter is currently pending for hearing before the Hon'ble Supreme Court.

We further report that the audit report is unqualified, and the observations mentioned above are included for disclosure purposes as a part of our Audit process

For **Dhrumil M. Shah & Co. LLP**
Practicing Company Secretaries
ICSI URN: L2023MH013400
PRN: 6459/2025

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021G000944761

Place: Mumbai
Date: 07 August 2025

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

ANNEXURE – I

(To the Secretarial Audit Report)

To,

The Members,

Hikal Limited

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Our report of even date is to be read along with this letter.

1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
4) Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dhrumil M. Shah & Co. LLP**
Practicing Company Secretaries
ICSI URN: L2023MH013400
PRN: 6459/2025

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021G000944761

Place: Mumbai
Date: 07 August 2025

"ANNEXURE - E"

THE ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Policy Statement:

As a socially responsible corporate member, we believe that the future of our business is best served As a socially responsible corporate member, we believe that the future of our business is best served by respecting the interests of society at large. Through our efforts, we shall strive to improve the living standards of the community. Our CSR activities shall aim to make a difference to the lives of the needy, underprivileged members of society, including children, women and senior citizens, and the environment.

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of scale, impact and sustainability. The Company has identified six focus areas of engagement which are as under:

- Health: Affordable solutions for healthcare through improved access, awareness and sanitation.
- Education: Access to quality education, training, skill enhancement, enhancement of vocation skills.
- Environment: Environmental sustainability, ecological balance, conservation of natural resources.
- Protection of national heritage, art and culture: Protection and promotion of traditional art, culture and heritage.
- Overall development activities in surrounding areas of Hikal's manufacturing sites for the benefit of society.
- Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development or welfare.

Implementation of the CSR Program:

a. Project activities identified under CSR are to be implemented either by personnel of the Company or through a registered trust or a registered society.

b. The duration of each project/programme shall depend on its nature and intended impact.

The Company will also undertake other need-based initiatives in compliance with Schedule VII of the Act. During the year, the Company has spent ₹ 28.77 million on CSR activities. Pursuant to the provisions of the Companies Act, 2013, the Company should have spent ₹ 28.00 million (being 2% of the average net profits of the last three financial years), during the financial year 2024-25. The Company has spent an excess amount of ₹ 0.77 million during the previous financial years can be carried forward for set off against any shortfall in spending, for a period of three financial year.

2. The composition of the CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Jai Hiremath	Executive Chairman	2	2
2	Mr. Sameer Hiremath	Vice Chairman and Managing Director	2	2
4	Mrs. Ranjana S Salgaocar	Independent Director	2	2
5	Mrs. Sugandha Hiremath	Non-Executive Director	2	2

3. Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee	https://www.hikal.com/uploads/documents/HikalCompositionofCommittees.pdf
CSR Policy	www.hikal.com/uploads/documents/corporate-social-responsibility-polic-srijan.pdf
CSR projects approved by the Board	www.hikal.com/uploads/documents/corporate-social-responsibility-polic-srijan.pdf

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - Not Applicable.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 1400 million

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 28.00 million

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Not Applicable

(e) Total CSR obligation for the financial year [(5b)+(5c)-(5d)]: ₹ 28.00 million

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 28.77 Million

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(6a)+(6b)+(6c)]: ₹ 28.77 million

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

Total amount spent for the financial year (in ₹ million)	Amount Unspent (₹ in million)				
	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
₹ 28.77 Million	Not Applicable		Not Applicable		

(f) Excess amount for set off, if any

Sr. no.	Particular	Amount (₹ in million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	28.00
(ii)	Total amount spent for the Financial Year	28.77
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.77
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.77

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

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a fund 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	2021-22	-	-	-	-	-	-	-
2	2022-23	-	-	-	-	-	-	-
3	2023-24	-	-	-	-	-	-	-

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 | Not Applicable |

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code 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 percent of the average net profit as per sub-section (5) of section 135: Not Applicable

For and on behalf of the Board of Directors

Date: 7 August 2025
Place: Mumbai

Sameer Hiremath
Vice Chairman and Managing Director
DIN: 00062129

Jai Hiremath
Executive Chairman and Chairman of CSR Committee
DIN: 00062203

"ANNEXURE - F"

Information as per Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014, forming part of Boards Report for the year ended 31 March 2025

I. CONSERVATION OF ENERGY:

a) Steps taken for conservation of energy:

Hikal has been following a systematic approach towards energy conservation programme. EnCon (Energy Conservation) committee has been constituted at the corporate level in the year 2021 and Energy Conservation Policy is reviewed regularly. The EnCon Committee drives the initiatives for conservation of energy and natural resources across the Company for achieving long-term sustainability.

CROP Business

The following energy saving initiatives have been implemented at Taloja, Mahad and Panoli site of Crop Business:

- To maintain Power Factor, HT Capacitor capacity enhanced from 450 KVAR to 600 KVAR, which resulted in efficient power usage and leads to reduced energy costs, improved voltage stability, and increased capacity of the electrical infrastructure - Taloja
- Transformer Voltage Reduction from 415 V to 405 V helped us enhanced safety, energy conservation, and improved power quality. - Taloja
- We invested in Turbine for cogeneration of electricity from our briquette fed boiler using high pressure steam. This has enhanced assurance for clean energy produced in houses. Earlier it was operated by an external agency on a contract basis. - Taloja
- We replaced our old pump P-525 with a high efficiency pump for saving in Power Consumption in UTILITIES – Taloja.
- We automated our streetlights to reduce power usage. Manual on-off was leading to excess power consumption due to early or late switching power off and on respectively. - Taloja
- We provided cooling water supply line to pilot plants to eliminate separate cooling tower operation of pilot plant, which resulted power saving by stoppage of Pump P-2910 of pilot plant cooling tower pump. - Taloja
- Flash jet pump was installed in MEE section area to recover flash steam and connected to boiler feedwater tank to recover heat of flash steam. This has improved both the SFR of Briquette and LSHS boiler. - Mahad
- We started recycling condensate tank Flash steam from MPP-1 Melter, which reduced the energy loss of the system. - Panoli
- We started condensate tank Flash steam Utilisation for hot water generation in MPP-1 LLE, to reduce energy loss of steam condensate. - Panoli
- We Eliminated soft water transferring pump by direct make up in 40 KL Boiler soft water storage tank, which resulted into stoppage of one pump and energy conservation. - Panoli

Crop Business (Total Investment and Savings):

Total Investment - ₹ 11.07 Million and Total Yearly Savings - ₹ 22.52 Million

PHARMA Business

The following energy saving initiatives have been implemented at Panoli and Jigani site of Pharma Business:

- There was energy conservation implemented to improve boiler SFR improvement Boiler SFR was enhanced from 3.85 to 3.95 which was equivalent to saving of 697 MT fuel. Due to improved Cogen boiler efficiency running hours of LSHS boiler was reduced which saved 292.39 MT of FO. – Jigani 1
- Motion sensors are installed in the office area to switch off lights automatically when no one is in the office. – Jigani 2
- Retrofit lighting installation at site at Flameproof lighting at process area which was converted to LED from CFL. – Jigani 2
- Power consumption was reduced by replacement of MS-FRP impeller with new PP-FRP impeller for VUE-5001(39000CFM) – Jigani 2

Pharma Business (Total Investment and Savings):

Total Investment - ₹ 0.54 Million and Total Yearly Savings - ₹ 12.76 Million

b) Steps taken by the Company for utilising alternative sources of energy:

Hikal has invested 41 million in M/s FPEL Ujwal private limited, which is in generation of solar and wind power and catering to our Jigani site near Bangalore in Karnataka state.

Hikal continued its journey to use clean fuel and energy in its operations at Mahad, Taloja and Panoli plant. CAPEX contract agreement has been made with M/s Radiance Renewables Pvt Ltd for supply to Taloja and Mahad. OPEX contract has been made with M/s Cleanmax - hybrid power green energy supply for our Panoli. These contracts were made in year 2023, hence there is no CAPEX investment in current financial year, we started using Solar and wind power at Mahad, Taloja and Panoli from last financial year i.e. FY2024

There is significant cost saving due to use of alternative source of energy at our Mahad, Taloja and Panoli and Jigani location.

Total Cost saved is as follows.

Panoli – INR 27.03 million

Taloja – INR 53.5 million

Mahad – INR 23.80 million

Jigani 1 – INR 29.65 million

We have OPEX contract with M/s PR Eco energy for steam supply to our Panoli site. Briquette is used for steam generation which eliminated use of natural gas in our boiler.

c) the Capital investment on energy conservation:

HIKAL has ENCON committee organisation level, which reviews and approve technically feasible and viable projects. There are various energy conservation projects that have been identified and implemented during FY 24-25. There is a total of 11.61 million INR invested for various energy conservation initiatives during FY 2024-25 from revenue budget.

Brief details of various projects are as below.

(Value in INR)

Location	Details	Revenue Budget (A)	Capex Budget (B)
Taloja	We invested in Turbine for cogeneration of electricity from our briquette fed boiler using high pressure steam. This has enhanced assurance for clean energy produced in houses. It was operated by an external agency on a contract basis.	00	5700000
Taloja	To maintain Power Factor, HT Capacitor capacity enhanced from 450 KVAR to 600 KVAR, which resulted in efficient power usage and leads to reduced energy costs, improved voltage stability, and increased capacity of the electrical infrastructure.	00	600000
Panoli - Crop	We started recycling condensate tank Flash steam from MPP-1 Melter, which reduced the energy loss of the system.	00	900000
Panoli - Crop	We started condensate tank Flash steam Utilisation for hot water generation in MPP-1 LLE, to reduce energy loss of steam condensate.	170000	00
Mahad	We installed flash jet pump to recycle condensate with residual flash steam to boiler feed tank, resulted in energy conservation.	0	3700000
Jigani – 2	Motion sensors are installed in the office area to switch off lights automatically when no one is in the office.	5000	00
Jigani – 2	Retrofit lighting installation at site at Flameproof lighting at process area which was converted to LED from CFL.	56000	00
Jigani – 2	Power consumption reduced by replacement of MS-FRP impeller with new PP-FRP impeller for VUE-5001(39000CFM)	480000	00
	Total Investment	**711000**	**10900000**
	Grand Total Investment (A + B)		**116,11,000**

II. TECHNOLOGY ABSORPTION:

a) the efforts made towards technology absorption;

1. Automatic Vertical plate Filter:

Automatic vertical plate filters offer several advantages including enhanced filtration efficiency, reduced labour costs, space saving design, and automated operation. They are also known for their ability to handle flammable, toxic, and corrosive materials safely. These filters are particularly useful in industries requiring high-purity filtration with minimal manual intervention and reduced operating costs.

2. Electrically operated diaphragm pumps

Electrically operated diaphragm pumps offer several advantages, including energy efficiency, reduced noise, and easy maintenance. They also provide precise flow control, can handle a wide range of fluids, and are self-priming with the ability to run dry.

3. Water based PU paints

Water-based PU (polyurethane) paint offers several advantages, including low VOC emissions, fast drying times, and excellent durability. It is also known for its resistance to water, chemicals, and abrasion, making it suitable for various commercial and residential applications.

b) the benefits derived like product improvement, cost reduction, product development or import substitution;

1. Automatic Vertical plate Filter:

Key Benefits

1. *Enhanced Filtration Efficiency:*

High-speed filtration: The automated system cycles rapidly, minimising downtime and maximizing throughput.

Efficient cake washing: Vertical design and automated belt washing systems improve washing efficiency, leading to drier cakes and reduced water consumption.

Reduced error and increased accuracy: Fully automatic operation minimises human error, resulting in more consistent and accurate filtration outcomes.

2. *Reduced Labor Costs:*

Automated operation: Automatic filter presses require minimal manual intervention, reducing the need for operators and lowering labour costs.

Faster cycle times: Automated processes and efficient cake discharge mean quicker cycle times, further reducing labour requirements.

3. *Space Saving Design:*

Compact footprint: Vertical design allows for a smaller footprint compared to other filter types, optimising space utilization, especially in facilities with limited space.

4. *Safe Handling of Hazardous Materials:*

Suitable for hazardous environments: Automatic vertical pressure filters are designed to handle flammable, toxic, and corrosive materials safely, making them suitable for a wide range of industrial applications.

5. *Other Benefits:*

Reduced energy consumption: By minimising manual intervention and optimising filtration processes, these filters can lead to lower energy consumption.

Improved product quality: Effective cake washing and reduced contamination contribute to higher product purity and quality.

Longer filter cloth life: Efficient belt cleaning and reduced cake residue can extend filter cloth life, leading to lower maintenance costs.

Intelligent control systems: Modern units feature intelligent control systems for real-time monitoring, automatic adjustments, and efficient troubleshooting.

2. Electrically operated diaphragm pumps

Key Benefits:

Energy Efficiency: Electric diaphragm pumps consume less energy than air-operated diaphragm pumps, leading to lower operational costs.

Reduced Noise: They operate more quietly than air-operated pumps, making them suitable for noise-sensitive environments.

Precise Flow Control: Electric diaphragm pumps can be controlled to adjust speed and flow rate, allowing for accurate dosing and batching applications.

Wide Fluid Compatibility: They can handle various fluids, including those with high viscosity, corrosive or abrasive properties, and even delicate fluids that might be damaged by other pump types,

Self-Priming: They can draw fluid from a lower level without the need for external priming equipment.

Run-Dry Capability: Many models can operate without fluid for extended periods without damage, beneficial in cases of fluid shortages or interruptions.

Easy Maintenance: The simple design with fewer moving parts leads to easier maintenance and repairs.

Reduced Pulsation: Electric diaphragm pumps often have less pulsation compared to air-operated pumps, which can be an advantage in certain applications.

Leak-Free Operation: The diaphragm acts as a barrier between the fluid and the pump mechanism, minimising the risk of leaks.

Mobility: Electric diaphragm pumps are often lightweight and compact, making them easy to transport and move around.

Potential for Smart Features: Some electric diaphragm pumps can be equipped with smart technology for remote monitoring and control, enhancing their functionality and data-driven decision making.

3. Water based PU paints

Environmental and Health Benefits:

Low VOCs: Water-based PU paints have significantly lower volatile organic compound (VOC) emissions compared to oil-based alternatives, making them a safer and more environmentally friendly choice.

Reduced Odor: They produce less odor during application and drying, which is especially beneficial for indoor projects and sensitive individuals.

Safer for Indoor Use: The low VOCs and reduced odor contribute to better indoor air quality, making them suitable for use in homes and offices.

Performance and Durability:

Fast Drying: Water-based PU paints dry much faster than oil-based options, allowing for quicker project completion and the application of multiple coats in a single day.

Excellent Durability: They offer a durable, scratch-resistant, and long-lasting finish, suitable for high-traffic areas and surfaces exposed to wear and tear.

Water and Stain Resistance: Water-based PU paints are highly resistant to water and stains, making them easy to clean and maintain.

UV and Weather Resistance: They provide good protection against UV radiation and harsh weather conditions, preventing fading and damage.

Chemical Resistance: They can withstand exposure to various chemicals, making them suitable for surfaces in kitchens, bathrooms, and other areas prone to chemical contact.

Maintains Natural Wood Colour: Water-based PU finishes can preserve the natural colour of wood, preventing yellowing over time, unlike some oil-based finishes.

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

The Company has not imported or licensed any technology over the last three years.

d) Expenditure on R&D

(₹ in million)

Particulars	2024-25	2023-24
(i) Capital	47	72
(ii) Recurring	775	734
Total	**822**	**806**

(iii) Total R&D expenditure as a percentage of total turnover 4.42% in FY 24-25 and 4.51% in FY 23-24.

III. FOREIGN EXCHANGE EARNINGS & OUTGO

(₹ in million)

Particulars	2024-25	2023-24
Foreign exchange earned in terms of actual inflows	11,557	11,167
Foreign exchange outgo in terms of actual outflows	2,928	3,528

For and on behalf of the Board of Director

Jai Hiremath
Executive Chairman
DIN: 00062203

Date: 07 August 2025
Place: Mumbai

Report on Corporate Governance

I. OUR CORPORATE GOVERNANCE PHILOSOPHY

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organisation's wealth generating capacity. This is ensured by conducting business with a firm commitment to values, while at the same time, meeting stakeholders' expectations.

At Hikal, it is imperative that business is conducted in a fair and transparent manner. The corporate governance framework ensures effective engagement with various stakeholders and helps the Company evolve with changing times. It oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, lenders, vendors, investors and society at large. The guiding principles and practices are summarised in this Corporate Governance Report. These are articulated through the Company's Code of Conduct for Board of Directors and Senior Management, Policies and Charters of various Committees of the Board and Company's Disclosure Policies. These policies seek to focus on enhancement of long-term shareholder value without compromising on Ethical Standards and Corporate Social Responsibilities.

II. BOARD OF DIRECTORS

The composition of Board of Directors is given below:

A. Composition and Category:

Name	Category	Relationship with other Directors
Jai Hiremath DIN: 00062203	Chairman & Executive Director, Promoter	Spouse of Sugandha Hiremath and father of Sameer Hiremath
Sugandha Hiremath DIN: 00062031	Non-Executive Director, Promoter	Spouse of Jai Hiremath, mother of Sameer Hiremath.
Amit Kalyani DIN: 00089430	Non-Executive Director	-
Shivani Bhasin Sachdeva DIN: 00590500	Independent, Non-Executive Director	-
Sameer Hiremath DIN: 00062129	Vice -Chairman & Managing Director, Promoter	Son of Jai Hiremath and Sugandha Hiremath
Shrikrishna Kiran Adivarekar DIN: 06928271	Independent, Non-Executive Director	-
Berjis Minoo Desai DIN: 00153675	Independent, Non-Executive Director	-
V Ramachandra Kaundinya DIN: 00043067	Independent, Non-Executive Director	-
Ravi B. Kapoor DIN: 01761752	Independent, Non-Executive Director	-
Ranjana S Salgaocar DIN: 00120120	Independent, Non-Executive Director	-
Sarangan Suresh DIN: 10562713	Whole Time Director	-

The attendance of each Director at the Board meetings, last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committees of each Director in various Companies, as on 31 March 2025 is as under:

Name	Attendance		Directorships[#]	Committee Membership[##]	Committee Chairmanship[##]
	Board Meeting	Last AGM			
Jai Hiremath	4	Yes	1	-	-
Sugandha Hiremath	4	Yes	-	-	-
Amit Kalyani	4	Yes	6	3	-
Shivani Bhasin Sachdeva	4	No	3	2	-
Shrikrishna K. Adivarekar	4	Yes	4	5	2
Berjis Minoo Desai	4	Yes	6	5	1
V Ramachandra Kaundinya	4	Yes	2	3	2
Ravi B. Kapoor	3	Yes	2	-	-
Ranjana S Salgaocar	4	Yes	-	-	-
Sameer Hiremath	4	Yes	1	-	-
Sarangan Suresh	2	Yes	-	-	-

[#]The Directorships held by Directors (other than Hikal) as mentioned above, do not include Directorships in Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013, Private Limited Companies and high value debt listed entities.

[##]Includes membership/chairmanship other than Hikal (only Audit Committee and Stakeholders' Relationship Committee are considered and membership includes chairmanships).

Directorship in Listed Entities other than Hikal Ltd. and the category of directorship as on 31 March 2025 is as follows:

Name of the Director	Names of Listed Entities	Category of Directorship
Jai Hiremath	Nil	-
Sugandha Hiremath	Nil	-
Amit Kalyani	Bharat Forge Ltd.	Executive Director
	Kalyani Steels Ltd.	Non-Executive, Non-Independent Director
	BF Utilities Ltd.	Non-Executive, Non-Independent Director
	BF Investment Ltd.	Non-Executive, Non-Independent Director (Chairman)
	Kalyani Investment Company Ltd.	Non-Executive, Non-Independent Director (Chairman)
	Schaeffler India Limited	Non-Executive, Independent Director
Shivani Bhasin Sachdeva	Nil	-
Shrikrishna K. Adivarekar	Kalyani Steels Limited	Non-Executive, Independent Director
	BF Utilities Ltd.	Non-Executive, Independent Director
	Kalyani Investment Company Limited	Non-Executive, Independent Director
Berjis Minoo Desai	The Great Eastern Shipping Company Limited	Non-Executive, Non-Independent Director
	Man Infra Construction Limited	Non-Executive, Non-Independent Director (Chairman)
	Chambal Fertilisers And Chemicals Limited	Non-Executive, Independent Director
	Emcure Pharmaceuticals Limited	Non-Executive, Non-Independent Director
	Apollo Tyres Limited	Non-Executive, Independent Director
	Inventurus Knowledge Solutions Limited	Non-Executive, Non-Independent Director
V Ramachandra Kaundinya	Nil	-
Ravi B. Kapoor	Heubach Colorants India Limited	Non-Executive, Non-Independent Director (Chairman)
	Alkyl Amines Chemicals Limited	Non-Executive, Independent Director
Ranjana S Salgaocar	Nil	-
Sameer Hiremath	Nil	-
Sarangan Suresh	Nil	-

The Chart/Matrix setting out the skills/expertise/competence of the Board of Directors.

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for it to function effectively and those actually available with the Board are as follows:

Name	Age (as on 31 March 2025)	Qualifications	Skills, Expertise, Competencies
Jai Hiremath	77	Chartered Accountant England and Wales, Owner President Management Program, Harvard University, USA	Financial Acumen, Strategic Expertise, Knowledge of Industry especially in which Company Operates, Vision
Sugandha Hiremath	73	Bachelor of Commerce	Finance, Investments
Amit Kalyani	50	Mechanical Engineering from Bucknell University, Pennsylvania, USA, Owner President Management Program, Harvard University, USA.	Strategic Planning, Business Operations, Technology, Sales and Marketing, Finance Acumen, Governance and Risk Management.

Name	Age (as on 31 March 2025)	Qualifications	Skills, Expertise, Competencies
Shivani Bhasin Sachdeva	51	MBA from the Wharton School, University of Pennsylvania, B.A. in Economics from Mount Holyoke College (Phi-Beta-Kappa, Magna Cum Laude, Sarah Williston Scholar)	Business, Finance & Investments
Shrikrishna Kiran Adivarekar	43	Chartered Accountant & Commerce Graduate	Industry knowledge & experience, strategy and planning, financial skills, legal and regulatory knowledge, corporate governance and risk management
Berjis Minoo Desai	69	LLB, University of Bombay & LLM Cambridge University, UK and Solicitor.	Litigation Management, Strategic Planning, Risk management policy shaping and industry advocacy, Sustainability and Environment Social & Governance (ESG), Human Resource development, Finance expertise
V Ramachandra Kaundinya	69	Undergraduate in agricultural sciences from Andhra Pradesh Agricultural University and PG Diploma in Management from IIMA	Strategic expertise, Planning, Industry Knowledge, Business Operations, Technology, Sales and Marketing, Finance Acumen, Corporate Governance & Risk Management, Business Strategy, Operational Efficiency, Intellectual Property Expertise, Investments, Innovation & Vision
Ravi B. Kapoor	64	Alumnus of the Mumbai University	Strategic expertise, Planning, Industry knowledge, Business Operations, Technology, Sales, Marketing, Finance acumen, Corporate Governance & Risk Management, Legal expertise, Integrity, Business Strategy, Operational efficiency, Intellectual Property expertise, Investments, Innovation & Vision.
Ranjana S Salgaocar	71	Master of Management Studies from Jamnalal Bajaj Institute of Management, Bombay University and is a Gold Medalist in Bachelor of Social Work, Bombay University	Mining, trading, financial services, mining consultancy, mining and metals accelerator, strategic investment portfolios, real estate, health, agricultural, sports, community welfare and pharmaceuticals
Sameer Hiremath	51	BE (Chem), MBA & MS (I.T.) – Boston (USA)	Building High Performance Teams, IT – Digital Acumen, Projects Implementation, Strategic Planning
Sarangan Suresh[1]	62	Graduate in Chemical technology from ICT Mumbai (UDCT), Postgraduate in Chemical Engineering from Indian Institute of Science Bangalore	Project management, Strategic and domain expertise, Planning, Operational efficiency, Industry knowledge and Risk Management

[1] Mr. Sarangan Suresh was appointed as Whole Time Director w.e.f 1 April 2024

The Board of Directors hereby confirms that in its opinion, the Independent Directors of the Company fulfil the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The remuneration of Non-Executive Directors is determined by the Board based on the time dedicated by them and contribution made by them.

B. Succession Plan:

The Nomination and Remuneration Committee works with the Board on the leadership succession plan and prepares contingency plans for succession in case of any exigencies.

C. Details of Board of Directors Meetings Held During the Year:

The Board met 4 (four) times during the financial year, details of which are as follows:

(1) 09 May 2024 (2) 01 August 2024 (3) 12 November 2024 (4) 04 February 2025

The maximum interval between any two meetings held during the financial year did not exceed 120 days, as prescribed under the Companies Act, 2013 and Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

D. Remuneration of Directors:

Remuneration to Directors for the year ended 31 March 2025.

i) Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid sitting fees for each meeting of the Board and Committees thereof attended by them. They also receive commission on net profits of the Company as determined by the Board of Directors on an annual basis within the overall limit approved by shareholders of the Company.

Director	Sitting Fees (₹ in Million)	Commission on net profits (₹ in Million)	Total (₹ in Million)
Sugandha Hiremath	1.10	0.84	1.94
Amit Kalyani	0.40	0.84	1.24
Shivani Bhasin Sachdeva	0.80	0.84	1.64
Shrikrishna Kiran Adivarekar	0.80	0.84	1.64
Berjis Minoo Desai	1.20	0.84	2.04
V Ramachandra Kaundinya	1.40	0.84	2.24
Ravi B. Kapoor	1.30	0.84	2.14
Ranjana S Salgaocar	0.80	0.84	1.64
Total	**7.80**	**6.72**	**14.52**

ii) Remuneration to Executive Directors:

(₹ in Million)

Name of the Director	Salary and Perquisites	Commission	Total
Jai Hiremath	63.93	2	65.93
Sameer Hiremath	49.44	11	60.44
Total	**113.37**	**13**	**126.37**

Shareholding of Non-Executive Directors in the Company:

Name of the Director	Number of shares held
Sugandha Hiremath	9,667,500
Amit Kalyani	Nil
Shivani Bhasin Sachdeva	Nil
Shrikrishna Kiran Adivarekar	Nil
Berjis Minoo Desai	Nil
V Ramachandra Kaundinya	Nil
Ravi B. Kapoor	17,000
Ranjana S Salgaocar	Nil

The details of familiarisation programmes of Independent Directors are uploaded on the Company's website at https://www.hikal.com/uploads/documents/familiarizationprogrammeforindependentDirectors.pdf.

III. COMMITTEES OF THE BOARD

Currently, the Board has five committees, Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

A. Audit Committee

Composition

The Committee consists of Mr. V Ramachandra Kaundinya, Independent Director, Mr. Ravi B Kapoor, Independent Director and Mr. Berjis M Desai, Independent Director and Mrs. Sugandha Hiremath, Non-Executive & Non-Independent Director, Mr. V Ramachandra Kaundinya is the Chairman of the Audit Committee.

The terms of reference of the Committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the

financial statement is correct, sufficient and credible.

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013,

   b) Changes, if any, in accounting policies and practices and reasons for the same,

   c) Major accounting entries involving estimates based on the exercise of judgement by management,

   d) Significant adjustments made in the financial statements arising out of audit findings,

   e) Compliance with listing and other legal requirements relating to financial statements,

   f) Disclosure of any related party transactions,

   g) Modified opinion(s) in the draft audit report,

5. Reviewing with the management, the quarterly financial statements before submission to the board for approval.

6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the board to take up steps in this matter.

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

8. Approval or any subsequent modification of transactions of the Company with related parties.

9. Scrutiny of inter-corporate loans and investments.

10. Valuation of undertakings or assets of the Company, wherever it is necessary.

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

12. Reviewing with the management, performance of statutory and internal auditors adequacy of the internal control systems.

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors of any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

18. To review the functioning of the whistle blower mechanism.

19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

21. Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.

22. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

Meetings and Attendance

The Audit Committee met 4 (Four) times during the financial year, the details of which are as under:

(1) 09 May 2024 (2) 01 August 2024 (3) 12 November 2024 (4) 04 February 2025

The attendance of the Committee meetings is as under:

Name of the Director	Number of meetings attended
V. Ramachandra Kaundinya	4
Ravi Kapoor	4
Sugandha Hiremath	4
Berjis Desai	4

B. Stakeholders' Relationship Committee

Composition

The Committee consists of Mr. Ravi Kapoor, Independent Director, Ms. Ranjana Salgaocar, Independent Director and Mrs. Sugandha Hiremath, Non-Executive & Non- Independent Director. Mr. Ravi Kapoor is the Chairman of the Stakeholders' Relationship Committee.

The terms of reference of the Committee are as follows:

1. Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

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

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

The Committee looks into redressing of shareholders/investors' complaints. No complaint was outstanding as on 1 April 2024. No complaints were filed during the financial year. Thus, no complaints were outstanding as on 31 March 2025.

Meetings and Attendance

The meeting of Stakeholders' Relationship Committee during the financial year 2024-25 was held on 04 February 2025. All the members of the committee were present at the meeting.

Compliance Officer

The Board has designated Mr. Rajasekhar Reddy, Company Secretary & Compliance Officer, of the Company as the Compliance Officer.

C. Nomination and Remuneration Committee

Composition

The Committee consists of Mr. V Ramachandra Kaundinya, Independent Director, Mr. Ravi Kapoor, Independent Director, Mr. Berjis Desai, Independent Director, Mr. Jai Hiremath, Executive Chairman, Mrs. Shivani Bhasin Sachdeva, Independent Director and Mr. S. K. Adivarekar, Independent Director. Mr. V Ramachandra Kaundinya is the Chairman of the Nomination & Remuneration Committee.

The terms of reference of the Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.

2. For every appointment of an Independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.

4. Devising a policy on diversity of Board of Directors.

5. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
6. 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.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Meetings and Attendance

The Nomination & Remuneration Committee met 3 (three) times during the financial year, the details of which are as under:

(1) 09 May 2024 (2) 01 August 2024 (3) 04 February 2025

The attendance of the Committee meetings is as under:

Name of the Director	Number of meetings attended
V Ramachandra Kaundinya	3
Ravi B Kapoor	2
Berjis Desai	3
Jai Hiremath	3
Shivani Bhasin Sachdeva	3
Shrikrishna K Adivarekar	3

Nomination and Remuneration Policy and performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Policy of the Company is uploaded on the website of the Company

https://www.hikal.com/uploads/documents/RemunerationPolicy.pdf .

The Board of Directors has approved the following criterion for performance evaluation of Independent Directors:

1. Director's background, knowledge and skills are relevant to the Board and business of the Company.
2. Whether the Director devotes sufficient time for Board matters and actively participates in the matters that are being discussed at the meetings.
3. Whether the Director is available for any discussions/inputs outside of Board/Committee meetings.
4. Whether the Director helps in bringing an independent judgement to bear on the deliberations especially on strategy, risk management and performance of the Company.
5. Whether the Director works towards safeguarding the interest of all stakeholders in the Company.
6. Whether the Director brings quality and value in Board discussions.

D. Corporate Social Responsibility (CSR) Committee

Composition

The Committee consists of Mr. Jai Hiremath, Executive Chairman, Mrs. Ranjana Salgaocar, Independent Director, Mr. Sameer Hiremath, Vice Chairman & Managing Director and Mrs. Sugandha Hiremath, Non-Executive & Non-Independent Director. Mr. Jai Hiremath is the Chairman of the Corporate Social Responsibility Committee.

Meetings and Attendance

The Corporate Social Responsibility (CSR) Committee met twice during the financial year, the details of which are as under:

(1) 09 May 2024 (2) 04 February 2025

The attendance of the Committee meetings is as under:

Name of the Director	Number of meetings attended
Jai Hiremath	2
Ranjana Salgaocar	2
Sugandha Hiremath	2
Sameer Hiremath	2

E. Risk Management Committee

Composition

The Committee consists of Mr. Jai Hiremath, Executive Chairman, Mr. V. Ramachandra Kaundinya, Independent Director, Mr. Ravi Kapoor, Independent Director, Mr. Sameer Hiremath, Vice Chairman & Managing Director and Mr. Anish Swadi, Sr. President Animal Health & Business Transformation. Mr. Jai Hiremath is the Chairman of the Risk Management Committee.

Meetings and Attendance

The Risk Management Committee met twice during the financial year, the details of which are as under:

(1) 19 September 2024 (2) 27 March 2025

The attendance of the Committee meetings is as under:

Name of the Director	Number of meetings attended
Jai Hiremath	1
Sameer Hiremath	2
V Ramachandra Kaundinya	2
Ravi B Kapoor	2
Anish Swadi	2

The terms of reference of the Committee are as follows:

(1) To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   (c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

F. Senior Management

S. No.	Name	Designation	Change since close of previous financial year
1.	Anish Swadi	Senior President – Animal Health & Business Transformation	-
2.	Kuldeep Jain	Chief Financial Officer	-
3.	Rajasekhar Reddy	Company Secretary and Vice President Legal & Secretarial	-
4.	Manoj Mehrotra	President - Pharmaceuticals	-
5.	Vimaldeep Kulshrestha	President - Crop Protection	-
6.	Ratish Jha	President - Human Resources	-
7.	Anil Ajmera	Head - Internal Audit	-
8.	T Devanathan	Vice President - Quality - Pharma	Superannuated on 15 April 2024
9.	K Suresh Babu	Head - Quality	Appointed from 15 April 2024
10.	Rakesh Ganorkar	Vice President - R&T - Pharma - CDMO	Ceased on 30 November 2024
11.	Ravi Khadabadi	Head - Supply Chain Management - Crop Protection	Ceased on 09 August 2024
12.	Parasuram Chavakulla	Head – Supply Chain Management	Appointed from 09 August 2024
13.	Mansukh Gokalbhai Patel	Head - Sustainability & Corporate EHS	-
14.	Dharmesh Panchal	Chief Technology Officer	Ceased from 09 April 2025
15.	Dr. Raghavendar Rao Morthala	Head – CDMO R&T Pharma & Animal Health BU	Appointed on 03 February 2025
16.	Ketan Karkhanis	Assistant Vice President - Information Technology	Ceased from 22 November 2024
17.	Pankaj Sharma	Assistant Vice President - Information Technology	Appointed on 26 December 2024

IV. GENERAL BODY MEETING

Financial Year	Location	Day, Date & Time	Special Resolutions Passed
2021-2022	Held through video conferencing and was deemed to have been held at the Registered Office.	Thursday, 22 September 2022 11.30 A.M.	1. Appointment of Mr. Shrikrishna K. Adivarekar (DIN: 06928271) as an Independent Director of the Company for a period 5 (Five) years in accordance with provisions of Section 149, 150, 152 and 160 of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013 and relevant applicable provisions of Securities and Exchange Board of India (Listing Obligations & disclosure Requirements) Regulations 2015. 2. Re-appointment of Mrs. Shivani Bhasin Sachdeva (DIN: 00590500) as an Independent Director of the Company for a period of 5 (Five) years in accordance with provisions of Section 149, 150 and 152 of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013 and relevant applicable provisions of Securities and Exchange Board of India (Listing Obligations & disclosure Requirements) Regulations 2015. 3. To increase the borrowing power of the Board in accordance with provisions of Section 180(1)(c) of Companies Act, 2013 read with rules framed thereunder, allowing the Board to borrow in excess of its aggregate paid up share capital, free reserves and securities premium account, provided that the total amount, outstanding at any time (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), shall not exceed the aggregate of paid up share capital of the Company, its free reserves and securities premium account by more than ₹ 7,500 Million. 4. To authorise the Board of Directors to create mortgage and charge on the assets of the Company in accordance with provisions of Section 180(1)(a) of Companies Act, 2013 read with rules framed thereunder, not exceeding the aggregate of paid up share capital of the Company, its free reserves and securities premium account by more than ₹ 7,500 Million.
2022-2023	Held through video conferencing and was deemed to have been held at the Registered Office.	Tuesday, 26 September 2023 11.30 A.M.	1. Appointment of Mr. Berjis M Desai (DIN: 00153675) as an Independent Director of the Company for a period of 5 (Five) years in accordance with provisions of Section 149, 150, 152 and 160 of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013 and relevant applicable provisions of Securities and Exchange Board of India (Listing Obligations & disclosure Requirements) Regulations 2015. 2. Appointment of Mr. V. Ramachandra Kaundinya (DIN: 00043067) as an Independent Director of the Company for a period of 5 (Five) years in accordance with provisions of Section 149, 150, 152 and 160 of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013 and relevant applicable provisions of Securities and Exchange Board of India (Listing Obligations & disclosure Requirements) Regulations 2015.
2023-2024	Held through video conferencing and was deemed to have been held at the Registered Office.	Tuesday, 17 September 2024 11.30 A.M.	1. Re-ppointment of Mr. Shrikrishna K. Adivarekar (DIN: 06928271) as an Independent Director of the Company for second term of 5 (Five) years with effect from 22 December 2024 to 21 December 2029 (both days inclusive) in accordance with provisions of Section 149, 150, 152 of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013 and Regulation 17, 25 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015.

Postal Ballot

During the Financial Year 2024-25 the Company conducted postal ballot for the following matters:

Sr. No	Particulars	Type and date of Resolution	Voting Pattern				
			No of votes polled	No of votes cast in favour	% of votes in favour	No of votes cast against	% of votes cast against
1.	Appointment of Ms. Ranjana S Salgaocar (DIN: 00120120) as an Independent Director of the Company	Special resolution dated 24 May 2024	54191017	54178390	99.98%	12627	0.02%
2.	Appointment of Mr. Sarangan Suresh (DIN: 10562713) as a Whole Time Director of the Company	Ordinary resolution dated 24 May 2024	54191217	54127289	99.88%	63928	0.12%

The Company at its Board meeting held on March 27, 2024, appointed Mr. Dhrumil Shah & Co. LLP as the scrutinisers to conduct the Postal Ballot Process in a fair and transparent manner. The Scrutinisers after the completion of scrutiny submitted their report to Mr. Rajasekhar Reddy, Company Secretary of the Company being authorised by the Chairman, to accept, acknowledge and countersign the scrutinisers report as well as to declare the voting results in accordance with the provision of the Companies Act, 2013 and Rules made thereunder.

