

01st June, 2026

The Dy. General Manager (Listing Dept.)
BSE Limited,
Corporate Relationship Dept.,
1st Floor, New Trading Ring,
P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001
(BSE Scrip Code: 500420)

The Manager – Listing Dept.,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai – 400 051
(NSE Scrip Code: TORNTPHARM)

Dear Sir,

Sub.: Submission of Annual Report for FY 2025-26 and intimation of voting through electronic means

Please find attached herewith soft copy of the Integrated Annual Report 2025-26 (comprising of Notice calling 53rd Annual General Meeting (AGM) along with Audited Financial Statements, Directors' Report, Auditors' Report, etc.) of Torrent Pharmaceuticals Limited ("the Company") in compliance with Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

In compliance with the relevant Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice convening the AGM and the Integrated Annual Report of the Company for FY 2025-26 is being sent to all the shareholders of the Company whose e-mail addresses are registered with the Company or Depository Participant(s). For those shareholders who have not registered their email ids, a letter providing a weblink from where the Notice of the AGM and Integrated Annual Report for the financial year 2025-26 can be accessed is being sent.

Further, in compliance with the relevant Circulars issued by the Ministry of Corporate Affairs, relevant provisions of the Companies Act, 2013 and Securities and Exchange Board of India, the Company is offering facility of remote e-voting ("remote e-voting") and e-voting facility during the AGM ("e-voting") to all the shareholders of the Company in respect of the businesses to be transacted at the 53rd AGM scheduled to be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on Tuesday, 23rd June, 2026 at 09:30 a.m. For this purpose, the Company has engaged Central Depository Services (India) Ltd as its Authorised Agency.

The remote e-voting will commence from 9:00 a.m. (IST) on Friday, 19th June, 2026, to 5:00 p.m. (IST) on Monday, 22nd June, 2026. Those members, who will be present in the AGM through VC / OAVM and have not casted their vote on the resolutions through remote e-voting shall be eligible to vote through e-voting system available in the AGM. The cut-off date for the purpose of remote e-voting and e-voting is Tuesday, 16th June, 2026.

TORRENT PHARMACEUTICALS LIMITED

CIN : L24230GJ1972PLC002126
Regd. Office: Avirat, Thaltej Shilaj Road, Ahmedabad – 380059
Phone: +91 79 26599000, Fax : +91 79 26582100, www.torrentpharma.com

Email – investorservices@torrentpharma.com



The above is for your information and record.

Thanking you,

Yours sincerely,

For TORRENT PHARMACEUTICALS LIMITED

CHINTAN M. TRIVEDI
COMPANY SECRETARY

Encl : A/a

TORRENT PHARMACEUTICALS LIMITED

CIN : L24230GJ1972PLC002126

Regd. Office: Avirat, Thaltej Shilaj Road, Ahmedabad – 380059

Phone: +91 79 26599000, Fax : +91 79 26582100, www.torrentpharma.com

Email – investorservices@torrentpharma.com

Building core strength Unlocking future potential





About Torrent Pharma

Torrent Pharmaceuticals Limited is the flagship company of the Torrent Group and a leading player in the Indian pharmaceutical industry, with a strong presence in both domestic and international markets. Committed to providing affordable, high-quality medicines, the Company pioneered the concept of niche marketing in India and ranks among the top 5 in Cardiovascular (CV), Central Nervous System (CNS), Gastro-Intestinal (GI), Dermatology & Pain Management therapies. The Company also has a presence in other therapeutic areas, including diabetology and gynaecology.

Scrip Codes

BSE: 500420

NSE: TORNTPHARM

₹1,428 billion

Market Capitalisation (As at 31st March, 2026)



Read our Integrated Annual Report online at www.torrentpharma.com



What's Inside

Introducing the Report

- 01 About the Report
- 02 Theme Intro

Organisational Overview

- 04 Introducing our New Identity
- 05 Guided by Purpose, Anchored in Values
- 06 Who We Are
- 08 Turning Milestones into Momentum
- 10 Where We Operate
- 12 Our Business and Offerings
- 20 Managing Director's Message
- 24 About JB Pharma

Value Creation Approach

- 26 Value Creation Model
- 28 Stakeholder Engagement
- 32 Double Materiality Assessment
- 36 Strategic Priorities

EESG Overview

- 40 Economic
- 58 Environment
- 68 Social
- 94 Governance

Statutory Reports

- 100 Board's Report
- 136 Management Discussion and Analysis
- 160 Business Responsibility & Sustainability Report
- 218 Report on Corporate Governance

Financial Statements

- 238 Standalone
- 324 Consolidated
- 412 Five-year Financial Highlights
- 413 IR Assurance Report
- 418 GRI Index
- 422 Glossary of Abbreviations
- 426 AGM Notice
- 441 Corporate Information

ABOUT THE REPORT

We are pleased to present our sixth Integrated Annual Report for the financial year 2025–26. This Report provides a comprehensive overview of our financial and non-financial performance, along with a clear articulation of our strategy, business model, key risks and opportunities. It also offers insights into our approach towards environmental stewardship, social responsibility and governance practices. Through this integrated approach, we aim to present a holistic view of how we create sustainable and long-term value for all our stakeholders.

Reporting Framework and Guidelines

This Integrated Annual Report has been prepared in alignment with the Integrated Reporting <IR> Framework prescribed by the International Integrated Reporting Council (IIRC), now part of the IFRS Foundation.

The Report is also aligned with:

- Global Reporting Initiative (GRI) Standards
- United Nations Sustainable Development Goals (UN SDGs)

Further, the financial and statutory information presented in this Report complies with:

- The Companies Act, 2013 and rules made thereunder
- Indian Accounting Standards (Ind AS)
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India
- National Guidelines on Responsible Business Conduct (NGRBC)
- Other applicable laws and regulations

Reporting Period (GRI 2-3)

This Report covers the period from 1st April, 2025 to 31st March, 2026.

Reporting Scope and Boundary (GRI 2-2)

The disclosures in this report primarily covers our Company's global operations, including our wholly owned subsidiaries. Any specific exclusions, wherever applicable, have been clearly indicated in the respective sections. The business section and financial data includes J.B. Chemicals & Pharmaceuticals Limited ('JB Pharma' or 'JBCPL') and its subsidiaries from 21st January, 2026 onwards.

Responsibility Statement (GRI 2-14)

The Board has taken careful consideration to ensure the accuracy and completeness of the content of this Integrated Annual Report.

The preparation of this Report has been a collaborative effort across functions and business units. The Board acknowledges their contribution in providing accurate and relevant information, enabling a balanced and transparent representation of our performance.

Restatements of Information (GRI 2-4)

Restatements of information, wherever applicable, have been clearly disclosed in the relevant sections along with appropriate explanations.

Assurance (GRI 2-5)

The non-financial disclosures in this Report have been independently assured by Grant Thornton Bharat LLP. The assurance statement is provided in the relevant section of the Report.

Feedback (GRI 2-3)

We value feedback from our stakeholders and welcome your suggestions, comments, and perspectives to further enhance the quality and relevance of our reporting. We thank our readers for their continued trust, time and interest.

Write to us at: investorservices@torrentpharma.com

Torrent Pharmaceuticals Limited
'Avirat', Thaltej Shilaj Road,
Ahmedabad – 380059,
Gujarat, India
www.torrentpharma.com



BUILDING CORE STRENGTH UNLOCKING FUTURE POTENTIAL

FY 2025-26 marked a transformative chapter in our growth story, marked by strong execution across our core businesses and a transformational step towards unlocking new avenues for future success. Our performance during the year reflects the resilience of our India business, improving traction in key international markets, and a disciplined approach to operations and capital allocation.

Our India business continued to anchor our performance, driven by sustained momentum in chronic therapies. Focused brand-building, improved field productivity and deeper market reach enabled us to deliver consistent growth ahead of the market. This was complemented by steady performance across our international businesses, particularly in key markets, supported by a calibrated portfolio strategy and improved operational execution.

A defining highlight of the year was our strategic acquisition of a controlling stake in J.B. Chemicals & Pharmaceuticals Limited. This milestone is a testament to our ambition to build scale and depth in the domestic market, while simultaneously opening up new horizons for growth in high-potential therapies and international markets.

The integration process is progressing in line with our expectations, with a clear focus on unlocking synergies across brands, operations, and capabilities. This acquisition not only strengthens our core but also acts as a catalyst, accelerating our journey towards long-term, sustainable growth.

Our financial performance remained robust, with base business revenue growing in the mid-teens during the year, supported by consistent performance across geographies. Operating profitability improved, driven by better product mix, cost optimisation, and operating leverage. This reflects our continued focus on building efficiency while investing selectively in growth opportunities. At the same time, we are taking measured steps to unlock future potential.

Looking ahead, we remain steadfast in our strategy: fortifying our core businesses and capitalising on well-defined strategic opportunities. By deepening our capabilities, expanding into regulated markets, and investing in high-growth therapy areas, we are building a resilient organisation poised to deliver sustained value for all stakeholders. Our journey continues – with core strength as our foundation and future potential as our guiding ambition.



INTRODUCING OUR NEW IDENTITY



For over half a century, Torrent has grown steadily across sectors critical to society – pharmaceuticals, power, gas, and electricity distribution. This growth has been shaped not by short-term ambition, but by discipline, integrity, and a long-term view of progress.

At every stage, Torrent has focused on building scale with stability – strengthening foundations before expanding horizons. That philosophy continues to define how we operate, invest, and evolve.

As the organisation has grown in size, complexity, and responsibility, the need emerged for an identity that reflects this maturity, one that represents both the strength of what has been built and the momentum of what lies ahead.

Our new logo is considered an evolution of that thinking.

It draws from the strength of our foundation - stable, balanced, and resilient, while adopting a more refined and contemporary form that reflects adaptability and forward momentum. The design is a balance between being solid and dependable, and agile and future-ready. The identity mirrors how Torrent operates today: grounded in values, yet responsive to a changing world.

This evolution is not a shift in direction. It is a clearer articulation of who we are, and how we will continue to build for the future.

GUIDED BY PURPOSE, ANCHORED IN VALUES

Our purpose embodies a simple yet powerful philosophy: Happiness for All. This commitment goes beyond delivering world-class products and services. It defines our approach to healthcare and our responsibility towards customers, employees and communities.



Vision

To become the most respected pharma company.



Mission

We commit ourselves to total customer care by delivering world-class products and services.

Core Values

Our core values serve as the foundation and guiding principles, leading to longevity and success in the pharmaceutical industry.



Integrity

When Truth is Paramount

Thoughts and actions entail doing the right thing at all times and in all circumstances, whether or not anyone is watching. This requires inner courage and conviction, no matter what the consequences are. It is honouring one's commitments and being accountable for one's actions, end to end.



Passion for Excellence

When Best is not Enough

Passion for excellence means not doing extra-ordinary things, but doing ordinary things in all pursuits exceedingly well. Passion and excellence are forces that fuel each other on the exclusive path to leadership. As we are what we repeatedly do, excellence then is not an act, but a habit.



Participative Decision-making

Involvement that Engenders Effectiveness

An ideal organisation facilitates participation and involvement of each of its members in various decision making processes, thus ensuring their commitment to such decisions as well as its outcome. It provides a platform for seeking and nurturing constructive ideas from individuals, teams and units which eventually yields exceptional results.



Concern for Society and Environment

When Every Smile Matters

Concern for Society & Environment is a sense of responsibility and contribution to society that defines our existence. It entails making a difference in the quality of lives and environment surrounding us. It is important to encourage fellow-members on collective as well as individual basis to fulfil the responsibility of leaving behind a world rich in flora and fauna and rich in time tested values and ideals and above all rich in social fervour for our future generations.



Fairness with Care

Harnessing Equality

Fairness and Care towards all fellow members are inextricably linked. Weaving the threads of equality, irrespective of caste, creed, religion and gender, into the day to day fabric, ensures fairness for each and every individual. Empathic care recognises needs and aspirations of all. Only such fairness and care eventually lead fellow members to the dawn of eternal success.



Transparency

Openness that Builds Enduring Trust

Transparency implies openness. It is the opposite of secrecy. It encourages more informed decision making and aids in creating enduring trust among all stakeholders.

WHO WE ARE

For over six decades, we have built our organisation with discipline, integrity and a long-term view of progress. What began in 1959 as Trinity Laboratories under the leadership of our founder, the Late Shri U. N. Mehta, has grown into Torrent Pharmaceuticals Limited, a leading player in the Indian pharmaceutical sector with a diversified global presence.

Our Evolution

Our journey has been guided by a simple yet enduring purpose, Happiness for All. This purpose continues to define how we approach healthcare, how we engage with stakeholders and how we build for the future.

We are one of the leading players in the Indian pharmaceutical sector with a strong presence across branded generics, generics and consumer healthcare. We are among the top 100 companies by market capitalisation listed on the NSE and BSE.

Our operations are supported by

8
World-class manufacturing facilities and a dedicated R&D centre

50+ Countries
in our global commercial network

18,500+
Employees across 12 countries

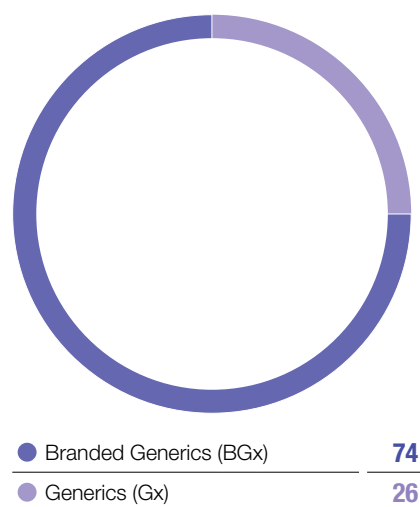
What we Do

We develop, manufacture and commercialise pharmaceutical formulations across branded generics and generics segments, with a focused portfolio in chronic and high-burden therapeutic areas. Our business integrates research and development, regulatory strategy, manufacturing excellence and commercial execution within a disciplined portfolio framework.