V. DISCLOSURES

(i) The Company has entered into related party transactions as set out in the Notes to Accounts, which are not likely to have a conflict with the interest of the Company. The details of all significant transactions with the related parties are periodically placed before the Audit Committee.

(ii) Details of penalties or strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.–

During the year under review, the Company had paid an amount of ₹ 4,397,250 pursuant to a settlement order passed by SEBI for alleged failure to give adequate and timely disclosures under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iii) The Company has a code of conduct for Board members and senior management of the Company, which is posted on the Company's website. The employees covered by code of conduct, affirm on annual basis the compliance with the said code. The Company has a whistle blower policy which is also available on the website of the Company. No personnel of the Company have been denied access to the grievance redressal mechanism and Audit Committee of the Board of the Company.

(iv) The Company has duly complied with all the mandatory Corporate Governance requirements including those specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46. The Company has also complied with non-mandatory requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and continues to follow the regime of financial statements with unmodified opinion and the internal auditors reporting directly to the Audit Committee.

(v) Material Subsidiaries:

The Company does not have any material subsidiaries as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy for determining material subsidiaries is posted on the website of the Company at https://www.hikal.com/uploads/documents/PolicyfordeterminingMaterialSubsidiary.pdf

(vi) The Company has in place a Policy on dealing with Related Party Transactions and on Materiality of Related Party Transactions, which has been posted on the website of the Company https://www.hikal.com/uploads/documents/RelatedPartyTransactionPolicy.pdf.

(vii) The Company's operational activities involve purchase and sale of active ingredients, whose prices are exposed to the risk of fluctuations over short periods of time. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. The international trade is primarily in USD and Euro which are major convertible currencies, and to that extent the exposure to forex exchange risk exists. However, the Company exports and imports in same currencies and there is a natural hedge for these currencies and the Company enters into forward contracts for open positions wherever deemed necessary.

(viii) There was no Preferential Allotment or Qualified Institutions Placement during the financial year as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ix) A Certificate from Dhrumil M. Shah & Co LLP, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/Ministry of Corporate Affairs or any such Statutory Authority, is enclosed to this Report.

(x) There were no instances of non-acceptance of recommendations of any committee by the Board of Directors during the financial year 2024-25.

(xi) Details of fees for all services paid by the Company, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, are mentioned in Note No. 53 on Payments to Auditors in the standalone financial statements.

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

a. Number of complaints filed during the financial year 2024-25: Nil

b. Number of complaints disposed of during the financial year 2024-25: Nil

c. Number of complaints pending as on end of the financial year 2024-25: Nil

(xiii) There were no instances of Non-compliance with any requirement of corporate governance report.

(xiv) The Company has in place a Dividend Distribution Policy, which has been posted on the website of the Company at https://www.hikal.com/uploads/documents/HIKAL-DividendDistribution Policy.pdf.

(xv) Credit Rating:

Particulars	Rating Agency	Rating
Long term borrowing	ICRA Limited	ICRA A + (Stable)
Short term borrowing	ICRA Limited	ICRA A 1

(xvi) Loans and advances, by Company and Subsidiary, in the nature of loans to firms/ companies in which directors are interested

S. No.	Name of the Entity	₹ in Million
1.	Acoris Research Limited	0.29

(xvii) Details of agreements specified in clause 5A to para A of part A of schedule III

a. Number of agreements subsisting on the date of notification: 1(One)

b. Salient features of the agreements: Family arrangement regarding transfer of shares

c. Link to the webpage where the complete details of the agreements are available: https://www.hikal.com/uploads/documents/DisclosureUnderRegulation30AofSEBILODRRegulations2015.pdf

VI. MEANS OF COMMUNICATION

The quarterly, half yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are published in leading Financial/ Non-financial newspapers viz: Business Standard, Financial Express and Mumbai Lakshadeep, in terms of Regulation 47 of SEBI Listing Regulations. The results are simultaneously posted on the website of the Company www.hikal.com.

The press releases and the presentations made to the institutional investors or the analysts are also posted on the website of the Company www.hikal.com.

VII. GENERAL SHAREHOLDERS INFORMATION

(A) Annual General Meeting

Day and Date	:	Tuesday, 23 September 2025
Time	:	11.30 AM
Venue	:	Through VC/OAVM

(B) Financial Year:

01 April 2024 to 31 March 2025

(C) Tentative Financial Calendar 2025-26:

1st Quarter results	on or before 14 August 2025
2nd Quarter results	on or before 14 November 2025
3rd Quarter results	on or before 14 February 2026
4th Quarter results	before end of 30 May 2026

(D) Book Closure:

17 September 2025 to 23 September 2025 (both days inclusive)

& Record Date: 02 September 2025

(E) Dividend Payment Date:

Dividend will be paid within 30 days from the date of declaration.

(F) Listing of Shares:

The Equity Shares are listed on the Stock Exchanges at BSE Limited, Mumbai, and National Stock Exchange of India Limited, Mumbai. The Company has paid the listing fees for FY 2025-26 to these Exchanges.

(G) Stock Code:

Stock Exchange	Scrip Code
BSE Ltd. (BSE)	524735
P J Towers, Dalal Street Fort, Mumbai 400001	
National Stock Exchange of India Ltd. (NSE)	HIKAL
Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai 400051	

Demat ISIN Number in NSDL & CDSL – INE475B01022 CIN No. - L24200MH1988PTC048028

(H) Share Transfer Agents

MUFG Intime India Private Limited
C 101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083
Tel: +91 810 811 6767; Toll-free number: 1800 1020 878; Fax: 022-4918 6060;
Email: rnt.helpdesk@in.mpms.mufg.com;
Website: www.in.mpms.mufg.com

(I) Share Transfer/Transmission System

Trading in equity shares of the Company is permitted only in dematerialised form. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised to be able to freely transfer them and participate in various corporate actions.

Pursuant to SEBI Circular dated 25 January 2022, the listed companies shall issue the securities in dematerialised form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc.

After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerialising those shares.

If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

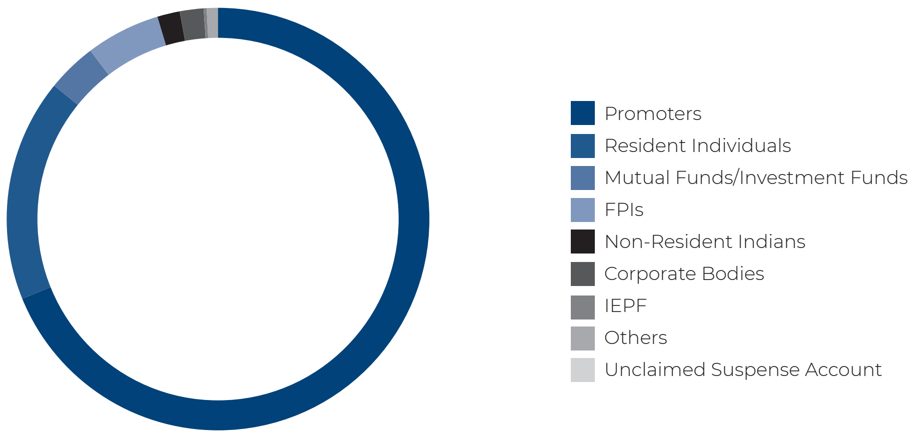
(J) Distribution of Shareholding (Equity) as on 31 March 2025

Share Holding Nominal Value of		Share Holders		Share Holdings	
₹	₹	Number	% To Total	Number	% To Total
1	500	63524	90.3279	5052492	4.0977
501	1000	3128	4.4479	2387610	1.9364
1001	2000	1691	2.4045	2482549	2.0134
2001	3000	770	1.0949	1901476	1.5421
3001	4000	293	0.4166	1043721	0.8465
4001	5000	209	0.2972	982533	0.7969
5001	10000	390	0.5546	2801149	2.2718
10001	10001 And Above	321	0.4564	106649220	86.4952
TOTAL		**70,326**	**100**	**123300750**	**100**

(K) Shareholding pattern as on 31 March 2025 is as under:

Category of Shareholders	Number of Equity Shares	Percentage
Promoters	84,892,764	68.85
Resident Individuals	20,991,997	17.03
Mutual Funds/Investment Funds	4,682,552	3.80
FPIs	7,020,818	5.69
Non-Resident Indians	2,121,288	1.72
Corporate Bodies	2,245,405	1.82
IEPF	281,680	0.23
Others	10,35,737	0.84
Unclaimed Suspense Account	28,511	0.02
Total	**123,300,750**	**100.00**

Shareholding pattern as on 31 March 2025



(L) Dematerialisation of Shares

As on 31 March 2025, 99.89% (123,168,288 shares) of the total equity capital is held in dematerialised form, out of which 91.87% (11,32,79,780 shares) is held with NSDL and 8.02% (98,88,508 shares) is held with CDSL.

(M) Outstanding global depository receipts, etc.

The Company has not issued any global depository receipts or American depository receipts or warrants or any other convertible instruments and therefore no such instruments are outstanding as on 31 March 2025.

(N) Plant Locations:

a) MIDC, Taloja, Dist. Raigad, Maharashtra

b) MIDC, Mahad, Dist. Raigad, Maharashtra

c) GIDC, Panoli, Dist. Bharuch, Gujarat

d) KIADB, Jigani, Bengaluru, Karnataka

e) R & D Division at Hinjewadi, Pune, Maharashtra

(O) Investor Correspondence

i. MUFG Intime India Private Limited

C 101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083

Tel: +91 810 811 6767; Toll-free number: 1800 1020 878; Fax: 022-4918 6060;

Email: rnt.helpdesk@in.mpms.mufg.com; Website: www.in.mpms.mufg.com

ii. Investors Relation Centre

Mr. Rajasekhar Reddy – Company Secretary & Compliance Officer

603-A, Great Eastern Chambers, 6th Floor, Sector 11, CBD Belapur, Navi Mumbai - 400 614

Tel: 91 22 6277 0299; Email: secretarial@hikal.com; Website: www.hikal.com.

(P) Disclosures with respect to demat suspense account/unclaimed suspense account

a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	36 shareholders & 30011 shares
b)	Number of shareholders who approached Company for transfer of shares from suspense account during the year;	2
c)	Number of shareholders to whom shares were transferred from suspense account during the year;	2
d)	Shares transferred to shareholders from Suspense account during the year	1,500
e)	Number of shares transferred from suspense account to Investor Education and Protection Fund, during the year;	Nil
f)	Aggregate number of shareholders whose shares are lying in the suspense account at the end of the year;	34
g)	Aggregate number of outstanding shares in the suspense account lying at the end of the year;	28,511

The Company confirms that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

For and on behalf of the Board of Directors

Jai Hiremath
Executive Chairman
DIN: 00062203

Date: 7 August 2025
Place: Mumbai

CEO/CFO CERTIFICATION ISSUED PURSUANT TO THE PROVISIONS OF REGULATION 17(8) READ WITH PART B OF SCHEDULE II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors,

Sub: CEO/CFO Certificate

(a) We have reviewed financial statements, read with the cash flow statements of Hikal Ltd. for the year ended 31 March 2025, and to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee of the Company, wherever applicable:

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Hikal Ltd.

Sd/-
Sameer Hiremath
Vice Chairman and Managing Director
DIN: 00062129

Sd/-
Kuldeep Jain
Chief Financial Officer

Place: Mumbai
Date: 14 May 2025

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

To the Members,

Hikal Ltd.

Subject: Declaration under Regulation 17 read with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required under Regulation 17 read with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31 March 2025.

For Hikal Ltd.

Sd/-
Sameer Hiremath
Vice Chairman and Managing Director
DIN: 00062129

Place: Mumbai
Date: 07 August 2025

CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) and Schedule V Para E of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Hikal Limited

We have examined all the relevant records of **Hikal Limited ("the Company")** for the purpose of certifying compliance with the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")** for the year ended **31 March 2025**.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said Listing regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dhrumil M. Shah & Co. LLP**
Practising Company Secretaries
ICSI URN: L2023MH013400
PRN: 6459/2025

Sd/-
Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021G000945188

Place: Mumbai
Date: 07 August 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Hikal Limited
CIN: L24200MH1988PTC048028
717/718 Maker Chamber V,
Nariman Point, Mumbai 400021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hikal Limited** having **CIN: L24200MH1988PTC048028** and having registered office at 717/718 Maker Chamber V, Nariman Point, Mumbai 400021 (hereinafter referred to as **'the Company'**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that, as on 31 March 2025, none of the Directors on the Board of the Company as stated below, 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 Authorities.

Sr. No.	Names of Director	DIN	Date of Appointment in Company
1.	Mr. Jai Vishwanath Hiremath	00062203	22-02-1991
2.	Mrs. Sugandha Jaidev Hiremath	00062031	05-02-1992
3.	Mr. Amit Babasaheb Kalyani	00089430	09-02-2012
4.	Ms. Shivani Bhasin Sachdeva	00590500	01-08-2019
5.	Mr. Shrikrishna Kiran Adivarekar[3]	06928271	22-12-2021
6.	Mr. V Ramachandra Kaundinya	00043067	01-10-2023
7.	Mr. Berjis Desai	00153675	01-10-2023
8.	Mr. Ravi Kapoor	01761752	11-01-2024
9.	Ms. Ranjana Shivanand Salgaocar[1]	00120120	23-03-2024
10.	Mr. Sameer Jai Hiremath	00062129	26-05-1999
11.	Mr. Sarangan Suresh[2]	10562713	01-04-2024

1. Ms. Ranjana Shivanand Salgaocar was appointed as Additional Director in Independent Director category with effect from March 23, 2024 and was regularised as a Director in Independent Director category through special resolution passed vide Postal Ballot dated May 24, 2024.
2. Mr. Sarangan Suresh was appointed as Additional Director in Executive Director category with effect from 01 April 2024 and was regularised as a Director in Whole Time Director category through ordinary resolution passed vide Postal Ballot dated May 24, 2024 respectively.
3. Re-appointment of Mr. Shrikrishna Kiran Adivarekar as an Independent Director on the Board of Directors ("Board") of the Company for the second term of 5 (five) consecutive years with effect from 22 December 2024 and ending on 21 December 2029 was approved by the shareholders at the 36th Annual General Meeting ("AGM") held on 17 September 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Dhrumil M. Shah & Co. LLP**
Practising Company Secretaries
ICSI URN: L2023MH013400
PRN: 6459/2025

Sd/-
Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021G000945078

Place: Mumbai
Date: 07 August 2025

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed Entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L24200MH1988PTC048028
2.	**Name of the Listed Entity**	Hikal Limited
3.	**Year of incorporation**	1988
4.	**Registered office address**	717/718, Marker Chambers V, Nariman Point, Mumbai, 400021
5.	**Corporate address**	Great Eastern Chambers, Sector-11, 6th Floor, CBD Belapur, Navi Mumbai – 400614
6.	**E-mail**	secretarial@hikal.com
7.	**Telephone**	+91 22 6277 0299
8.	**Website**	www.hikal.com
9.	**Financial year for which reporting is being done**	1 April 2024 to 31 March 2025
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	INR 246,601,500
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Jai Hiremath Designation: Executive Chairman DIN number: 00062203 Telephone number: 022 6277 0299 E-mail ID: secretarial@hikal.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its**	Disclosures made in this report are on a consolidated basis
14.	**Name of assurance provider**	Sustain Right
15.	**Type of assurance obtained**	Limited Assurance

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	Percentage of Turnover of the entity
1	Manufacturing	Manufacturing of pharmaceuticals, animal health, crop protection and specialty chemicals	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	Manufacture of Basic Chemical Elements	20116	37%
2	Manufacture of Pharmaceutical Products	21001	63%

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	5	3	8
International	0	3	3

Note: Hikal Limited has five manufacturing facilities and one Research and Technology (R&T) centre in India.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	1. Overseas office in Japan 2. Overseas office in USA 3. Representation in Europe

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

Total contribution of exports as a percentage of the turnover is 62%.

c. A brief on types of customers

The company is working with leading agrochemicals and pharmaceuticals multinational companies..

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1948	1816	93%	132	7%
2.	Other than Permanent (E)	26	21	81%	05	19%
3.	**Total employees (D + E)**	**1974**	**1837**	**93%**	**137**	**7%**
WORKERS						
4.	Permanent (F)	114	114	100%	-	-
5.	Other than Permanent (G)	1507	1453	96%	54	4%
6.	**Total workers (F + G)**	**1621**	**1567**	**97%**	**54**	**3%**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	4	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total differently abled employees (D + E)**	**4**	**4**	**100%**	**-**	**-**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	**Total differently abled workers (F + G)**	**-**	**-**	**-**	**-**	**-**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	3	27.3%
Key Management Personnel	5	0	0%

22. Turnover rate for permanent employees and workers

	Turnover rate in FY 2024-25			Turnover rate in FY 2023-24			Turnover rate in FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29%	2%	31%	24%	2%	26%	23%	23%	23%
Permanent Workers	6%	0%	6%	4%	0%	4%	3%	0%	3%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

S. 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	Acoris Research Limited	Subsidiary	100%	No
2	Hikal LLC	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in INR): 18,598 million

(iii) Net worth (in INR): 12,622 million

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)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Investors (other than shareholders)	Yes	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Shareholders	Yes	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Employees and workers	Yes	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Customers	Yes	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Value Chain Partners	Yes	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Others	NA	NA	NA	NA	NA	NA	NA

Weblink to Grievance Redressal Policy: https://www.hikal.com/documents/corporate-governance

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

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

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 efficiency & carbon emissions/Air pollution	R/O	Energy efficiency, carbon emissions, and air pollution pose risks and opportunities for our organisation. Neglecting these issues leads to regulatory pressures, fines, and reputational damage. However, embracing efficiency and reducing emissions enhances our organisation brand, attracts eco-conscious customers, and improves competitiveness. Sustainable practices save costs and improve efficiency. Prioritising energy efficiency and emissions aligns with environmental goals, driving growth and sustainability.	Our organisation has implemented effective measures to address energy efficiency and carbon emissions/air pollution risks. These include dust collectors, bed scrubbers, and flue gas monitoring. We recycle organic vapors and have a green belt and environmental management cell for ongoing monitoring. These efforts demonstrate our commitment to environmental sustainability and regulatory compliance.	Positive/ Negative
2.	Water and effluent management/ Waste management	Risk	Water scarcity, pollution, and inadequate waste management pose risks to our organisation and the environment. Insufficient water availability disrupts operations, raises costs, and jeopardizes well-being. Improper waste handling risks environmental harm, health hazards, and non-compliance. Addressing these risks is crucial to avoid penalties, reputation damage, and strained relationships. Effective management brings financial and environmental benefits, enhancing our position in the sector.	Our organisation prioritizes waste and water/effluent management. We securely store and responsibly dispose of discarded containers, hand them over to authorised recyclers, and ensure proper recycling practices. Specific wastes are securely stored and safely disposed of in authorised incinerators. We reprocess spent solvents using environmentally sound technology and government-approved recyclers. These measures showcase our commitment to responsible waste management, reducing environmental impact, and complying with regulatory requirements.	Negative
3.	Biodiversity protection	Risk	We understand that business operations have an impact on biodiversity. Pollution and contamination worsen the situation, impacting species diversity and ecological balance. Addressing these risks is crucial to safeguard biodiversity and promote responsible practices in our industry.	The green belt near our chemical manufacturing factory acts as a refuge for diverse species, conserving biodiversity. It serves as a buffer zone, reducing pollution impacts and improving air and water quality. The green belt acts as an environmental asset, fostering ecological resilience and mitigating risks associated with our operations.	Negative

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)
4.	Green Chemistry	Opportunity	Embracing green chemistry offers our organisation numerous opportunities. It showcases our commitment to sustainability, ensures compliance with regulations, brings cost savings through efficient processes, fosters innovation, and differentiates us in the market with sustainable products. It opens doors to new markets and customers seeking eco-friendly options, reduces risks associated with hazardous substances, strengthens supply chain resilience, and contributes to long-term sustainability by conserving resources and minimising environmental impact. Adopting green chemistry establishes us as leaders in sustainable chemistry, benefiting the environment and our long-term success.	The organisation promotes green chemistry by adopting cleaner, safer, and more efficient manufacturing practices. A key initiative includes redesigning a core process to eliminate hazardous materials, reduce emissions, and improve efficiency. This shift has led to better resource use, lower environmental impact, and cost savings. These efforts reflect our commitment to sustainability, innovation, and long-term value creation.	Positive
5.	Diversity, inclusion, and equal opportunities	Opportunity	Embracing diversity, inclusion, and equal opportunities brings significant advantages to our company. Prioritising these principles fosters innovation, expands our talent pool, improves decision-making, boosts employee engagement and retention, enhances our reputation, ensures regulatory compliance, and drives research and development innovation. By embracing diversity and inclusion, we cultivate a culture of success, competitiveness, and long-term sustainability while contributing to a more equitable and inclusive society.	The organisation fosters a culture of diversity, inclusion, and equal opportunity through comprehensive policies and inclusive workplace practices. These efforts ensure fair access, representation, and a sense of belonging across all levels, contributing to a collaborative environment that drives innovation, supports long-term sustainability, and advances social equity.	Positive
6.	Employee well-being, benefits & retention/Skill development	Opportunity	Prioritising employee well-being, benefits, and skill development offers significant opportunities for our organisation. By creating a positive work environment that supports physical and mental health, providing benefits and flexible arrangements, and offering skill development opportunities, we enhance job satisfaction, retention, engagement, and attract top talent. This fosters a culture of continuous learning and growth, boosting productivity, performance, competitiveness, and long-term success.	The company has established fully equipped Occupational Health Centres (OHC) at each site, staffed with full-time doctors, medical personnel, and 24/7 ambulance services to ensure immediate and comprehensive healthcare support. Annual medical check-ups are conducted for all employees, followed by personalised counselling by the Factory Medical Officer. To support mental well-being, the company has launched the Hello Happiness App in collaboration with Lifetalk, providing employees with access to mental health resources and professional support. This is further reinforced through regular wellness initiatives, including yoga, zumba, and structured mental wellness programmes, aimed at fostering a healthy, resilient, and engaged workforce.	Positive
7.	Occupational health and safety	Risk	Occupational health and safety are a critical risk for our organisation. Neglecting a safe working environment leads to accidents, injuries, and illnesses, impacting employee well-being, morale, productivity, and absenteeism. Non-compliance results in legal liabilities, fines, penalties, and reputational damage. Prioritising comprehensive health and safety programmes, training, and preventive measures is crucial to mitigate risks, protect employees, and maintain a safe workplace. Investment in occupational health and safety ensures the well-being of our workforce and safeguards our organisation's reputation and success.	The Company prioritizes creating a safe work environment and preventing harm. It regularly identifies hazards and develops mitigation plans. Ongoing safety trainings are provided to employees and workers to safeguard their overall well-being. The goal is to maintain a holistic approach to safety and well-being.	Negative
8.	Human rights and community development	Risk/ Opportunity	Human rights violations or perceived violations pose a significant risk to our organisation, causing reputational damage, legal consequences, and loss of stakeholder trust. Failing to uphold labour rights can result in employee dissatisfaction, protests, and potential boycotts. Respecting human rights, complying with laws, and addressing grievances transparently are crucial. On the other hand, community development offers opportunities. Engaging in initiatives like education, skills training, and infrastructure development builds relationships, enhances reputation, and creates a positive social impact, leading to community support, market access, and long-term sustainability.	We have well established systems to ensure that the human rights of our internal and external stakeholders are secured. There are necessary policy frameworks implemented in this regard. We have been engaging with local communities through our various CSR initiatives to make a positive impact on their lives and foster sustainable development.	Positive/ Negative
9.	Product, quality, safety, and labelling	Risk	In the chemical sector, product quality, safety, and labelling are significant risks. Inadequate control measures can lead to defects or hazards, causing legal liabilities and reputational damage. Misleading labelling may result in consumer misuse. Implementing robust quality control, safety protocols, and accurate labelling ensures compliance and consumer trust.	To mitigate risks related to product quality, safety, and labeling, our organisation has implemented several measures. These include rigorous quality control procedures throughout the production process, adherence to safety protocols and standards, comprehensive testing and certification of products, accurate and transparent labeling practices in compliance with regulations, and ongoing monitoring and assessment to ensure continuous improvement. These measures aim to maintain high product standards, ensure consumer safety, and uphold our reputation for quality and reliability.	Negative

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)
10.	Research and innovation	Opportunity	Investing in research and fostering innovation keeps us ahead in technology, addressing market needs. Research improves operations and production efficiency. Innovation differentiates us, attracting partners and investors, enhancing our reputation, and seizing business opportunities. Prioritising research and innovation drives sustainable growth and adaptability.	The organisation actively integrates research and innovation into its operational strategy. Investments in clean energy technologies—such as cogeneration turbines, flash steam recovery systems, and solar and wind power—reflect a strong commitment to reducing environmental impact and improving cost efficiency. Continuous upgrades, including high-efficiency pumps, automated lighting, and process optimisation, are driven by in-house R&D. These initiatives not only support energy conservation but also enable the company to respond swiftly to evolving market demands and regulatory expectations, fostering long-term adaptability and growth.	Positive
11.	Sustainable supply chain	Opportunity	Focusing on supply chain sustainability enhances competitiveness, reduces risks, and aligns with consumer preferences. Sustainable practices minimize environmental impact, conserve resources, and meet regulatory requirements. It fosters strong supplier relationships, innovation, and continuity. Embracing sustainability improves efficiency, reputation, and long-term success.	Hikal has a formal Green Supply Chain and Sustainable Procurement Policy that outlines structured procedures for sustainable sourcing. The policy is applicable to all value chain partners and reflects our commitment to responsible business practices across environmental, social, and governance (ESG) dimensions.	Positive
12.	Sustainable financial performance	Opportunity	Integrating sustainability into financial strategies offers opportunities. It reduces costs, enhances reputation, attracts investors, and ensures long-term viability. Sustainable performance anticipates market trends and regulatory requirements, building trust and competitiveness while creating value for stakeholders and society.	The organisation integrates sustainability into its financial strategy by aligning investments with long-term environmental and social priorities. This includes adopting resource-efficient practices, supporting green innovation, and incorporating ESG considerations into capital planning.	Positive
13.	Regulatory compliance/ Ethical business practices and governance	Opportunity/ Risk	Regulatory compliance and ethical business practices offer opportunities to our organisation. Adhering to regulations enhances reputation, attracts responsible investors and customers. Compliance mitigates legal risks, maintains positive image. Ethical practices foster trust, accountability, and governance, promoting sustainability and resilience. Prioritising compliance and ethics differentiate us, attracts opportunities, and earns stakeholder trust in the industry.	Hikal has established a robust Code of Conduct that applies to all employees, directors, consultants, and business partners, reflecting the company's commitment to integrity, transparency, and accountability. The Code sets clear expectations regarding ethical conduct, including areas such as conflict of interest, insider trading, safeguarding of company assets, and compliance with relevant laws and regulations. To support ethical governance, Hikal has also implemented a Whistleblower Policy that enables confidential reporting and resolution of concerns, fostering a culture of trust and continuous improvement.	Positive/ Negative
14.	Data integrity & security	Risk	Data integrity and security are crucial for protecting valuable assets and maintaining stakeholder trust. Breaches or unauthorised access can lead to financial losses, reputation damage, and legal liabilities. Data integrity issues undermine decision-making and operational efficiency. Implementing robust security measures and employee awareness programmes mitigate risks and safeguard data assets, reputation, and competitive position.	To mitigate risks related to data integrity and security, our organisation has implemented robust measures. These include the implementation of encryption technologies to protect sensitive data, strict access controls and authentication protocols, regular data backups, ongoing monitoring of network and system vulnerabilities, comprehensive employee training on data security best practices, and the use of advanced firewalls and intrusion detection systems. These measures aim to safeguard our data assets, protect against unauthorised access or data breaches, and ensure the confidentiality, integrity, and availability of our data.	Negative
15.	Risk management & business continuity	Risk/ Opportunity	Risk management and business continuity pose both risks and opportunities. Inadequate management can lead to accidents, disruptions, non-compliance, and reputational damage. Prioritising risk assessment, safety protocols, emergency plans, and supply chain resilience minimises incidents, protects stakeholders, and enhances trust. Effective business continuity planning ensures swift response, essential operations, and efficient recovery, securing long-term sustainability and success.	To address risk management and business continuity issues, our organisation has implemented various measures. These include conducting proactive risk assessments, implementing safety protocols and emergency response plans, ensuring supply chain resilience, establishing business continuity plans, regularly reviewing, and updating risk management strategies, and conducting drills and simulations to test preparedness. These measures help mitigate risks, enhance operational resilience, and ensure the continuity of our business operations in the face of potential disruptions.	Positive/ Negative
16.	Customer engagement	Opportunity	Customer engagement presents a significant opportunity to our organisation. By actively engaging with customers, we can gain valuable insights into their needs, preferences, and challenges. This enables us to develop products that meet specific customer requirements.	The organisation conducts bi-weekly meetings with key suppliers and maintains regular customer interactions to ensure alignment and gather feedback. These engagements drive transparency, strengthen relationships, and inform product and service improvements based on evolving customer needs.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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	The policies can be viewed on Company's website: www.hikal.com								
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)	Yes, we expect all our value chain partners to comply with Hikal's Code of Conduct and responsible business conduct guidelines.								
4. Name of the national and international codes/certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO 9001: 2018 • ISO 14001: 2015 • ISO 45001: 2018 • ISO 50001:2018 • Responsible Care Certification								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our Scope 1 and Scope 2 emissions reduction targets have been defined internally, and efforts are underway to establish Scope 3 targets in alignment with SBTi guidelines. Scope 3 emissions for FY 2024–25 have already been calculated. The organisation is in the process of applying for SBTi target validation by the end of FY 2025–26 and is currently a signatory to the SBTi for near-term targets. In addition, we are committed to the ten principles of the United Nations Global Compact (UNGC), promoting a culture of integrity and responsible conduct throughout our operations.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We have defined Key Performance Indicators (KPIs) across ESG parameters, and the performance is evaluated regularly.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements Refer to page no. 4 of the annual report – Message from the Chairman's desk.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Jai Hiremath Designation: Executive Chairman DIN number: 00062203								
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.	Hikal's Corporate Social Responsibility Committee is responsible for decision making on sustainability-related issues. Executive Chairman and the Managing Director are a part of this committee.								

10 Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	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	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually and need basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Ongoing basis								

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
N	N	N	N	N	N	N	N	N
We internally assess the working of above-mentioned policies.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles materials to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURES

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	Percentage of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	We conduct periodic familiarisation and awareness programmes for the Board of Directors (BoD) and Key Management Personnel (KMPs). These sessions aim to cover strategy, operations, and functions of the Company. The key topics covered under the program are the company's code of conduct for directors and senior-level employees, the code of conduct on insider trading, corporate profile, organisational structure, mandates of various committees, and updates on various other initiatives.		100%
Key Managerial Personnel (KMP)			100%
Employees other than BoD and KMPs	We conduct multiple training sessions for our employees and workers across our facilities. Some of the key training includes Behaviour Based Safety Management, Prevention of Sexual Harassment at the Workplace (POSH), Office safety, Regulatory requirements, Risk management, IT and Cyber Security, Business communication, etc.		100%
Workers			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**

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	SEBI	43,97,250	Alleged non disclosure/ inadequate disclosure of material information under SEBI (LODR) Regulations, 2015	No
Compounding fee	Nil	Nil	Nil	Nil	Nil

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

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
Alleged non disclosure/ inadequate disclosure of material information under SEBI (LODR) Regulations, 2015	The Company has not preferred any appeal.

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, anti-corruption and anti-bribery provisions are integral to the Company's Code of Conduct. This Code applies to all stakeholders working for or representing the Company or any of its subsidiaries, and it mandates adherence to responsible business practices. It strictly prohibits any form of unethical behaviour and clearly states that no Hikal employee, agent, or representative shall, under any circumstances, make, offer, promise, or authorise any payment or gift.

The weblink of the code of conduct is https://www.hikal.com/uploads/documents/HikalCodeofConduct2025.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2024-25	FY 2023-24
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

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:**

	FY 2024-25	FY 2023-24
Number of days of accounts payables	123	134

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	28%	60%
	b. Number of trading houses where purchases are made from	120	20
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	62%	80%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0	0%
	b. Number of dealers/distributors to whom sales are made	0	0
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	0%	0%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	0%	0%
	b. Sales (Sales to related parties/Total Sales)	0%	0%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0	0
	d. Investments (Investments in related parties/Total Investments made)	5%	9%*

Note 1:*The figures for the previous financial year (FY 2023-24) related to 'Investments in related parties' have been restated from 0% to 9%. This restatement is to ensure consistency in reporting methodology for all related party investments and to align with the finalised financial disclosures for FY 2023-24.

Note 2: Hikal operates through a B2B sales model, supplying products directly to leading companies that utilise our intermediates to produce final products for the consumers. Therefore, sales through distributors is not applicable to our business operations.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

We follow a structured onboarding process for our value chain partners, ensuring they are aligned with Hikal's Code of Conduct and ethical standards from the outset. For critical partners in India, we conduct both desktop and on-site assessments to evaluate compliance and operational integrity. As part of this engagement, we actively communicate our expectations around ESG practices and responsible business conduct, reinforcing our commitment to sustainability and transparency across the supply chain.

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

We have defined a Code of Conduct for the Board of Directors and Senior Management, clearly defining their responsibilities to avoid any actual or perceived conflicts of interest. To ensure ongoing compliance, all Board members and Senior Management executives are required to submit an annual declaration affirming adherence with the Company's conflict of interest guidelines.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	**4.20%**	4.56%	We have developed a green manufacturing approach for carboxylation. In this, we have achieved the following benefits: • Eliminated the use of toxic and hazardous reagents such as carbon monoxide gas, n-butyl lithium, and palladium. • Optimised cost and enhanced scalability by eliminating the need for autoclave and cryogenic systems. • Improved process yields from 33% to 59%; a patent has been filed for the innovation. • Reduced Process Mass Intensity (PMI) from 43 to 18. • Reduced CO_2 emissions by 46 kg for every 1 kg of API produced, resulting in a total savings of 46,000 kg of CO_2 per 1,000 kg of API.
Capex	**0.25%**	-	• We have invested in new R&D equipment to drive innovation in sustainable processes, reduce environmental impact, and enhance workplace safety and efficiency.

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

Hikal has a formal Green Supply Chain and Sustainable Procurement Policy that outlines structured procedures for sustainable sourcing. The policy is applicable to all value chain partners and reflects our commitment to responsible business practices across environmental, social, and governance (ESG) dimensions. It includes principles such as risk-based supplier assessments, promotion of ethical conduct, environmental stewardship, and community engagement. We expect our suppliers to align with these standards and undergo periodic ESG evaluations to ensure compliance and continuous improvement across the supply chain.

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

100% of inputs from critical suppliers in India are sourced sustainably. We conduct due diligence audits for sustainability and EHS compliance among key raw material suppliers and share our Green Supply Chain Policy and supplier code of conduct to communicate expectations on sustainability and green supply principles.

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.**

Given the nature of our business, scope for product reclamation for reusing, recycling, and disposal at the end of life is limited. However, we have implemented robust waste management system across all our facilities. All the categories of wastes are collected, segregated, stored, transported, and disposed of in accordance with applicable regulatory requirements and best industry practices. We have detailed SOPs for collection, storage and disposal of various type of waste generated and we have dedicated teams to ensure its effective implementation.

Waste is segregated into recyclable and non-recyclable wastes. Recyclable waste is disposed of in an environmentally sound manner to authorised recyclers, and other recyclable waste is managed through co-processing in the cement industry, incineration, or secured landfill, based on calorific value. The packing material generated by raw materials and in-process material are disposed through authorised plastic recyclers or via Common Hazardous Waste Collection, Treatment, Storage & Disposal Facilities (CHWTSDF).

We have been consistently enhancing our waste management practices and have embedded them with our circular economy approach. In terms of process improvements, we have:

- Implemented solvent recovery systems to reuse organic solvents in the same process.
- A dedicated lab working exclusively on waste treatability studies and converting by-products into desired intermediates.
- Initiated process of reusing the plastic material used in the internal product transfer for storage and disposal of hazardous, reducing the overall consumption of virgin plastic products and packaging material in our operations.

Additionally, under our "Wealth from Waste" programme, each waste stream is identified and assessed for its environmental and economic footprint. Site-level task forces, led by Site Heads and comprising cross-functional teams, are responsible for driving waste reduction, reuse, and recycling initiatives. These include enhancing the purity of by-products to increase their commercial value, converting waste into usable or less hazardous forms, and integrating waste characterisation early in the R&D phase to enable better downstream waste management.

The programme also promotes employee involvement through shop-floor working groups and, where necessary, engages external experts to support technical innovation in waste valorisation. Progress is reviewed monthly by the Management Committee to ensure alignment with sustainability goals.

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.**

Hikal falls under the purview of Extended Producer Responsibility (EPR) regulations as an importer. Hikal has sought license from relevant statutory body to comply with requirements under EPR.

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?**

No, we will be conducting the life cycle assessment of our products in FY 2025-26

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.**

Not applicable, as we have not conducted the life cycle assessment of our products.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Given the nature of our pharmaceutical and specialty chemical products, we do not use recycled or reused input materials in the manufacturing process. However, we are recovering more than 90% of process solvents and reusing them in the manufacturing process of pharmaceuticals and agrochemicals products.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

We are a B2B supplier, providing our products to leading manufacturers who convert intermediates into final products for consumers. Therefore, the responsibility for reclaiming end-use products and packaging material does not apply to us. However, we provide instructions and guidelines to our customers for handling and disposal of our products.

We ensure that waste generated in our manufacturing process, raw material packaging and e-waste, is sent to authorised recyclers wherever possible in accordance with the statutory requirements.