Our Business Segments

We operate through two core business segments: branded generics and generics. Each segment functions within distinct commercial models, regulatory environments, and margin structures.

Revenue Share (%)



Branded Generics (BGx)

Our Branded Generics segment focuses on manufacturing and marketing affordable alternatives to off-patented drugs under our own brand names.

Key Markets

- India
- Brazil
- Emerging Markets

This segment is driven by prescription demand, strong doctor engagement and brand equity built over time. Chronic therapies form a significant portion of the portfolio, supporting recurring prescriptions and sustained market share.

India remains our largest branded generics market, supported by a wide field force network and strong distributor relationships. Brazil and emerging markets provides geographic diversification and strengthens our presence in the Branded generic segment.

Commercial Model

- Field force-driven prescription model
- Brand building in focused therapies
- Doctor and distributor engagement

Generics (Gx)

Our Generics segment focuses on the development and supply of pharmaceutical products following patent expiry in regulated markets.

Key Markets

- United States
- Germany
- United Kingdom
- Other European markets

This segment operates within strict regulatory frameworks and competitive pricing environments. The United States represents the largest opportunity within this segment. Europe complements our presence with quality-driven and regulated demand structures.

The Generics segment strengthens our regulatory credentials as well as provides large volumes resulting in overall economies of scale.

Commercial Model

- Regulatory approval-driven launches
- Channel partnerships
- Pricing discipline

Branded Generics Portfolio



Cardiovascular



Central
Nervous System



Gastro-Intestinal



Anti-Diabetes



Vitamins Minerals
Nutrients



Dermatology



Pain Management



Gynaecology

TURNING MILESTONES INTO MOMENTUM

We began our journey with domestic formulations and have steadily evolved into a diversified pharmaceutical enterprise with a strong global footprint. Over the years, our growth has been driven by a focused strategy centred on chronic therapies, early investments in research and development, and strategic geographic expansion. Complementing our organic growth journey, we have successfully executed several strategic acquisitions over the years that have strengthened our product portfolio, expanded market access, enhanced capabilities, and accelerated our overall growth momentum.

Key Milestones

Over the years, we have strengthened our portfolio and market position that reflect our steady growth and strategic evolution. These milestones underscore our Company's commitment to innovation, expansion, and long-term value creation.



2014

Acquisition of Elder Pharmaceuticals Limited's identified Indian Branded Business in India and Nepal

2017

Acquisition of Unichem's India and Nepal business and Sikkim manufacturing facility

2022

Acquisition of Curatio Health Care (I) Private Limited

1959

Started pharma operations

2009

Entered the US generic market

1996

State-of-the-art R&D Centre commissioned

2005

Forayed into Germany by acquiring Pfizer's marketing arm

2003

Forayed into Brazil



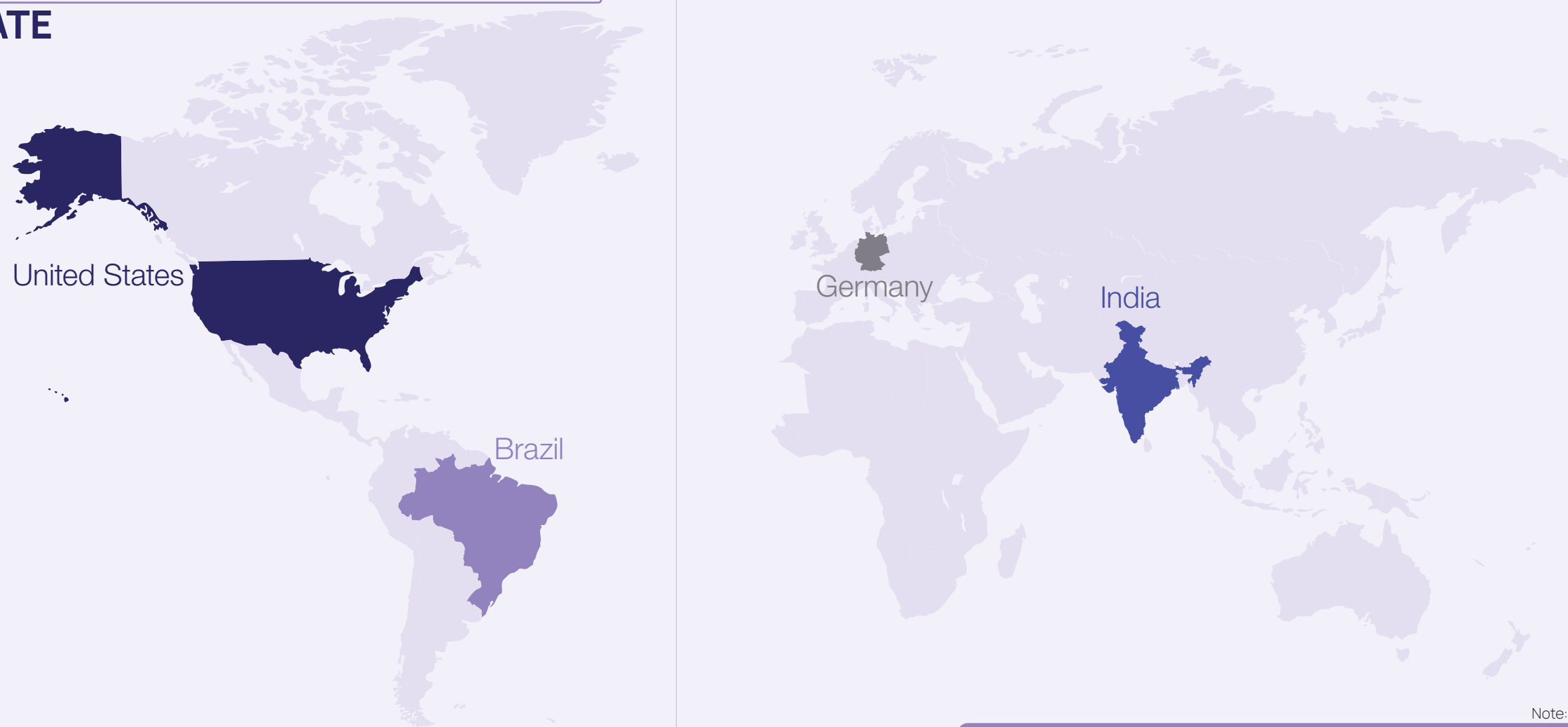
A **TORRENT**
GROUP COMPANY

2026

Acquisition of J. B. Chemicals & Pharmaceuticals Limited

WHERE WE OPERATE

We operate in more than 50 countries, supported by subsidiaries, regulatory approvals and commercial infrastructure. Our market presence is aligned with portfolio strategy, regulatory capabilities and long-term growth potential.



Note: Map not to scale

India

India is our largest market and the foundation of our branded generics business.

The Indian pharmaceutical market continues to expand, driven by increasing chronic disease prevalence, healthcare access and insurance penetration. It is among the fastest-growing major pharmaceutical markets globally.

Our presence in India is built on:

- Leadership positions in select chronic therapies
- Strong doctor engagement model
- Extensive distribution reach
- Established brand franchises

India provides scale, margin stability and brand depth within our portfolio.

United States

The United States is the largest pharmaceutical market globally and a key regulated market within our Generics segment.

Participation requires:

- USFDA-compliant manufacturing
- ANDA approvals
- Strong supply reliability

Generic drug utilisation in the United States remains high, creating significant scale opportunities while maintaining pricing discipline.

Our presence in the United States strengthens the Company's international footprint and provides access to the world's largest pharmaceutical market.

Germany

Germany represents mature European markets with advanced regulatory standards.

Characteristics of these markets:

- High quality standards and compliance expectations
- Competitive generic pharmaceutical environment

Our presence in these markets strengthens our exposure to regulated markets and expands our portfolio reach across Europe.

Brazil

Brazil provides us access to the largest pharma market in Latin America with more than 210 million people.

The market is supported by:

- Growing demand for chronic therapies
- Strong participation of branded generics

Brazil serves as an important market for replicating our successful branded generics business model in other international markets.

Rest of the World

We also operate across Asia Pacific, Africa, the Middle East and other Latin American markets.

These markets provide:

- Diversified demand profiles
- Opportunities for branded generics expansion
- Reduced dependence on any single geography



OUR BUSINESS AND OFFERINGS

India Business

India is our largest market and the foundation of our branded generics business. The country's pharmaceutical sector continues to grow due to higher rates of chronic illness, better healthcare access, and increased insurance coverage. India remains a leading, rapidly growing pharmaceutical market globally. Programmes like the Jan Aushadhi Scheme have improved

access to affordable generic medicines, particularly in rural and underserved areas.

This year, we acquired a controlling stake in J.B. Chemicals & Pharmaceuticals Limited (JB Pharma). Our established presence in India, combined with JB Pharma's strong performance surpassing growth trends in the Indian pharmaceutical market,

is expected to drive both revenue and profitability. Together, Torrent and JB Pharma are well-positioned to enhance healthcare access across covered markets.

Combined entities have presence in Cardiology, Gastro-intestinal, CNS, Vitamin Minerals Nutrients, Anti-diabetic, Dermatology, Pain Management and Gynaecology.

Combined (Torrent + JB Pharma) Rankings

5th
Largest company in IPM

9,000+
Field force

27 Mother Brands (MBs)
Above ₹100 crores

4th
Rank by prescription
(SMSRC)

4th
In chronic + subchronic
therapy areas

**Ranked
amongst Top 5**
Across Cardiac (Rank #1),
CNS (Rank #3), GI (Rank #3),
Pain Management (Rank #5),
Derma (Rank #5) therapy
areas

29 Mother Brands (MBs)
Among Top 500
brands in IPM

75%
Share of chronic/subchronic
in revenue

Source - AIOCD Phmatrac Dataset March'26

Disclaimer
The products shown in this section are included solely for informational purpose and are neither an advertisement nor are displayed with an intention to endorse, advertise, promote or recommend the use. These products should be consumed strictly under the directions of a Registered Medical Practitioner.

Cardiac



1st
In Cardiac therapy
10 MBs > ₹100 crores
Sales Contribution
31%

Key Brands
CILACAR **LOSAR** **Nicardia**
ROZUCOR **Deplatt** **Telsar**
Nebicard **CORBIS**
Dilzem **nikoran**

New Launches

ARNOZA-D

CNS



3rd
In CNS therapy
4 MBs > ₹100 crores
Sales Contribution
12%

Key Brands
Pre^gaba **Lamitor**
pregalin **LACOSAM**

New Launches

Melora **pregalin DM**
Lumavibe **Gabator MNT**



OUR BUSINESS AND OFFERINGS

Gastrointestinal



3rd

In GI

7 MBs > ₹100 crores

Sales Contribution

21%

Key Brands

Nexpro

Veloz

Vizylac

RANTAC

SPORLAC

metrogyl

UNIENZYME

New Launches

Lintide

Tegcise

Anti-diabetic



6th

In Anti-diabetic, excluding
insulin and GLP-1

3 MBs > ₹100 crores

Sales Contribution

7%

Key Brands

Azulix

EuRepa

SITAXA

New Launches

SEMALIX

SEMALIX TAB

SEMBOLIC

SEMBOLIC TAB

Vitamins, Minerals and Nutrients



6th

In Vitamins, Minerals
and Nutrients

1 MB > ₹500 crores

Sales Contribution

9%

Key Brands

SHELCAL 500

New Launches

SHELCAL TOTAL

Prozuca

Pain/Analgesic



5th

In Pain Management
therapy

1 MB > ₹100 crores

Sales Contribution

5%

Key Brands

Chymoral Forte

New Launches

DENSUCOR

Derma



5th

In Derma therapy

1 MB > ₹100 crores

Sales Contribution

7%

Key Brands

TEDIBAR
Syndet

New Launches

TEDIBAR CeraMax

PROANAGEN KERA
IT WORKS ONEDERS

DewsftHF

ACNEMOIST BK CREAM

OUR BUSINESS AND OFFERINGS

Consumer Healthcare



Brazil Business

Our Brazil Business continues to dominate the pharmaceutical industry covered retail market in Brazil. We have been operating in Brazil for 23 years and we are currently ranked as the top Indian pharmaceutical company

in the country as per IQVIA retail market data.

We offer both Branded Generics and Generics, with 33 and 27 products currently available in each category.

Our strong presence in the CNS and Cardio-Diabetes segments within the Retail market provides a solid foundation for strategic expansion into the Non-Retail channel, with a focused entry into Oncology segment.

Cardiac



Our portfolio covers treatments for dyslipidaemia, hypertension, heart failure, anticoagulation, and antiplatelet therapy.

Key Brands

rosucor[®] EZE
rosuvastatina cálcica + ezetimiba

OLMECOR
olmesartana medoxomila

rosucor[®]
rosuvastatina cálcica

Indapen SR
indapamida

NEBLOCK[®]
cloridrato de nebivolol

Anti-diabetic



Our portfolio covers DPP-4 inhibitors and sulfonylureas.

Key Brands

AZUKON[®] MR
gliclazida

CNS



Our portfolio includes best-in-class molecules addressing major pathologies such as depression, Alzheimer's disease, epilepsy, insomnia, schizophrenia, ADHD, and bipolar disorder.

Key Brands

Venlift[®] OD
cloridrato de venlafaxina

Lamitor[®] CD
lamotrigina

EPÉZ
donepezila de cloridrato

Torval[®] CR
valproato de sódio
ácido valproico

OUR BUSINESS AND OFFERINGS

Germany Business

We entered the German market in 2005 through the acquisition of Heumann Pharma, from Pfizer Group. Heumann's extensive product portfolio, combined with our cost effective manufacturing capabilities, positions us strategically within one of the world's largest pharmaceutical markets.