	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging) in Metric tonnes	**Nil**	**177.65**	**30.9**	67.31	124.22	7.73
E-waste in Metric tonnes	**Nil**	**2.35**	**Nil**	Nil	4.43	Nil
Hazardous Waste in Metric tonnes	**Nil**	**39,797.75**	**12,743.82**	Nil	40,762.56	15,831.41
Other waste in Metric tonnes	**4,712.2**	**1,375.91**	**Nil**	Nil	4,251.11	115.33

Note: The above-reported values are from Hikal's operations.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not applicable.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

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

Category	Total (A)	Percentage of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1816	1816	100%	1816	100%	-	-	1816	100%	-	-
Female	132	132	100%	132	100%	132	100%	-	-	54	41%
Total	**1948**	**1948**	**100%**	**1948**	**100%**	**132**	**100%**	**1816**	**100%**	**54**	**41%**
Other than Permanent employees											
Male	21	8	38%	0	0%	-	-	-	-	-	-
Female	5	3	60%	0	0%	3	60%	-	-	-	-
Total	**26**	**11**	**42%**	**0**	**0%**	**3**	**60%**	**-**	**-**	**-**	**-**

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

Category	Total (A)	Percentage of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	114	114	100%	114	100%	-	-	114	100%	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**114**	**114**	**100%**	**114**	**100%**	**-**	**-**	**114**	**100%**	**-**	**-**
Other than Permanent workers											
Male	1453	1453	100%	1453	100%	-	-	-	-	-	-
Female	54	54	100%	54	100%	54	100%	-	-	23	43%
Total	**1507**	**1507**	**100%**	**1507**	**100%**	**54**	**100%**	**-**	**-**	**23**	**43%**

c. **Details of measures for the well-being of workers:**

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.27%	0.24%

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others	NA	NA	NA	NA	NA	NA

Note: We have enrolled all our eligible employees and workers under the ESI. For the business locations that are outside the purview of ESI, we have obtained the Workmen's Compensation policy.

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.

All our facilities have the necessary infrastructure in place to provide easy access to differently abled employees and workers. Ramps, handrails, accessible washrooms, wider aisles and clear pathways, and elevators are available across our facilities.

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, Hikal is committed to upholding the principles of equal opportunity and inclusion, in alignment with the Rights of Persons with Disabilities Act, 2016. These principles are embedded in our broader human rights and workplace policies, which emphasise non-discrimination and equal treatment for all individuals, including persons with disabilities.

Our Human Rights Policy outlines our commitment to creating an inclusive work environment that values diversity and ensures fair treatment based on merit and ability. The policy also supports awareness and empowerment of differently abled individuals, reflecting our inclusive approach to employment and workplace practices.

Weblink: https://www.hikal.com/documents/corporate-governance

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	NA	NA
Total	100%	100%	100%	100%

5. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No	If yes, then give details of the mechanism in brief
Permanent workers	Yes	A well-defined grievance redressal mechanism is in place to ensure that concerns and complaints are addressed in a structured and timely manner. The grievance redressal policy clearly outlines the procedures, responsibilities, and timelines for resolution. It is applicable to all employees and workers, including third-party personnel deployed at company premises. Individuals are encouraged to report any unethical conduct, with the assurance of protection under the non-retaliation principle outlined in the Code of Conduct. All grievances and their resolutions are documented in accordance with the policy. Additionally, at unionised manufacturing facilities, a Works Committee has been constituted to address matters related to working conditions and employee welfare. This committee meets periodically to discuss relevant issues, with each meeting resulting in documented action points and clearly defined roles and responsibilities for follow-up.
Other than Permanent workers	Yes	
Permanent employees	Yes	
Other than Permanent employees	Yes	

6. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	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)
Permanent employees						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Permanent workers						
Male	114	114	100%	122	122	100%
Female	-	-	-	-	-	-
Total	**114**	**114**	**100%**	**122**	**122**	**100%**

7. Details of training given to employees and workers

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1816	1631	89.81%	1886	103.85%#	-	-	-	-	-
Female	132	131	99.24%	117	88.64%#	-	-	-	-	-
Total	**1948**	**1762**	**90.45%**	**2003**	**102.82%#**	**1939**	**1627**	**84%**	**1939**	**100%**
Workers										
Male	114	114	100%	101	88.60%	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	**114**	**114**	**100%**	**101**	**88.60%**	**-**	**-**	**-**	**-**	**-**

Note: Training sessions focused on health and safety are conducted on the shopfloor through initiatives like toolbox talks, safety discussions, and 'one minute for safety' programmes. However, the figures mentioned above represent only the formally recorded sessions held for permanent employees and workers. This data represents special training required to work in the process, however 100% employees are covered in EHS induction training.

The skill upgradation training data exceeds 100% because it includes all employees trained during the year—covering both those who have left the organisation and newly joined staff.

8. Details of performance and career development reviews of employees and worker

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1816	1816	100%	1829	1829	100%
Female	132	132	100%	110	110	100%
Total	**1948**	**1948**	**100%**	**1939**	**1939**	**100%**

Note: We have considered only permanent employees in the performance review process.

9. 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, we have implemented Occupational Health and Safety Management System (ISO 45001) across all our manufacturing facilities. All five manufacturing facilities are certified under the ISO 45001:2018 Occupational Health and Safety Management System. Our Research & Technology Center is currently undergoing the certification process, and similar efforts are in progress to obtain ISO 45001:2018 certification for the Pune R&D Centre.

We are committed to maintaining safe operations across all our sites. To foster a strong safety culture, we have implemented several initiatives, including "Surakshapath", a behaviour-based safety programme aimed at minimising behavioural risks. In addition, safety awareness programmes such as "One Minute for Safety," "EHS Induction," "Weekly Wet Drills," and "Mock Drills" are regularly conducted to reinforce safety practices in the workplace.

Emergency contact numbers, exit plans, emergency sirens, fire alarms, safety signage, and evacuation maps are prominently displayed at all locations to proactively address occupational health and safety (OHS) risks.

To drive continuous improvement, we have also implemented cross-functional safety audits at all sites, conducted by the Corporate EHS team, to ensure continuous improvement.

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

We have robust systems to identify, assess and mitigate work-related hazards and risks. A structured Hazard Identification and Risk assessment (HIRA) process is implemented for both routine and non-routine activities, while Hazard and Operability (HAZOP) studies are conducted for process related risks at all our facilities. Additionally, we developed a guidance document where all identified hazards and risks associated with our operations are outlined to standardise implementation of safety measures. Permit to work (PTW), process hazard analysis (PHA), and job safety analysis (JSA) assessments are also regularly carried out.

At all our facilities, we have a dedicated EHS team to identify, assess and mitigate risks, monitor the implementation of safety measures, conduct a weekly safety inspection, and provide regular training on safety-aspects to employees and workers. There are periodic internal and external audits conducted to assess the effectiveness of occupational health and safety processes implemented at our facilities.

We analyse and generate safety related data of chemicals externally through recognised laboratory and use it in facility design to ensure inherent safety in infrastructure and operation. There are dedicated employees for process safety management at our R&T centre.

We have set up a process safety laboratory at R&T Pune to carry out various safety-related tests of reaction calorimetry of new processes to ensure inherent safe processes in new projects.

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

Yes, we have a well-defined system in place for identify and reporting work-related hazards. Through the MY SETU software platform (available at all sites), employees can digitally at all the any work-related hazards/risks such as near misses, unsafe conditions, injuries, and other serious incidents. Each report/incident is followed by a detailed root cause analysis, development and implementation of corrective action plans, and monitoring of the effectiveness of safety measures. All the reported issues can be tracked by employees online till its closure using their individual login credentials.

In addition, daily safety briefing sessions/toolbox talks are conducted at all sites. These sessions encourage active participation from workers to share suggestions for strengthening the safety measures at the sites and fostering a culture of continuous improvement and shared responsibility.

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

Yes, all our employees and workers have access to non-occupational medical and healthcare services. We have onsite medical centers at our facilities that have a round-the-clock Operating Outpatient Department (OPD) with qualified medical officers and support staff for any medical emergencies and consultation for non-occupational health issues.

All employees are covered under group accidental and medical insurance policies. At all our facilities, we ensure that contractors obtain accidental insurance policy/workmen compensation policy and workers obtain ESIC.

10. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0.3
Total recordable work-related injuries	Employees	0	0
	Workers	0	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

We have implemented a robust safety management system in aligned with ISO 45001:2018 guidelines and principles to ensure a safe and healthy workplace across all facilities. Maintaining the highest safety standards across our facilities is one of our top-most priorities.

- We conduct Industrial Hygiene Exposure Quantitative Assessment, Quantitative Risk Assessment (QRA), Hazard Identification and Risk assessment (HIRA), and implement Hazard operability (HAZOP) techniques to identify the hazards and provide required engineering measures to minimize the risks.
- Before starting any project or activity, we mandatorily conduct HIRA and PSSR (Pre-Start-Up Safety Review), implement safety measures, and provide safety training.
- Toolbox talks are done daily for each shift. Regular site inspections and safety audits are conducted by both internal teams and external auditors to assess the safety readiness at our facilities.
- Mandatory safety training is part of the induction programme and periodic refresher training sessions are conducted by internal teams and external experts on various safety and occupational health-related aspects.
- All employees and workers are provided with Personal Protective Equipment (PPE) and safety Supervisors/ Managers regularly oversee activities. Work permits are issued for activities through structured work permit system.
- Pre-employment medical examinations and periodic medical examinations are conducted for employees and workers to identify any occupational disease at the initial stage and provide a necessary course of treatment.
- Recognition programmes are in place to reward individuals and teams for exemplary safety practices and contributions.

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Not Applicable	Nil	Nil	Not applicable
Health & Safety	Nil	Nil	Not applicable	Nil	Nil	Not applicable

Note: We have not received any complaints from employees and workers regarding working conditions and Health & safety-related issues in the reporting period. However, we conduct safety committee meetings regularly at all our sites, where employees/workers share their suggestions for improving the working environment.

13. **Assessment for the year:**

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

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.

We have a defined process to thoroughly investigate all the incidents and share the learning across sites to ensure the non-occurrence of similar incidents. Through our awareness programmes and employee connect sessions, we encourage our employees and workers, to report any unsafe acts and conditions. During the reporting period, no major safety incident occurred. We continue to tweak and add safety measures to ensure safety of all our employees. Some safety measure additions are outlined below:

- **Infrastructure and Equipment Upgrades**
  - Added water and foam-based sprinkler systems installed across all production blocks, process buildings, warehouses and storage areas.
  - Switched to fire rated cabinets for storage of flammable solvents in our lab.
  - Added fixed oxygen sensors in lab areas where nitrogen connection is taken.
  - Provided lower explosive limit 'LEL' sensors at raw material warehouses and storage tank areas.
  - Continuous earth monitoring system was installed at Jigani U2
- **Process and Chemical Safety**
  - Dimethyl sulphate drum manual handling by workers has stopped. Instead, we have moved to start receiving tankers to enhance safe use of chemicals.
  - Additional fall arrestors were provided in tanker unloading area.
  - Procured flood emergency control rescue kits and provided training to employees in case of an adverse event
  - HAZOP and PSSR procedures implemented before scale-up batches at kilo labs.
  - Process Safety Lab established to evaluate thermal and chemical hazards, optimize processes, and reduce environmental impact.
- **Safety Governance and Culture**
  - Safety culture transformation initiated using Bradley Curve Framework.
  - Implemented comprehensive Process Safety Management (PSM) system covering technical transfers, Process Safety Information (PSI), Process Hazard Analysis (PHA) Permit to Work, QRA, HAC, SIL, and Pre-Startup Safety Reviews (PSSR).
  - Conducting cross-functional safety audits biannually but the corporate EHS team
  - Renovated the Occupational Health Centre (OHC) to include provision of dedicated room for female employees.
  - Local safety committees formed across departments with scheduled monthly meetings.
  - Gemba Walks and monthly plant safety inspections initiated.
  - Toolbox talks system implemented across labs and support functions.
  - Safety talks for visitors introduced with site layout and safety instructions displayed on LED boards.
  - National Safety Month and Environment Week celebrated with active employee participation.
  - Monthly employee safety recognition and night shift safety rounds introduced.
- **Occupational Health and Emergency Preparedness**
  - Renovation of Occupational Health Centres (OHCs), including dedicated facilities for female employees.
  - Round-the-clock medical and emergency response support, including ambulance services and antidote availability.
  - Periodic health check-ups and counselling sessions on lifestyle diseases.
  - Special health checks for employees handling hazardous chemicals.
  - Emergency Control Rescue kits procured, and training conducted.
  - Mock drills conducted regularly to test emergency preparedness across various scenarios.

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).**

   Yes

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

   We expect all our value chain partners to comply with applicable statutory requirements and implement necessary operational controls to ensure the timely deduction and deposition of applicable statutory dues. This expectation is integral to our commitment to responsible business conduct and regulatory compliance across the supply chain.

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

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

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

   Yes, we provide transition assistance to facilitate continued employability and the management of career endings resulting from retirement or termination of employment. We periodically conduct skill development training sessions across our facilities that enable employees to enhance their skills. These sessions assist them in pursuing new employment post-retirement or termination. We also have a retainership practice to provide continued employment to our retired employees based on organisational needs and individual expertise.

5. **Details on assessment of value chain partners:**

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices*	100%
Working Conditions *	100%

* We have defined a supplier evaluation criterion based on which we conduct the assessment of our critical value chain partners that are based in India via onsite and offsite audits. It primarily focuses upon responsible business principles, Environment, Health and Safety (EHS), quality ESG principles and statutory requirements.

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   There were no significant risks/concerns related to health and safety practices and working conditions of value chain partners reported during the financial year.

   We have standard operating procedure for EHS risk evaluation of our value chain partners. Our cross functional team, comprising employees from EHS, QA and production, carry out onsite/offsite audits of our value chain partners. We have systems to identify the EHS risk and define Corrective and Preventive Actions (CAPA) in consultation with our value chain partner to ensure the closure of identified risks.

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.**

   At Hikal, we consider stakeholder engagement a key foundation for sustainable growth and long-term value creation. Through our materiality assessment, we identify key stakeholder groups based on their influence on our operations and the extent to which they are impacted by our activities. These include customers, employees, investors and shareholders, communities, suppliers, government and regulatory bodies, industry institutions, and the media. We maintain regular and transparent communication with these groups through structured and need-based interactions, enabling us to understand their expectations, address concerns, and incorporate their insights into our strategic decisions. This ongoing engagement helps us build trust, manage risks proactively, and align our business priorities with stakeholder interests.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	1. Customer meetings 2. Official communication channels: advertisements, publications, website, and social media 3. Conferences and events 4. Customer feedback and satisfaction survey	Ongoing	1. Timely delivery 2. Wide range of high-quality products that meet customer requirements 3. Competitive pricing 4. Easy availability through large distribution network 5. Post-sales support
Employees	No	1. Timely internal communications 2. Capability development programmes 3. Performance appraisal 4. Grievance redressal mechanisms 5. Wellness programmes 6. Town Hall Meeting 7. MD Connect 8. Women Forum	Ongoing	1. Satisfaction and motivation 2. Fair wages and rewards 3. Improved work-life balance 4. Regular training and skill development 5. Career growth 6. Safe and secure work environment Healthy workplace
Investors and Shareholders	No	1. Analyst meets 2. Quarterly calls. financial reports, and presentations 3. Annual general meetings Annual reports 4. Official communication channels: advertisements, publications, website, and social media	Quarterly/ need-based	1. Sustainable growth and returns 2. High standards of corporate governance and risk management
Community	Yes	1. CSR partnerships 2. Community welfare programmes Meetings and briefings 3. Training and workshops Impact assessment surveys 4. Official communication channels: 5. Advertisements. publications. websites and social media 5. Complaints and grievance mechanism	Ongoing	1. Infrastructure development 2. Funding for community development 3. Training and livelihood programmes 4. Contribution to the local economy
Institutions and Industry Bodies	No	1. Conferences 2. Joint R&D initiatives 3. Internship opportunities for students	Need-based	1. Exchange of knowledge 2. Collaboration in R&D 3. Industry exposure for students

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	1. Supplier development initiatives 2. Vendor assessment and review 3. Training workshops and seminars 4. Supplier audits 5. Official communication channels: 6. Advertisements, publications. website, and social media	Ongoing	1. Timely payment 2. Continuity of orders 3. Capacity building 4. Transparency
Government and Regulators	No	1. Statutory compliances filings and meetings 2. Official communication channels: Advertisements, publications, websites, and social media 3. Phone calls, emails, and meetings 4. Regulatory audits/inspections	Need-based	1. Aligning with the government to support economic development 2. Continued contribution to the exchequer
Media and Analysts	No	1. Press releases, media interviews, email advisories 2. Website management 3. Social media posts and updates	Need-based	1. Effective communication 2. Accountability and transparency. 3. Brand image creation

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.**

   We have established structured mechanisms to facilitate regular and meaningful engagement with our key stakeholder groups on economic, environmental, and social matters. These engagements are led by site heads and business leaders who interact with both internal and external stakeholders through formal and informal channels. For internal stakeholders, platforms such as Town Hall meetings, functional reviews, and the "CEO Connect" sessions with the Managing Director provide opportunities for open dialogue and feedback.

   Externally, we engage with community representatives, regulatory bodies, suppliers, and customers through periodic consultations, surveys, and collaborative forums. Insights and feedback gathered from these stakeholder interactions are systematically reviewed and, where material, escalated to the Board of Directors. This ensures that the Board remains informed of stakeholder expectations and emerging ESG risks and opportunities, enabling them to integrate these perspectives into strategic decision-making.

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, stakeholder consultation is used to support the identification and management of environmental, and social topics. We have engaged with internal and external stakeholder groups to identify and priorities the material ESG topics that are relevant for stakeholders and important for our business operations. We believe that regular engagement with stakeholders is essential for long-term value creation, and we keep enhancing our processes based on the suggestions received from stakeholders.

   Yes, stakeholder consultation plays a vital role in identifying and managing environmental and social topics. As part of our materiality assessment process, the Company's management evaluates inputs from internal stakeholders, industry benchmarks, and global sustainability standards to determine key ESG priorities. These consultations help us align our sustainability agenda with stakeholder expectations and emerging risks and opportunities. The insights gathered are systematically integrated into our policies, programmes, and strategic planning to ensure that our actions remain relevant, responsible, and future-focused.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

   Our CSR strategy is focused on creating equitable opportunities for vulnerable and marginalized communities. In FY 2024–25, all CSR initiatives were designed to directly benefit these groups, ensuring 100% targeted impact.

   We concentrated our CSR efforts in:

   - **Education:** Enhanced learning environments by supporting teaching resources, distributing educational materials, and enabling digital access for underserved students.
   - **Healthcare and Livelihood:** Provided medical and livelihood support to individuals facing critical health and socio-economic challenges, including persons with disabilities, widows, and cancer patients. Infrastructure support was extended to public institutions to improve service delivery.
   - **Environmental Responsibility:** Advanced environmental awareness and conservation through community-based programmes and partnerships.

   All projects were implemented in collaboration with credible NGOs and local stakeholders to ensure contextual relevance, transparency, and long-term sustainability.

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 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1948	1900	97.54%	1939	1879	96.91%
Other than permanent	26	25	96.15%	15	13	86.67%
Total Employees	**1974**	**1925**	**97.52%**	**1954**	**1892**	**96.83%**
Workers						
Permanent	114	113	99.12%	122	120	98.36%
Other than permanent	1507	1250	82.95%	1392	Records not maintained	
Total Workers	**1621**	**1363**	**84.08%**	**1514**	**120**	**7.93%**

2. **Details of minimum wages paid to employees and workers, in the following format**

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1816	-	-	1816	100%	1829	-	-	1829	100%
Female	132	-	-	132	100%	110	-	-	110	100%
Other than Permanent										
Male	21	-	-	21	100%	10	-	-	10	100%
Female	5	-	-	5	100%	5	-	-	5	100%

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	114	-	-	114	100%	122	-	-	122	100%
Female	0	-	-	0	-	0	-	-	0	100%
Other than Permanent										
Male	1453	1453	100%	-	-	1323	1323	100%	-	-
Female	54	54	100%	-	-	69	69	100%	-	-

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages

	Male		Female	
	Number	Median remuneration/ salary/wages of the respective category in INR	Number	Median remuneration/ salary/wages of the respective category in INR
Board of Directors (BoD)	8	21,87,500	3	16,37,500
Key Managerial Personnel	5	1,60,60,000	NA	0
Employees other than BoD and KMP#	1811	5,70,063	132	5,01,500
Workers#	114	7,47,648	NA	-

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

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	6%	5%

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, Head of Human Resources department serves as the designated focal point for addressing human rights impacts or issues caused or contributed to by the business.

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

We have a structured internal mechanism to address human rights related grievances. This includes a formal grievance redressal policy that outlines clear procedures, responsibilities, and timelines for resolution. In addition, we have implemented supporting frameworks such as the Prevention of Sexual Harassment (POSH) Policy, Whistleblower Policy, and our Code of Conduct, all of which reinforce our commitment to upholding the rights of internal and external stakeholders. These mechanisms ensure confidentiality, non-retaliation, and fair investigation. Oversight is provided by the Management Committee, which ensures that all concerns are addressed promptly and in alignment with our ethical standards and legal obligations.

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

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced labour/ Involuntary labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have robust safeguards in place to ensure that individuals who raise concerns related to discrimination or harassment are protected throughout the grievance process. Our Grievance Redressal Policy, POSH Policy, and Whistleblower Policy clearly outline procedures for confidential reporting, fair investigation, and timely resolution. These frameworks emphasise non-retaliation and guarantee that no adverse action is taken against complainants or witnesses. All complaints are handled with strict confidentiality, and access to sensitive information is restricted to authorised personnel only. We actively promote a speak-up culture across the organisation and regularly sensitise employees on their rights and the available redressal mechanisms. During FY 2024–25, no complaints related to harassment or discrimination were reported.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, human rights requirements are incorporated into our business agreements and contracts with contractors and vendors. These agreements include provisions that prohibit the engagement of child labour and require adherence to all applicable statutory obligations under Indian law. Contractors are also required to maintain confidentiality and comply with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Furthermore, the Supplier Code of Conduct and the Green Supply Chain Policy are integral components of all supplier contracts, reinforcing our commitment to ethical practices, sustainability, and responsible business conduct across our supply chain.

10. Assessments for the year:

	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others-please specify	NA

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

No issues related to above-mentioned aspects were identified during the assessment.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Not applicable.

2. Details of the scope and coverage of any Human rights due diligence conducted.

In alignment with our commitment to ethical business practices and responsible value chain management, the Company undertook a comprehensive Human Rights Due Diligence (HRDD) assessment in 2024. The assessment was conducted in accordance with internationally recognised frameworks, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

The scope of the assessment included:

- **Onsite evaluations** at three manufacturing locations—Jigani Unit 1 (Karnataka), Panoli (Gujarat), and Taloja (Maharashtra)—along with the corporate office.

- **Review of internal policies and procedures**, including those related to labour practices, health and safety, non-discrimination, and freedom of association.
- **Interviews with employees and subcontractors**, and verification of the documentation such as wage records, working hours, and grievance redressal mechanisms.
- Assessment of key governance instruments such as the Code of Conduct, Policy on Prohibition of Child and Forced Labour, Vendor Code of Conduct, Recruitment and Subcontractor Management Policies, and the Whistleblower and Grievance Redressal Mechanisms.

The objective of the HRDD was to identify, assess, and address potential human rights risks across our operations and extended supply chain. The findings have assisted us to further strengthen due diligence systems, enhance contractor oversight, and ensure continuous alignment with statutory and ethical standards.

Our Corporate and Site Human Resource teams remain actively engaged in monitoring compliance and implementing corrective actions where necessary, thereby reinforcing our commitment to upholding human rights across all levels of operation.

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

Our facilities are equipped with key accessibility features to support ease of movement for differently abled individuals. Ramps are strategically placed at main entry points, and handrails are installed along staircases across all site workplaces. These enhancements are part of our ongoing efforts to create a more inclusive and accessible environment for all.

4. Details on assessment of value chain partners:

We are conducting the assessment of our critical value chain partners that are based in India. The assessment cover aspects related to human rights, business integrity, Environment, Health, and Safety (EHS), ESG Principles and statutory compliance. Also, as per our code of conduct, we expect our suppliers to adhere with the principles of human rights.

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Child labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others- Retention of any original documents	100%

Note: The above-mentioned values are limited to critical business value chain partners that are based in India.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

Parameters	Units	FY 2024-25	FY 2023-24
From renewable sources			
Total electricity consumption (A)	Giga Joules (GJ)	**188,455.1**	149,791.56
Total fuel consumption (B)	GJ	**850,003.4**	727,437.04
Energy consumption through other sources (C)	GJ	**0**	0
Total energy consumed from renewable sources (A+B+C)	GJ	**1,038,458.5**	877,228.61
From non-renewable sources			
Total electricity consumption (D)	GJ	**196,764.2**	294,036.22
Total fuel consumption (E)	GJ	**112,758.6**	249,390.66
Energy consumption through other sources (F)	GJ	**Nil**	Nil
Total energy consumed from non-renewable sources (D+E+F)	GJ	**309,522.7**	543,426.88
Total energy consumption (A+B+C+D+E+F)	GJ	**1,347,981.2**	1,420,655.49
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	GJ/INR million	**72.5**	79.61
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	GJ/USD million	**1,477.1**	1821.55
Energy intensity in terms of physical output	GJ/MT	**116.4**	131.61

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

2. Does the entity have any sites/facilities identified as the designated consumers (DCs) under Performance, Achieve and Trade (PAT) Scheme of the Government of India? yes (Y/N) If, 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, since we do not have any site as the designated consumers (DCs) under 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:

Parameters	Units	FY 2024-25	FY 2023-24
Water withdrawal by source	kilolitre (kL)		
(i) Surface water	kilolitre (kL)	**Nil**	0
(ii) Groundwater	kilolitre (kL)	**Nil**	0
(iii) Third party water (Industrial Estate MIDC/GIDC)	kilolitre (kL)	**897,997**	908,509.50
(iv) Seawater/desalinated water	kilolitre (kL)	**Nil**	0
(v) Others	kilolitre (kL)	**Nil**	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	kilolitre (kL)	**897,997**	908,509.50
Total volume of water consumption (in kilolitres)	kilolitre (kL)	**572,783**	609,607.50
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	kL/INR million	**30.8**	34.16
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	kL/USD million	**627.7**	781.63
Water intensity in terms of physical output	kL/MT	**49.5**	56.47

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

4. Provide the following details related to water discharged:

Parameters	Units	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment			
To Surface water			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment - Please specify level of treatment	kilolitre (kL)	**Nil**	Nil
To Groundwater			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment - Please specify level of treatment	kilolitre (kL)	**Nil**	Nil
To Seawater			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment - Please specify level of treatment	kilolitre (kL)	**Nil**	Nil
Sent to third parties			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment - Tertiary treatment	kilolitre (kL)	**325,214**	298,902
Others			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment - ZLD	kilolitre (kL)	**110,334.2#**	95,660.54#
Total water discharged	kilolitre (kL)	**435,548.2**	**394,562.54**

We have reported the water reused via the Zero Liquid Discharge plant (ZLD) in utilities.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, we have implemented a mechanism for 100% Zero Liquid Discharge (ZLD) at three out of five manufacturing facilities. During the reporting period, we have implemented a state-of-the-art ZLD system at our Research and Technology (R&T) facility in Pune. Our ZLD facilities across sites consist of primary treatment, secondary effluent treatment/MBR and MEE/MVRE with ATFD, and then reverse osmosis for tertiary treatment to reuse treated effluent for utility consumption. We also have a Sewage Treatment Plant (STP) at these facilities. The treated wastewater is used within the plant's premises for gardening and cooling tower make-up purposes.

At other manufacturing facilities, we have installed both Effluent Treatment Plants (ETPs) and STPs for treating effluents and wastewater as per the statutory guidelines. After treatment, we utilise treated water for internal usage to the extent possible and responsibly discharge the remaining treated water in compliance with legal requirements.

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

We are monitoring the air emissions in accordance with the statutory requirements and monitoring across our sites are carried out by the approved laboratories of the respective state pollution control boards. The concentration of all the parameters is within the permissible range and details of air emissions are submitted annually to the respective pollution control boards.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Units	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	**12,664.34**	21,410.71
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	**45,655.89**	67,287.01
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO_2 equivalent/ INR million	**3.1**	4.97
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Metric tonnes of CO_2 equivalent/ USD million	**63.9**	113.72
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO_2 equivalent/ Metric tonnes	**5.0**	8.22

Note: Scope 1 and 2 emissions intensity, per unit of physical output, has decreased due to the transition from natural gas and fuel oil to purchased briquette-generated steam, and increased renewable electricity procurement.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Hikal has been following a systematic approach to its energy conservation programme. An Energy Conservation (EnCon) Committee was constituted at the corporate level in 2021, and the Energy Conservation Policy is reviewed regularly. The EnCon Committee drives initiatives for conserving energy and natural resources across the company, aiming to achieve long-term sustainability.

Crop Protection Business

The following energy saving initiatives have been implemented at Taloja, Mahad and Panoli site of Crop Business:

- To maintain the power factor, the HT capacitor capacity was enhanced from 450 KVAR to 600 KVAR, resulting in more efficient power usage, reduced energy costs, improved voltage stability, and increased electrical infrastructure capability. – Taloja
- Reducing the transformer voltage from 415 V to 405 V enhanced safety, promoted energy conservation, and improved power quality. – Taloja
- We invested in a turbine for cogeneration of electricity from our briquette-fed boiler using high-pressure steam. This has strengthened our in-house clean energy generation. Previously, this operation was managed by an external agency on a contract basis. – Taloja
- We replaced our old pump (P-525) with a high-efficiency pump to reduce power consumption in the utilities section. – Taloja
- We automated our streetlights to reduce power usage. Manual switching was causing excess consumption due to early or delayed switching. – Taloja
- We provided a cooling water supply line to the pilot plants, eliminating the need for a separate cooling tower. This resulted in power savings by stopping Pump P-2910 of the pilot plant cooling tower. – Taloja

- A flash jet pump was installed in the MEE section to recover flash steam and route it to the boiler feedwater tank, improving the steam-to-fuel ratio (SFR) of both the briquette and LSHS boilers. – Mahad
- We began recycling flash steam from the condensate tank of the MPP-1 melter, reducing energy loss in the system. – Panoli
- We started utilising flash steam from the condensate tank for hot water generation in MPP-1 LLE, reducing energy loss from steam condensate. – Panoli
- We eliminated the soft water transfer pump by directly feeding makeup water into the 40 KL boiler soft water storage tank, resulting in the shutdown of one pump and energy conservation. – Panoli

Pharmaceuticals Business

The following energy saving initiatives have been implemented at Panoli and Jigani site of Pharma Business:

- Energy conservation measures were implemented to improve the boiler's Steam-to-Fuel Ratio (SFR). The SFR was enhanced from 3.85 to 3.95, resulting in a fuel saving of 697 MT. Additionally, improved cogeneration boiler efficiency reduced the operating hours of the LSHS boiler, saving 292.39 MT of furnace oil (FO). – Jigani 1
- Motion sensors were installed in office areas to automatically switch off lights when the space is unoccupied. – Jigani 2
- Retrofit lighting was carried out in flameproof process areas, converting CFL lighting to energy-efficient LED lighting. – Jigani 2
- Power consumption was reduced by replacing the MS-FRP impeller with a new PP-FRP impeller for VUE-5001 (39,000 CFM). – Jigani 2

Hikal has continued its journey toward adopting clean fuel and energy across its operations at the Mahad, Taloja, and Panoli plants. The use of solar and wind power has been implemented at the Mahad, Taloja, Jigani Unit 1 and Panoli sites.

Significant cost savings have been achieved through the adoption of alternative energy sources at our Mahad, Taloja, Panoli, and Jigani locations.

Total cost saved is as follows.

- Panoli – INR 27.03 million
- Taloja – INR 53.5 million
- Mahad – INR 23.80 million
- Jigani 1 – INR 29.65 million

9. Provide details related to waste management by the entity, in the following format:

Parameters	Units	FY 2024-25	FY 2023-24
Total Waste generated			
Plastic waste (A)	Metric tonnes	**208.62**	208.74
E-waste (B)	Metric tonnes	**2.35**	3.23
Bio-medical waste (C)	Metric tonnes	**0.017**	0.06
Construction and demolition waste (D)	Metric tonnes	**0**	0
Battery waste (E)	Metric tonnes	**8.363**	0.007
Radioactive waste (F)	Metric tonnes	**0**	0
Other Hazardous waste. Please specify, if any. (G)	Metric tonnes	**52,535.58**	57,438.13
Other Non-hazardous waste generated (H)	Metric tonnes	**6,089.38**	5,137.67
Total (A + B + C + D + E + F + G + H)	Metric tonnes	**58,844.31**	**62,787.84**

Parameters	Units	FY 2024-25	FY 2023-24
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	Metric tonnes/ INR million	**3.2**	3.5
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	Metric tonnes/ USD million	**64.5**	80.5
Waste intensity in terms of physical output	Metric tonnes/ Metric tonnes	**5.1**	5.8
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	Metric tonnes	**41,353.7**	37,865.5
(ii) Re-used	Metric tonnes	**4,712.2**	3,984.00
(iii) Other recovery operations	Metric tonnes	**0.0**	1,839.00
Total	Metric tonnes	**46,065.9**	**43,688.45**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	Metric tonnes	**2,389.9**	2,789.98
(ii) Landfilling	Metric tonnes	**10,384.8**	10,568.57
(iii) Other disposal operations	Metric tonnes	**0.0**	9,297.04
Total	Metric tonnes	**12,774.7**	**22,655.58**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

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.

As a pharmaceutical and specialty chemical manufacturing company, responsible waste management remains a top priority. Our practices are continuously evolving and are closely aligned with our circular economy approach. We follow the 3R principle—Reduce, Reuse, and Recycle—and have established standard operating procedures for the handling of hazardous, non-hazardous, e-waste, and biomedical waste.

Each facility has dedicated teams to ensure proper waste segregation at source, along with safe handling, storage, and disposal in accordance with applicable regulatory requirements and recognised industry practices. Hazardous waste generated from operations is managed in an environmentally responsible manner through authorised recyclers, the cement industry, and Common Hazardous Waste Treatment, Storage & Disposal Facilities (CHWTSDF). Similarly, 100% of e-waste is routed through authorised vendors, and plastic waste is recycled via authorised recyclers.

The other non-hazardous waste such as scrap metal, wood waste, glass, cardboard, paper, etc. was disposed of via recyclers.

In terms of process improvements, we are using recovered solvents in the process to reduce fresh solvent consumption. We have a dedicated lab working exclusively on waste treatability studies and have converted by-products into desired intermediates by using a simple process, which in turn reduced the hazardous organic waste to a great extent. Also, we are enhancing our effluent treatment plants to enhance wastewater/ effluent recycling capabilities.

Regular inspections are conducted to assess waste handling infrastructure, with improvements implemented to enhance efficiency and environmental performance. Additionally, the "Wealth from Waste" programme has been introduced to identify opportunities for recycling, reduction, and reuse of waste materials.

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:

S. No	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Jigani Unit	Manufacturing of pharmaceuticals	Yes, as per the Environmental Clearance (EC) recommendation, we have already applied for the No Objection Certificate (NOC) from Bannerghatta National Park (Forest Department). We have been following up with the agency to get the NOC. In addition, we have defined a process to prevent any adverse impact on the ecology.

We have defined processes and implemented necessary pollution control mechanisms to prevent any adverse impact on the ecology. Our dedicated team ensure the operations of all the pollution controlling equipment, zero liquid discharge and proper waste management in accordance with statutory requirements and industry best practices.

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

Not applicable.

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

Yes, the Company is compliant with all applicable environmental laws and regulations.

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress

For each facility/plant located in areas of water stress, provide the following information:

I. Name of the area: Jigani, Bangalore

II. Nature of operations: Manufacturing of pharmaceuticals

III. Water withdrawal, consumption, and discharge in the following format:

Parameters	Units	FY 2024-25	FY 2023-24
Water withdrawal by source			
(i) Surface water	kilolitre (kL)	**Nil**	Nil
(ii) Groundwater	kilolitre (kL)	**Nil**	Nil
(iii) Third party water	kilolitre (kL)	**192,815**	174,285.5
(iv) Seawater/desalinated water	kilolitre (kL)	**Nil**	Nil
(v) Others	kilolitre (kL)	**Nil**	Nil
Total volume of water withdrawal (i + ii + iii + iv + v)	kilolitre (kL)	**192,815**	**174,285.5**
Total volume of water consumption	kilolitre (kL)	**192,815**	**174,285.5**
Water intensity per rupee of turnover (Water consumed/turnover)		**19.99**	16.50
Water discharge by destination and level of treatment			
Into Surface water			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment – Please specify level of treatment	kilolitre (kL)	**Nil**	Nil
Into Groundwater			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment – Please specify level of treatment	kilolitre (kL)	**Nil**	Nil
Into Seawater			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment – Please specify level of treatment	kilolitre (kL)	**Nil**	Nil
Sent to third-parties			
- No treatment	kilolitre (kL)	**Nil**	Nil
- With treatment – Please specify level of treatment	kilolitre (kL)	**Nil**	Nil
Others			
- No treatment	kiloliter (kL)	**Nil**	Nil
- With treatment – Tertiary treatment	kiloliter (kL)	**96,598.02**	87,937.75
Total water discharged		**Nil**	**Nil**

Note: We have maintained zero liquid discharge status at our Jigani Unit. After the tertiary treatment of effluent, the treated water is used for utility and cooling tower make up process. Domestic wastewater is treated separately in Sewage Treatment Plant and is used for the gardening purpose.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameters	Units	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	**1,91,158.53**	1,38,471.19
Total Scope 3 emissions per rupee of turnover		**10.27**	**7.76**

Note: In the FY 2024-25, there is a 38% increase in total scope 3 emissions as compared to previous financial year, i.e., FY 2023-24. This rise is primarily attributable to Scope 3 Category 1 – Purchased Goods and Services. This year, we have followed a more granular approach for calculating emissions associated with the raw materials procured.