1st

Among Indian pharmaceutical companies in Germany (IQVIA)

£121 million

Sales

5th

In the generic pharmaceutical market in Germany

4

EU-GMP approved manufacturing facilities

United States Business

As the world's biggest pharmaceutical market, the United States has consistently been a key focus for us. Our subsidiary, Torrent Pharma Inc., meets the increasing demand for our products in this region. We have 124 ANDAs approvals (including 3 tentative approvals) with 16 approvals in the pipeline. We aim to strengthen our position in the market by launching complex generics in the coming times.



12th

Among Indian players in the US market

\$ 151 million

Sales

5

USFDA-approved manufacturing facilities



Rest of the World (RoW)

We aim to leverage our existing product pipeline to expand and strengthen our presence in other established and growing markets. By adapting proven business models and go-to-market strategies, we will pursue entry into new markets.

We plan to invest incrementally in both current and emerging markets to develop them as growth engines over the medium to long-term.

The group also has a notable presence in other geographies

like the Philippines, Mexico, Russia, Malaysia, South Africa and the United Kingdom. Furthermore, we continuously scan the global pharmaceutical landscape to identify opportunities for market entry in new regions.



MANAGING DIRECTOR'S MESSAGE



The year marked an important milestone in our growth journey. Across our businesses, we delivered steady progress through focused execution, strategic investments, innovation, and disciplined operations. At the same time, we undertook a transformational step that significantly enhances our long-term growth ambitions. The most significant development during the year was the acquisition of a controlling stake in J. B. Chemicals & Pharmaceuticals Limited in January 2026.

Dear Stakeholders,

Progress that endures is built on strong foundations. At Torrent Pharma, our journey has been shaped by discipline, integrity, long-term thinking, and a deep commitment to improving lives through healthcare. As we continue to grow in scale, capabilities, and global reach, these values remain central to how we operate and evolve. FY 2025-26 reflected this philosophy, as we strengthened our core businesses while unlocking new avenues for future growth.

The year marked an important milestone in our growth journey. Across our businesses, we delivered steady progress through focused execution, strategic investments, innovation, and disciplined operations. At the same time, we undertook a transformational step that significantly enhances our long-term growth ambitions.

The most significant development during the year was the acquisition of a controlling stake in J. B. Chemicals & Pharmaceuticals Limited in January 2026. This strategic move enhances our scale in India, broadens our therapeutic portfolio, deepens our presence in chronic therapies, and strengthens our international footprint. As we move ahead with the proposed merger process, we see meaningful opportunities to create value through complementary strengths and wider market reach.

Macroeconomic Context

The global economy remained resilient in 2025 despite persistent geopolitical uncertainties, evolving trade dynamics, and supply chain disruptions. Growth was supported by investment in technology, accommodative financial conditions, and the adaptability of businesses across markets. However, heightened geopolitical tensions, especially in the Middle East, created volatility in energy markets and added inflationary pressures globally.

India continued to remain one of the fastest-growing major economies in the world. Strong domestic demand, sustained public and private capital expenditure, moderating inflation, stable employment conditions, and a supportive policy environment underpinned economic momentum. The country's robust macroeconomic fundamentals, improving manufacturing competitiveness, and expanding healthcare infrastructure continue to create a favourable environment for long-term pharmaceutical growth.

Industry Landscape

The global pharmaceutical industry continued to expand steadily, driven by innovation, rising healthcare access, increasing prevalence of chronic diseases, and growing demand for affordable medicines.

Oncology, immunology, diabetes, obesity, cardiovascular care, and speciality therapeutics remained major growth areas. At the same time, a large wave of patent expiries is creating significant opportunities for generic and biosimilar players worldwide.

India further reinforced its position as a leading pharmaceutical manufacturing hub and a trusted supplier of quality medicines globally. Rising healthcare awareness, deeper insurance penetration, government initiatives such as Jan Aushadhi, production-linked incentive schemes, and growing exports continue to strengthen the long-term outlook for the domestic industry.

Delivering Strategic Growth

During FY 2025-26, our consolidated revenue stood at ₹13,980 crores, witnessing a growth of 21% over ₹11,516 crores in the previous year. Operating EBITDA increased to ₹4,559 crores from ₹3,721 crores, supported by an improved product mix, operating leverage and disciplined cost management. Profit after tax stood at ₹2,138 crores compared with ₹1,911 crores last year. Our performance reflects the resilience of our business model, strength across geographies and consistent focus on sustainable value creation.

India remained our largest and most strategic market, contributing 54%

MANAGING DIRECTOR’S MESSAGE

of total revenues during the year. With the integration of JB Pharma from January 2026, our combined ranking improved to 5th in the Indian pharmaceutical market from 7th earlier. We continued to outperform the market in key chronic and subchronic therapies, supported by strong brands, differentiated launches, deeper market reach and expanded field capabilities.

Our portfolio strength across Cardiac, CNS, Gastrointestinal, Anti-diabetic, Dermatology and other focus therapies enabled sustained market share gains. The consumer health segment has delivered a consistent growth trajectory across key brands supported by brand-building initiatives, influencer campaigns and precision-led digital media investments. These efforts have strengthened consumer engagement and enhanced brand salience and equity across target segments.

A notable highlight of the year was the launch of Semaglutide in oral and injectable formats, strengthening our presence in metabolic disorders, including Type 2 diabetes and obesity. We also continued to benefit from patent expiry-led opportunities through products such as Empagliflozin combinations and other differentiated launches.

To support future growth, we further strengthened our field force across key therapy areas. Our medical representative strength expanded to nearly 7,000,

enhancing reach, productivity and engagement with healthcare professionals across markets.

Brazil continued to deliver steady progress and remains an important branded generics market for us. Revenues from the market stood at ₹1,362 crores during the year. We maintained leadership in the covered branded generics segment while improving our market presence through new launches, productivity initiatives and expansion plans in newer therapies.

On the Generics side, Germany reported revenues of ₹1,249 crores during FY 2025-26. During the year, we experienced supply disruptions in a few key products due to challenges faced by our third-party suppliers. We continue to retain leadership among Indian pharmaceutical companies in the market and remain focused on profitable growth.

The US business reported revenues of ₹1,363 crores during the year and continues to operate in a competitive environment marked by pricing pressures and supply chain challenges. However, we maintained a healthy pipeline with 124 ANDA approvals, additional pending filings and products under development that provide future growth visibility.

Operational Excellence and Innovation

During the year, we strengthened our manufacturing network through capacity enhancements, productivity initiatives, process

optimisation, and greater use of digital and automation-led systems across key facilities. Our Dahej and Vizag facilities received Establishment Inspection Reports from the USFDA, and all four facilities supplying to the US market are compliant with USFDA requirements, reflecting the strength of our quality and compliance systems.

In R&D, we filed 19 dossiers across regulated markets and received 24 approvals during the year. Our development pipeline remains well diversified across complex generics, dermatology, injectables, orphan products, oncology, and other differentiated opportunities. We also expanded our strategic focus into biologics, particularly oncology, while our in-house API capabilities and Bioequivalence Centre continue to support speed, quality, and execution.