However, when comparing emissions for the current and previous reporting years using a consistent calculation methodology for Purchased Goods and Services (PG&S), there is a 14% reduction in overall Scope 3 emissions.

Moving forward, Hikal will designate FY 2025 as the baseline year for monitoring progress against the emissions reduction targets established under the Science Based Targets initiative (SBTi) framework.

3. 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.

Our Jigani Unit, located near the Bannerghatta National Park, is the only facility situated close to an ecologically sensitive zone. Recognizing the ecological significance of this area, we have undertaken targeted initiatives to preserve and enhance local biodiversity.

As part of our efforts to conserve the ecology and environment, we undertook the cleaning of Konasandra Lake and Yallammanadoddi Lake in 2025. This involved removing unwanted vegetation and planting approximately 250 saplings, contributing to the restoration of water bodies and surrounding green cover.

In addition, in May 2024, we developed a Miyawaki forest near Harapanahalli Temple, Jigani, in collaboration with M/s Twin Glacier Foundation. This initiative included the plantation of 4,000 trees, 1,000 shrub saplings, and 350 bamboo grasses, significantly enhancing biodiversity and supporting the regeneration of native flora and fauna in the region.

These initiatives reflect our commitment to minimising indirect ecological impacts and actively contributing to biodiversity conservation in and around ecologically sensitive areas.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Renewable energy transition	Implemented solar and wind energy at Mahad, Taloja, Panoli, and Jigani through power purchase agreements.	Cost savings of ₹134.0 million and significant CO_2 emissions reduction.
2	Energy efficiency and process optimization measures	Replaced pumps, retrofitted lighting, optimized voltage, and automated systems across Crop and Pharma sites.	Achieved annual operational savings of ₹ 27.8 million
3	Energy efficiency and process optimization measures	Improved boiler steam-to-fuel ratio and installed flash steam recovery systems at Jigani, Mahad, and Panoli.	Saved 697 MT of fuel and 292.39 MT of furnace oil.

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

We have established a business continuity and emergency response plan to ensure operational resilience across our facilities. This includes a well-defined SOP that identifies critical processes, assesses potential risks, and outlines contingency measures to minimize disruptions. Roles and responsibilities are clearly assigned across all levels to ensure swift and coordinated action. The SOP is reviewed biannually or as needed to remain aligned with evolving risks. Additionally, each site maintains tailored emergency response plans, supported by regular training and statutory mock drills to ensure preparedness and compliance.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No such incident took place in the reporting year FY 2024-25.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

In the reporting period, we have not evaluated any of our value chain partners to assess the environmental impact of their operations. However, we have defined a supplier evaluation criterion based on which we assess our critical value chain partners in India on applicable statutory, EHS, ESG Principles, and quality-related requirements.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/associations:** 5

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

S. No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Indian Chemical Council	National
2	Pesticides Manufacturers & Formulators Association of India	National
3	Crop Care Federation of India	National
4	Agro Chem Federation of India	National
5	CHEMEXCIL	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
Nil	Nil	Nil

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

We work closely with various trade and industry associations on topics related to governance, policy reforms and sustainable business principles.

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
-	-	-	-	-	-
During the period, the Company has not undertaken any SIA under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.					

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

Not applicable.

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

Our Grievance Redressal policy and Whistle-blower policy have defined mechanisms for addressing concerns/complaints raised by the external stakeholder in a time-bound manner. We maintain confidentiality during the investigation process and ensure protection of the complainant. There is zero tolerance to retaliatory behaviour as mentioned in our Code of Conduct. However, no such concern was reported during the financial year 2024-25.

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

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/small producers	10%	23%
Directly from within India	69%	78%

Note: We evaluate the vendor based on merits that are defined in our procurement policy and we provide equal opportunities to all the vendors/suppliers irrespective of geographical boundary.

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

Location	FY 2024-25	FY 2023-24
Rural	17%	17%
Semi-urban	58%	59%
Urban	25%	24%
Metropolitan	-	-

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not applicable.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   Not applicable.

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)**

   While we do not have a formal preferential procurement policy specifically targeting marginalized or vulnerable groups, our Sustainable Procurement Policy and Supplier Code of Conduct emphasise inclusive and equitable supplier engagement. We are committed to fair and transparent procurement practices that provide equal opportunities to all suppliers, including local and MSME vendors. Our policies encourage supplier diversity and promote workforce inclusion, local community development, and fair dealing. We also assess suppliers on ESG parameters, including social impact, and encourage initiatives that support local employment and community upliftment. These principles reflect our broader commitment to responsible sourcing and sustainable development across our value chain.

   (b) From which marginalized/vulnerable groups do you procure?

   Not applicable.

   (c) What percentage of total procurement (by value) does it constitute

   Not applicable.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   Not applicable.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not applicable.

6. **Details of beneficiaries of CSR Projects:**

CSR Projects	No. of persons benefitted from CSR project	% of beneficiaries from vulnerable and marginalized groups
Remuneration of teachers' salaries at a nearby govt school in Madhutara	120	100%
Remuneration of teachers' salary of a nearby govt school in Tharadevi	120	100%
Remuneration of teachers' salaries at a nearby govt school in Thara C	120	100%
Remuneration of teachers' salary of a nearby govt school in Byrappa	120	100%
Support to Twin Glacier Foundation for towards infrastructure development	2000	100%
Support Govt School children by providing them with stationery supplies, notebooks, and school bags	100	100%
Support to Sewing Machines 08 No's for Handicapped,Widow & Cancer Patients for support	8	100%
Support to Ananya Trust for school material	60	100%
Support to ADARANE CHARITABLE TRUST for sponsoring education of 5 children who are undergoing schooling at St.Mark's School, located at Agrahara extension Bangalore.	5	100%
Support to WWF Nature Guardian Program	NA	100%
Support to Marg Foundation	NA	100%
Support to National Center for Performing Arts	80	100%
Support to Utkarsh Global Foundation Wari Jul 2024	300	100%
Support to IAHV for Renovation Work at Cuffe Parade Police-Station, Mumbai CSR Project	10000	100%
Proposal for Renovation of Sanitation Complexes at SRPF Guest House in Cuffe Parade Police Station	10000	100%
Support to Mehli Mehta Music Foundation	100	100%
CSR support to Zirad Art & Heritage Foundation (ZAHF)	250	100%
Support to Raigad Zila Parishad Ucch Prathamik School with digital equipment and benches	100	100%
Infrastructure Improvement in Vashi Police station by IAHV	3000	100%
Umeed Child Development Center	1000	100%
Support towards Mangalam Charitable Trust for Cancer patients	40	100%
Support towards Swami Bhamanand Pratishthan for specially-abled children	500	100%
Transplant Help Poor Foundation	30	100%
CSR support to Utkarsh Global Foundation for infrastructure work at CBD police station	1000	100%
CSR support to Utkarsh Global Foundation for providing Computers to Gamdevi Police station	2000	100%
MHHHAP programme in Mahad School	300	100%
Support to Light of Life Trust for mentorship and counselling of 150 underprivileged girls	150	100%
Stage construction in ZP school	300	100%
Creating Awareness of Environment Protection through Usage of Recyclable Material in Gandhinagar, Gujarat	300	100%
Support towards Umang Center of Indian Army	340	100%
Hinjewadi Police Station Project	50	100%
MHHHAP programme in Pune	300	100%
FRL - Improving the Quality of Education at ZP School Nere (Dattawadi), Taluka Mulshi, District Pune through Infrastructure Development 2024-25	500	100%

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.**

   While we are into B2B sales and not engaged in selling any product directly in the retail market, we have defined systems in place for the customer complaint management. Upon receipt of a complaint in our system, an investigator is promptly assigned to conduct a root cause analysis. Necessary corrective actions are implemented to rectify the identified issues and an update is provided about the cause and corrective actions implemented to our customers in a time-bound manner.

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	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	NA

   Yes, all our products are properly labelled with adequate details in accordance with the applicable statutory and customer requirements. We provide safety data sheets which contain all the necessary information about the safe handling of the products.

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

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Advertising	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Cyber-security	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Delivery of essential services	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Restrictive Trade Practices	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Unfair Trade Practices	Nil	Nil	Not applicable	Nil	Nil	Not applicable
Other	34	4	Not applicable	21	9	Not applicable

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

	Number	Reasons for recall
Voluntary recalls	Nil	Not applicable
Forced recalls	Nil	Not applicable

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

Hikal has a defined policy to address cybersecurity and data privacy risks, which is accessible to all employees through the internal portal. As part of ongoing efforts to enhance information security, implementation of the ISO 27001:2022 standard for Information Security Management Systems (ISMS) is currently underway.

To strengthen cybersecurity and safeguard against potential threats, a multi-layered IT security architecture has been deployed. This includes an email gateway, anti-virus, anti-spam, and anti-phishing solutions, along with Endpoint Detection and Response (EDR) systems equipped with Advanced Threat Protection (ATP) engines. End-user devices and servers are protected with antivirus software and zero-day attack prevention.

Multi-factor authentication (MFA) with one-time password (OTP) verification is enabled for all servers, and advanced web security solutions are in place to ensure secure internet access.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Not applicable

7. **Provide the following information relating to data breaches:**
   a. **Number of instances of data breaches:** Nil
   b. **Percentage of data breaches involving personally identifiable information of customers:** Nil
   c. **Impact, if any, of the data breaches:** Nil

Leadership Indicators

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

We have a dedicated page on our Company's website that provide information about the products and services. The website links for Pharmaceuticals and Crop Protection products are:

Pharmaceuticals: https://www.hikal.com/page/apis-and-intermediates

Crop Protection: https://www.hikal.com/page/overview#capabilities

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

We have quality agreements in place with our customers through which we share detailed information about our products. Each consignment is labelled appropriately and includes relevant safety instructions and product information, in line with applicable statutory requirements.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

This requirement is not directly applicable to us, as we operate exclusively through B2B sales and do not sell products directly in the retail market. However, we have established mechanisms to proactively inform our customers about any significant changes or potential risks that could disrupt the supply of essential services. Notably, during the financial year 2024–25, no such instances were reported.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Yes, we ensure that all our products are appropriately labelled in accordance with applicable statutory requirements, along with any specific customer requirements. We are committed to maintaining transparency and providing relevant product information. Additionally, each consignment includes safety instruction sheets to support the safe handling and use of our products.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, our entity actively engages in gathering consumer feedback to assess satisfaction levels across our key products, services, and operational locations. We conduct regular evaluations of customer feedback forms to gain insights into their experiences and expectations. Additionally, our business teams hold periodic review meetings with major clients to address any concerns and collaboratively identify opportunities for service enhancement. This structured approach enables us to continuously improve and align our offerings with customer need.

Independent Auditor's Report

To the Members of Hikal Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, its profit including 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to note 48(A)(ii) to the standalone financial statements, as regards the uncertainty regarding outcome of ongoing investigations / actions by statutory authorities in relation to alleged non-compliance with certain environmental laws and regulations. As the matter is currently pending with the Hon'ble Supreme Court of India, no further adjustments including consequential effects thereof are considered necessary in the standalone financial statements. Our opinion is not modified in respect of the aforesaid matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matter	How our audit addressed the key audit matter
Revenue recognition based on contracts with customers (as described in Note 3.1 and 33 of the standalone financial statements)	
The Company recognizes revenue when control of the goods is transferred to the customers at an amount that reflects the consideration, which the Company is entitled to receive for those goods from customers. Revenue from sale of products is recognised based on terms and conditions, which vary amongst different customer contracts. There is a risk of revenue being overstated on account of variation in the timing of transfer of control and due to the pressure management may feel to achieve performance targets at the reporting period-end. The recognition and measurement of such revenue is also based on the terms of sales arrangements / contracts, which involves management judgement and estimation in respect of price adjustments that create complexities for determining sales revenues. Considering the above factors and the risk associated with recognition of such revenue, we have determined the same to be a key audit matter.	As part of our audit procedures, we: Read the Company's accounting policy for revenue recognition and assessed its compliance with Ind AS 115 'Revenue from contracts with customers; · Assessed the design and tested the operating effectiveness of internal financial controls related to sale of goods; · Performed sample tests of individual sales transactions and price adjustments and traced to sales invoices, sales orders, shipping documents and debit / credit notes; · Selected sample of sales transactions made pre and post year-end, agreed the period of revenue recognition to underlying documents such as sales invoices, sales orders and shipping documents; · Read and assessed the relevant disclosures made within the standalone financial statements.

Other Information

The Company's Board of Directors is responsible for the Other Information. Other Information comprises the information included in the Annual report including the report of the Board of Directors, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report, including the report of the Board of Directors, is expected to be made available to us after the date of this audit report.

Our opinion on the standalone financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, including the report of the Board of Directors, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31 March 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matter described in Emphasis of Matter above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above and paragraph (j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

   (h) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (i) In our opinion, the managerial remuneration for the year ended 31 March 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (j) 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 48A 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 65 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, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 66 to the standalone financial statements, no funds have been received by the Company from any persons or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

      v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

      The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

      As stated in note 20C to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, as described in note 68 to the standalone financial statements, the audit trail feature is not enabled for changes made (if any), by users with privileged / administrative access rights for the period from 13 August 2024 to 21 February 2025 and for direct changes to data when using certain access rights in respect of the Oracle application. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where the audit trail feature has been enabled. Additionally, the audit trail of the prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

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

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 25101143BMSBZR4853

Place of Signature: Mumbai
Date: 14 May 2025

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements of Hikal Limited

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

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year, but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March 2025.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedures of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

(b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the revised quarterly returns / statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantor or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made an investment, the terms and conditions of which are not prejudicial to the Company's interest. Further, during the year, the Company has not made other investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties..

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advances in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) The Company has not granted any loans, or provided any guarantees or security to the parties covered under sections 185. The Company has complied with provisions of section 186 of the Act in respect of investment made.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to manufacture of products of the Company and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, sales-tax, service-tax, duty of customs, Goods and Services Tax, duty of excise, value added tax, income tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, service-tax, Goods and Services tax, sales-tax, duty of customs, value added tax, income tax, cess and other material statutory dues were outstanding, at the year-end, for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the dues outstanding as of the balance sheet date, of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, Goods and Services tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount Unpaid* (Rs. in Million)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	162.30	FY 2002-04, FY 2006-07, FY 2009-10 and FY 2010-11	Bombay High Court
The Income Tax Act, 1961	Income tax	228.87	FY 2009-10,FY2013-14,FY 2016-17 to FY 2019-20, Fy 2022-23	Commissioner of Income Tax (Appeals)
Goods and Services Tax , 2017	Goods and Services Tax	65.98	July 2017 to March 2020	Commissioner of Central Tax (Appeals)
The Central Excise Act,1944	Excise Duty	33.93	July 2007 to December 2011	Customs, Excise and Service Tax Appellate Tribunal, Bangalore

Refer Note No 48(A)(i) to the standalone financial statements

* Net of amount paid under protest and excludes interest and penalties, if any.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans availed by the Company were applied for the purposes for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used 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 does not have any associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associates or joint ventures. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirements to report on clause 3(xii)(a), 3(xii)(b), 3(xii)(c), of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause (xvi)(c) of the Order is not applicable to the Company

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 58 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 51 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 51 to the standalone financial statements.

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

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 25101143BMSBZR4853

Place of Signature: Mumbai
Date: 14 May 2025

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of Hikal Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Hikal Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 25101143BMSBZR4853

Place of Signature: Mumbai
Date: 14 May 2025

Standalone Balance Sheet

As at 31 March 2025

(Currency: Indian Rupees in million)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	**12,934**	9,959
Capital work-in-progress	4	**1,212**	4,143
Right of use assets	5	**633**	646
Other intangible assets	6	**78**	101
Financial Assets			
Investments	7	**95**	54
Loans	8	**3**	3
Others	9	**212**	160
Income tax assets (net)	10	**25**	20
Other non-current assets	11	**130**	119
Total non-current assets		**15,322**	**15,205**
Current assets			
Inventories	12	**3,345**	3,037
Financial Assets			
Trade receivables	13	**5,224**	5,503
Cash and cash equivalents	14	**129**	126
Bank balances other than cash and cash equivalents	15	**50**	82
Loans	16	**5**	5
Others	17	**655**	137
Other current assets	18	**561**	775
Total current assets		**9,969**	**9,665**
Total assets		**25,291**	**24,870**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	**247**	247
Other equity	20	**12,375**	11,629
Total equity		**12,622**	**11,876**
Liabilities			
Non-current liabilities			
Financial Liabilities:			
Borrowings	21	**3,672**	4,229
Lease liability	22	**24**	26
Provisions	23	**157**	280
Deferred tax liabilities (net)	24	**325**	300
Other liabilities	25	**593**	593
Total non-current liabilities		**4,771**	**5,428**
Current liabilities			
Financial liabilities:			
Borrowings	26	**3,949**	3,919
Lease liability	27	**2**	2
Trade payables	28		
- Total outstanding dues of Micro Enterprises and Small Enterprises."		**183**	261
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises. "		**2,859**	2,527
Other financial liabilities	29	**448**	408
Other current liabilities	30	**157**	285
Provisions	31	**173**	44
Income tax liabilities (net)	32	**127**	120
Total current liabilities		**7,898**	**7,566**
Total liabilities		**12,669**	**12,994**
Total equity and liabilities		**25,291**	**24,870**

Material accounting policies 1-3

Accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

per Vinayak Pujare
Partner
Membership No: 101143

Jai Hiremath
Executive Chairman
DIN: 00062203

Sameer Hiremath
Vice Chairman and Managing Director
DIN: 00062129

Ramachandra Kaundinya Vinnakota
Director
DIN - 00043067

Kuldeep Jain
Chief Financial Officer

Rajasekhar Reddy
Company Secretary

Mumbai
14 May 2025

Mumbai
14 May 2025

Mumbai
14 May 2025

Mumbai
14 May 2025

Standalone Statement of Profit and Loss

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	33	**18,598**	17,846
Other income	34	**50**	25
Total income		**18,648**	**17,871**
Expenses			
Cost of materials consumed	35	**8,826**	8,052
Changes in inventories of finished goods and work-in-progress	36	**(453)**	195
Employee benefit expenses	37	**2,423**	2,440
Finance costs	38	**752**	564
Depreciation and amortisation expense	39	**1,344**	1,176
Other expenses	40	**4,517**	4,490
Total expenses		**17,409**	**16,917**
Profit before tax		**1,239**	954
Tax expense			
Current tax	41	**300**	284
Deferred tax	42	**30**	(25)
Total tax expense		**330**	**259**
Profit for the year		**909**	695
Other comprehensive income (OCI)			
(i) Items that will not be reclassified to standalone statement of profit and loss			
Loss on remeasurement of defined employee benefit plans		**(19)**	(8)
Income tax effect		**5**	2
Gain on change in fair values of investments in equity shares carried at fair value through OCI		**0**	0
Income tax effect		**(0)**	(0)
Other comprehensive loss for the year, (net of income tax)		**(14)**	(6)
Total comprehensive income for the year		**895**	689
Earnings per equity share (for nominal value per equity share of ₹ 2)			
Basic and Diluted	43	**7.37**	5.64

Material accounting policies 1-3

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

per Vinayak Pujare
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Chief Financial Officer

Rajasekhar Reddy
Company Secretary

Mumbai
14 May 2025

Mumbai
14 May 2025

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14 May 2025

Mumbai
14 May 2025

Standalone Statement of Changes in Equity

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

(a) Equity share capital

	No of shares	Amount
Balance as at 1 April 2023	123	247
Changes in equity share capital during financial year 2023-24	-	-
Balance as at 31 March 2024	**123**	**247**
Changes in equity share capital during financial year 2024-25	-	-
Balance as at 31 March 2025	**123**	**247**

(b) Other equity

	Reserve and Surplus							
	Capital reserve	Capital redem-ption reserve	Securities premium	State subsidy	Contingency reserve	General reserve	Retained earnings	Equity investments through other comprehensive income
Balance as at 1 April 2023	0	510	65	6	30	1,780	8,700	(2)
Total comprehensive income for the year ended 31 March 2024								
Profit for the year	-	-	-	-	-	-	695	-
Items of OCI for the year, net of tax								
Loss on remeasurement of defined employee benefit plans	-	-	-	-	-	-	(7)	-
Gain on change in fair values of investments in equity shares carried at fair value through OCI	-	-	-	-	-	-	-	0
Total comprehensive income	-	-	-	-	-	-	**688**	**0**
Transaction with owners in their capacity as owners, recorded directly in equity								
Dividend	-	-	-	-	-	-	(148)	-
Balance as at 31 March 2024	**0**	**510**	**65**	**6**	**30**	**1,780**	**9,240**	**(2)**
Total comprehensive income for the year ended 31 March 2025								
Profit for the year	-	-	-	-	-	-	909	-
Items of OCI for the year, net of tax								
Loss on remeasurement of defined employee benefit plans	-	-	-	-	-	-	(14)	-
Gain on change in fair values of investments in equity shares carried at fair value through OCI	-	-	-	-	-	-	-	0
Total comprehensive income	-	-	-	-	-	-	**895**	**0**
Transaction with owners in their capacity as owners, recorded directly in equity								
Dividends	-	-	-	-	-	-	(149)	-
Balance as at 31 March 2025	**0**	**510**	**65**	**6**	**30**	**1,780**	**9,986**	**(2)**

For the purpose of reserve, refer note 20 (B)

Material accounting policies, refer note 1-3

The notes refered to above form an integral part of standalone financial statements

As per our report of even date attached

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

Chartered Accountants

ICAI Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of

Hikal Limited

CIN: L24200MH1988PTC048028

per Vinayak Pujare

Partner

Membership No: 101143

Jai Hiremath

Executive Chairman

DIN: 00062203

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Kuldeep Jain

Chief Financial Officer

Rajasekhar Reddy

Company Secretary

Mumbai

14 May 2025

Mumbai

14 May 2025

Mumbai

14 May 2025

Mumbai

14 May 2025

Standalone Cash Flow Statement

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

	For the year ended 31 March 2025		For the year ended 31 March 2024	
A. Cash flow from operating activities				
Profit before tax		**1,239**		**954**
Adjustments:				
Depreciation and amortisation	**1,344**		1,176	
Dividend on long-term investments	**(0)**		(0)	
Finance costs	**752**		564	
Interest income	**(7)**		(17)	
(Gain) on sale of property, plant and equipment	**(1)**		(2)	
Sundry balances written off / (back)	**6**		(2)	
Provision for doubtful debts/advances	**30**		21	
Provision / Write off of inventory	**17**		20	
Profit on sale of investment	**(4)**		(4)	
Unrealised foreign exchange loss/(gain)	**14**		(7)	
		2,151		1,749
Operating cash flow before working capital changes		**3,390**		**2,703**
Decrease / (Increase) in trade receivables	**235**		(1,098)	
(Increase) / Decrease in loans, other assets and other financial assets	**(352)**		573	
(Increase) / Decrease in inventories	**(324)**		110	
Increase / (Decrease) in trade payables	**253**		(342)	
(Decrease) / Increase in provisions,other financial liabilities and other liabilities	**(100)**		223	
		(288)		(534)
Cash generated from operations		**3,102**		**2,169**
Income tax paid		**(298)**		(303)
Net cash flows generated from operating activities (A)		**2,804**		**1,866**
B. Cash flow from investing activities				
Purchase of property, plant and equipment and intangible assets	**(1,373)**		(2,042)	
Proceeds from sale of property, plant and equipment	**9**		2	
Purchase of non current investment	**(41)**		-	
Proceeds from sale of investment	**4**		4	
Dividend on long-term investments	**0**		0	
Interest received	**7**		19	
Decrease in bank deposits due to mature within 12 months of the reporting date	**29**		280	
Net cash flows (used in) investing activities (B)		**(1,365)**		**(1,737)**
C. Cash flow from financing activities				
Proceeds from long-term borrowings	**750**		350	
Repayment of long-term borrowings	**(1,033)**		(837)	
(Repayments of) /proceeds from short-term borrowings (net)	**(252)**		1,152	
Finance costs paid (including transaction costs)	**(750)**		(784)	
Payment of lease liability	**(3)**		(3)	
Dividend paid on equity shares	**(148)**		(148)	
Net cash flows (used in) financing activities (C)		**(1,436)**		**(270)**

Standalone Cash Flow Statement (Contd.)

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net (decrease) / increase in cash and cash equivalents (A+B+C)	3	(141)
Cash and cash equivalents at the beginning of the year, the components being		
Cash on hand	1	2
Balances with banks		
- Current accounts	121	260
- Deposits accounts (having original maturity of 3 months or less)	4	5
	126	**267**
Cash and cash equivalents at the end of the year, the components being		
Cash on hand	1	1
Balances with banks		
- Current accounts	127	121
- Deposits accounts (having original maturity of 3 months or less)	1	4
	129	**126**
Net (decrease) / increase as disclosed above (A+B+C)	**3**	**(141)**
Notes to the cash flow statement		

1. The above cash flow statement has been prepared under the 'Indirect Method' set out in Accounting Standard (IND AS) 7, 'Cash Flow Statements'.
2. For changes in liability arising from financing activity refer note 21

Material accounting policies **1-3**

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

per Vinayak Pujare
Partner
Membership No: 101143

Jai Hiremath
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Kuldeep Jain
Chief Financial Officer

Rajasekhar Reddy
Company Secretary

Mumbai
14 May 2025

Mumbai
14 May 2025

Mumbai
14 May 2025

Mumbai
14 May 2025

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

1(a) Company Overview

Hikal Limited ('Hikal' or 'the Company') was incorporated on 8 July 1988 having its registered office at 717/718, Maker Chamber V, Nariman Point, Mumbai 400 021.

The Company is engaged in the manufacturing of various chemical intermediates, specialty chemicals, active pharma ingredients and contract research activities.

The Company has its equity shares listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

The Company is operating in the crop protection and pharmaceuticals space.

1(b) Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as amedned from time to time. The standalone financial statements for the year ended 31 March2025 were approved by the Board of Directors and authorised for issue on 14 May 2025.

2 Summary of material accounting policies

2.1 Basis of preparation

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is based on the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. These financial statements have been prepared on accrual and going concern basis.

2.2 Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is also the Company's functional currency. All amounts have been rounded off to zero decimal places to the nearest million, unless otherwise indicated. The figures mentioned as '0' in the financial statements denote amounts less than 0.5 million.

2.3 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including Fair value derivatives instruments)	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.4 Use of estimates and judgements

The preparation of the standalone financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. Property, plant and equipment

Useful lives of tangible assets are based on the estimates made by the management. In cases, where the useful lives are different from that prescribed in Schedule II, they are 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.

b. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

c. Impairment allowance of trade receivables (allowance for bad and doubtful debts)

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

d. Allowances for inventories

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. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

e. Recognition of deferred tax assets

Deferred tax assets are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits, if any could be utilised.

2.5 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 Material accounting policies

3.1 Revenue from contract with customer

i Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery. Revenue is measured based on the transaction price, which is the consideration, adjusted for rebates and discounts, price adjustments and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to short nature of credit period given to customers there is no financing component in the contract.

ii Sale of Services

Revenue from development and other services are recognised over time because the customer simultaneously receives and consumes the benefits provided to them. The Company uses an input method in measuring progress of the services because there is a direct relationship between the Company effort (i.e., based on the labour hours incurred, raw material consumed) and the transfer of service to the customer. The Company recognises revenue on the basis of the labour hours expended and raw material consumed relative to the total expected labour hours and raw material consumption to complete the service.

iii Export entitlements

Export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection/determination of amounts of the relevant export proceeds.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transfering goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the company performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.2 Other Income

i Interest Income

Interest income is recognised using the effective interest method as set out in Ind AS 109 – Financial Instruments: Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income over the relevant period.

ii Dividend Income

Dividend income is recognised when right to receive payment is established and it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

3.3 Foreign currency

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are not translated. Foreign currency exchange differences are generally recognised in the statement of profit and loss.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Standalone Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non-monetary item is recognised in Standalone Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Standalone Statement of Profit and Loss.

3.4 Employee benefits

Short-term employee benefits

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

(Currency: Indian Rupees in million)

Post employment employee benefits

i Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions to Provident fund, Employee State Insurance and Labour Welfare Fund and are recognised as an employee benefit expense in the statement of profit and loss on an accrual basis. Contribution to Superannuation Fund, a defined contribution scheme, administered by Life Insurance Corporation of India, based on a specified percentage of eligible employees' salary.

ii Defined benefit plans

A defined benefit plan is a post-employee benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined liability (asset) after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to gratuity benefit scheme are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Gratuity

The Company has an obligation towards gratuity, a defined benefit scheme covering eligible employees. The Company accounts for gratuity benefits payable in future based on an independent actuarial valuation method as stated above. Gratuity for staff at Panoli plant is funded through group gratuity insurance scheme of the Life Insurance Corporation of India ('LIC').

Other long-term employee benefits

The Company's net obligation in respect of compensated absences such as paid annual leave, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method, as at the date of the Balance Sheet. Actuarial gains or losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss.

3.5 Income tax

Income tax expense comprises current and deferred tax. It is recognised in the standalone statement of profit and loss or items recognised directly in equity or in other comprehensive income.

i Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted by the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and current tax liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

ii Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.6 Inventories

a Measurement of Inventory

The Company measures its inventories at the lower of cost and net realisable value.

b Cost of Inventories

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

(Currency: Indian Rupees in million)

The costs of conversion of inventories include costs directly related to the units of production and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. Other costs are included in the cost of inventories only to the extent that they are incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned by weighted average cost formula. The Company uses the same cost formula for all inventories having a similar nature and use to the Company.

c Net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realisable value is ascertained for each item of inventories with reference to the selling prices of related finished products. The practice of writing inventories down below cost to net realisable value is consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. Inventories are usually written down to net realisable value item by item. Estimates of net realisable value of finished goods and stock-in-trade are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value. Amount of any reversal of write-down of inventories shall be recognised as an expense as when the event occurs. A new assessment is made of net realisable value in each subsequent period. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed. Amounts such reversed shall be recognised as a reduction in the amount of inventories and as an expense in the period in which reversal occurs.

d Valuation of Spare parts, stand-by equipments and servicing equipments

Spare parts, stand-by equipment and servicing equipment are recognised as Property, Plant and Equipment if and only if it is probable that future economic benefits associated with them will flow to the Company and their cost can be measured reliably. Otherwise such items are classified and recognised as Inventory.

3.7 Property, plant and equipment

i Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any directly attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.

c) the estimated costs of dismantling and removing the item and restoring the site on which it is located.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the statement of profit and loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost. Depreciation on the depreciable amount of an item of Property, plant and equipment is allocated on a systematic basis over its useful life. The Company provides depreciation on the straight-line method. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, 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: the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 -Accounting Policies, Changes in Accounting Estimates and Errors.

The useful life of an asset is reviewed at least at each financial year-end. Depreciation is calculated using the straight-line method on cost of items of property, plant and equipment over the estimated useful lives prescribed under Schedule II of the Act. In case of Ships, based on internal assessment and technical evaluation carried out, management believes that the useful life is 30 years, which is higher and different from the useful life of 20 years as prescribed under Part C of Schedule II of the Act. The estimated useful lives of items of property, plant and equipment are as follows:

Tangible Assets	Life defined	Useful life as per Schedule II
Buildings	30-60	30-60
Plant and equipment	10-20	10-20
Electrical equipment and installation	10	10
Office equipment	5	5
Computers	3	3
Furniture and fixtures	10	10
Vehicles	8	10
Ships	30	20

Leasehold improvements amortised over the period of lease.

Depreciation methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

3.8 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Company has opted option available in Para D13AA of Ind AS 101 to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP i.e. capitalisation foreign exchange difference pursuant to para 46A of AS 11 'The Effects of Changes in Foreign Exchange Rates' vide notification dated 29 December 2011 by Ministry of Corporate Affairs (MCA).

3.9 Intangible assets

i. Recognition and measurement

Expenditure on research activities is recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the research and development, only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, includes computer software, which are acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit and loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets using the straight-line method over their estimated useful lives, and is included in depreciation and amortisation in the statement of profit and loss.

Other intangible assets are amortised over the estimated useful lives as given below:

- Computer Software 5 years
- Product related intangible 5 years

Amortisation methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

3.10 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.

a. Financial assets

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are measured subsequently at either amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss, depending on the classification of the financial assets. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under standard on revenue from contracts with customers. Refer to the accounting policies for revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI); on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e, he date that the Company commits to purchase or sell the asset.

ii. Classification

On initial recognition, a financial asset is classified as measured at

- amortised cost; or
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Company's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

iii Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity instrument measured at FVOCI not reported separately from other changes in fair value.

iv. Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby

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it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

v Impairment of financial assets

Trade Receivable and Contract asset

The company applies a simplified approach in calculating ECL's. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL's at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the asset and the economic environment.

Further disclosures relating to impairment of financial assets are provided in Note no 13 - Trade Receivables.

b. Financial liabilities

i. Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value. In the case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition or issue of financial liability.

ii Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

iii. Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c. Investment in subsidiaries

Investment in subsidiaries is carried at cost in the standalone financial statements.

3.11 Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, or the amount of the obligation cannot be measured with sufficient reliability no provision or disclosure is made.

3.12 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

i Right-of-use Assets

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

Leasehold Land	90 to 99 years
Buildings	9 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.13 Impairment of non-financial assets.

ii Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

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

3.13 Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

The recoverable amount is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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.

In respect of the assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, impairment loss is reversed to the extent to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

3.14 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.15 Earnings per share (EPS)

Basic EPS is computed using the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti dilutive.

3.16 Dividend

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividend are recorded as a liability on the date of declaration by the company's Board. The Company declares and pay dividends in Indian Rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable taxes. Further disclosure relating to dividend refer Note No 20(c)-Dividends.

3.17 Current / non-current classification

An entity shall classify an asset as current when-

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An entity shall classify a liability as current when-

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

An entity shall classify all other assets and liabilities as non-current.

Deferred tax Assets and Liabilities are classified as non-current assets and liabilities

Operating cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

3.18 Climate related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

3.19 Recent accounting developments:

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the **Companies (Indian Accounting Standards) Amendment Rules, 2024**, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

(ii) Amendment to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the **Companies (Indian Accounting Standards) Second Amendment Rules, 2024,** which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

This has no impact on the standalone financial statements of the Company.

Notes to the Standalone Financial Statements

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Note 4: Property, Plant and Equipment

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2024	Additions	Deductions	As at 31 March 2025	As at 1 April 2024	Charge for the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Freehold land	582	-	-	582	-	-	-	-	582	582
Buildings	2,655	1,039	-	3,694	575	108	-	683	3,011	2,080
Plant and machinery	13,156	3,037	58	16,135	6,172	1,128	50	7,250	8,885	6,984
Electrical equipments and installations	293	110	-	403	141	26	-	167	236	152
Office equipments	197	35	-	232	147	25	-	172	60	50
Furniture and fixtures	162	35	-	197	90	14	-	104	93	72
Leasehold improvements	6	-	-	6	5	1	-	6	-	1
Vehicles	57	35	5	87	40	4	5	39	48	17
Ships	36	-	-	36	15	2	-	17	19	21
Total	**17,144**	**4,291**	**63**	**21,372**	**7,185**	**1,308**	**55**	**8,438**	**12,934**	**9,959**
Capital work in progress	4,143	1,360	4,291	1,212					1,212	4,143

Note 4: Property, plant and equipment (Previous year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Freehold land	582	-	-	582	-	-	-	-	582	582
Buildings	2,085	571	1	2,655	485	90	0	575	2,080	1,600
Plant and machinery	11,530	1,626	-	13,156	5,179	993	-	6,172	6,984	6,351
Electrical equipments and installations	277	16	-	293	119	22	-	141	152	158
Office equipments	171	26	-	197	125	22	-	147	50	46
Furniture and fixtures	149	13	-	162	77	13	-	90	72	71
Leasehold improvements	6	-	-	6	4	1	-	5	1	2
Vehicles	54	3	-	57	35	5	-	40	17	19
Ships	36	-	-	36	13	2	-	15	21	23
Total	**14,890**	**2,255**	**1**	**17,144**	**6,037**	**1,148**	**0**	**7,185**	**9,959**	**8,852**
Capital work in progress	4,021	2,375	2,253	4,143					4,143	4,021

Notes:

a. Refer note 21 and 26 for details of assets hypothecated/mortgaged as security against borrowings.

b. Refer note 55 for details of revenue expenditure capitalised.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 4: Property, plant and equipment (Contd.)

a) For Capital-work-in progress, ageing schedule

Amount of Capital-Work-in-Progress as on 31 March 2025

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	1,036	176	-	-	1,212
-Projects temperorily suspended	-	-	-	-	-

Amount of Capital-Work-in-Progress as on 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	1,475	1,625	1,039	4	4,143
-Projects temperorily suspended	-	-	-	-	-

b) (i) For Capital-Work-in-Progress, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2025

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Crop Projects	216	-	-	-	216
Pharma Projects	718	-	-	-	718
Total	**934**	**-**	**-**	**-**	**934**

b) (ii) For Capital-Work-in-Progress, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2024

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Crop Projects	3,501	-	-	-	3,501
Pharma Projects	407	-	-	-	407
Total	**3,908**	**-**	**-**	**-**	**3,908**

Note 5: Right of use assets

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2024	Additions	Deductions	As at 31 March 2025	As at 1 April 2024	Charge for the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Leasehold land	692	-	-	692	73	9	-	82	610	619
Buildings	29	-	-	29	2	4	-	6	23	27
Total	**721**	**-**	**-**	**721**	**75**	**13**	**-**	**88**	**633**	**646**

Note 5: Right of use assets (Previous Year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Leasehold land	692	-	-	692	64	9	-	73	619	628
Buildings	11	29	11	29	10	3	11	2	27	1
Total	**703**	**29**	**11**	**721**	**74**	**12**	**11**	**75**	**646**	**629**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 6: Other intangible assets

Description	Gross Block				Accumulated Amortisation				Net Block	
	As at 1 April 2024	Additions	Deductions	As at 31 March 2025	As at 1 April 2024	Charge for the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Computer software	44	-	-	**44**	43	-	-	**43**	**1**	1
Product related intangible	115	-	-	**115**	15	23	-	**38**	**77**	100
Total	**159**	**-**	**-**	**159**	**58**	**23**	**-**	**81**	**78**	**101**
Intangible assets under development	-	-	-	-					-	-

Note 6: Other intangible assets (Previous year)

Description	Gross Block				Accumulated Amortisation				Net Block	
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Computer software	44	-	-	44	42	1	-	43	1	2
Product related intangible	-	115	-	115	-	15	-	15	100	-
Total	**44**	**115**	**-**	**159**	**42**	**16**	**-**	**58**	**101**	**2**
Intangible assets under development	101	15	116	-					-	101

a) For Intangible assets under development, ageing schedule

Amount of Intangible assets under development as on 31 March 2025

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	-	-	-	-	-
-Projects temperorily suspended	-	-	-	-	-

Amount of Intangible assets under development as on 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	-	-	-	-	-
-Projects temperorily suspended	-	-	-	-	-

b) For Intangible assets under development, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2025

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development	-	-	-	-	-

For Intangible assets under development, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2024

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development	-	-	-	-	-

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 7: Non-current investments

		As at 31 March 2025	As at 31 March 2024
Investments in equity instruments:			
A	**Unquoted**		
i.	**Subsidiary company (at cost)**		
	Acoris Research Limited 15,050,080 Equity Shares of face value ₹ 10 each fully paid up (31 March 2024: 15,050,080 Equity Shares of face value ₹ 10 each fully paid up)	**0**	0
ii.	**Other investment**		
	(At fair value through other comprehensive income)		
	223,164 (31 March 2024: 223,164) Equity shares of ₹ 10 each of Narmada Clean Tech fully paid-up	**5**	5
	30,000 (31 March 2024: 30,000) Equity shares of ₹ 10 each of Panoli Enviro Technology Limited fully paid-up	**-**	0
	14,494 (31 March 2024: 14,494) Equity shares of ₹ 100 each MMA CETP Co-operative Society Limited fully paid-up	**2**	2
	16% (P.Y. 16%) equity shares of Jiangsu Chemstar Chemical Co Limited fully paid-up	**0**	0
	33,60,000 (31 March 2024: 33,60,000) Equity shares of ₹ 10 each of Equity Shares Radiance Mh Sunrise Four Private Limited fully paid-up	**34**	34
	12,60,000 (31 March 2024: 12,60,000) Equity shares of ₹ 10 each of Equity Shares Radiance Mh Sunrise Two Private Limited fully paid-up	**13**	13
	4,12,400 (31 March 2024: Nil) Equity shares of ₹ 100 each of Equity Shares FPEL Ujwal Private Limited fully paid-up	**41**	-
	Impairment in value of investment	**(0)**	(0)
B	**Quoted**		
	(At fair value through other comprehensive income)		
	2,900 (31 March 2024: 2,900) Equity shares of ₹ 10 each of Union bank of India fully paid-up	**0**	0
	Total non-current investments (A + B)	**95**	**54**
	Aggregate amount of quoted investments	**0**	0
	Aggregate market value of quoted investments	**0**	0
	Aggregate amount of unquoted investments	**95**	53
	Aggregate amount of impairment in value of investments	**0**	(0)
		95	**54**

The Company has written off the value of ₹ 27 million in investment in Jigansu Chemstar Chemical Company Limited in the earlier year.