Reinforcing Sustainability Commitments

We remain committed to integrating sustainability into the way we operate and create long-term value. During the year, we further sharpened our ESG roadmap by reviewing progress against existing commitments and setting new priorities for 2030, supported by clear focus areas and measurable outcomes. This reflects our belief that responsible growth must progress alongside business performance.

₹13,980 crores
Revenue

₹4,559 crores
Operating EBITDA

“The healthcare needs of societies are expanding rapidly, and we remain confident in our ability to create long-term value by delivering high-quality, affordable, and differentiated healthcare solutions.”

On the environmental front, we continued to advance our decarbonisation agenda through higher renewable energy adoption, greater use of cleaner fuels such as biomass briquettes, and targeted energy-efficiency initiatives across our manufacturing network. Key sites implemented upgrades in utilities, chillers, compressors, automation systems, and solar installations that improved operating efficiency and reduced emissions intensity. We also remained focused on water stewardship through recycling, reuse, rainwater harvesting, and Zero Liquid Discharge systems across most of our plants, while continuing to strengthen waste segregation, recycling, and circularity practices.

Our social responsibility efforts remained equally purposeful. Through the UNM Foundation, we expanded community healthcare and preventive care initiatives for children and adolescent girls across underserved regions.

Our UNM Children Hospital and primary healthcare network

continued to improve access to quality paediatric care, while new capabilities in diagnostics, surgical care, and child development services were added during the year. We also supported urban environmental renewal through development of public parks and green spaces that enhance biodiversity and community well-being.

Within the organisation, we continued to invest in building a future-ready workforce through leadership development, capability enhancement, employee engagement, diversity and inclusion, and a performance-led culture. Our people remain central to our progress, and their commitment continues to strengthen Torrent Pharma’s journey ahead.

Way Forward

As we move into the coming year, our priorities are clear. We will focus on seamless integration of JB Pharma, accelerating synergies, strengthening leadership in

India, expanding our chronic and speciality portfolio, driving consumer healthcare growth, and sustaining momentum across international markets.

We will continue to invest in innovation, manufacturing excellence, compliance, talent, and sustainability while pursuing disciplined inorganic opportunities that complement our strategy.

The healthcare needs of societies are expanding rapidly, and we remain confident in our ability to create long-term value by delivering high-quality, affordable, and differentiated healthcare solutions.

On behalf of the Board, I extend my sincere gratitude to our employees, healthcare professionals, partners, shareholders, and all stakeholders for their continued trust and support.

Regards,

Aman Mehta
Managing Director

ABOUT JB PHARMA

J.B. Chemicals & Pharmaceuticals Limited (JB Pharma) is a well-established pharmaceutical company in India and amongst the leading player in the Cardiovascular, Gastrointestinal, Ophthalmology, and Gynaecology segments. Besides its strong presence in India, which accounts for the majority of its revenue, the Company also has a good presence in Russia and South Africa. JB Pharma has secured perpetual marketing rights for 15 ophthalmology products from Novartis in India. The arrangement will become effective from January 2027, and JB Pharma is currently the sole marketer for these products.

6 iconic brands rank among the top 300 Indian pharmaceutical brands

8 state-of-the-art multi-dosage formulation plants with key global regulatory approvals

₹4,148 crores revenue in FY 2025-26 with a compounded annual growth rate of 15% in the last 5 years

Key Brands

CILACAR

CILACAR[®] T

Nicardia
Hydralazine Extended Release Tablets USP, 50mg

RANTAC

SPORLAC

metrogyl

Therapeutic Presence



Cardiology

- Emphasis on **heart failure, hypertension and lipid management therapies**
- **2 brands** amongst the top **25** Cardiology IPM brands



Gastroenterology

- Comprehensive portfolio, which includes **proton-pump inhibitors, prokinetics, antacids, laxatives and probiotics** in various dosage forms
- **Metrogyl** is amongst the **top 10 most prescribed brands** in the IPM
- Rantac is the **3rd highest** prescribed brand in the **GI Market**



Lozenges

- Offers lozenges in myriad shapes, flavours and forms in both **medicated and herbal forms**
- Produces **hard-candy lozenges, soft-centre lozenges** and powder-filled lozenges for varied medical needs.
- **1 billion cold and cough lozenges** reach consumers globally every year

Sustainability

JB Pharma has achieved on outstanding Dow Jones Sustainability Index score of 86, the Company presently ranks amongst leading pharmaceutical companies in India and globally in ESG score.

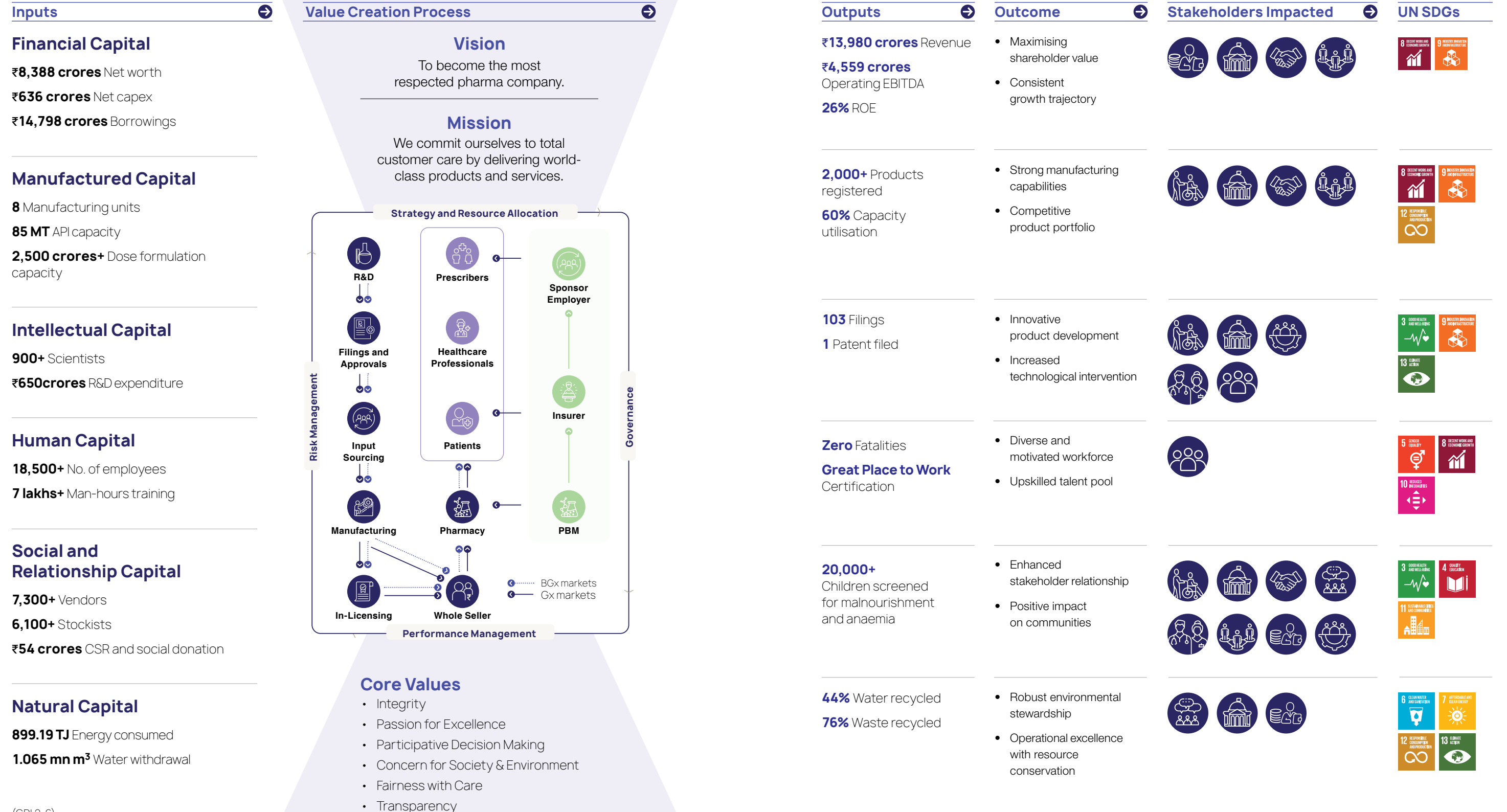


Human Resource

- **5,600+** employees



VALUE CREATION MODEL



(GRI 2-6)

STAKEHOLDER ENGAGEMENT

Our approach to stakeholder engagement is anchored in building trust, fostering transparency, and creating long-term value. During FY 2025-26, we continued to strengthen our engagement mechanisms to respond to a dynamic operating environment shaped by evolving regulatory expectations, increased focus on affordability and access, and growing emphasis on sustainability and responsible business practices.

We identify our key stakeholders based on their influence on our operations and the impact of our activities on them. Through structured and continuous engagement, we gather actionable insights that inform our strategic priorities, enhance operational responsiveness, and reinforce accountability across the organisation. Stakeholder feedback during the year played a critical role in refining our approach to product accessibility, compliance, supply chain resilience, and employee well-being.

Identifying and Engaging with our Stakeholders

We follow a systematic process to identify stakeholders who are most relevant to our business. This enables us to understand their expectations, assess emerging concerns, and align our actions to deliver sustained value. Our multi-channel engagement framework ensures consistent dialogue, enabling us to remain responsive to evolving stakeholder needs.

Patients

Patients are the ultimate beneficiaries of our products. Our success depends on delivering safe, effective, and affordable healthcare solutions.

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> Website Clinical studies Pharmacovigilance | <ul style="list-style-type: none"> Product quality and safety Affordability Timely availability | <ul style="list-style-type: none"> Manufactured Intellectual Social and Relationship |
|--|--|---|



Channel Partners

Enable seamless distribution and ensure last-mile accessibility of products across geographies.

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> Meetings Field visits Digital communication | <ul style="list-style-type: none"> Supply reliability Faster order fulfilment Digital integration | <ul style="list-style-type: none"> Financial Manufactured |
|---|--|---|



Suppliers

Ensure continuity of operations by providing critical materials and services.

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> Meetings Supplier audits Facility visits | <ul style="list-style-type: none"> Supply continuity Long-term partnerships Compliance expectations | <ul style="list-style-type: none"> Financial Social and Relationship Manufactured |
|--|--|--|



Healthcare Professionals

Provide insights into patient needs and treatment outcomes, enabling better product development and positioning.

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> Meetings Conferences Seminars Field visits Continuing Medical Education (CME) events | <ul style="list-style-type: none"> Product efficacy Updated scientific data Ethical engagement | <ul style="list-style-type: none"> Intellectual Social and Relationship |
|--|---|---|



STAKEHOLDER ENGAGEMENT

Governments and Regulators



Regulatory frameworks directly impact operations and long-term sustainability.

- | | | |
|---|---|--|
| <ul style="list-style-type: none">• Meetings• Official communications• Statutory filings• Facility inspections• Conferences | <ul style="list-style-type: none">• Product efficacy• Updated scientific data• Ethical engagement | <ul style="list-style-type: none">• Financial• Social and Relationship• Manufacturing• Intellectual• Natural |
|---|---|--|

Industry Associations



Provide a platform for collaboration, advocacy, and industry-wide development.

- | | | |
|--|--|--|
| <ul style="list-style-type: none">• Industry forums• Policy representations | <ul style="list-style-type: none">• Policy alignment• Industry development• Regulatory clarity | <ul style="list-style-type: none">• Social and Relationship• Intellectual |
|--|--|--|

Investors and Shareholders



Provide financial capital and drive governance expectations.

- | | | |
|---|--|---|
| <ul style="list-style-type: none">• Meetings• Earnings calls• Investor conference• AGM• Website disclosures | <ul style="list-style-type: none">• Financial performance• Growth outlook• ESG performance | <ul style="list-style-type: none">• Financial• Social and Relationship• Natural |
|---|--|---|

— Modes of Engagement — Scope of Engagement — Capital Linkages

Communities



Provide the social licence to operate and are integral to our sustainability journey.

- | | | |
|--|--|---|
| <ul style="list-style-type: none">• Community interactions through CSR initiatives | <ul style="list-style-type: none">• Local development• Environmental impact | <ul style="list-style-type: none">• Social and Relationship• Natural |
|--|--|---|

Employees



Core drivers of organisational performance and innovation.

- | | | |
|---|--|--|
| <ul style="list-style-type: none">• Leadership interactions• HR communications• Engagement programmes | <ul style="list-style-type: none">• Career growth• Well-being• Inclusive workplace | <ul style="list-style-type: none">• Human• Intellectual |
|---|--|--|

Strengthening Engagement Outcomes

Our stakeholder engagement efforts during the year enabled us to:

Enhance responsiveness to market and regulatory developments

Strengthen trust through transparent communication

Improve operational efficiency through stakeholder-led insights

Align business practices with ESG priorities

We remain committed to evolving our engagement approach to ensure it continues to support sustainable growth while addressing the expectations of all our stakeholders.