Note 8: Loans

	As at 31 March 2025	As at 31 March 2024
Unsecured and considered good		
To Related Party		
Loans to employees (Refer note 57)	**1**	0
To other than related parties		
Loans to employees	**2**	3
	3	**3**

Note 9: Other financial assets

	As at 31 March 2025	As at 31 March 2024
Unsecured and considered good		
To other than related parties unless otherwise specified		
Deposits with remaining maturity of more than 12 months	**8**	5
Security deposit to related parties (Refer note 57)	**71**	71
Security deposit	**133**	84
	212	**160**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 10: Income tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Income tax assets (net)	**25**	20
Income tax assets (Net of provision of ₹ 560 million (31 March 2024: 1,002 Million))		
	25	**20**

Note 11: Other non-current assets

	As at 31 March 2025	As at 31 March 2024
Unsecured and considered good		
To other than related parties		
Prepaid expenses	**10**	5
VAT/ CST refund receivable	**9**	9
Balance with government authorities	**13**	23
Capital advances	**98**	82
	130	**119**

Note 12: Inventories

	As at 31 March 2025	As at 31 March 2024
Valued at the lower of cost and net realisable value		
Raw materials (includes goods in transit of ₹ 163 Million, 31 March 2024 ₹ 282 Million)	**1,223**	1,401
Packing materials	**11**	11
Work-in-progress	**968**	868
Finished goods	**895**	542
Stores and spares	**248**	215
	3,345	**3,037**

Inventories which comprise raw materials, packing materials, work-in-progress and finished goods are carried at the lower of cost and net realisable value. (See detailed accounting policy in Note 3.6)

The write-down of inventories at year end amounted to ₹ 195 million (31 March 2024: ₹ 178 million). The write down of inventories are included in cost of materials consumed or changes in inventories of finished goods and work-in-progress in the statement of profit and loss.

Note 13: Trade receivables

	As at 31 March 2025	As at 31 March 2024
(Unsecured)		
Trade receivable considered good	**5,265**	5,554
Trade receivable which have significant increase in credit risk	**82**	82
	5,347	**5,636**
Impairment allowance (Allowance for bad and doubtful debts)		
Trade receivable considered good	**(78)**	(88)
Trade receivable which have significant increase in credit risk	**(45)**	(45)
	(123)	**(133)**
	-	**-**
Net trade receivable	**5,224**	**5,503**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

The loss allowance on trade receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for trade receivables considered good on the basis that credit risk exists even though it may be very low.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 46.

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the company has transferred the relevant receivables to the factor in exchange for cash. However, the company has retained credit risk. The company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount subject to factoring agreement is presented as borrowing.

The relevant carrying amounts are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Total transferred trade receivables	**468**	718
Associated borrowings [refer note 26]	**468**	718

Trade Receivables Ageing as on 31 March 2025

Sr. No.	Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	**4,235**	**990**	**40**	-	-	-	**5,265**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	**11**	**9**	**17**	**37**
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**45**	**45**
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**4,235**	**990**	**40**	**11**	**9**	**62**	**5,347**

Trade Receivables Ageing as on 31 March 2024

Sr. No.	Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	4,735	812	6	-	-	-	5,553
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	18	5	15	38
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-		-	45	45
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**4,735**	**812**	**6**	**18**	**5**	**60**	**5,636**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 14: Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Bank balances in:		
- Current accounts	**127**	121
- Fixed deposit account (with original maturity of 3 months or less)	**1**	4
Cash on hand	**1**	1
Cash and cash equivalents in the statement of cash flows	**129**	**126**

Note 15: Bank balance other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Other bank balances:		
Bank deposits due to mature within 12 months of the reporting date	**48**	80
Unpaid dividend accounts	**2**	2
	50	**82**

Deposits given as security

1) Margin money deposits with a carrying amount of ₹ 57 million (31 March 2024 - ₹ 89 million) are earmarked towards non fund based facilities availed from banks.

Note 16: Loans

	As at 31 March 2025	As at 31 March 2024
(Unsecured)		
To related party		
Loans to employees (Refer note 57)	**-**	1
To parties other than related parties		
Loans to employees	**5**	4
	5	**5**

Note 17: Other financial assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
To related party		
Excess managerial remuneration recoverable (refer note 57)	**-**	6
To other than related parties		
Interest accrued on bank deposit	**1**	1
Unbilled revenue	**10**	74
Insurance claim receivable	**0**	0
Indirect tax balances refund due and export benefits and entitlements	**644**	-
Others	**0**	56
	655	**137**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 18: Other current assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Advance to suppliers		
Considered good	**101**	163
Considered doubtful	**90**	50
Advance to suppliers	**191**	213
Less: Provision for doubtful advances	**(90)**	(50)
	101	**163**
Balance with government authorities	**292**	476
Prepaid expenses	**168**	136
	561	**775**

Note 19: Share Capital

	As at 31 March 2025	As at 31 March 2024
Authorised share capital (Refer note a below)		
Equity	**500**	500
Par value per share (₹)	**2**	2
Number of equity shares	**250,000,000**	250,000,000
Preference shares	**250**	250
Par value per share (₹)	**100**	100
Number of Preference shares	**2,500,000**	2,500,000
Issued, subscribed and fully paid up -Equity	**247**	247
Par value per share (₹)	**2**	2
Number of equity shares	**123,300,750**	123,300,750

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2025		As at 31-03-2024	
	No. millions	₹ in millions	No. millions	₹ in millions
At the beginning of the year	**123**	**247**	123	247
At the end of the year	**123**	**247**	**123**	**247**

b. Terms/rights attached to equity shares

The Company has only single class of equity shares having a par value of ₹ 2 (31 March 2024, ₹ 2) per share. Each 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 the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% of shares:

	As at 31 March 2025		As at 31-03-2024	
	No of Shares (millions)	%	No of Shares (millions)	%
Equity shares of ₹ 2 (31 March 2024 ₹ 2) each fully paid				
Kalyani Investment Company Limited	**39**	**31**	39	31
Shri Badrinath Investment Private. Limited	**20**	**16**	20	16
Shri Rameshwara Investment Private Limited	**10**	**8**	10	8
Sugandha J Hiremath	**10**	**8**	10	8

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

d. The Shareholding of Promoters as on 31 March 2025 is as under:

Promoters Name	No. of Shares	% of Total Shares	% Change during the Year
Kalyani Investment Company Limited	38,667,375	31.36%	-
Shri Badrinath Investment Pvt Ltd	19,914,862	16.15%	-
Shri Rameshwara Investment Pvt Ltd	9,810,000	7.96%	-
Sugandha J Hiremath	9,667,500	7.84%	-
BF Investment Limited	3,273,375	2.65%	-
Jai Hiremath	1,340,625	1.09%	-
Ekdant Investment Pvt Ltd	393,802	0.32%	-
Sameer Hiremath	390,975	0.32%	-
Pallavi Anish Swadi	381,000	0.31%	-
Pallavi Trust	187,500	0.15%	-
Sameer Trust	187,500	0.15%	-
Ashok Hiremath	100,000	0.08%	-
Sumer Trust	75,000	0.06%	-
Rhea Trust	75,000	0.06%	-
Nihal Trust	75,000	0.06%	-
Anika Trust	75,000	0.06%	-
Pooja Trust	75,000	0.06%	-
Anish Trust	75,000	0.06%	-
Karad Engineering Consultancy Pvt Ltd	63,750	0.05%	-
Decent Electronics Pvt Ltd	49,500	0.04%	-
Anish Dilip Swadi	7,500	0.01%	-
Pooja Hiremath	7,500	0.01%	-

The Shareholding of Promoters as on 31 March 2024 is as under:

Promoters Name	No. of Shares	% of Total Shares	% Change during the Year
Kalyani Investment Company Limited	38,667,375	31.36%	-
Shri Badrinath Investment Pvt Ltd	19,914,862	16.15%	-
Shri Rameshwara Investment Pvt Ltd	9,810,000	7.96%	-
Sugandha J Hiremath	9,667,500	7.84%	-
BF Investment Limited	3,273,375	2.65%	-
Jai Hiremath	1,340,625	1.09%	-
Ekdant Investment Pvt Ltd	393,802	0.32%	-
Sameer Hiremath	390,975	0.32%	-
Pallavi Anish Swadi	381,000	0.31%	-
Pallavi Trust	187,500	0.15%	-
Sameer Trust	187,500	0.15%	-
Ashok Hiremath	100,000	0.08%	
Sumer Trust	75,000	0.06%	-
Rhea Trust	75,000	0.06%	-
Nihal Trust	75,000	0.06%	-
Anika Trust	75,000	0.06%	-
Pooja Trust	75,000	0.06%	-
Anish Trust	75,000	0.06%	-
Karad Engineering Consultancy Pvt Ltd	63,750	0.05%	-
Decent Electronics Pvt Ltd	49,500	0.04%	-
Anish Dilip Swadi	7,500	0.01%	-
Pooja Hiremath	7,500	0.01%	-

One of the shareholder of the Company filed a suit in the Bombay High Court, the suit seeks certain actions on part of the Company, pending any order / direction from the Bombay High Court, there is no impact on the financial statements.

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 20: Other equity

	Note	As at 31 March 2025	As at 31 March 2024
Capital reserve	i	0	0
Capital redemption reserve	ii	510	510
Securities premium	iii	65	65
State subsidy	iv	6	6
Contingency reserve	v	30	30
General reserve	vi	1,780	1,780
Equity instruments through other comprehensive income	vii	(2)	(2)
Retained Earnings	viii	9,986	9,240
		12,375	**11,629**

A Notes

		As at 31 March 2025	As at 31 March 2024
i	**Capital reserve**		
	Opening balance	0	0
	Additions during the year	-	-
	Closing balance	0	**0**
ii	**Capital redemption reserve**		
	Opening balance	510	510
	Additions during the year	-	-
	Closing balance	510	**510**
iii	**Securities premium**		
	Opening balance	65	65
	Issue of bonus shares	-	-
	Closing balance	65	**65**
iv	**State subsidy**		
	Opening balance	6	6
	Additions during the year	-	-
	Closing balance	6	**6**
v	**Contingency reserve**		
	Opening balance	30	30
	Additions during the year	-	-
	Closing balance	30	**30**
vi	**General reserve**		
	Opening balance	1,780	1,780
	Additions during the year	-	-
	Closing balance	1,780	**1,780**
vii	**Equity instruments through other comprehensive income**		
	Opening balance	(2)	(2)
	Additions during the year	0	0
	Closing balance	(2)	**(2)**
viii	**Retained Earnings**		
	Opening balance	9,240	8,700
	Additions during the year	895	688
	Deletions during the year	(149)	(148)
	Closing balance	9,986	**9,240**

(Currency: Indian Rupees in million)

B Nature and purpose of reserves

i. Capital reserve

Capital reserve is created on merger/amalgamation.

ii. Capital redemption reserve

Capital redemption reserve represents redemption of redeemable cumulative preference shares in earlier years. The same can be used to issue fully paid bonus shares.

iii. Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares inaccordance with provisions of Companies Act, 2013.

iv. State subsidy

State subsidy is created on receipt of government grants for setting up the factories in backward areas. The same will be utilised for expansion of business.

v. Contingency reserve

Contingency reserve is created by transferring funds from retained earnings to meet future contingencies.

vi. General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

vii. Equity instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

viii. Retained Earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

C Dividends

The following dividends were declared and paid by the Company during the years ended:

	31 March 2025	31 March 2024
Final equity dividend paid for financial year 2023-24 at ₹ 0.60 per equity share	74	-
Interim equity dividend paid for financial year 2024-25 at ₹ 0.60 per equity share	74	-
Final equity dividend paid for financial year 2022-23 at ₹ 0.60 per equity share	-	74
Interim equity dividend paid for financial year 2023-24 at ₹ 0.60 per equity share	-	74
Total	**148**	**148**

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

After the reporting dates the following dividends were proposed by the directors subject to the approval at the annual general meeting. These dividends have not been recognised as liabilities in the year to which they pertains to and is recorded in the year in which they have been approved in the Annual General Meeting.

	31 March 2025	31 March 2024
Final equity dividend proposed for financial year 2024-25 at ₹ 0.80 per equity share	99	-
Final equity dividend proposed for financial year 2023-24 at ₹ 0.60 per equity share	-	74
Total	**99**	**74**

Note 21: Borrowings

(Secured)

	As at 31 March 2025	As at 31 March 2024
Debentures		
2019 (Pr Yr 1500) Redeemable, non-convetible debentures (NCD) of the face value of ₹ 10,00,000/- each.(refer note a (i), and c (i) below)	1,648	1,240
Term loans from banks		
Rupee (refer note a (ii), and c (i) below)	806	1,265
Term loans from financial institutions		
Rupee (refer note a (iii) and c (i) below)	1,218	1,724
	3,672	**4,229**

(For current maturities of loans refer note 26)

a. Nature of security:

i Redeemable, non-convetible debentures (NCD) is secured by first pari passu charge on the fixed assets of the Company's plants situated at Taloja, Panoli, Bangalore, R & D centre at Pune and second pari passu charge on entire current assets both present and future.

ii Rupee term loan from banks is secured by first pari passu charge on the fixed assets of the Company's plants situated at Taloja, Panoli, Bangalore, R & D centre at Pune and second pari passu charge on entire current assets both present and future.

iii Rupee term loan from financial institutions is secured by first pari passu charge on the fixed assets of the Company's plants situated at Taloja, Panoli and Bangalore, R & D centre at Pune and second pari passu charge on entire current assets both present and future.

b Changes in Liabilities arising from Financing Activities

Particulars	As at 1 April 2024	Accural / Reclassi-fication	Cash Flows (net)	Foreign Exchange / Adjustment	As at 31 March 2025
Current borrowings	2,886	-	(252)	-	2,634
Non-current borrowings including current maturities of non-current borrowings	5,262	9	(283)	-	4,988
Lease Liabilities	28	1	(3)	-	26
Interest on borrowings (including transaction cost)	83	748	(750)	-	81
Total Liabilities from Financing Activities	**8,259**	**758**	**(1,288)**	**-**	**7,729**

Particulars	As at 1 April 2023	Accural / Reclassi-fication	Cash Flows (net)	Foreign Exchange / Adjustment	As at 31 March 2024
Current borrowings	1,734	-	1,152	-	2,886
Non-current borrowings including current maturities of non-current borrowings	5,746	-	(487)	3	5,262
Lease Liabilities	2	29	(3)	-	28
Interest on borrowings (including transaction cost)	57	810	(784)	-	83
Total Liabilities from Financing Activities	**7,539**	**839**	**(122)**	**3**	**8,259**

(Currency: Indian Rupees in million)

c. I) Terms of repayment as on 31 March 2025 are as under:

		US $ in Million	₹ In Million	Repayment Terms	Closing interest rate as at 31.3.2025
(i)	a	-	173	Repayable in 5 quarterly instalments, next installment due on 05.06.2025; equated average instalments of ₹ 35 Million	10.60%
	b	-	225	Repayable in 8 quarterly instalments, next installment due on 06.05.2025, equated average instalments of ₹ 28 Million	9.75%
	c	-	875	Repayable in 21 quarterly instalments, next installment due on 30.06.2025, equated average instalments of ₹ 42 Million	9.15%
(ii)	a	-	1,721	Repayable in 13 quarterly instalments, next installment due on 01.06.2025; equated average instalments of ₹ 132 Million	9.35%
(iii)	a	-	1,994	Repayable in 13 half yearly instalments, next installment due on 15.06.2025 equated average instalments of ₹ 153 Million	9.19%

c. ii) Terms of repayment as on 31 March 2024 are as under:

		US $ in Million	₹ In Million	Repayment Terms	Closing interest rate as at 31.3.2024
(i)	a	-	322	Repayable in 9 quarterly instalments, next installment due on 05.06.2024; equated average instalments of ₹ 36 Million	10.34%
	b	-	375	Repayable in 12 quarterly instalments, next installment due on 06.05.2024, equated average instalments of ₹ 31 Million	9.65%
	c	-	1,000	Repayable in 24 quarterly instalments, next installment due on 30.09.2024, equated average instalments of ₹ 42 Million	9.02%
(ii)	a	-	2,098	Repayable in 17 quarterly instalments, next installment due on 01.06.2024; equated average instalments of ₹ 123 Million	10.20%
(iii)	a	-	1,467	Repayable in 13 half yearly instalments, next installment due on 15.06.2024 equated average instalments of ₹ 113 Million	9.24%

Note 22: Non current lease liability

	As at 31 March 2025	As at 31 March 2024
Lease liability	24	26
	24	**26**

Note 23: Long -term provisions

	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (Refer note 44)	157	147
Provision for compensated absences (Refer note 44)	-	133
	157	**280**

Note 24: Deferred tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities (Refer note 42)	325	300
	325	**300**

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 25: Other non current liabilities

	As at 31 March 2025	As at 31 March 2024
Advance received from customers	593	593
	593	**593**

Note 26: Short-term borrowings

Secured

	As at 31 March 2025	As at 31 March 2024
Loans from banks		
Working capital loan -Rupee (refer note a(i) and b below)	2,165	2,168
Bill discounting (Refer note a (ii))	468	718
Current maturities of long-term debt	1,316	1,033
	3,949	**3,919**

a. Nature of security and terms of repayment for secured borrowings:

i Working capital loans from all banks are secured by first pari passu charge on all current assets of the Company and second pari passu charge on fixed assets both present and future situated at Company's plants at Bangalore, Taloja and Panoli.

ii Loans availed under bill discounting facility are against specific receivables, having tenure of 30 to 120 days and carrying interest ranging between 1.20% +SOFR to 1.80% +SOFR p.a. for export bills and 7.30% to 8.45% for local bills.

b. Working capital loans are repayable on demand and carry interest ranging from 7.58% to 10.05% p.a.

Note 27: Current lease liability

	As at 31 March 2025	As at 31 March 2024
Lease liability	2	2
	2	**2**

Note 28: Trade payables

	As at 31 March 2025	As at 31 March 2024
Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 49)	183	261
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,859	2,527
	3,042	**2,788**

The Company's exposure to currency and liquidity risk related to trade payable is disclosed in Note 46.

Trade Payables ageing schedule as on 31 March 2025

Particulars	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro Enterprises and Small Enterprises	139	43	1	0	-	183
(ii) Others	2,101	747	9	1	1	2,859
(iii) Disputed dues – Micro Enterprises and Small Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**2,240**	**790**	**10**	**1**	**1**	**3,042**

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Trade Payables ageing schedule as on 31 March 2024

Particulars	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro Enterprises and Small Enterprises	193	67	0	1	0	261
(ii) Others	1,893	627	5	2	0	2,527
(iii) Disputed dues – Micro Enterprises and Small Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**2,086**	**694**	**5**	**3**	**0**	**2,788**

Note 29: Other financials liabilities

	As at 31 March 2025	As at 31 March 2024
Interest accrued but not due on borrowings	82	83
Payables for capital purchases	156	156
Employee benefits payable	208	167
Unpaid dividend (Refer note no 50)	2	2
	448	**408**

Note 30: Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Advances from customers	95	182
Statutory dues payable		
- Provident fund	18	17
- Employees' state insurance	0	0
- Tax deducted at source	38	36
- Goods and Services Tax	6	49
- Employees' national pension scheme	0	1
- Profession tax	0	0
	157	**285**

Note 31: Current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (Refer note 44)	20	23
Provision for compensated absences (Refer note 44)	153	21
	173	**44**

Note 32: Income tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Provision for tax	127	120
Income tax liabilities (Net of advance tax ₹ 2,213 million (31 March 2024: ₹ 1,762 million))		
	127	**120**

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 33: Revenue from Operations

		For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products		**17,879**	17,454
Sale of services		**556**	233
	(A)	**18,435**	**17,687**
Other operating revenues			
Export incentive		49	37
Compensation received from customer		71	85
Scrap sales		43	37
Others		-	-
	(B)	**163**	**159**
Revenue from operations	**(A+B)**	**18,598**	**17,846**

Note 33.1: Disaggregation of revenue from contracts with customers

The Company derives revenue from sale of products from following major segments:

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
1 Revenue from contacts with customers			
Sale of products (Transferred at point in time)			
India		6,964	6,599
Outside India		10,915	10,855
	(A)	**17,879**	**17,454**
Sale of services (transferred over period of time)			
India		-	6
Outside India		556	227
	(B)	**556**	**233**
2 Other operating revenues			
Export incentive		49	37
Compensation received from customer		71	85
Scrap Sales		43	37
Others		-	-
	(C)	**163**	159
Total revenue (A + B + C)		**18,598**	**17,846**
Product lines			
Crop protection		6,917	6,844
Pharmaceuticals		11,681	11,002
		18,598	**17,846**

For the opening and closing balance of receivables from contracts with customers refer note no 13.

There is no Significant difference between contract price and revenue recognised

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Contract Balances

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Receivables	5,224	5,503
Contract Liabilities	688	775
Contract Assets	10	74

Trade Receivables are non interest bearing and are generally on term of 30-120 days.

Contract liability include long term advances which are received to deliver product on long term period and short term advances are adjusted against product delivered in current year.

Contract Assets represents unbilled revenue from ongoing development contracts.

Note 34: Other income

	As at 31 March 2025	As at 31 March 2024
Dividend received on non-current investment	0	0
Interest income on		
Bank deposit	4	11
Other	2	6
Foreign exchange gain (net)	39	-
Profit on sale of investment	4	4
Profit on sale of property, plant and equipment (net)	1	2
Sundry balance written back	-	2
Miscellaneous income	0	0
	50	25

Note 35: Cost of materials consumed

	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw material consumed		
Opening stock	1,401	1,360
Add: Purchases	8,648	8,093
Less: Closing stock	1,223	1,401
	8,826	8,052

Note 36: Changes in inventories of finished goods and Work-in-progress

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock		
Finished goods	542	829
Work-in-progress	868	776
	1,410	1,605
Less: Closing stock		
Finished goods	895	542
Work-in-progress	968	868
	1,863	1,410
	(453)	195

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 37: Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	2,112	2,120
Contribution to provident and other funds	107	109
Gratuity expenses (Refer note 44)	24	25
Staff welfare expense	180	186
	2,423	2,440

Note 38: Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on rupee term loans	521	283
Interest on foreign currency term loans	-	11
Interest on working capital loans	150	166
Interest on bills discounted	54	71
Other finance costs	2	8
Interest expenses on lease liabilities	2	1
Bank charges	23	22
Exchange difference to the extent considered as an adjustment to borrowing costs	-	2
	752	564

Note 39: Depreciation and amortisation expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment	1,308	1,148
Amortisation on intangible assets	23	16
Depreciation on right of use assets	13	12
	1,344	1,176

Note 40: Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	381	394
Contract labour charges	289	280
Power and fuel	1,681	1,702
Advertisement	1	1
Rent (Refer note 45)	16	20
Rates and taxes	17	14
Insurance	83	132
Repairs and maintenance		
- Plant and machinery	374	309
- Buildings	134	131
- Others	235	223
Printing and stationery	32	27
Legal and professional charges	379	461
Travelling and conveyance	73	78
Vehicle expenses	15	15
Postage, telephone and telegrams	12	12
Payment to auditors (Refer note 53)	9	9
Director's sitting fee/ Commission (Refer note 57)	15	17
Sales and distribution expenses	421	291
Commission on sales	22	26

(Currency: Indian Rupees in million)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Security service charges	57	59
Sundry balance written off	6	-
Service charges	2	28
Foreign exchange loss (net)	-	0
Provision for doubtful debts/advances	30	21
Corporate Social Responsibility expenses (CSR) (Refer note 51)	29	35
Miscellaneous expenses	204	205
	4,517	4,490

41 Tax expense

(a) Amounts recognised in balance sheet

	As at 31 March 2025	As at 31 March 2024
Income tax assets (Net of provision of ₹ 560 million (31 March 2024: 1,002 Million))	25	20

	As at 31 March 2025	As at 31 March 2024
Income tax liabilities (Net of advance tax ₹ 2,213 million (31 March 2024: ₹ 1,762 million))	127	120

Note: The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off income tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(b) Amounts recognised in statement of profit and loss

	For the year ended 31 March 2025	For the year ended 31 March 2024
Current income tax		
Current tax	300	284
	300	284
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	30	(25)
Deferred tax expense	30	(25)
Tax expense for the year	330	259

(c) Amounts recognised in other comprehensive income

	For the year ended 31 March 2025			For the year ended 31 March 2024		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified in the standalone statement of profit and loss						
Gain / (loss) on remeasurement of defined employee benefit plans	(19)	5	(14)	(8)	2	(6)
"Gain / (loss) on change in fair values of investments in equity shares carried at fair value through OCI"	0	0	0	0	0	0
	(19)	5	(14)	(8)	2	(6)

(Currency: Indian Rupees in million)

(d) Reconciliation of effective tax rate

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	1,239	954
Tax using the Company's domestic tax rate (Current year 25.17% and 31 March 2024: 25.17%)	312	240
Tax effect of:		
Non-deductible tax expenses	18	19
Tax expenses as per statement of profit and loss	330	259
Weighted Average Tax Rate	26.63	27.15

42 Deferred tax liabilities (net)

a) Recognised deferred assets and liabilities

	Deferred tax assets		Deferred tax liabilities		Net deferred tax asset/ (liabilities)	
	As At 31 March 2025	As at 31 March 2024	As At 31 March 2025	As at 31 March 2024	As At 31 March 2025	As at 31 March 2024
Property, plant and equipment	-	-	(511)	(472)	(511)	(472)
Inventories	49	45	-	-	49	45
Trade receivables	31	33	-	-	31	33
Loans and advance	23	13	-	-	23	13
Provisions	83	81	-	-	83	81
Net Deferred tax asset / (liabilities)	186	172	(511)	(472)	(325)	(300)

b) Movement in deferred tax balances

	Net balance As at 1 April 2024	Recognised in profit or loss	Recognised in OCI	As At 31 March 2025		
				Net	Deferred tax asset	Deferred tax liability
Deferred tax asset						
Property, plant and equipment	(472)	39	-	(511)	-	(511)
Inventories	45	(4)	-	49	49	-
Trade receivables	33	2	-	31	31	-
Loans and advances	13	(10)	-	23	23	-
Provisions	81	3	(5)	83	83	-
Net deferred tax assets / (liabilities)	(300)	30	(5)	(325)	186	(511)

c) Movement in deferred tax balances (previous year)

	Net balance As at 1 April 2023	Recognised in profit or loss	Recognised in OCI	As at 31 March 2024		
				Net	Deferred tax asset	Deferred tax liability
Deferred tax asset						
Property, plant and equipment	(477)	(5)	-	(472)	-	(472)
Inventories	40	(5)	-	45	45	-
Trade receivables	33	(0)	-	33	33	-
Loans and advances	8	(5)	-	13	13	-
Provisions	69	(10)	(2)	81	81	-
Net deferred tax assets / (liabilities)	(327)	(25)	(2)	(300)	172	(472)

(Currency: Indian Rupees in million)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off income tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

43 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year, after considering adjustment for the effects of all dilutive potential equity shares.

		For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity shareholders (basic and diluted)			
Profit for the year attributable to equity shareholders	(A)	909	695
Weighted average number of equity shares for basic and diluted earnings per share			
Number of equity shares at beginning of the year		123,300,750	123,300,750
Number of equity shares outstanding at the end of the year		**123,300,750**	**123,300,750**
Weighted average number of equity shares for the year	(B)	**123,300,750**	**123,300,750**
Basic and diluted earnings per share of face value of ₹ 2 each	(A) / (B)	**7.37**	**5.64**

44 Employee benefits

(i) Defined Contribution Plans

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Contribution to defined contribution plans are charged off for the year as under:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Employer's contribution to Provident Fund	106	108
Employer's Contribution to Others	1	1

(ii) Defined Benefit Plans

Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Company has obtained insurance policies with the Life Insurance Corporation of India (LIC) for eligible employees at Panoli plant and makes an annual contribution to LIC for amounts notified by LIC. The Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised as Other Comprehensive Income or Loss.

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at balance sheet date:

A. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

	As at 31 March 2025	As at 31 March 2024
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	182	164
Current service cost	12	14
Past service cost		-
Interest cost (income)	13	12
Benefits paid	(38)	(16)
Actuarial losses/ (gains) recognised in other comprehensive income		-
- financial assumptions	4	2
- demographic assumption	-	-
- experience adjustments	14	6
Balance at the end of the year	**187**	**182**
Reconciliation of present value of plan assets		
Balance at the beginning of the year	12	13
Transfer In / (Out) Plan Assets	-	1
Interest income	1	1
Return on plan assets, excluding amount included in interest (expense)/ income	(1)	(0)
Benefits paid	(1)	(3)
Balance at the end of the year	**11**	**12**
Net defined benefit (asset)/ liability	**176**	**170**

B. Plan assets

Plan assets comprise the following:

	As at 31 March 2025	As at 31 March 2024
Investment		
Policy of insurance	100%	100%
Bank Special Deposit	0%	0%
Investment in other securities	0%	0%
Corporate Bonds	0%	0%
State Government Bonds	0%	0%
	100%	**100%**

(ii) Defined Benefit Plans

C. The components of defined benefit plan expense are as follows:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Recognised in income statement		
Current service cost	12	14
Interest cost (net)	12	11
Total	**24**	**25**
Recognised in Other Comprehensive Income		
Remeasurement of net defined benefit liability/(asset)	18	9
Return on plan assets, excluding interest income	1	0
Total	**19**	**9**

(Currency: Indian Rupees in million)

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	For the year ended 31 March 2025	For the year ended 31 March 2024
Expected return on plan assets	**6.70%**	7.00%
Discount rate	**6.70%**	7.00%
Salary escalation rate	**6.00%**	6.00%
Attrition rate	**2.00%**	2.00%
Mortality rate table	Indian assured lives mortality (2012-14)	

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	**(174)**	**203**	(169)	197
Rate of salary increase (1% movement)	**(200)**	**176**	195	(171)
Rate of employee turnover (1% movement)	**(188)**	**187**	(183)	181

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

	31 March 2025	31 March 2024
Expected employer's contribution to defined benefit plan for the next year	**20**	23

Maturity profile of the defined benefit obligation

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	Between 6 to 10 years	Total
31 March 2025					
Defined benefit obligations (Gratuity)	21	20	58	78	177
Total	**21**	**20**	**58**	**78**	**177**
31 March 2024					
Defined benefit obligations (Gratuity)	25	14	55	76	170
Total	**25**	**14**	**55**	**76**	**170**

Other long term employee benefit plans

Compensated absences:

The obligation for leave encashment is recognised in the same manner as gratuity. The Company's liability on account of compensated absences is not funded and hence the disclosures relating to the planned assets are not applicable. Amount of ₹ 53 million (31 March 2024 ₹ 64 million) towards compensated absences is recognised as an expense and included in "Employee benefits expense" in the Statement of profit and loss during the year.

(Currency: Indian Rupees in million)

45 Leases:

The Company has a lease contract for building used in its operations. The Lease term is 9 years. The company has leasehold land for a period of up to 99 years The Company's obligations under its lease is secured by the lessor's title to the leased asset.

The Company also has certain leases of machinery/premises with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below is the carrying amount of right-of-use assets recognised and the movements during the period:

Particulars	Leasehold land	Buildings
As at 1 April 2023	628	1
Additions	-	29
Depreciation expense	(9)	(3)
As at 31 March 2024	619	27
Additions	-	-
Depreciation expense	(9)	(4)
As at 31 March 2025	610	23

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

Set out below is the carrying amount of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	As at 31 March 2025	As at 31 March 2024
As at 1 April	**28**	2
Additions	**-**	29
Accretion of interest	**2**	1
Payments	**(4)**	(4)
As at 31 March	**26**	28
Current	**2**	2
Non current	**24**	26

For Rental expense recorded for short-term leases, refer note 40.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The details of the contractual maturities of lease liabilities as at 31 March 2025 and 31 March 2024 on an undiscounted basis are as follows:

	As at 31 March 2025	As at 31 March 2024
Payable within one year	**5**	4
Payable between one year and five years	**21**	20
Payable after more than five years	**9**	15

(Currency: Indian Rupees in million)

46 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. There are no financial assets or financial liabilities not measured at fair value, whose carrying amount is not a reasonable approximation of fair value.

As at 31 March 2025	Carrying amount			Fair value			Total
	FVTOCI	FVPTL	Total	Level 1	Level 2	Level 3	
Financial assets							
Investment	95	-	95	0	-	95	95
	95	**-**	**95**	**0**	**-**	**95**	**95**

As ar 31 March 2024	Carrying amount			Fair value			Total
	FVTOCI	FVPTL	Total	Level 1	Level 2	Level 3	
Financial assets							
Investment	54	-	54	0	-	54	54
	54	**-**	**54**	**0**	**-**	**54**	**54**

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

At 31 March 2025, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

	Carrying amount	
	As at 31 March 2025	As at 31 March 2024
India	2,437	2,299
Other regions	2,910	3,337
	5,347	**5,636**

Impairment

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

	As at 31 March 2025		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	4,234	0.48%	20
Past due 0-90 days	885	1.68%	15
Past due 91-180 days	105	10.46%	11
Past due 181-365 days	40	6.39%	3
Past due 366-730 days	12	36.89%	4
Past due 731-1096 days	9	97.18%	8
More than 1096 days	62	100.00%	62
	5,347		**123**

	As at 31 March 2024		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	4,736	0.56%	27
Past due 0-90 days	777	2.89%	22
Past due 91-180 days	35	23.63%	8
Past due 181-365 days	6	29.67%	2
Past due 366-730 days	18	53.33%	10
Past due 731-1096 days	5	83.00%	4
More than 1096 days	60	100.37%	60
	5,636		**133**

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Amount
Balance as at 31 March 2024	**133**
Additional provision	(10)
Impairment loss recognised / (reversal)	-
Balance as at 31 March 2025	**123**

Cash and cash equivalents

The Company held cash and cash equivalents (including bank deposits) of ₹ 187 million at 31 March 2025 (31 March 2024: ₹ 213 million). The cash and cash equivalents (including bank deposits) are held with banks with good credit ratings and financial institution counterparties with good market standing.

Other than trade receivables, the Company has no other significant financial assets that are past due but not impaired.

(Currency: Indian Rupees in million)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2025	Carrying amount	Total	Contractual cash flows		
			Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings and lease liabilities - Non current	3,696	3,696	-	3,648	48
Borrowings and lease liabilities - current	3,951	3,951	3,951	-	-
Other financial liabilities - current	448	448	448	-	-
Trade payables	3,042	3,042	3,042	-	-
	11,137	**11,137**	**7,441**	**3,648**	**48**

As at 31 March 2024	Carrying amount	Total	Contractual cash flows		
			Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings and lease liabilities - Non current	4,255	4,255	-	3,697	558
Borrowings and lease liabilities - current	3,921	3,921	3,921	-	-
Other financial liabilities - current	408	408	408	-	-
Trade payables	2,788	2,788	2,788	-	-
	11,372	**11,372**	**7,117**	**3,697**	**558**

The gross outflows disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iv Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Marketrisk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

(Currency: Indian Rupees in million)

Exposure to currency risk

The major currency profile of financial assets and financial liabilities as at 31 March 2025 and 31 March 2024 are as below:

	As At 31 March 2025			
	USD	EUR	JPY	SGD
Financial assets	2,648	271	-	-
Financial liabilities	1,120	128	3	-
Net Exposure	**1,528**	**143**	**(3)**	**-**

	As At 31 March 2024			
	USD	EUR	CHF	SGD
Financial assets	3,036	372	0	0
Financial liabilities	1,408	151	23	2
Net exposure	**1,628**	**221**	**(23)**	**(2)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against USD, Euros, Swiz Franc and Singapore Dollar at 31 March would have affected the measurement of financial instruments denominated in these currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	Profit or loss before tax		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
USD (3% movement)	46	(46)	34	(34)
EUR (3% movement)	4	(4)	3	(3)
CHF (3% movement)	(0)	0	(0)	0
SGD (3% movement)	-	-	-	-
	50	**(50)**	**37**	**(37)**

Effect in INR	Profit or loss before tax		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
USD (3% movement)	49	(49)	37	(37)
EUR (3% movement)	7	(7)	5	(5)
CHF (3% movement)	(1)	1	(1)	1
SGD (3% movement)	(0)	0	(0)	0
	55	**(55)**	**41**	**(41)**

v. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

(Currency: Indian Rupees in million)

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed and variable rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

	Nominal amount	
	As at 31 March 2025	As at 31 March 2024
Fixed-rate instruments		
Financial assets	65	98
Financial liabilities	(2,633)	(2,886)
	(2,568)	**(2,788)**
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(4,987)	(5,262)
	(4,987)	**(5,262)**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through statement of profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

47 Capital Management

As at 31 March 2025, the Company has only one class of equity shares. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to maintain and optimal capital structure so as to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt and adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

	As at 31 March 2025	As at 31 March 2024
Non-current borrowings	3,672	4,229
Current borrowings	3,949	3,919
Gross debt	**7,621**	**8,148**
Less - Cash and cash equivalents	129	126
Less - Other current bank deposits	50	82
Adjusted net debt (A)	**7,442**	**7,940**
Total equity (B)	12,622	11,876
Adjusted net debt to equity ratio	0.59	0.67
Total capital (A)+(B)	20,064	19,816
Gearing ratio*	37%	40%

*The Company's ideal gearing ratio is 35% to 40%.

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

48 Contingent liabilities and commitments (to the extent not provided for)

A. Contingent liabilities

	As at 31 March 2025	As at 31 March 2024
(i) Direct and Indirect taxes		
Income Taxes*	395	362
Excise Duty**	40	40
Cental Sales Tax (CST)***	3	3
Value Added Tax (VAT)****	11	11
Goods and Service Tax (GST) *****	73	73

* Above does not includes interest and penalty, if any
** In addition to above interest and penalty of ₹ 40 million was levied.
*** In addition to above for certain matters, penalty and interest of ₹ 6 million was levied during the assessment.
**** In addition to above penalty and interest of ₹ 11 million was levied during the assessment.
***** In addition to above penalty of ₹ 7 million was levied.

(ii) There are no material developments during the quarter in the matter relating to the alleged improper disposal of by-products by the Company in January 2022, for which statutory authorities have conducted investigations in relation to alleged non-compliance with certain environmental laws and regulations, and the matter is pending before the Hon'ble Supreme Court of India.

In this connection, in March 2023, the National Green Tribunal, Principal Bench, New Delhi had passed an order accepting the joint committee's reports, which includes recovery of compensation of ₹ 175 Millions from the Company for aforesaid non-compliance. Gujarat Pollution Control Board subsequently issued a direction to the Company for payment thereof, which has been stayed by the Hon'ble Supreme Court in an earlier quarter, upon the Company depositing ₹ 50 Millions with the Court. Of this amount, ₹ 10 Millions is released for payment to legal representatives of the deceased individuals, for which the Company has recognised a provision in financial year 2023-2024 as a matter of prudence, and without prejudice to its rights and contentions.

Based on the advice of external legal counsel, the Company believes it has a good case on merits in these matters, and the Company is taking necessary steps, including legal measures, to defend itself. Accordingly, no further provision is required in the financial results in this respect.

(iii) On 12 July 2023, Karnataka Pollution Control Board (KPCB) served a demand notice for ₹ 83 millions as Environmental Compensation however notice does not give details of instance of grounds / non-compliances. Aggrieved by this, Company has approached Hon'ble Karnataka High Court. Based on the advice of external legal counsel, the Company believes it has a good case on merits in this matter and accordingly, no provision is required in the financial statement in this regard.

(iv) The Company is subject to legal proceedings, claims and GST audit, which have arisen in the ordinary course of business. The Company has reviewed all its pending litigations and other matters and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its financial statements. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Company's results of operations or financial condition.

B. Commitments

	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets (net of advances)	469	341
Other non cancellable material commitment	2,267	2,392

(Currency: Indian Rupees in million)

49 Dues to micro and small suppliers

Particulars	As at 31 March 2025	As at 31 March 2024
1. The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	183	261
- Interest on the above	-	-
2. The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	-	-
3. The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

50 Dues relating to Investor Education and Protection fund

During the year the Company has transferred ₹ 0 Million (31 March 2024: ₹ 1 million) to Investor Education and Protection fund. There are no other dues which need to be credited as at the year end to the Investor Education and Protection fund.

51 Corporate social responsibility

As per Section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised during the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct and indirect contribution towards various activities. Gross amount required to be spent by the Company during the year: ₹ 28 million (31 March 2024: ₹35 million). The areas of CSR activities and contributions made thereto are as follows:

Amount spent during the year on ;	For the year ended 31 March 2025	For the year ended 31 March 2024
Protection of national heritage	10	5
Promotion of education	8	17
Environmental sustainability	3	7
Promoting preventive health care and sanitation and making available safe water	8	6
Others	0	0
Total	**29**	**35**

The Company does not carry any provisions for corporate social responsibility expenses for the current year and the previous year.

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Amount of Expenditure incurred on Corporate Social Responsibility

Particulars	31 March 2025	31 March 2024
(a) Amount required to be spent by the company during the year	28	36
(b) Amount of expenditure incurred	29	35
(c) Excess / (shortfall) at the end of the year	1	(1)
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	Adjusted against excess spent in FY 2022-23
(f) Nature of CSR activities	As per above table	As per above table
(g) Details of related party transactions, contribution to an entity (in which certain directors of Company are directors) in relation to CSR expenditure.	8	3
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

52 Research and development expenditure:

A unit of the Company has been recognised by DSIR as in-house Research and Development unit.

Amount in respect to	For the year ended 31 March 2025	For the year ended 31 March 2024
Capital expenditure	47	72
Revenue expenditure	775	734
	822	**806**

53 Payment to Auditors' (excluding goods and services tax)

Amount in respect to	For the year ended 31 March 2025	For the year ended 31 March 2024
- Audit fees	6	6
- Limited review of quarterly results	3	3
- Certification and other matters	-	0
- Out-of-pocket expenses	0	0
Total	**9**	**9**

54 Disclosure under Section 186 of the Companies Act, 2013

a) Details of investment made during the year ended 31 March 2025 as per section 186 (4) of the Act:

Name of entity	As at 31-03-2024	Investment	Change due to fair valuation	As at 31-03-2025	Maximum amount outstanding during the year
Narmada Clean Tech	5	0	-	5	5
Panoli Enviro Technology Limited	0	-	-	0	0
Union Bank of India	0	-	(0)	0	0
Acoris Research Limited	0	-	-	0	0
Radiance MH Sunrise Two Private Limited	13	-	-	13	13
Radiance MH Sunrise Four Private Limited	34	-	-	34	34
MMA CETP Co-operative society Limited	2	0	-	2	2
FPEL Ujjwal Private Limited	-	41	-	41	41

Also refer note no 7 for investments.

(Currency: Indian Rupees in million)

55 Capitalisation of expenditure

During the year, the Company has capitalised the following expenses of revenue nature to the cost of property, plant and equipment (tangible fixed assets)/capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

	For the year ended 31 March 2025	For the year ended 31 March 2024
Finance costs	-	247
Employee benefit expenses	22	24
Power & fuel	0	80
Consultancy Charges	1	2
Material Consumption - net of amount recovered	(62)	215
Total	**(39)**	**568**

56 Segment information

For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:

Pharmaceuticals: Segment produces in Active Pharmaceutical Ingredients

Crop protection: Segment manufactures in pesticides, herbicides.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit as the performance indicator for all of the operating segments and review the total assets and liabilities of an operating segment.

Based on above, following are reportable segments as per Ind AS 108

Primary Segment (Operating Segment): Based on product lines of Company	Secondary Segment (Geographical Segment) Based on geographical area of operation
Pharmaceuticals	India and Outside India
Crop Protection	

Segment wise classification:

A i) Primary segment reporting (by business segment)

The Company's business segments based on product lines are as under:

- **Pharmaceuticals**

  Segment produces/trades in Active Pharmaceutical Ingredients
- **Crop Protection**

  Segment produces/trades in pesticides and herbicides

ii) Segment revenues, results and other information

Particulars	Crop Protection	Pharmaceuticales	Total of Reportable Segment
External sales	**6,917**	**11,681**	**18,598**
	6,844	*11,002*	*17,846*
Other income	-	-	-
	-	-	-
Segment revenue	**6,917**	**11,681**	**18,598**
	6,844	*11,002*	*17,846*
Cost of Goods Sold	**3,209**	**5,164**	**8,373**
	2,995	*5,252*	*8,247*
Personnel Cost	**823**	**1,505**	**2,328**
	762	*1,608*	*2,370*
Other Expense	**1,610**	**2,797**	**4,407**
	1,939	*2,457*	*4,396*
Depreciation/Amortisation	**483**	**841**	**1,324**
	405	*750*	*1,155*
Segment results	**792**	**1,374**	**2,166**
	743	*935*	*1,678*
Segment assets	**9,349**	**15,393**	**24,742**
	9,212	*14,483*	*23,695*
Segment liabilities	**1,262**	**2,846**	**4,108**
	1,320	*2,457*	*3,777*
Capital expenditure (included in segment assets)	**378**	**957**	**1,335**
	933	*1,392*	*2,325*

Figures in italics pertain to previous year

iii) Reconciliation of reportable segments with the financial statements

	Revenues	Results / Net Profits	Assets	Liabilities	Capital Expenditure	Depreciation/ Amortisation
Total of reportable segments	**18,598**	**2,166**	**24,742**	**4,108**	**1,335**	**1,324**
	17,846	*1,678*	*23,695*	*3,777*	*2,325*	*1,155*
Corporate / Unallocated segment	-	**175**	**549**	**8,561**	**25**	**20**
	-	*160*	*1,175*	*9,217*	*97*	*21*
Finance cost	-	**752**	-	-	-	-
	-	*564*	-	-	-	-
Taxes	-	**330**	-	-	-	-
	-	*259*	-	-	-	-
As per financial statement	**18,598**	**909**	**25,291**	**12,669**	**1,360**	**1,344**
	17,846	*695*	*24,870*	*12,994*	*2,422*	*1,176*

Figures in italics pertain to previous year

B Secondary segment reporting (by geographical segment)

Particulars	India	USA and Canada	Europe	South East Asia	Others	Total
Revenue	**7,041**	**2,506**	**5,300**	**2,990**	**761**	**18,598**
	6,679	*2,983*	*4,677*	*3,137*	*370*	*17,846*
Total assets	**25,291**	-	-	-	-	**25,291**
	24,871	-	-	-	-	*24,871*
Capital expenditure	**1,360**	-	-	-	-	**1,360**
	2,422	-	-	-	-	*2,422*

There is a customer which account for revenue of ₹ 1,881 (31 March 2024 ₹ 2,605 Million) in Crop protection segment other than these there are no transactions with single external customer which amounts to 10% or more of the Company's revenue.

Figures in italics pertain to previous year

(Currency: Indian Rupees in million)

57 Related party disclosures

The note provides the information about the Company's structure including the details of the subsidiaries and the holding company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

i) List of Related parties

Subsidiaries

Name of the related party	Relationship	Country of incorporation	Ownership interest	
			31 March 2025	31 March 2024
Acoris Research Limited ("ARL")	Subsidiary	India	**100%**	100%
Hikal LLC	Subsidiary	USA	**100%**	100%

Other related parties

Relationship	Name of the related party
a) Company/ enterprises exercising significant influence through voting power ('significant shareholder')	Kalyani Investment Company Limited ("KICL")
b) Key Management Personnel (KMP)	Jai Hiremath (Executive Chairman)
	Sameer Hiremath (Vice Chairman and Managing Director)
	Kuldeep Jain (Chief Financial Officer)
	Rajasekhar Reddy (Company Secretary)
c) Enterprises owned or controlled or significantly influenced by key management personnel or their relatives	Decent Electronics Private Limited ("DEPL")
	Karad Engineering Consultancy Private Limited ("KECPL")
	Ekdant Investments Private Limited ("EIPL")
	Shri Rameswara Investment Private Limited ("SRIPL")
	Shri Badrinath Investment Private Limited ("SBIPL")
	Rushabh Capital Services Private Limited ("RCSPL")
	BF Investment Limited
	Sumer Trust
	Rhea Trust
	Nihal Trust
	Anika Trust
	Pooja Trust
	Anish Trust
	Pallavi Trust
	Sameer Trust
	Malvi Ranchoddas & Co (Up to 31 March 2024)
	Zirad Art Foundation
d) Relatives of Key Management Personnel	Anish Swadi
	Pallavi Swadi
	Pooja Hiremath
	Ashok Vishwanath Hiremath
	Sumer Hiremath (w.e.f. 12 February 2023)
e) Non-executive directors	Baba Kalyani (up to 29 December 2023)
	Amit Kalyani
	Sugandha Hiremath
	Kannan K. Unni (up to 31 March 2024)
	Prakash Mehta (up to 31 March 2024)
	Ranjit Shahani (up to 9 March 2024)
	Shivani Bhasin Sachdeva
	Shrikrishna Adivadekar
	Berjis Desai (w.e.f. 1 October 2023)
	Ramachandra Kaundinya Vinnakota (w.e.f. 1 October 2023)
	Ravi Kapoor (w.e.f. 11 January 2024)
	Ranjana Salgaocar (w.e.f. 23 March 2024)
	Sarangan Suresh (w.e.f. 1 April 2024)

(Currency: Indian Rupees in million)

ii) Details of transactions with related parties and balances outstanding

Particulars	Transaction value		Balances outstanding	
	Year ended 31 March 2025	Year ended 31 March 2024	31 March 2025	31 March 2024
Remuneration				
Jai Hiremath	**64**	53	**-**	-
Sameer Hiremath	**49**	45	**-**	-
Anish Swadi	**35**	35	**-**	-
Sarangan Suresh	**5**	-	**-**	-
Kuldeep Jain	**16**	16	**-**	-
Rajasekhar Reddy	**12**	12	**-**	-
Commission paid				
Jai Hiremath	**2**	-	**2**	-
Sameer Hiremath	**11**	3	**11**	3
Sitting fees				
Sugandha Hiremath	**1**	1	**-**	-
Baba Kalyani	**-**	0	**-**	-
Amit Kalyani	**0**	1	**-**	-
Kannan K. Unni	**-**	2	**-**	-
Prakash Mehta	**-**	2	**-**	-
Shrikrishna Adivadekar	**1**	1	**-**	-
Ranjit Shahani	**-**	1	**-**	-
Shivani Bhasin Sachdeva	**1**	1	**-**	-
Berjis Desai	**1**	0	**-**	-
Ramachandra Kaundinya Vinnakota	**1**	1	**-**	-
Ravi Kapoor	**1**	0	**-**	-
Ranjana Salgaocar	**1**	0	**-**	-
Commission to Non-executive directors				
Sugandha Hiremath	**1**	1	**1**	1
Baba Kalyani	**-**	0	**-**	0
Amit Kalyani	**1**	1	**1**	1
Kannan K. Unni	**-**	1	**-**	1
Prakash Mehta	**-**	1	**-**	1
Shrikrishna Adivadekar	**1**	1	**1**	1
Ranjit Shahani	**-**	1	**-**	1
Shivani Bhasin Sachdeva	**1**	1	**1**	1
Berjis Desai	**1**	0	**1**	0
Ramachandra Kaundinya Vinnakota	**1**	0	**1**	0
Ravi Kapoor	**1**	0	**1**	0
Ranjana Salgaocar	**1**	0	**1**	0
Dividend paid				
SBIPL	**24**	24	**-**	-
SRIPL	**12**	12	**-**	-
DEPL	**0**	0	**-**	-
EIPL	**0**	0	**-**	-
KECPL	**0**	0	**-**	-
KICL	**46**	46	**-**	-
Sugandha Hiremath	**12**	12	**-**	-
Jai Hiremath	**2**	2	**-**	-
Sameer Hiremath	**0**	0	**-**	-
Anish Swadi	**0**	0	**-**	-
Baba Kalyani	**0**	0	**-**	-

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Particulars	Transaction value		Balances outstanding	
	Year ended 31 March 2025	Year ended 31 March 2024	31 March 2025	31 March 2024
Kannan K. Unni	0	0	-	-
Prakash Mehta	0	0	-	-
Pallavi Swadi	0	0	-	-
Pooja Hiremath	0	0	-	-
BF Investment Limited	4	4	-	-
Sumer Trust	0	0	-	-
Rhea Trust	0	0	-	-
Nihal Trust	0	0	-	-
Anika Trust	0	0	-	-
Pooja Trust	0	0	-	-
Anish Trust	0	0	-	-
Pallavi Trust	0	0	-	-
Sameer Trust	0	0	-	-
Kuldeep Jain	0	0	-	-
Rajasekhar Reddy	0	0	-	-
Sham Wahalekar	0	0	-	-
Ashok Hiremath	0	0	-	-
Ravi Kapoor	0	0	-	-
Sarangan Suresh	0	-	-	-
Lease rent paid				
RCSPL	1	1	-	-
Sugandha Hiremath	2	2	-	-
Jai Hiremath	0	0	-	-
Security Deposit				
RCSPL	-	-	1	1
Sugandha Hiremath	-	-	50	50
Jai Hiremath	-	-	20	20
Other Recoverables				
Jai Hiremath	-	6	-	6
Advances Given				
Kuldeep Jain	-	2	1	2
Advances Given Repaid				
Kuldeep Jain	1	0	-	-
Interest received on advances				
Kuldeep Jain	0	0	0	0
Corporate Social Responsibility				
Zirad Art Foundation	8	3	0	0
Consultancy Charges				
Malvi Ranchoddas & Co*	-	6	-	0
Sales Promotion Expenses				
Hikal LLC	75	37	8	0
Reimbursement of Expenses				
Acoris Research Limited	0	0	0	0

Notes to the Standalone Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

For the year ended 31 March 2024 the remuneration paid to one of the managerial person was in excess of limits specified in section 197 of the Companies Act, 2013 ("the Act") and accordingly in section, such excess remuneration of ₹ 6 million is recognised in the financial statements as a recoverable from the director and will be recovered by the Company in accordance with said provisions of the Act. The remuneration to managerial persons for the year ended 31 March 2024 is in accordance with the limits applicable under the regulation 17(6) of SEBI (listing Obligation and Disclosure Requirements) Regulation, 2015.

Terms and conditions of transactions with related parties

1. All related party transactions entered during the year were in ordinary course of business and are on arms length basis.
2. Outstanding balances at year end are unsecured and settlement occures in cash.
3. The remuneration of executive directors is determined by the nomination and remuneration committee.
4.* Outstanding balance does not include escrow account balance with the party.
5. Also refer note 48

58 Key Ratios

Sr. No.	Particulars	Numerator	Denominator	31-Mar-25	31-Mar-24	Variance (in %)	Reason for variance (if variance is more than 25%)
1	Current Ratio	Current Assets	Current Liabilities	1.26	1.28	1%	
2	Net Debt-Equity Ratio	Total Borrowing	Equity	0.59	0.67	12%	
3	Debt Service Coverage Ratio	EBIT	Total Debt Service	1.45	1.52	5%	
4	Return on Equity Ratio	Profit After Tax	Average Equity	7.41%	5.99%	24%	
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.62	2.66	1%	
6	Trade Receivables Turnover Ratio	Revenue from operation except Export incentive and others	Average Trade Receivable	3.46	3.59	4%	
7	Trade Payables Turnover Ratio	Total Purchases	Average Trade Payable	2.97	2.73	9%	
8	Net Working Capital Turnover Ratio	Revenue from operation except Export incentive and others	Working Capital = Current Assets - current liabilities	8.96	8.48	6%	
9	Net Profit Ratio	Net Profit after Tax	Revenue from operation except Export incentive and others	4.90%	3.90%	26%	Increase in revenue and reduction in expenses
10	Return on Capital Employed	EBIT	Equity + borrowings + deferred tax liability	9.73%	7.69%	26%	Increase in revenue and reduction in expenses
11	Return on Investment	Income generated from Invested funds	Average Investment Funds	5.66%	5.50%	3%	

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

59 Contribution to Provident Fund as per Supreme Court Judgment

There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28 February 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The impact is not expected to be material as per the assessment made by the company.

60 The Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13 November 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

61 The Company does not have any Benami property, where any proceedings have been initiated or pending against the company for holding any Benami property.

62 The Company does not have any transactions with Companies struck off.

63 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

64 The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

65 The Company has not advanced or loaned or invested funds to any other person / entities, including foreign entities (intermediaries) with the understanding that the intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

66 The Company has not received funds to any other person / entities, including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

67 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

68 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software, except that audit trail feature is not enabled for changes made (if any) by users with privileged/ administrative access rights for the period from 13 August 2024 to 21 February 2025 and for direct changes to data when using certain access rights in respect of Oracle application.

69 The quarterly returns or statements of Current assets filed by the Company with the banks or financial institutions are in agreement with the books of accounts.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

70 Other information

The figures for the previous year have been regrouped wherever necessary to conform to the current year's presentation.

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

per Vinayak Pujare
Partner
Membership No: 101143

Mumbai
14 May 2025

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

Jai Hiremath Executive Chairman DIN: 00062203	**Sameer Hiremath** Vice Chairman and Managing Director DIN: 00062129

Ramachandra Kaundinya Vinnakota Director DIN - 00043067	**Kuldeep Jain** Chief Financial Officer	**Rajasekhar Reddy** Company Secretary
Mumbai 14 May 2025	Mumbai 14 May 2025	Mumbai 14 May 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Hikal Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Hikal Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the consolidated Balance sheet as at March 31 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate financial statements and on the other financial information of a subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2025, its consolidated profit including other comprehensive loss, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to note 53(A)(ii) to the Consolidated Financial Statements, as regards the uncertainty regarding outcome of ongoing investigations / actions by statutory authorities in relation to alleged non-compliance with certain environmental laws and regulations. As the matter is currently pending with the Hon'ble Supreme Court of India, no further adjustments including consequential effects thereof are considered necessary in this Consolidated Financial Statements. Our opinion is not modified in respect of the aforesaid matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditor of component not audited by us, as reported by him in his audit report furnished to us by the management, including those procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition based on contracts with customers (as described in note 3.2 and 33 of the consolidated financial statements)	
The Group recognizes revenue when control of the goods is transferred to the customers at an amount that reflects the consideration, which the Group is entitled to receive for those goods from customers. Revenue from sale of products is recognised based on terms and conditions, which vary amongst different customer contracts. There is a risk of revenue being overstated on account of variation in the timing of transfer of control and due to the pressure management may feel to achieve performance targets at the reporting period-end. The recognition and measurement of such revenue is also based on the terms of sales arrangement/contracts, which involves management judgement and estimation in respect of price adjustments that create complexities for determining sales revenues. Considering the above factors and the risk associated with recognition of such revenue, we have determined the same to be a key audit matter.	As part of our audit procedures, we: • Read the Group's accounting policy for revenue recognition and assessed its compliance with Ind AS 115 'Revenue from Contracts with Customers'; • Assessed the design and tested the operating effectiveness of internal financial controls related to sale of goods; • Performed sample tests of individual sales transactions and price adjustments and traced to sales invoices, sales orders, shipping documents and debit / credit notes. • Selected sample of sales transactions made pre and post year-end, agreed the period of revenue recognition to underlying documents such as sales invoices, sales orders and shipping documents; • Read and assessed the relevant disclosures made within the consolidated financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the Other Information. Other Information comprises the information included in the annual report including report of the Board of Directors, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report, including the report of the Board of Directors, is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report including report of the Board of Directors, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31 March 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of Rs. Nil as at 31 March 2025, and total revenues of Rs. Nil and net cash flow of Rs. Nil for the year ended on that date. These financial statements and other financial information have been audited by another auditor, which financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of one subsidiary whose financial statements and other financial information reflect total assets of Rs 8.71 million as at 31 March 2025, and total revenues of Rs 75.29 million and net cash outflow of Rs 0.57 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of a Subsidiary incorporated in India, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of a subsidiary, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:

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

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and report of the other auditor except for the matters stated in the paragraph j(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in Emphasis of Matter above, in our opinion, may have an adverse effect on the functioning of the Group.

(f) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies incorporated in India, are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above and paragraph j(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

(h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and a subsidiary incorporated in India, and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of such subsidiary, and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;

(i) In our opinion and based on the consideration of report of other statutory auditor of a subsidiary incorporated in India, the managerial remuneration for the year ended 31 March 2025 has been paid / provided by the Holding Company and its subsidiary incorporated in India, to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and also the other financial information of the subsidiary, as noted in the 'Other Matter' paragraph:

i The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer 53A to the consolidated financial statements;

ii The Group, did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March 2025;

iii There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended 31 March 2025.

iv a) The respective managements of the Holding Company and its subsidiary incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditor of the subsidiary that, to the best of its knowledge and belief, as disclosed in the note 62 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary that, to the best of its knowledge and belief, as disclosed in the note 63 to the consolidated financial statements, no funds have been received by the respective Holding Company or such subsidiary from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of a subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Holding Company during the year is in accordance with section 123 of the Act.

As stated in note 20C to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, as described in note 65 to the consolidated financial statements, the audit trail feature is not enabled for changes made (if any), by users with privileged / administrative access rights for the period from 13 August 2024 to 21 February 2025 and for direct changes to data when using certain access rights in respect of the Oracle application. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where the audit trail feature has been enabled. Additionally, the audit trail of the prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

We further report based on the report of the auditor of a subsidiary, being a company incorporated in India and whose financial statements have been audited under the Act, the subsidiary has used accounting software for maintaining its books of account for the financial year ended 31 March 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during their audit they did not come across any instance of the audit trail feature being tampered with and the audit trail feature has been preserved by the Subsidiary as per the statutory requirements for record retention.

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

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 25101143BMSBZS5122

Place of Signature: Mumbai
Date: 14 May 2025

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

Re: Hikal Limited ('the Company')

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

(xxi) Qualifications or adverse remarks by us in the Companies (Auditors Report) Order ('CARO') report of the Company included in the consolidated financial statements is:

S.No	Name	CIN	Holding company/ Subsidiary	Clause number of the CARO report which is qualified or is adverse
1	Hikal Limited	L24200MH1988PTC048028	Holding Company	(vii)(a)

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

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 25101143BMSBZS5122

Place of Signature: Mumbai
Date: 14 May 2025

Annexure 2 to the Independent Auditor's Report of even date on the consolidated financial statements of Hikal Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Hikal Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of Hikal Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and a Subsidiary Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control criteria established by the Holding Company considering the essential components of internal control over financial reporting 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding company's internal financial controls with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls (the "Guidance Note") over financial reporting and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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 these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of 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 these consolidated financial statements.

Meaning of Internal Financial Controls with reference to these Consolidated Financial Statements

A company's internal financial control with reference to these 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 these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to these 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 these consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at 31 March2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

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

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

per **Vinayak Pujare**
Partner
Membership Number: 101143
UDIN: 25101143BMSBZS5122

Place of Signature: Mumbai
Date: 14 May 2025

Consolidated Balance Sheet

As at 31 March 2025

(Currency: Indian Rupees in million)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	**12,934**	9,959
Capital work-in-progress	4	**1,212**	4,143
Right of use assets	5	**633**	646
Other intangible assets	6	**78**	101
Financial Assets			
Investments	7	**95**	54
Loans	8	**3**	3
Others	9	**212**	160
Income tax assets (net)	10	**25**	20
Other non-current assets	11	**143**	119
Total non-current assets		**15,335**	**15,205**
Current assets			
Inventories	12	**3,345**	3,037
Financial Assets			
Trade receivables	13	**5,224**	5,503
Cash and cash equivalents	14	**130**	127
Bank balances other than cash and cash equivalents	15	**50**	82
Loans	16	**5**	5
Others	17	**655**	137
Other current assets	18	**545**	775
Total current assets		**9,954**	**9,666**
Total assets		**25,289**	**24,871**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	**247**	247
Other equity	20	**12,376**	11,630
Total equity		**12,623**	**11,877**
Liabilities			
Non-current liabilities			
Financial Liabilities:			
Borrowings	21	**3,672**	4,229
Lease liability	22	**24**	26
Provisions	23	**157**	280
Deferred tax liabilities (net)	24	**325**	300
Other liabilities	25	**593**	593
Total non-current liabilities		**4,771**	**5,428**
Current liabilities			
Financial liabilities:			
Borrowings	26	**3,949**	3,919
Lease liability	27	**2**	2
Trade payables	28		
Total outstanding dues of Micro Enterprises and Small Enterprises		**183**	261
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**2,858**	2,527
Other financial liabilities	29	**446**	408
Other current liabilities	30	**157**	285
Provisions	31	**173**	44
Income tax liabilities (net)	32	**127**	120
Total current liabilities		**7,895**	**7,566**
Total liabilities		**12,666**	**12,994**
Total equity and liabilities		**25,289**	**24,871**

Material accounting policies 1-3

Accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

per Vinayak Pujare
Partner
Membership No: 101143

Jai Hiremath
Executive Chairman
DIN: 00062203

Sameer Hiremath
Vice Chairman and Managing Director
DIN: 00062129

Ramachandra Kaundinya Vinnakota
Director
DIN - 00043067

Kuldeep Jain
Chief Financial Officer

Rajasekhar Reddy
Company Secretary

Mumbai
14 May 2025

Mumbai
14 May 2025

Mumbai
14 May 2025

Mumbai
14 May 2025

Consolidated Statement of Profit and Loss

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	33	**18,598**	17,846
Other income	34	**50**	25
Total income		**18,648**	**17,871**
Expenses			
Cost of materials consumed	35	**8,827**	8,052
Changes in inventories of finished goods and work-in-progress	36	**(454)**	195
Employee benefit expenses	37	**2,471**	2,465
Finance costs	38	**752**	564
Depreciation and amortisation expense	39	**1,344**	1,176
Other expenses	40	**4,470**	4,464
Total expenses		**17,410**	**16,916**
Profit before tax		**1,238**	**955**
Tax expense			
Current tax	41	**300**	284
Deferred tax	42	**30**	(25)
Total tax expense		**330**	**259**
Profit for the year (Attributable to Equity holders of the parent)		**908**	696
Other comprehensive income (OCI)			
(i) Items that will not be reclassified to consolidated statement of profit and loss			
Loss on remeasurement of defined employee benefit plans		**(19)**	(8)
Income Tax Effect		**5**	2
Gain on change in fair values of investments in equity shares carried at fair value through OCI		**0**	0
Income Tax Effect		**0**	(0)
Other comprehensive loss for the year, (net of income tax)		**(14)**	(6)
Total comprehensive income for the year (Attributable to Equity holders of the parent)		**894**	**690**
Earnings per equity share (for nominal value per equity share of ₹ 2)			
Basic and Diluted	43	**7.36**	5.64

Material accounting policies 1-3

The notes referred to above form an integral part of Consolidated Financial Statements.

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

per Vinayak Pujare
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Company Secretary

Mumbai
14 May 2025

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14 May 2025

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

(a) Equity share capital

	No of shares	Amount
Balance as at 1 April 2023	123	247
Changes in equity share capital during financial year 2023-24	-	-
Balance as at 31 March 2024	**123**	**247**
Changes in equity share capital during financial year 2024-25	-	-
Balance as at 31 March 2025	**123**	**247**

(b) Other equity

	Reserve and Surplus							
	Capital reserve	Capital redemption reserve	Securities premium	State subsidy	Contin-gency reserve	General reserve	Retained earnings	Equity investments through other comprehensive income
Balance as at 1 April 2023	0	510	381	6	30	1,780	8,384	(2)
Total comprehensive income for the year ended 31 March 2024								
Profit for the year	-	-	-	-	-	-	696	-
Items of OCI for the year, net of tax								
Loss on remeasurement of defined employee benefit plans	-	-	-	-	-	-	(7)	-
Gain on change in fair values of investments in equity shares carried at fair value through OCI	-	-	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**689**	**-**
Transaction with equity holders in their capacity as owners, recorded directly in equity								
Dividend	-	-	-	-	-	-	(148)	-
Balance as at 31 March 2024	**0**	**510**	**381**	**6**	**30**	**1,780**	**8,925**	**(2)**
Total comprehensive income for the year ended 31 March 2025								
Profit for the year	-	-	-	-	-	-	908	-
Items of OCI for the year, net of tax								
Loss on remeasurement of defined employee benefit plans	-	-	-	-	-	-	(14)	-
Gain on change in fair values of investments in equity shares carried at fair value through OCI	-	-	-	-	-	-	-	(0)
Total comprehensive income	-	-	-	-	-	-	894	(0)
Transaction with owners in their capacity as owners, recorded directly in equity								
Dividends	-	-	-	-	-	-	(148)	-
Balance as at 31 March 2025	**0**	**510**	**381**	**6**	**30**	**1,780**	**9,671**	**(2)**

For the purpose of reserve, refer note 20 (B)
Material accounting policies, refer note 1-3
The notes referred to above form an integral part of Consolidated Financial Statements.

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

per Vinayak Pujare
Partner
Membership No: 101143

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Chief Financial Officer

Rajasekhar Reddy
Company Secretary

Mumbai
14 May 2025

Mumbai
14 May 2025

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14 May 2025

Mumbai
14 May 2025

Consolidated Cash Flow Statement

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

	For the year ended 31 March 2025		For the year ended 31 March 2024	
A. Cash flow from operating activities				
Profit before tax		**1,238**		**955**
Adjustments:				
Depreciation and amortisation	1,344		1,176	
Dividend on long-term investments	-		(0)	
Finance costs	752		564	
Interest income	(7)		(17)	
(Gain) on sale of property, plant and equipment	(1)		(2)	
Sundry balances written off / (back)	6		(2)	
Provision for doubtful debts/advances	30		21	
Provision / Write off of inventory	17		20	
Profit on sale of investment	(4)		(4)	
Unrealised foreign exchange loss/(gain)	14		(7)	
		2,151		1,749
Operating cash flow before working capital changes		**3,389**		**2,704**
Decrease / (Increase) in trade receivables	235		(1,098)	
(Increase) / Decrease in loans, other assets and other financial assets	(350)		573	
(Increase) / Decrease in inventories	(324)		110	
Increase / (Decrease) in trade payables	252		(342)	
(Decrease) / Increase in provisions,other financial liabilities and other liabilities	(100)		223	
		(287)		(534)
Cash generated from operations		**3,102**		**2,170**
Income tax paid		(298)		(303)
Net cash flows generated from operating activities (A)		**2,804**		**1,867**
B. Cash flow from investing activities				
Purchase of property, plant and equipment and intangible assets	(1,373)		(2,042)	
Proceeds from sale of property, plant and equipment	9		2	
Purchase of non current investment	(41)		-	
Proceeds from sale of investment	4		4	
Dividend on long-term investments	-		0	
Interest received	7		19	
Decrease in other bank balances (includes margin money account)	29		280	
Net cash flows (used in) investing activities (B)		**(1,365)**		**(1,737)**
C. Cash flow from financing activities				
Proceeds from long-term borrowings	750		350	
Repayment of long-term borrowings	(1,033)		(837)	
(Repayments of) /proceeds from short-term borrowings (net)	(252)		1,152	
Finance costs paid	(750)		(784)	
Payment of lease liability	(3)		(3)	
Dividend paid on equity shares	(148)		(148)	
Net cash flows (used in) financing activities (C)		**(1,436)**		**(270)**

Consolidated Cash Flow Statement

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net (decrease) / increase in cash and cash equivalents (A+B+C)	3	(140)
Cash and cash equivalents at the beginning of the year, the components being		
Cash on hand	1	2
Balances with banks		
- Current accounts	122	260
- Deposits accounts (having original maturity of 3 months or less)	4	5
	127	**267**
Cash and cash equivalents at the end of the year, the components being		
Cash on hand	1	1
Balances with banks		
- Current accounts	128	122
- Deposits accounts (having original maturity of 3 months or less)	1	4
	130	**127**
Net (decrease) / increase as disclosed above	**3**	**(140)**

Notes to the cash flow statement

1 The above cash flow statement has been prepared under the 'Indirect Method' set out in Accounting Standard (IND AS) 7, 'Cash Flow Statements'.

2 For changes in liability arising from financing activity refer note 21

Material accounting policies, refer note 1-3

The notes referred to above form an integral part of Consolidated Financial Statements.

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

per Vinayak Pujare
Partner
Membership No: 101143

Mumbai
14 May 2025

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

Jai Hiremath
Executive Chairman
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DIN - 00043067
Mumbai
14 May 2025

Kuldeep Jain
Chief Financial Officer
Mumbai
14 May 2025

Rajasekhar Reddy
Company Secretary
Mumbai
14 May 2025

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

1(a) Group Overview

Hikal Limited ('Hikal' or 'the Holding company') was incorporated on 8 July 1988 having its registered office at 717/718, Maker Chamber V, Nariman Point, Mumbai 400 021.

The Holding Company is engaged in the manufacturing of various chemical intermediates, specialty chemicals, active pharma ingredients and contract research activities.

The Holding Company has its equity shares listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

The Holding Company alongwith its subsidiary is referred to as the "Group"

The Group is operating in the crop protection and pharmaceuticals space.

1(b) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as amedned from time to time. The consolidated financial statements for the year ended 31 March 2025 were approved by the Board of Directors and authorised for issue on 14 May, 2025.

2 Material accounting policies

2.1 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is based on the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act. These financial statements have been prepared on accrual and going concern basis.

2.2 Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is also the Group's functional currency. All amounts have been rounded off to two decimal places to the nearest million, unless otherwise indicated. The figures mentioned as '0' in the financial statements denote amounts less than 0.5 million.

2.3 Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities (including Fair value derivatives instruments)	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.4 Use of estimates and judgements

The preparation of the consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. Property, plant and equipment

Useful lives of tangible assets are based on the the estimates made by the management. In cases, where the useful lives are different from that prescribed in Schedule II, they are 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.

b. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

c. Impairment allowance of trade receivables (allowance for bad and doubtful debts)

The Group makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

d. Allowances for inventories

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. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

e. Recognition of deferred tax assets

Deferred tax assets are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits, if any could be utilised.

2.5 Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 Material accounting policies

3.1 Basis of Consolidation

i. Subsidiary

Subsidiary is entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Consolidation Procedure

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in reparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025
(Currency: Indian Rupees in million)

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, i.e., year ended on 31 March.

The procedure followed is as follows:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Group 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 subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of company, controlled directly or indirectly by the Holding Company which are included in the consolidated financial statements is as under:

Name	Relationship	Country of incorp-oration	Ownership Interest 31 March 2025	Ownership Interest 31 March 2024
Acoris Research Limited	Subsidiary	India	100%	100%
Hikal LLC	Subsidiary	USA	100%	100%

3.2 Revenue from contract with customer

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery. Revenue is measured based on the transaction price, which is the consideration, adjusted for rebates and discounts, price adjustments and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to short nature of credit period given to customers there is no financing component in the contract.

Sale of Services

Revenue from development and other services are recognised over time because the customer simultaneously receives and consumes the benefits provided to them. The Group uses an input method in measuring progress of the services because there is a direct relationship between the Group effort (i.e., based on the labour hours incurred, raw material consumed) and the transfer of service to the customer. The Group recognises revenue on the basis of the labour hours expended and raw material consumed relative to the total expected labour hours and raw material consumption to complete the service.

Export entitlements

Export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection/determination of amounts of the relevant export proceeds.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transfering goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.3 Other Income

i Interest Income

Interest income is recognised using the effective interest method as set out in Ind AS 109 – Financial Instruments: Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

ii Dividend Income

Dividend income is recognised when right to receive payment is established and it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably.

3.4 Foreign currency

Transactions in foreign currencies are translated into the Group's functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary asstes and liabilities that are measured based on historical cost in a foreign currency are not translated. Foreign currency exchange differences are generally recognised in the statement of profit and loss.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the consolidated Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non-monetary item is recognised in consolidated Statement of Profit and Loss, any exchange component of that gain or loss is recognised in consolidated Statement of Profit and Loss.

3.5 Employee benefits

Short-term employee benefits

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post employment employee benefits

i Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions to Provident fund, Employee State Insurance and Labour Welfare Fund and are recognised as an employee benefit expense in the statement of profit and loss on an accrual basis. Contribution to Superannuation Fund, a defined contribution scheme, administered by Life Insurance Corporation of India, based on a specified percentage of eligible employees' salary.

ii Defined benefit plans

A defined benefit plan is a post-employee benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined liability (asset) after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to gratuity benefit scheme are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Gratuity

The Group has an obligation towards gratuity, a defined benefit scheme covering eligible employees. The Group accounts for gratuity benefits payable in future based on an independent actuarial valuation method as stated above. Gratuity for staff at Panoli plant is funded through group gratuity insurance scheme of the Life Insurance Corporation of India ('LIC').

Other long-term employee benefits

The Group's net obligation in respect of compensated absences such as paid annual leave, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method, as at the date of the Balance Sheet. Actuarial gains or losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss.

3.6 Income tax

Income tax expense comprises current and deferred tax. It is recognised in the consolidated statement of profit and loss or items recognised directly in equity or in other comprehensive income.

i Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted by the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and current tax liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

ii Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except: i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.7 Inventories

a Measurement of Inventory

The Group measures its inventories at the lower of cost and net realisable value.

b Cost of Inventories

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. The costs of conversion of inventories include costs directly related to the units of production and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. Other costs are included in the cost of inventories only to the extent that they are incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned by weighted average cost formula. The Group uses the same cost formula for all inventories having a similar nature and use to the Group.

c Net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realisable value is ascertained for each item of inventories with reference to the selling prices of related finished products. The practice of writing inventories down below cost to net realisable value is consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. Inventories are usually written down to net realisable value item by item. Estimates of net realisable value of finished goods and stock-in-trade are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value. Amount of any reversal of write-down of inventories shall be recognised as an expense as when the event occurs. A new assessment is made of net realisable value in each subsequent period. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed. Amounts such reversed shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which reversal occurs.

d Valuation of Spare parts, stand-by equipments and servicing equipments

Spare parts, stand-by equipment and servicing equipment are recognised as Property, Plant and Equipment if and only if it is probable that future economic benefits associated with them will flow to the Group and their cost can be measured reliably. Otherwise such items are classified and recognised as Inventory.

3.8 Property, plant and equipment

i Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any directly attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.

c) the estimated costs of dismantling and removing the item and restoring the site on which it is located.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the statement of profit and loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost. Depreciation on the depreciable amount of an item of Property, plant and equipment is allocated on a systematic basis over its useful life. The Group provides depreciation on the straight-line method. The Group believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Group. Based on internal technical evaluation, 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: the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 -Accounting Policies, Changes in Accounting Estimates and Errors.

The useful life of an asset is reviewed at least at each financial year-end. Depreciation is calculated using the straight-line method on cost of items of property, plant and equipment less their

(Currency: Indian Rupees in million)

estimated residual values over the estimated useful lives prescribed under Schedule II of the Act. In case of Ships, based on internal assessment and technical evaluation carried out, management believes that the useful life is 30 years, which is higher and different from the useful life of 20 years as prescribed under Part C of Schedule II of the Act. The estimated useful lives of items of property, plant and equipment are as follows:

Tangible Assets	Life defined	Useful life as per Schedule II
Buildings	30-60	30-60
Plant and equipment	10-20	10-20
Electrical equipment and installation	10	10
Office equipment	5	5
Computers	3	3
Furniture and fixtures	10	10
Vehicles	8	10
Ships	30	20

Leasehold improvements amortised over the period of lease.

Depreciation methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

3.9 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Group has opted option available in Para D13AA of Ind AS 101 to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP i.e. capitalisation foreign exchange difference pursuant to para 46A of AS 11 'The Effects of Changes in Foreign Exchange Rates' vide notification dated 29 December 2011 by Ministry of Corporate Affairs (MCA).

3.10 Intangible assets

i. Recognition and measurement

Expenditure on research activities is recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the research and development, only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, includes computer software, which are acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit and loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is included in depreciation and amortisation in the statement of profit and loss.

Other intangible assets are amortised over the estimated useful lives as given below:

- Computer Software 5 years
- Product related intangible 5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.11 Financial instruments

a. Financial assets

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are measured subsequently at either amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss, depending on the classification of the financial assets. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under standard on revenue from contracts with customers. Refer to the accounting policies for revenue from contracts with customers. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to contractual cash flows that are 'solely payments of principal and interest (SPPI); on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e, he date that the Group commits to purchase or sell the asset.

ii. Classification

On initial recognition, a financial asset is classified as measured at

- amortised cost; or
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether

(Currency: Indian Rupees in million)

management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

iii Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity instrument measured at FVOCI not reported separately from other changes in fair value.

iv Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

v Impairment of financial assets

Trade receivables the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Further disclosures relating to impairment of financial assets are provided in note no 13 - Trade Receivables.

b. Financial liabilities

i Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value. In the case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition or issue of financial liability.

ii Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities

(Currency: Indian Rupees in million)

at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

iii Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iv Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.12 Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, or the amount of the obligation cannot be measured with sufficient reliability no provision or disclosure is made.

3.13 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

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

i Right-of-use Assets (ROU Assets)

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

Leasehold Land	90 to 99 years
Buildings	9 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.14 Impairment of non-financial assets.

ii Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

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

3.14 Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

The recoverable amount is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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.

In respect of the assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, impairment loss is reversed to the extent to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

3.15 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.16 Earnings per share (EPS)

Basic EPS is computed using the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be antidilutive.

3.17 Dividend

The Group recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividend are recorded as a liability on the date of declaration by the Group's Board. The Group declares and pay dividends in Indian Rupees. Group is required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable taxes. Further disclosure relating to dividend refer Note No 20(C)-Dividends.

3.18 Current / non-current classification

The Group shall classify an asset as current when-

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

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(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group shall classify a liability as current when-

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group shall classify all other assets and liabilities as non-current.

Deferred tax Assets and Liabilities are classified as non-current assets and liabilities

Operating cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

3.19 Climate related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

3.20 Recent accounting developments:

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the **Companies (Indian Accounting Standards) Amendment Rules, 2024,** which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

(ii) Amendment to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the **Companies (Indian Accounting Standards) Second Amendment Rules, 2024**, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

This has no impact on the consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 4: Property, Plant and Equipment

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2024	Additions	Deductions	As at 31 March 2025	As at 1 April 2024	Charge for the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Freehold land	582	-	-	**582**	-	-	-	**-**	**582**	582
Buildings	2,655	1,039	-	**3,694**	575	108	-	**683**	**3,011**	2,080
Plant and machinery	13,156	3,037	58	**16,135**	6,172	1,128	50	**7,250**	**8,885**	6,984
Electrical equipments and installations	293	110	-	**403**	141	26	-	**167**	**236**	152
Office equipments	197	35	-	**232**	147	25	-	**172**	**60**	50
Furniture and fixtures	162	35	-	**197**	90	14	-	**104**	**93**	72
Leasehold improvements	6	-	-	**6**	5	1	-	**6**	**-**	1
Vehicles	57	35	5	**87**	40	4	5	**39**	**48**	17
Ships	36	-	-	**36**	15	2	-	**17**	**19**	21
Total	**17,144**	**4,291**	**63**	**21,372**	**7,185**	**1,308**	**55**	**8,438**	**12,934**	**9,959**
Capital work in progress	4,143	1,360	4,291	**1,212**					**1,212**	4,143

Note 4: Property, plant and equipment (Previous year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Freehold land	582	-	-	582	-	-	-	-	582	582
Buildings	2,085	571	1	2,655	485	90	0	575	2,080	1,600
Plant and machinery	11,530	1,626	-	13,156	5,179	993	-	6,172	6,984	6,351
Electrical equipments and installations	277	16	-	293	119	22	-	141	152	158
Office equipments	171	26	-	197	125	22	-	147	50	46
Furniture and fixtures	149	13	-	162	77	13	-	90	72	72
Leasehold Improvements	6	-	-	6	4	1	-	5	1	2
Vehicles	54	3	-	57	35	5	-	40	17	19
Ships	36	-	-	36	13	2	-	15	21	23
Total	**14,890**	**2,255**	**1**	**17,144**	**6,037**	**1,148**	**0**	**7,185**	**9,959**	**8,853**
Capital work in progress	4,021	2,375	2,253	4,143					4,143	4,021

Notes:

a. Refer note 21 and 26 for details of assets hypothecated/mortgaged as security against borrowings.

b. Refer note 50 for details of revenue expenditure capitalised.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 4: Property, plant and equipment (Contd.)

a) For capital work in progress, ageing schedule

Amount of capital work in progress for a period of 31 March 2025

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	1,036	176	-	-	1,212
-Projects temperorily suspended	-	-	-	-	-

Amount of capital work in progress for a period of 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	1,475	1,625	1,039	4	4,143
-Projects temperorily suspended	-	-	-	-	-

b) For capital work in progress, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2025

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Crop Projects	216	-	-	-	216
Pharma Projects	718	-	-	-	718
Total	**934**	**-**	**-**	**-**	**934**

b) (ii) For capital work in progress, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2024

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Crop Projects	3,501	-	-	-	3,501
Pharma Projects	407	-	-	-	407
Total	**3,908**	**-**	**-**	**-**	**3,908**

Note 5: Right of use assets

Description	Gross Block				Accumulated Amortisation				Net Block	
	As at 1 April 2024	Additions	Deductions	As at 31 March 2025	As at 1 April 2024	Charge for the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Leasehold land	692	-	-	**692**	73	9	-	**82**	**610**	619
Buildings	29	-	-	**29**	2	4	-	**6**	**23**	27
Total	**721**	**-**	**-**	**721**	**75**	**13**	**-**	**88**	**633**	**646**

Note 5: Right of use assets (Previous Year)

Description	Gross Block				Accumulated Amortisation				Net Block	
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Leasehold land	692	-	-	692	64	9	-	73	619	628
Buildings	11	29	11	29	10	3	11	2	27	1
Total	**703**	**29**	**11**	**721**	**74**	**12**	**11**	**75**	**646**	**629**

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For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 6: Other intangible assets

Description	Gross Block				Accumulated Amortisation				Net Block	
	As at 1 April 2024	Additions	Deductions	As at 31 March 2025	As at 1 April 2024	Charge for the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Computer software	44	-	-	44	43	-	-	43	1	1
Product related intangible	115	-	-	115	15	23	-	38	77	100
Total	**159**	**-**	**-**	**159**	**58**	**23**	**-**	**81**	**78**	**101**
Intangible assets under development	-	-	-	-					-	-

Note 6: Other intangible assets (Previous year)

Description	Gross Block				Accumulated Amortisation				Net Block	
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Computer software	44	-	-	44	42	1	-	43	1	2
Product related intangible	-	115	-	115	-	15	-	15	100	-
Total	**44**	**115**	**-**	**159**	**42**	**16**	**-**	**58**	**101**	**2**
Intangible assets under development	101	15	116	-					-	101

a) For Intangible assets under development, ageing schedule

Amount of Intangible assets under development as on 31 March 2025

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	-	-	-	-	-
-Projects temperorily suspended	-	-	-	-	-

Amount of Intangible assets under development as on 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Process	-	-	-	-	-
-Projects temperorily suspended	-	-	-	-	-

b) For Intangible assets under development, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2025

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development	-	-	-	-	-

For Intangible assets under development, whose completion is overdue or has exceeded the cost compared to its original value as on 31 March 2024

Project Locations	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development	-	-	-	-	-

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 7: Non-current investments

		As at 31 March 2025	As at 31 March 2024
Investments in equity instruments:			
A	**Unquoted**		
	(At fair value through other comprehensive income)		
i	**Other investment**		
	223,164 (31 March 2024: 223,164) Equity shares of ₹ 10 each of Narmada Clean Tech fully paid-up	5	5
	30,000 (31 March 2024: 30,000) Equity shares of ₹ 10 each of Panoli Enviro Technology Limited fully paid-up	0	0
	14,494 (31 March 2024: 14,494) Equity shares of ₹ 100 each MMA CETP Co-operative Society Limited fully paid-up	2	2
	16% (31 March 2024: 16%) equity shares of Jiangsu Chemstar Chemical Co Limited fully paid-up	0	0
	33,60,000 (31 March 2024: 33,60,000) Equity shares of ₹ 100 each Radiance Mh Sunrise Four Private Limited fully paid-up	34	34
	12,60,000 (31 March 2024: 12,60,000) Equity shares of ₹ 100 each Radiance Mh Sunrise Two Private Limited fully paid-up	13	13
	4,12,400 (31 March 2024: Nil) Equity shares of ₹ 100 each of Equity Shares FPEL Ujwal Private Limited fully paid-up	41	-
	Impairment in value of investment (in equity shares of Jiangsu Chemstar Chemical Co Limited)*	0	0
B	**Quoted**		
	(At fair value through other comprehensive income)		
	2,900 (31 March 2024: 2,900) Equity shares of ₹ 10 each of Union bank of India fully paid-up	0	0
	Total non-current investments (A + B)	**95**	**54**
	Aggregate amount of quoted investments	0	0
	Aggregate market value of quoted investments	0	0
	Aggregate amount of unquoted investments	95	54
	Aggregate amount of impairment in value of investments	0	0
		95	**54**

* The Holding Company has written off of ₹ 27 Million in investment in Jigansu Chemical Company Limited in the earlier year.

Note 8: Loans

	As at 31 March 2025	As at 31 March 2024
Unsecured and considered good		
To Related party		
Loans to employee (Refer note 52)	1	0
To other than related parties		
Loans to employee	2	3
	3	**3**

Note 9: Other financial assets

	As at 31 March 2025	As at 31 March 2024
Unsecured and considered good		
To other than related parties unless otherwise specified		
Deposits with remaining maturity of more than 12 months	8	5
Security deposit to related parties (Refer note 52)	71	71
Security deposit to other than related parties	133	84
	212	**160**

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(Currency: Indian Rupees in million)

Note 10: Non-current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Non-current tax assets (net)	25	20
Income tax assets (Net of provision of ₹ 560 million (31 March 2024: 1,002 Million))		
	25	**20**

Note 11: Other non-current assets

	As at 31 March 2025	As at 31 March 2024
Unsecured and considered good		
To other than related parties		
Prepaid expenses	10	5
VAT/ CST refund receivable	9	9
Balance with government authorities	29	23
Capital advances	95	82
	143	**119**

Note 12: Inventories

	As at 31 March 2025	As at 31 March 2024
Valued at the lower of cost and net realisable value		
Raw materials (includes goods in transit of ₹ 163 Million, 31 March 2024 ₹ 282 Million)	1,223	1,401
Packing materials	11	11
Work-in-progress	968	868
Finished goods	895	542
Stores and spares	248	215
	3,345	**3,037**

Inventories which comprise raw materials, packing materials, work-in-progress and finished goods are carried at the lower of cost and net realisable value. (See detailed accounting policy in Note 3.7)

The write-down of inventories to net realisable value as at year end amounted to ₹ 195 million (31 March 2024: ₹ 178 million). The write down of inventories are included in cost of materials consumed or changes in inventories of finished goods and work-in-progress in the statement of profit and loss.

Note 13: Trade receivables

	As at 31 March 2025	As at 31 March 2024
(Unsecured)		
Trade receivable considered good	5,265	5,554
Trade receivable which have significant increase in credit risk	82	82
	5,347	**5,636**
Impairment allowance (Allowance for bad and doubtful debts)		
Trade receivable considered good	(78)	(88)
Trade receivable which have significant increase in credit risk	(45)	(45)
	(123)	**(133)**
Net trade receivable	**5,224**	**5,503**

The loss allowance on trade receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for trade receivables considered good on the basis that credit risk exists even though it may be very low.

Notes to the Consolidated Financial Statements
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(Currency: Indian Rupees in million)

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 46.

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash. However, the group has retained credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount subject to factoring agreement is presented as borrowing.

The relevant carrying amounts are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Total transferred trade receivables	468	718
Associated borrowings [refer note 26]	468	718

Trade Receivables Ageing as on 31 March 2025

Sr. No.	Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	4,235	990	40	-	-	-	5,265
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	11	9	17	37
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	45	45
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**4,235**	**990**	**40**	**11**	**9**	**62**	**5,347**

Trade Receivables Ageing as on 31 March 2024

Sr. No.	Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	4,735	812	6	-	-	-	5,553
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	18	5	15	38
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	45	45
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**4,735**	**812**	**6**	**18**	**5**	**60**	**5,636**

(Currency: Indian Rupees in million)

Note 14: Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Bank balances in:		
- Current accounts	128	122
- Fixed deposit account (with original maturity of 3 months or less)	1	4
Cash on hand	1	1
Cash and cash equivalents in the statement of cash flows	130	127

Note 15: Bank balance other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Other bank balances:		
Bank deposits due to mature within 12 months of the reporting date	48	80
Unpaid dividend accounts	2	2
	50	82

Deposits given as security

1) Margin money deposits with a carrying amount of ₹ 57 million (31 March 2024- ₹ 89 million) are earmarked towards non fund based facilities availed from banks.

Note 16: Loans

	As at 31 March 2025	As at 31 March 2024
(Unsecured)		
To Related party		
Loans to employees (Refer note 52)	-	1
To parties other than related parties		
Loans to employees	5	4
	5	5

Note 17: Other financial assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
To related party		
Excess managerial remuneration recoverable (refer note 52)	-	6
To other than related parties		
Interest accrued on fixed deposit	1	1
Unbilled revenue	10	74
Insurance claim receivable	0	0
Indirect tax balances refund due and export benefits and entitlements	644	-
Others	-	56
	655	137

Notes to the Consolidated Financial Statements
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(Currency: Indian Rupees in million)

Note 18: Other current assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Advance to suppliers		
Considered good	101	163
Considered doubtful	90	50
Advance to suppliers	191	213
Less: Provision for doubtful advances	(90)	(50)
	101	163
Balance with government authorities	276	476
Prepaid expenses	168	136
	545	775

Note 19: Share Capital

	As at 31 March 2025	As at 31 March 2024
Authorised share capital (Refer note a below)		
Equity	500	500
Par value per share (₹)	2	2
Number of equity shares	250,000,000	250,000,000
Preference shares	250	250
Par value per share (₹)	100	100
Number of Preference shares	2,500,000	2,500,000
Issued, subscribed and fully paid up -Equity	247	247
Par value per share (₹)	2	2
Number of equity shares	123,300,750	123,300,750

Equity Shares

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2025		As at 31 March 2024	
	No. of shares (millions)	₹ in millions	No. of shares (millions)	₹ in millions
At the beginning of the year	123	247	123	247
At the end of the year	123	247	123	247

b. Terms/rights attached to equity shares

The Holding Company has only single class of equity shares having a par value of ₹ 2 (31 March 2024 ₹ 2) per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of holding Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(Currency: Indian Rupees in million)

c. Details of shareholders holding more than 5% of shares:

	As at 31 March 2025		As at 31 March 2024	
	No of Shares (millions)	%	No of Shares (millions)	%
Equity shares of ₹ 2 (31 March 2024 ₹ 2) each fully paid				
Kalyani Investment Company Limited	**39**	**31**	39	31
Shri Badrinath Investment Private. Limited	**20**	**16**	20	16
Shri Rameshwara Investment Private Limited	**10**	**8**	10	8
Sugandha J Hiremath	**10**	**8**	10	8

d. The Shareholding of Promoters as on 31 March 2025 is as under:

Promoters Name	No. of Shares	% of Total Shares	% Change during the Year
Kalyani Investment Company Limited	**38,667,375**	**31.36%**	-
Shri Badrinath Investment Pvt Ltd	**19,914,862**	**16.15%**	-
Shri Rameshwara Investment Pvt Ltd	**9,810,000**	**7.96%**	-
Sugandha J Hiremath	**9,667,500**	**7.84%**	-
BF Investment Limited	**3,273,375**	**2.65%**	-
Jai Hiremath	**1,340,625**	**1.09%**	-
Ekdant Investment Pvt Ltd	**393,802**	**0.32%**	-
Sameer Hiremath	**390,975**	**0.32%**	-
Pallavi Anish Swadi	**381,000**	**0.31%**	-
Pallavi Trust	**187,500**	**0.15%**	-
Sameer Trust	**187,500**	**0.15%**	-
Ashok Hiremath	**100,000**	**0.08%**	-
Sumer Trust	**75,000**	**0.06%**	-
Rhea Trust	**75,000**	**0.06%**	-
Nihal Trust	**75,000**	**0.06%**	-
Anika Trust	**75,000**	**0.06%**	-
Pooja Trust	**75,000**	**0.06%**	-
Anish Trust	**75,000**	**0.06%**	-
Karad Engineering Consultancy Pvt Ltd	**63,750**	**0.05%**	-
Decent Electronics Pvt Ltd	**49,500**	**0.04%**	-
Anish Dilip Swadi	**7,500**	**0.01%**	-
Pooja Hiremath	**7,500**	**0.01%**	-

The Shareholding of Promoters as on 31 March 2024 is as under:

Promoters Name	No. of Shares	% of Total Shares	% Change during the Year
Kalyani Investment Company Limited	38,667,375	31.36%	-
Shri Badrinath Investment Pvt Ltd	19,914,862	16.15%	-
Shri Rameshwara Investment Pvt Ltd	9,810,000	7.96%	-
Sugandha J Hiremath	9,667,500	7.84%	-
BF Investment Limited	3,273,375	2.65%	-
Jai Hiremath	1,340,625	1.09%	-
Ekdant Investment Pvt Ltd	393,802	0.32%	-
Sameer Hiremath	390,975	0.32%	-
Pallavi Anish Swadi	381,000	0.31%	-
Pallavi Trust	187,500	0.15%	-
Sameer Trust	187,500	0.15%	-
Ashok Hiremath	100,000	0.08%	-
Sumer Trust	75,000	0.06%	-
Rhea Trust	75,000	0.06%	-
Nihal Trust	75,000	0.06%	-
Anika Trust	75,000	0.06%	-
Pooja Trust	75,000	0.06%	-
Anish Trust	75,000	0.06%	-
Karad Engineering Consultancy Pvt Ltd	63,750	0.05%	-
Decent Electronics Pvt Ltd	49,500	0.04%	-
Anish Dilip Swadi	7,500	0.01%	-
Pooja Hiremath	7,500	0.01%	-

Notes to the Consolidated Financial Statements
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One of the shareholder of the Group filed a suit filed in the Bombay High Court, the suit seeks certain actions on part of the Group, pending any order / direction from the Bombay High Court, there is no impact on the financial statements.

As per records of the Holding Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 20: Other equity

	Note	As at 31 March 2025	As at 31 March 2024
Capital reserve	i	**0**	0
Capital redemption reserve	ii	**510**	510
Securities premium	iii	**381**	381
State subsidy	iv	**6**	6
Contingency reserve	v	**30**	30
General reserve	vi	**1,780**	1,780
Equity instruments through other comprehensive income	vii	**(2)**	(2)
Retained Earnings	viii	**9,671**	8,925
		12,376	**11,630**

A Notes

		As at 31 March 2025	As at 31 March 2024
i	**Capital reserve**		
	Opening balance	**0**	0
	Additions during the year	**-**	-
	Closing balance	**0**	**0**
ii	**Capital redemption reserve**		
	Opening balance	**510**	510
	Additions during the year	**-**	-
	Closing balance	**510**	**510**
iii	**Securities premium**		
	Opening balance	**381**	381
	Additions during the year	**-**	-
	Closing balance	**381**	**381**
iv	**State subsidy**		
	Opening balance	**6**	6
	Additions during the year	**-**	-
	Closing balance	**6**	**6**
v	**Contingency reserve**		
	Opening balance	**30**	30
	Additions during the year	**-**	-
	Closing balance	**30**	**30**

(Currency: Indian Rupees in million)

		As at 31 March 2025	As at 31 March 2024
vi	**General reserve**		
	Opening balance	1,780	1,780
	Additions during the year	-	-
	Closing balance	1,780	1,780
vii	**Equity instruments through other comprehensive income**		
	Opening balance	(2)	(2)
	Additions during the year	-	0
	Closing balance	(2)	(2)
viii	**Retained Earnings**		
	Opening balance	8,925	8,384
	Additions during the year	908	696
	Deletions during the year	(162)	(155)
	Closing balance	9,671	8,925

B Nature and purpose of reserves

i. Capital reserve

Capital reserve is created on merger/amalgamation.

ii. Capital redemption reserve

Capital redemption reserve represents redemption of redeemable cumulative preference shares in earlier years. The same can be used to issue fully paid bonus shares.

iii. Securities premium account

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with provisions of Companies Act, 2013.

iv. State subsidy

State subsidy is created on receipt of government grants for setting up the factories in backward areas. The same will be utilised for expansion of business.

v. Contingency reserve

Contingency reserve is created by transferring funds from retained earnings to meet future contingencies.

vi. General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

vii. Equity instruments through other comprehensive income

The Holding Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Holding Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

viii. Retained Earnings

Retained earnings are the profits/(loss) that the Holding Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

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(Currency: Indian Rupees in million)

C Dividends

The following dividends were declared and paid by the Holding Company during the years ended:

	31 March 2025	31 March 2024
Final equity dividend paid for financial year 2023-24 at Re 0.60 per equity share	74	-
Interim equity dividend paid for financial year 2024-25 at Re. 0.60 per equity share	74	-
Final equity dividend paid for financial year 2022-23 at Re 0.60 per equity share	-	74
Interim equity dividend paid for financial year 2023-24 at ₹ 0.60 per equity share	-	74
Total	148	148

After the reporting dates the following dividends were proposed by the directors of holding company subject to the approval at the annual general meeting. These dividends have not been recognised as liabilities in the year to which they pertains to and is recorded in the year in which they have been approved in the Annual General Meeting.

	31 March 2025	31 March 2024
Final equity dividend proposed for financial year 2024-25 at Re 0.80 per equity share	99	-
Final equity dividend proposed for financial year 2023-24 at Re 0.60 per equity share	-	74
Total	99	74

Note 21: Borrowings

(Secured)

	As at 31 March 2025	As at 31 March 2024
Debentures		
2,019 (Pr Yr 1500) Redeemable, non-convetible debentures (NCD) of the face value of ₹ 10,00,000/- each. (refer note a(i) and c(i) below)	1,648	1,240
Term loans from banks		
Rupee (refer note a (ii), and c (i) below)	806	1,265
Term loans from financial institutions		
Rupee (refer note a (iii) and c (i) below)	1,218	1,724
	3,672	4,229

(For current maturities of loans refer note 26)

a. Nature of security:

i Redeemable, non-convetible debentures (NCD) is secured by first pari passu charge on the fixed assets of the Company's plants situated at Taloja, Panoli, Bangalore, R & D centre at Pune and second pari passu charge on entire current assets both present and future.

ii Rupee term loan from banks is secured by first pari passu charge on the fixed assets of the Company's plants situated at Taloja, Panoli, Bangalore, R & D centre at Pune and second pari passu charge on entire current assets both present and future.

iii Rupee term loan from financial institutions is secured by first pari passu charge on the fixed assets of the Company's plants situated at Taloja, Panoli and Bangalore, R & D centre at Pune and second pari passu charge on entire current assets both present and future.

(Currency: Indian Rupees in million)

b. Changes in Liabilities arising from Financing Activities

Particulars	As at 1 April 2024	Accural / Reclassi-fication	Cash Flows (net)	Foreign Exchange / Adjustment	As at 31 March 2025
Current borrowings	2,886	-	(252)	-	2,635
Non-current borrowings including current maturities of non-current borrowings	5,262	9	(283)		4,988
Lease Liabilities	28	1	(3)	-	26
Interest on borrowings (including transaction cost)	83	748	(750)	-	81
Total Liabilities from Financing Activities	**8,260**	**758**	**(1,288)**	**-**	**7,730**

Changes in Liabilities arising from Financing Activities (previous year)

Particulars	As at 1 April 2023	Accural / Reclassi-fication	Cash Flows (net)	Foreign Exchange / Adjustment	As at 31 March 2024
Current borrowings	1,734	-	1,152	-	2,886
Non-current borrowings including current maturities of non-current borrowings	5,746	-	(487)	3	5,262
Lease Liabilities	2	29	(3)	-	28
Interest on borrowings (including transaction cost)	57	810	(784)	-	83
Total Liabilities from Financing Activities	**7,539**	**840**	**(122)**	**3**	**8,260**

c. i) Terms of repayment as on 31 March 2025 are as under:

	US $ in Million	₹ In Million	Repayment Terms	Closing interest rate as at 31.3.2025
(i) a	-	173	Repayable in 5 quarterly instalments, next installment due on 05.06.2025; equated average instalments of ₹ 35 Million	10.60%
b	-	225	Repayable in 8 quarterly instalments, next installment due on 06.05.2025, equated average instalments of ₹ 28 Million	9.75%
c	-	875	Repayable in 21 quarterly instalments, next installment due on 30.06.2025, equated average instalments of ₹ 42 Million	9.15%
(ii) a	-	1,721	Repayable in 13 quarterly instalments, next installment due on 01.06.2025; equated average instalments of ₹ 132 Million	9.35%
(iii) a	-	1,994	Repayable in 13 half yearly instalments, next installment due on 15.06.2025 equated average instalments of ₹ 153 Million	9.19%

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(Currency: Indian Rupees in million)

c. ii) Terms of repayment as on 31 March 2024 are as under:

	US $ in Million	₹ In Million	Repayment Terms	Closing interest rate as at 31.3.2024
(i) a	-	322	Repayable in 9 quarterly instalments, next installment due on 05.06.2024; equated average instalments of ₹ 36 Million	10.34%
b	-	375	Repayable in 12 quarterly instalments, next installment due on 06.05.2024, equated average instalments of ₹ 31 Million	9.65%
c	-	1,000	Repayable in 24 quarterly instalments, next installment due on 30.09.2024, equated average instalments of ₹ 42 Million	9.02%
(ii) a	-	2,098	Repayable in 17 quarterly instalments, next installment due on 01.06.2024; equated average instalments of ₹ 123 Million	10.20%
(iii) a	-	1,467	Repayable in 13 half yearly instalments, next installment due on 15.06.2024 equated average instalments of ₹ 113 Million	9.24%

Note 22: Lease liability

	As at 31 March 2025	As at 31 March 2024
Lease liability	24	26
	24	**26**

Note 23: Long -term provisions

	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (Refer note 44)	157	147
Provision for compensated absences (Refer note 44)	-	133
	157	**280**

Note 24: Deferred tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities (Refer note 42)	325	300
	325	**300**

Note 25: Other non current liabilities

	As at 31 March 2025	As at 31 March 2024
Advance received from customers	593	593
	593	**593**

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For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Note 26: Short-term borrowings

	As at 31 March 2025	As at 31 March 2024
Secured		
Loans from banks		
Working capital loan -Rupee (refer note a (i) and b below)	2,165	2,168
Bill discounting (Refer note a (ii))	468	718
Current maturities of long-term debt	1,316	1,033
	3,949	**3,919**

a. Nature of security and terms of repayment for secured borrowings:

i Working capital loans from all banks are secured by first pari passu charge on all current assets of the Holding Company and second pari passu charge on fixed assets both present and future situated at Holding Company's plants at Bangalore, Taloja and Panoli

ii Loans availed under bill discounting facility are against specific receivables, having tenure of 30 to 120 days and carrying interest ranging between 1.20% +SOFR to 1.80% +SOFR p.a. for export bills and 7.30% to 8.45% for local bills.

b. Working capital loans are repayable on demand and carry interest ranging from 7.58% to 10.05% p.a.

Note 27: Current lease liability

	As at 31 March 2025	As at 31 March 2024
Lease liability	2	2
	2	**2**

Note 28: Trade payables

	As at 31 March 2025	As at 31 March 2024
Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises	183	261
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,858	2,527
	3,041	**2,788**

The Group's exposure to currency and liquidity risk related to trade payable is disclosed in Note 46.

Trade Payables ageing schedule as on 31 March 2025

Particulars	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro Enterprises and Small Enterprises	139	43	1	0	-	183
(ii) Others	2,100	747	9	1	1	2,858
(iii) Disputed dues – Micro Enterprises and Small Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**2,239**	**790**	**10**	**1**	**1**	**3,041**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Trade Payables ageing schedule as on 31 March 2024

Particulars	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro Enterprises and Small Enterprises	193	67	0	1	0	261
(ii) Others	1,893	627	5	2	0	2,527
(iii) Disputed dues – Micro Enterprises and Small Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**2,086**	**694**	**5**	**3**	**0**	**2,788**

Note 29: Other financials liabilities

	As at 31 March 2025	As at 31 March 2024
Interest accrued but not due on borrowings	82	83
Payables for capital purchases	154	156
Employee benefits payable	208	167
Unpaid dividend (Refer note no 57)	2	2
	446	**408**

Note 30: Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Advances from customers	95	181
Statutory dues payable		
- Provident fund	18	18
- Employees' state insurance	0	0
- Tax deducted at source	38	36
- Goods and Services Tax	6	49
- Employees' national pension scheme	0	1
- Profession tax	0	0
	157	**285**

Note 31: Current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (Refer note 44)	20	23
Provision for compensated absences (Refer note 44)	153	21
	173	**44**

Note 32: Income tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Provision for tax	127	120
Income tax liabilities (Net of advance tax ₹ 2,213 million (31 March 2024: ₹ 1,762 million))		
	127	**120**

(Currency: Indian Rupees in million)

Note 33: Revenue from Operations

		For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products		17,879	17,454
Sale of services		556	233
	(A)	**18,435**	**17,687**
Other operating revenues			
Export incentive		49	37
Compensation received from customer		71	85
Scrap sales		43	37
Others		-	-
	(B)	**163**	**159**
Revenue from operations	**(A+B)**	**18,598**	**17,846**

Note 33.1: Disaggregation of revenue from contracts with customers

The Group derives revenue from sale of products from following major segments:

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
1 Revenue from contacts with customers			
Sale of products (Transferred at point in time)			
India		6,964	6,599
Outside India		10,915	10,855
	(A)	**17,879**	**17,454**
Sale of services (Transferred over period of time)			
India		-	6
Outside India		556	227
	(B)	**556**	**233**
2 Other operating revenues			
Export incentive		49	37
Compensation received from customer		71	85
Scrap Sales		43	37
Others		-	-
	(C)	**163**	**159**
Total revenue (A + B + C)		**18,598**	**17,846**
Product lines			
Crop protection		6,917	6,844
Pharmaceuticals		11,681	11,002
		18,598	**17,846**

For the opening and closing balance of receivables from contracts with customers refer note no 13.

There is no Significant difference between contract price and revenue recognised

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Contract Balances

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Receivables	5,224	5,503
Contract Liabilities	688	775
Contract Assets	10	74

Trade Receivables are non interest bearing and are generally on term of 30-120 days.

Contract Liabilities include advance received from customers. Contract liability include long term advances which are received to deliver product on long term period and short term advances are adjusted against product delivered in current year.

Contract Assets represents unbilled revenue from ongoing development contracts.

Note 34: Other income

	As at 31 March 2025	As at 31 March 2024
Dividend received on non-current investment	0	0
Interest income on		
Bank deposit	4	11
Other	2	6
Foreign exchange gain (net)	39	-
Profit on sale of investment	4	4
Profit on sale of Property, Plant and equipments (net)	1	2
Provision for doubtful debts/advances	-	-
Sundry balance written back	-	2
Miscellaneous income	-	-
	50	**25**

Note 35: Cost of materials consumed

	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw material consumed		
Opening stock	1,401	1,360
Add: Purchase	8,648	8,093
Less: Closing stock	1,223	1,401
	8,826	**8,052**

Note 36: Changes in inventories of finished goods and Work-in-progress

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock		
Finished goods	542	829
Work-in-progress	868	776
	1,410	**1,605**
Less: Closing stock		
Finished goods	895	542
Work-in-progress	968	868
	1,863	**1,410**
	(453)	**195**

(Currency: Indian Rupees in million)

Note 37: Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages	**2,160**	2,146
Contribution to provident and other funds	**107**	108
Gratuity expenses (Refer note 44)	**24**	25
Staff welfare expense	**180**	186
	2,471	**2,465**

Note 38: Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on rupee term loans	**521**	283
Interest on foreign currency term loans	**-**	11
Interest on working capital loans	**150**	166
Interest on bills discounted	**54**	71
Other finance costs	**2**	8
Interest expenses on lease liabilities	**2**	1
Bank charges	**23**	22
Exchange difference to the extent considered as an adjustment to borrowing costs	**-**	2
	752	**564**

Note 39: Depreciation and amortisation expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment	**1,308**	1,148
Amortisation on intangible assets	**23**	16
Depreciation on right of use assets	**13**	12
	1,344	**1,176**

Note 40: Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	**381**	394
Contract labour charges	**289**	280
Power and fuel	**1,681**	1,702
Advertisement	**1**	1
Rent (Refer note 45)	**16**	20
Rates and taxes	**17**	14
Insurance	**83**	132
Repairs and maintenance		
- Plant and machinery	**374**	309
- Buildings	**134**	131
- Others	**235**	223
Printing and stationery	**32**	27
Legal and professional charges	**379**	461
Travelling and conveyance	**101**	89
Vehicle expenses	**15**	15
Postage, telephone and telegrams	**12**	12
Payment to auditors (Refer note 49)	**9**	9
Director's sitting fee/ Commission	**15**	17
Sales and distribution expenses	**346**	254
Commission on sales	**22**	26

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(Currency: Indian Rupees in million)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Security service charges	**57**	59
Sundry balance written off	**6**	-
Service charges	**2**	29
Foreign exchange loss (net)	**0**	0
Provision for doubtful debts/advances	**30**	21
Corporate Social Responsibility expenses (CSR) (Refer note 48)	**29**	35
Miscellaneous expenses	**204**	204
	4,470	**4,464**

41 Tax expense

(a) Amounts recognised in balance sheet

	As at 31 March 2025	As at 31 March 2024
Income tax liabilities (Net of advance tax ₹ 2,213 million (31 March 2024: ₹ 1,762 million))	**127**	120

	As at 31 March 2025	As at 31 March 2024
Income tax assets (Net of provision of ₹ 560 million (31 March 2024: 1,002 Million))	**25**	20

Note: The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off income tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(b) Amounts recognised in statement of profit and loss

	For the year ended 31 March 2025	For the year ended 31 March 2024
Current income tax		
Current tax	**300**	284
	300	**284**
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	**30**	(25)
Deferred tax expense	**30**	**(25)**
Tax expense for the year	**330**	**259**

(c) Amounts recognised in other comprehensive income

	For the year ended 31 March 2025			For the year ended 31 March 2024		
	Before tax	Tax expense / (benefit)	Net of tax	Before tax	Tax expense / (benefit)	Net of tax
Items that will not be reclassified to statement of profit and loss						
Gain / (loss) on remeasurement of defined employee benefit plans	**(19)**	**5**	**(14)**	(8)	2	(6)
Gain / (loss) on change in fair values of investments in equity shares carried at fair value through OCI	**0**	**0**	**0**	0	0	0
	(19)	**5**	**(14)**	**(8)**	**2**	**(6)**

(Currency: Indian Rupees in million)

(d) Reconciliation of effective tax rate

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	**1,238**	**955**
Tax using the Company's domestic tax rate (Current year 25.17% and Previous year 25.17%)	312	240
Tax effect of:		
Non-deductible tax expenses	18	19
Tax expenses as per statement of profit and loss	**330**	**259**
Weighted average tax rate	**26.65%**	**27.12%**

42 Deferred assets and liabilities (net)

a) Recognised deferred assets and liabilities

	Deferred tax assets		Deferred tax liabilities		Net deferred tax asset/ (liabilities)	
	As At 31 March 2025	As at 31 March 2024	As At 31 March 2025	As at 31 March 2024	As At 31 March 2025	As at 31 March 2024
Property, plant and equipment	-	-	(511)	(472)	(511)	(472)
Inventories	49	45	-	-	49	45
Trade receivables	31	33	-	-	31	33
Loans and advances	23	13	-	-	23	13
Provisions	83	81	-	-	83	81
Net Deferred tax asset / (liabilities)	**186**	**172**	**(511)**	**(472)**	**(325)**	**(300)**

b) Movement in deferred tax balances

	Net balance As at 1 April 2024	Recognised in statement of profit or loss	Recognised in OCI	As At 31 March 2025		
				Net	Deferred tax asset	Deferred tax liability
Deferred tax asset						
Property, plant and equipment	(472)	39	-	(511)	-	(511)
Inventory	45	(4)	-	49	49	-
Trade receivables	33	2	-	31	31	-
Loans and advance	13	(10)	-	23	23	-
Provisions	81	3	(5)	83	83	-
Net deferred tax assets / (liabilities)	**(300)**	**30**	**(5)**	**(325)**	**186**	**(511)**

c) Movement in deferred tax balances (previous year)

	Net balance As ar 1 April 2023	Recognised in statement of profit or loss	Recognised in OCI	As At 31 March 2024		
				Net	Deferred tax asset	Deferred tax liability
Deferred tax asset						
Property, plant and equipment	(478)	(5)	-	(473)	-	(472)
Inventories	40	(5)	-	45	45	-
Trade receivables	33	(0)	-	33	33	-
Loans and advances	8	(5)	-	13	13	-
Provisions	69	(10)	(2)	81	81	-
Net deferred tax assets / (liabilities)	**(327)**	**(25)**	**(2)**	**(300)**	**172**	**(472)**

(Currency: Indian Rupees in million)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off income tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

43 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the year, after considering adjustment for the effects of all dilutive potential equity shares.

		For the year ended 31 March 2025	For the year ended 31 March 2024
Consolidated profit attributable to equity shareholders (basic and diluted)			
Consolidated profit for the year attributable to equity shareholders	(A)	908	696
Weighted average number of equity shares for basic and diluted earnings per share			
Number of equity shares at beginning of the year		123,300,750	123,300,750
Number of equity shares outstanding at the end of the year		**123,300,750**	**123,300,750**
Weighted average number of equity shares for the year	(B)	**123,300,750**	**123,300,750**
Basic and diluted earnings per share of face value of ₹ 2 each	(A) / (B)	**7.36**	**5.64**

44 Employee benefits

(i) Defined Contribution Plans

The Group makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Contribution to defined contribution plans are charged off for the year as under:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Employer's contribution to Providend Fund	106	108
Employer's Contribution to Others	1	1

(ii) Defined Benefit Plans

Gratuity:

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The holding Company has obtained insurance policies with the Life Insurance Corporation of India (LIC) for eligible employees at Panoli plant and makes an annual contribution to LIC for amounts notified by LIC. The Group accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised as Other Comprehensive Income or Loss.

(Currency: Indian Rupees in million)

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's consolidated financial statements as at balance sheet date:

A. Reconciliation of the net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

	As at 31 March 2025	As at 31 March 2024
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	182	164
Current service cost	12	14
Past service cost	-	-
Interest cost (income)	13	12
Benefits paid	(38)	(16)
Actuarial losses/ (gains) recognised in other comprehensive income		
- financial assumptions	4	3
- demographic assumption	-	-
- experience adjustments	14	6
Balance at the end of the year	**187**	**182**
Reconciliation of present value of plan assets		
Balance at the beginning of the year	12	13
Transfer In / (Out) Plan Assets	-	1
Interest income	1	1
Return on plan assets, excluding amount included in interest (expense)/ income	(2)	(0)
Benefits paid	(1)	(3)
Balance at the end of the year	**10**	**12**
Net defined benefit (asset)/ liability	**177**	**170**

B. Plan assets

Plan assets comprise the following

	As at 31 March 2025	As at 31 March 2024
Investment		
Policy of insurance	100%	100%
Bank Special Deposit	0%	0%
Investment in other securities	0%	0%
Corporate Bonds	0%	0%
State Government Bonds	0%	0%
	100%	**100%**

C. The components of defined benefit plan expense are as follows:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Recognised in income statement		
Current service cost	12	14
Interest cost (net)	12	11
Total	**24**	**25**
Recognised in Other Comprehensive Income		
Remeasurement of net defined benefit liability/(asset)	18	9
Return on plan assets, excluding interest income	1	0
Total	**19**	**9**

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For the year ended 31 March 2025

(Currency: Indian Rupees in million)

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	For the year ended 31 March 2025	For the year ended 31 March 2024
Expected return on plan assets	6.70%	7.00%
Discount rate	6.70%	7.00%
Salary escalation rate	6.00%	6.00%
Attrition rate	2.00%	2.00%
Mortality rate table	Indian assured lives mortality (2012-14)	

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(174)	203	(169)	197
Rate of salary increase (1% movement)	(200)	176	195	(171)
Rate of employee turnover (1% movement)	(188)	187	(183)	181

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

	31 March 2025	31 March 2024
Expected employer's contribution to defined benefit plan for the next year	20	23

Maturity profile of the defined benefit obligation

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	Between 6- 10 years	Total
For the year ended 31 March 2025					
Defined benefit obligations (Gratuity)	21	20	58	78	177
Total	**21**	**20**	**58**	**78**	**177**
For the year ended 31 March 2024					
Defined benefit obligations (Gratuity)	25	14	55	76	170
Total	**25**	**14**	**55**	**76**	**170**

Other long term employee benefit plans

Compensated absences:

The obligation for leave encashment is recognised in the same manner as gratuity. The Group's liability on account of compensated absences is not funded and hence the disclosures relating to the planned assets are not applicable. Amount of ₹ 53 million (31 March 2024 ₹ 64 million) towards compensated absences is recognised as an expense and included in "Employee benefits expense" in the Statement of profit and loss during the year.

(Currency: Indian Rupees in million)

45 Leases:

The Group has a lease contract for building used in its operations. The Lease term is 9 years. Also, the Group has leasehold land for a period upto 99 years. The Group's obligations under its lease is secured by the lessor's title to the leased asset.

The Group also has certain leases of machinery/premises with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below is the carrying amount of right-of-use assets recognised and the movements during the period:

Particulars	Leasehold land	Buildings
As at 1 April 2023	628	1
Additions	-	29
Depreciation expense	(9)	(3)
As at 31 March 2024	619	27
Additions		
Depreciation expense	(9)	(4)
As at 31 March 2025	610	23

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Set out below is the carrying amount of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	As at 31 March 2025	As at 31 March 2024
As at 1 April	28	2
Additions	-	29
Accretion of interest	2	1
Payments	(4)	(4)
As at 31 March	26	28
Current	2	2
Non current	24	26

For Rental expense recorded for short-term leases, refer note 40.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The details of the contractual maturities of lease liabilities as at 31 March 2025 and 31 March 2024 on an undiscounted basis are as follows:

	As at 31 March 2025	As at 31 March 2024
Payable within one year	5	4
Payable between one year and five years	21	20
Payable after more than five years	9	15

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

46 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. There are no financial assets or financial liabilities not measured at fair value, whose carrying amount is not a reasonable approximation of fair value.

31 March 2025	Carrying amount			Fair value			Total
	FVTOCI	FVPTL	Total	Level 1	Level 2	Level 3	
Financial assets							
Investment	95	-	95	0	-	95	95
	95	-	95	0	-	95	95

31 March 2024	Carrying amount			Fair value			Total
	FVTOCI	FVPTL	Total	Level 1	Level 2	Level 3	
Financial assets							
Investment	54	-	54	0	-	54	54
	54	**-**	**54**	**0**	**-**	**54**	**54**

B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

i. Risk management framework

The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

(Currency: Indian Rupees in million)

At 31 March 2025, the maximum exposure to credit risk for trade receivables by geographic region was as follows.

	Carrying amount	
	As at 31 March 2025	As at 31 March 2024
India	2,437	2,299
Other regions	2,910	3,337
	5,347	5,636

Impairment

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

	As at 31 March 2025		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	4,234	0.48%	20
Past due 0-90 days	885	1.68%	15
Past due 91-180 days	105	10.46%	11
Past due 181-365 days	40	6.39%	3
Past due 366-730 days	12	36.89%	4
Past due 731-1096 days	9	97.18%	8
More than 1096 days	62	100.00%	62
	5,347		123

	As at 31 March 2024		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	4,736	0.56%	27
Past due 0-90 days	777	2.89%	22
Past due 91-180 days	35	23.96%	8
Past due 181-365 days	6	31.17%	2
Past due366-730 days	18	53.96%	10
Past due731-1096 days	5	90.41%	4
More than 1096 days	60	100.00%	60
	5,636		133

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	Amount
Balance as at 31 March 2024	**133**
Additional provision	(10)
Impairment loss recognised / (reversal)	-
Balance as at 31 March 2025	**123**

Cash and cash equivalents

The Group held cash and cash equivalents (including bank deposits) of ₹ 187 million at 31 March 2025 (31 March 2024: ₹ 213 million). The cash and cash equivalents (including bank deposits) are held with banks with good credit ratings and financial institution counterparties with good market standing.

Other than trade receivables, the Group has no other significant financial assets that are past due but not impaired.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2025	Carrying amount	Total	Contractual cash flows		
			Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings and lease liabilities - Non current	3,696	3,696	-	3,648	48
Borrowings and lease liabilities - current	3,951	3,951	3,951	-	-
Other financial liabilities - current	448	448	448	-	-
Trade payables	3,041	3,041	3,041	-	-
	11,136	11,136	7,440	3,648	48

As at 31 March 2024	Carrying amount	Total	Contractual cash flows		
			Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings and lease liabilities - Non current	4,255	4,255	-	3,697	558
Borrowings and lease liabilities - current	3,921	3,921	3,921	-	-
Other financial liabilities - current	408	408	408	-	-
Trade payables	2,788	2,788	2,788	-	-
	11,372	**11,372**	**7,117**	**3,697**	**558**

The gross outflow disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iv Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Exposure to currency risk

The major currency profile of financial assets and financial liabilities as at 31 March 2025 and 31 March 2024 are as below:

	As At 31 March 2025			
	USD	EUR	CHF	SGD
Financial assets	2,648	271	-	-
Financial liabilities	1,112	128	3	-
Net Exposure	**1,536**	**143**	**(3)**	**-**

	As At 31 March 2024			
	USD	EUR	CHF	SGD
Financial assets	3,036	372	-	-
Financial liabilities	1,408	151	23	2
Net Exposure	**1,628**	**221**	**(23)**	**(2)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against USD, Euros, Swiz Franc and Singapore dollar at 31 March would have affected the measurement of financial instruments denominated in these currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	Profit or loss before tax		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
USD (3% movement)	46	(46)	35	(35)
EUR (3% movement)	4	(4)	3	(3)
CHF (3% movement)	(0)	0	(0)	0
SGD (3% movement)	-	-	-	-
	50	**(50)**	**38**	**(38)**

Effect in INR	Profit or loss before tax		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
USD (3% movement)	49	(49)	37	(37)
EUR (3% movement)	7	(7)	5	(5)
CHF (3% movement)	(1)	1	(1)	1
SGD (3% movement)	(0)	0	(0)	0
	55	**(55)**	**41**	**(41)**

v. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Notes to the Consolidated Financial Statements
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(Currency: Indian Rupees in million)

Exposure to interest rate risk

Group's interest rate risk arises from borrowings. Borrowings issued at fixed and variable rates exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

	Nominal amount	
	As at 31 March 2025	As at 31 March 2024
Fixed-rate instruments		
Financial assets	65	98
Financial liabilities	(2,633)	(2,886)
	(2,568)	**(2,788)**
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(4,988)	(5,262)
	(4,988)	**(5,262)**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through statement of profit and loss. Therefore, a change in interest rates at the reporting date would not affect statement of profit and loss.

47 Capital Management

As at 31 March 2025, the Group has only one class of equity shares. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's capital management is to safeguard its ability to continue as going concern and to maintain and optimal capital structure so as to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt and adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

	As at 31 March 2025	As at 31 March 2024
Non-current borrowings	3,672	4,229
Current borrowings	3,949	3,919
Gross debt	**7,621**	**8,147**
Less - Cash and cash equivalents	130	127
Less - Other current bank deposits	50	82
Adjusted net debt(A)	**7,441**	**7,939**
Total equity (B)	**12,623**	11,877
Adjusted net debt to equity ratio	0.59	0.67
Total capital (A)+(B)	20,064	19,816
Gearing ratio *	37%	40%

*The Group's ideal gearing ratio is 35% to 40%.

(Currency: Indian Rupees in million)

48 Corporate social responsibility

As per Section 135 of the Act, a CSR committee has been formed by the Group. The funds are utilised during the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct and indirect contribution towards various activities.

Gross amount required to be spent by the Group during the year: ₹ 28 million (31 March 2024: ₹ 36 million)

The areas of CSR activities and contributions made thereto are as follows:

Amount spent during the year on ;	For the year Ended 31 March 2025	For the year Ended 31 March 2024
Protection of national heritage	10	5
Promotion of education	8	17
Environmental sustainability	3	7
Promoting preventive health care and sanitation and making available safe water	8	6
Others	0	0
Total	**29**	**35**

The Group does not carry any provisions for corporate social responsibility expenses for the current year and the previous year.

Amount of Expenditure incurred on Corporate Social Responsibility

Particulars	31 March 2025	31 March 2024
(a) amount required to be spent by the holding company during the year	28	36
(b) amount of expenditure incurred	29	35
(c) Excess / (shortfall) at the end of the year	1	(1)
(d) total of previous years shortfall	-	-
(e) reason for shortfall	NA	Adjusted against excess spent in FY 2022-23
(f) nature of CSR activities	As per above table	As per above table
(g) Details of related party transactions, contribution to an entity (in which certain directors of Holding Company are directors) in relation to CSR expenditure.	7.50	2.50
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

49 Payment to Auditors' (excluding Goods and Services tax)

	For the year ended 31 March 2025	For the year ended 31 March 2024
- Audit fees	6	6
- Limited review of quarterly results	3	3
- Certification and other matters	-	0
- Out-of-pocket expenses	0	0
Total	**9**	**9**

(Currency: Indian Rupees in million)

50 Capitalisation of expenditure

During the year, the Group has capitalised the following expenses of revenue nature to the cost of property, plant and equipment (tangible fixed assets)/capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

	For the year ended 31 March 2025	For the year ended 31 March 2024
Finance costs	-	247
Employee benefit expenses	22	24
Power & fuel	0	80
Consultancy Charges	1	2
Material Consumption - net of amount recovered	(62)	215
Total	**(39)**	**568**

51 Segment information

For management purposes, the Group is organised into business units based on its products and services and has two reportable segments, as follows:

Pharmaceuticals: Segment produces in Active Pharmaceutical Ingredients

Crop protection: Segment manufactures in pesticides, herbicides.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit as the performance indicator for all of the operating segments, and review the total assets and liabilities of an operating segment.

Based on above, following are reportable segments as per Ind AS 108

Primary Segment (Operating Segment): Based on product lines of Group	Secondary Segment (Geographical Segment) Based on geographical area of operation
Pharmaceuticals	India and Outside India
Crop Protection	

Segment wise classification:-

A i) Primary segment reporting (by business segment)

The Group's business segments based on product lines are as under:

- Pharmaceuticals

Segment produces/trades in Active Pharmaceutical Ingredients

- Crop Protection

Segment produces/trades in pesticides and herbicides

ii) Segment revenues, results and other information

Particulars	Crop Protection	Pharmaceuticales	Total of Reportable Segment
External sales	**6,917**	**11,681**	**18,598**
	6,844	*11,002*	*17,846*
Other income	-	-	-
	-	-	-
Segment revenue	**6,917**	**11,681**	**18,598**
	6,844	*11,002*	*17,846*
Cost of goods sold	**3,209**	**5,164**	**8,373**
	2,995	*5,252*	*8,247*
Personnel Cost	**823**	**1,553**	**2,376**
	762	*1,633*	*2,395*

(Currency: Indian Rupees in million)

Particulars	Crop Protection	Pharmaceuticales	Total of Reportable Segment
Other Expense	**1,610**	**2,749**	**4,359**
	1,939	*2,432*	*4,371*
Depreciation/Amortisation	**483**	**841**	**1,324**
	405	*750*	*1,155*
Segment results	**792**	**1,374**	**2,166**
	743	*935*	*1,678*
Segment assets	**9,349**	**15,393**	**24,742**
	9,212	*14,483*	*23,695*
Segment liabilities	**1,262**	**2,846**	**4,108**
	1,320	*2,457*	*3,777*
Capital expenditure (included in segment assets)	**378**	**957**	**1,335**
	933	*1,392*	*2,325*

Figures in italics pertain to previous year

iii) Reconciliation of reportable segments with the financial statements

	Revenues	Results / Net Profits	Assets	Liabilities	Capital Expenditure	Depreciation/ Amortisation
Total of reportable segments	**18,598**	**2,166**	**24,742**	**4,108**	**1,335**	**1,324**
	17,846	*1,678*	*23,694*	*3,776*	*2,325*	*1,155*
Corporate / Unallocated segment	**-**	**176**	**547**	**8,558**	**25**	**20**
	-	*159*	*1,177*	*9,218*	*97*	*21*
Finance cost	**-**	**752**	**-**	**-**	**-**	**-**
	-	*564*	*-*	*-*	*-*	*-*
Taxes	**-**	**330**	**-**	**-**	**-**	**-**
	-	*259*	*-*	*-*	*-*	*-*
As per financial statement	**18,598**	**908**	**25,289**	**12,666**	**1,360**	**1,344**
	17,846	*696*	*24,871*	*12,994*	*2,422*	*1,176*

Figures in italics pertain to previous year

B Secondary segment reporting (by geographical segment)

Particulars	India	USA and Canada	Europe	South East Asia	Others	Total
Revenue	**7,041**	**2,506**	**5,300**	**2,990**	**761**	**18,598**
	6,679	*2,983*	*4,677*	*3,137*	*370*	*17,846*
Total assets	**25,289**	**-**	**-**	**-**	**-**	**25,289**
	24,871	*-*	*-*	*-*	*-*	*24,871*
Capital expenditure	**1,360**	**-**	**-**	**-**	**-**	**1,360**
	2,422	*-*	*-*	*-*	*-*	*2,422*

There is a customer which account for revenue of ₹ 1,881 Million (31 March 2024 ₹ 2,605 Million) in Crop protection segment other than these there are no transactions with single external customer which amounts to 10% or more of the Group's revenue.

Figures in italics pertain to previous year

Notes to the Consolidated Financial Statements
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(Currency: Indian Rupees in million)

52 Related party disclosures

The note provides the information about the Group's structure. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

i) List of Related parties

Relationship	Name of the related party
a) Company/ enterprises exercising significant influence through voting power ('significant shareholder')	Kalyani Investment Company Limited ("KICL")
b) Key Management Personnel (KMP)	Jai Hiremath (Executive Chairman)
	Sameer Hiremath (Vice Chairman and Managing Director)
	Kuldeep Jain (Chief Financial Officer)
	Rajasekhar Reddy (Company Secretary)
c) Enterprises owned or controlled or significantly influenced by key management personnel or their relatives	Decent Electronics Private Limited ("DEPL")
	Karad Engineering Consultancy Private Limited ("KECPL")
	Ekdant Investments Private Limited ("EIPL")
	Shri Rameswara Investment Private Limited ("SRIPL")
	Shri Badrinath Investment Private Limited ("SBIPL")
	Rushabh Capital Services Private Limited ("RCSPL")
	BF Investment Limited
	Sumer Trust
	Rhea Trust
	Nihal Trust
	Anika Trust
	Pooja Trust
	Anish Trust
	Pallavi Trust
	Sameer Trust
	Malvi Ranchoddas & Co (Up to 31 March, 2024)
	Zirad Art Foundation
d) Relatives of Key Management Personnel	Anish Swadi
	Pallavi Swadi
	Pooja Hiremath
	Ashok Vishwanath Hiremath
	Sumer Hiremath (w.e.f. 12 February 2023)
e) Non-executive directors	Baba Kalyani (up to 29 December 2023)
	Amit Kalyani
	Sugandha Hiremath
	Kannan K. Unni (up to 31 March 2024)
	Prakash Mehta (up to 31 March 2024)
	Ranjit Shahani (up to 9 March 2024)
	Shivani Bhasin Sachdeva
	Shrikrishna Adivadekar
	Berjis Desai (w.e.f. 1 October 2023)
	Ramachandra Kaundinya Vinnakota (w.e.f. 1 October 2023)
	Ravi Kapoor (w.e.f. 11 January 2024)
	Ranjana Salgaocar (w.e.f. 23 March 2024)
	Sarangan Suresh (w.e.f. 1 April 2024)
f) Key Management Personnel of Subsidiary	Sham Wahalekar

Notes to the Consolidated Financial Statements
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(Currency: Indian Rupees in million)

ii) Details of transactions with related parties and balances outstanding

Particulars	Transaction value		Balances outstanding	
	Year ended 31 March 2025	Year ended 31 March 2024	31 March 2025	31 March 2024
Remuneration				
Jai Hiremath	64	53	-	-
Sameer Hiremath	49	45	-	-
Anish Swadi	35	35	-	-
Sarangan Suresh	5	-	-	-
Kuldeep Jain	16	16	-	-
Rajasekhar Reddy	12	12	-	-
Commission paid				
Jai Hiremath	2	-	2	-
Sameer Hiremath	11	3	11	3
Sitting fees				
Sugandha Hiremath	1	1	-	-
Baba Kalyani	-	0	-	-
Amit Kalyani	0	1	-	-
Kannan K. Unni	-	2	-	-
Prakash Mehta	-	2	-	-
Shrikrishna Adivadekar	1	1	-	-
Ranjit Shahani	-	1	-	-
Shivani Bhasin Sachdeva	1	1	-	-
Berjis Desai	1	0	-	-
Ramachandra Kaundinya Vinnakota	1	1	-	-
Ravi Kapoor	1	0	-	-
Ranjana Salgaocar	1	0	-	-
Commission to Non-executive directors				
Sugandha Hiremath	1	1	1	1
Baba Kalyani	-	0	-	0
Amit Kalyani	1	1	1	1
Kannan K. Unni	-	1	-	1
Prakash Mehta	-	1	-	1
Shrikrishna Adivadekar	1	1	1	1
Ranjit Shahani	-	1	-	1
Shivani Bhasin Sachdeva	1	1	1	1
Berjis Desai	1	0	1	0
Ramachandra Kaundinya Vinnakota	1	0	1	0
Ravi Kapoor	1	0	1	0
Ranjana Salgaocar	1	0	1	0
Dividend paid				
SBIPL	24	24	-	-
SRIPL	12	12	-	-
DEPL	0	0	-	-
EIPL	0	0	-	-
KECPL	0	0	-	-
KICL	46	46	-	-
Sugandha Hiremath	12	12	-	-
Jai Hiremath	2	2	-	-
Sameer Hiremath	0	0	-	-
Anish Swadi	0	0	-	-
Baba Kalyani	0	0	-	-
Kannan K. Unni	0	0	-	-
Prakash Mehta	0	0	-	-
Pallavi Swadi	0	0	-	-
Pooja Hiremath	0	0	-	-
BF Investment Limited	4	4	-	-
Sumer Trust	0	0	-	-
Rhea Trust	0	0	-	-

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

Particulars	Transaction value		Balances outstanding	
	Year ended 31 March 2025	Year ended 31 March 2024	31 March 2025	31 March 2024
Nihal Trust	0	0	-	-
Anika Trust	0	0	-	-
Pooja Trust	0	0	-	-
Anish Trust	0	0	-	-
Pallavi Trust	0	0	-	-
Sameer Trust	0	0	-	-
Kuldeep Jain	0	0	-	-
Rajasekhar Reddy	0	0	-	-
Sham Wahalekar	0	0	-	-
Ashok Hiremath	0	0	-	-
Ravi Kapoor	0	0	-	-
Sarangan Suresh	0	-	-	-
Lease rent paid				
RCSPL	1	1	-	-
Sugandha Hiremath	2	2	-	-
Jai Hiremath	0	0	-	-
Security Deposit				
RCSPL	-	-	1	1
Sugandha Hiremath	-	-	50	50
Jai Hiremath	-	-	20	20
Other Recoverables				
Jai Hiremath	-	6	-	6
Advances Given				
Kuldeep Jain	-	2	1	2
Advances Given Repaid				
Kuldeep Jain	1	0	-	-
Interest Received on advances				
Kuldeep Jain	0	0	0	0
Corporate Social Responsibility				
Zirad Art Foundation	8	3	0	0
Consultancy Charges				
Malvi Ranchoddas & Co*	-	6	-	0

For the year ended 31 March 2024 the remuneration paid to one of the managerial person was in excess of limits specified in section 197 of the Companies Act, 2013 ("the Act") and accordingly in section, such excess remuneration of ₹ 6 million is recognised in the financial statements as a recoverable from the director and will be recovered by the Company in accordance with said provisions of the Act. The remuneration to managerial persons for the year ended 31 March 2024 is in accordance with the limits applicable under the regulation 17(6) of SEBI (listing Obligation and Disclosure Requirements) Regulation, 2015.

Terms and conditions of transactions with related parties

1. All related party transactions entered during the year were in ordinary course of business and are on arms length basis.
2. Outstanding balances at year end are unsecured and settlement occures in cash.
3. The remuneration of executive directors is determined by the nomination and remuneration committee.
4. *Outstanding balance does not include escrow account balance with the party.
5. Also refer note 48

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

53 Contingent liabilities and commitments (to the extent not provided for)

A. Contingent liabilities

	As at 31 March 2025	As at 31 March 2024
(i) Direct and Indirect taxes		
Income Taxes*	395	362
Excise Duty**	40	40
Cental Sales Tax (CST)***	3	3
Value Added Tax (VAT)****	11	11
Goods and Service Tax (GST)*****	73	73

"* Above does not includes interest and penalty, if any

** In addition to above interest and penalty of ₹ 40 million was levied.

*** In addition to above for certain matters, penalty and interest of ₹ 6 million was levied during the assessment.

**** in addition to above penalty and interest of ₹ 11 million was levied during the assessment.

*****In addition to above penalty of ₹ 7 million was levied."

(ii) There are no material developments during the year in the matter relating to the alleged improper disposal of by-product by the Holding Company in January 2022, for which statutory authorities have conducted investigations in relation to alleged non-compliance with certain environmental laws and regulations, and the matter is pending before Hon'ble Supreme Court of India. In this connection, in March 2022, the National Green Tribunal, Principal Bench, New Delhi had passed an order accepting the Joint Commitee's Reports, which includes recovery of compensation of ₹ 175 millions from the Holding Company's for aforesaid non-complaince. Gujarat Pollution Control Board subsequently issued a direction to the Holding Company for payment thereof, which has been stayed by the Hon'ble Supreme Court. In an earlier quarter, upon the Holding Company depositing ₹ 50 millions with the Court. of this amount, ₹ 10 millions is released for payment to legal representatives of the deceased individuals, for which the Holding Company has recognised a provision in financial year 2023-24 as a matter of prudence, and without prejudice to its rights and contentions. Based on the advice of external legal consel, the Holding Company believes it has a good case on merits in these matters, and the Holding Company is taking necessary steps, including legal measures, to defend itself. Accordingly, no further provision is required in the financial results in this respect.

(iii) On 12 July 2023, Karnataka Pollution Control Board (KPCB) served a demand notice to the Holding Company for ₹ 83 millions as Environmental Compensation however notice does not give details of instance of grounds / non-compliances. Aggrieved by this, Holding Company has approached Hon'ble Karnataka High Court. Based on the advice of external legal counsel, the Holding Company believes it has a good case on merits in this matter and accordingly, no provision is required in the financial statement in this regard.

(iv) The Holding Company is subject to legal proceedings, claims and GST audit, which have arisen in the ordinary course of business. The Holding Company has reviewed all its pending litigations and other matters and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its financial statements. The Holding Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Holding Company's results of operations or financial condition.

B. Commitments

	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for, tangible assets (net of advances)	469	341
Other non cancellable material commitment	2,267	2,392

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

(Currency: Indian Rupees in million)

54 Key Ratios

Sr. No.	Particulars	Numerator	Denominator	As at / for the year ended 31 March 2025	As at / for the year ended 31 March 2024	Variance (in %)	Reason for variance (if variance is more than 25%)
1	Current Ratio	Current Assets	Current Liabilities	1.26	1.28	1%	
2	Net Debt-Equity Ratio	Total Borrowing	Equity	0.59	0.67	12%	
3	Debt Service Coverage Ratio	EBIT	Total Debt Service	1.45	1.52	5%	
4	Return on Equity Ratio	Profit After Tax	Average Equity	7.41%	6.00%	24%	
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.62	2.66	1%	
6	Trade Receivables Turnover Ratio	Revenue from operation except Export incentive and others	Average Trade Receivable	3.46	3.59	4%	
7	Trade Payables Turnover Ratio	Total Purchases	Average Trade Payable	2.97	2.73	8%	
8	Net Working Capital Turnover Ratio	Revenue from operation except Export incentive and others	Working Capital = Current Assets - current liabilities	8.96	8.48	6%	
9	Net Profit Ratio	Net Profit after Tax	Revenue from operation except Export incentive and others	4.90%	3.91%	26%	Increase in revenue and reduction in expenses
10	Return on Capital Employed	EBIT	Equity + borrowings + deferred tax liability	9.73%	7.70%	26%	Increase in revenue and reduction in expenses
11	Return on Investment	Income generated from Invested funds	Average Investment Funds	5.66%	5.50%	3%	

(Currency: Indian Rupees in million)

55 Contribution to Provident Fund as per Supreme Court Judgment

There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28 February 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The impact is not expected to be material as per the assessment made by the Holding Company.

56 The Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Holding company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13 November 2020. The Holding Company will assess the impact and its evaluation once the subject rules are notified. The Holding Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

57 Dues relating to Investor Education and Protection fund

During the year the Holding Company has transferred ₹ 0 Million (31 March 2024 ₹ 1 million) to Investor Education and Protection fund. There are no other dues which need to be credited as at the year end to the Investor Education and Protection fund.

58 The Group does not have any Benami property, where any proceedings have been initiated or pending against the group for holding any Benami property.

59 The Group does not have any transactions with Companies struck off.

60 The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

61 The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.

62 The Group has not advanced or loaned or invested funds to any other person / entities, including foreign entities (intermediaries) with the understanding that the intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

63 The Group has not received funds to any other person / entities, including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the holding company shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

64 The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

65 The Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software, except that audit trail feature is not enabled for changes made (if any) by users with privileged/ administrative access rights for the period from 13 August 2024 to 21 February 2025 and for direct changes to data when using certain access rights in respect of Oracle application.

66 The quarterly returns or statements of Current assets filed by the Holding Company with the banks or financial institutions are in agreement with the books of accounts.

(Currency: Indian Rupees in million)

67 Other information

The figures for the previous periods have been regrouped wherever necessary to conform to the current year's presentation.

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm's Registration No: 324982E/E300003

per Vinayak Pujare
Partner
Membership No: 101143

Mumbai
14 May 2025

For and on behalf of the Board of Directors of
Hikal Limited
CIN: L24200MH1988PTC048028

Jai Hiremath
Executive Chairman
DIN: 00062203

Sameer Hiremath
Vice Chairman and Managing Director
DIN: 00062129

Ramachandra Kaundinya Vinnakota
Director
DIN - 00043067
Mumbai
14 May 2025

Kuldeep Jain
Chief Financial Officer
Mumbai
14 May 2025

Rajasekhar Reddy
Company Secretary
Mumbai
14 May 2025

Corporate Information

Board of Directors
Jai Hiremath - Executive Chairman
Sameer Hiremath - Vice Chairman and Managing Director
Sugandha Hiremath
Amit Kalyani
Shivani Bhasin Sachdeva
Shrikrishna K Adivarekar
Berjis Minoo Desai
V Ramachandra Kaundinya
Ravi B Kapoor
Ranjana S Salgaocar
Sarangan Suresh

Chief Financial Officer
Kuldeep Jain

Company Secretary
Rajasekhar Reddy

Statutory Auditors
SRBC & Co. LLP
Chartered Accountants

Secretarial Auditors
Dhrumil M Shah & Co.,LLP

Bankers and Financial Institutions
Citibank N.A.
DBS Bank India Ltd.
Export Import Bank of India
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
International Financial Corporation
Kotak Mahindra Bank Ltd.
Standard Chartered Bank

Legal Advisor
Malvi Ranchoddas & Co.

Registered Office/ Corporate Office
717/718, Maker Chambers V, Nariman Point
Mumbai - 400021

Administrative Office
Great Eastern Chambers, 6th Floor,
Sector 11, C.B.D. Belapur,
Navi Mumbai - 400614

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Mahad, Maharashtra
Taloja, Maharashtra
Panoli, Gujarat
Pharmaceutical Unit - I & II, Jigani, Karnataka
R&D Unit at Hinjewadi Pune, Maharashtra

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