— Modes of Engagement — Scope of Engagement — Capital Linkages

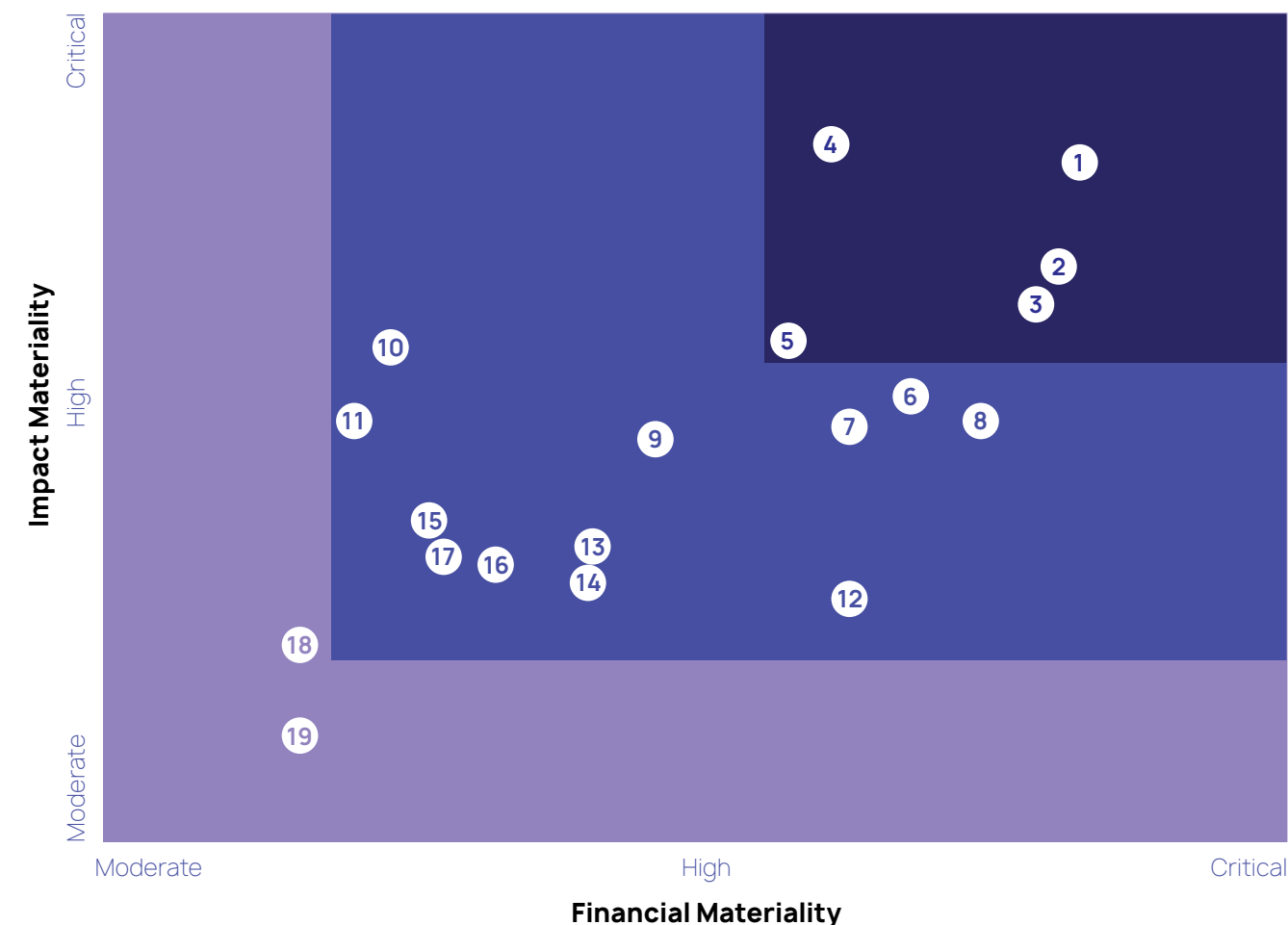
DOUBLE MATERIALITY ASSESSMENT

During FY 2025–26, we conducted a Double Materiality Assessment (DMA) aligned with the European Sustainability Reporting Standards (ESRS), SASB Standards, and relevant sector insights from MSCI and S&P Global Ratings. The assessment evaluated material topics through a double materiality lens, considering both the impact of sustainability matters on our business performance and financial outcomes, as well as the impact of our operations on the environment, society, and stakeholders. The insights from this exercise enable us to strengthen our sustainability strategy, enhance risk management and disclosures, and prioritise areas where we can deliver long-term value creation alongside meaningful positive impact.



The outcome is a prioritised set of material topics that guide our strategy, risk management, target setting, and disclosures. We review and update this assessment periodically to reflect evolving business conditions and stakeholder expectations.

Our Materiality Matrix



ESG Material Issues as per Priority

Critical	High	Moderate
1 R&D and Innovation 2 Access & Affordability of Products 3 Product Quality & Safety 4 Human Capital Development 5 Sustainable Supply Chain Management	6 Climate Action, Energy & Emissions Management 7 Combating Counterfeit Medicines 8 Digitalisation and Automation 9 Water and Waste Management 10 Occupational Health & Safety 11 Diversity, Equity and Inclusion	12 Business Ethics & Regulatory Compliance 13 Corporate Governance 14 Data Security and Customer Privacy 15 Ethical Marketing and Product Labelling 16 Human Rights 17 Risk Management and Business Continuity 18 Community Engagement 19 Biodiversity and Land Use

DOUBLE MATERIALITY ASSESSMENT

Material Topics

R&D and Technology

Investment in innovation enables new market entry and revenue growth through differentiated offerings	Strengthening R&D and advancing formulation capabilities	Intellectual, Manufactured, Social and Relationship, Natural Key Risk I Opportunity
		 

Access and Affordability of Products

Expanding access to affordable medicines enhances market reach and supports underserved populations	Focus on manufacturing, marketing and distributing affordable alternatives to off-patented drugs	Social and Relationship, Financial, Manufactured Key Risk I Opportunity
		 

Product Quality and Safety

Non-compliance with quality standards may lead to recalls, regulatory action, and reputational damage	Robust quality management systems and regulatory compliance frameworks	Social and Relationship, Intellectual, Financial Key Risk I Opportunity
		 

Human Capital Development

Workforce development enhances productivity, innovation, and organisational capability	Learning and development programmes, upskilling, and talent retention and engagement initiatives	Human, Financial, Social and Relationship Key Risk I Opportunity
		 

— Business Implication — Strategic Response — Capital Linkages

Sustainable Supply Chain Management

Supply chain disruptions, non-compliance by vendors, and increasing ESG expectations across the pharmaceutical value chain may impact operational continuity, regulatory compliance and stakeholder trust	Strengthening responsible sourcing practices, supplier ESG assessments, traceability mechanisms and partner engagement to enhance supply chain resilience and sustainability	Manufactured, Social and Relationship, Natural Key Risk I Opportunity
		 

Climate Action, Energy & Emissions Management

Tightening climate regulations and extreme weather events increase costs, disrupt operations, and require higher capital investment for transition and resilience	Decarbonisation roadmap, energy efficiency initiatives, and climate-resilient infrastructure planning	Natural, Financial, Manufactured Key Risk I Opportunity
		 

Resource Management: Water

Lack of water availability may disrupt production schedules, negatively impacting business continuity and product availability.	Water reuse and recycling, reduce dependency on groundwater withdrawal to achieve water neutrality and compliance monitoring systems	Natural, Social and Relationship, Manufactured Key Risk I Opportunity
		 

Waste Management

Circular practices can reduce environmental impact, improve efficiency, and lower operational costs	Solvent recovery, packaging optimisation, and waste minimisation initiatives	Natural, Financial Key Risk I Opportunity
		 

— Business Implication — Strategic Response — Capital Linkages

STRATEGIC PRIORITIES

S1

Strengthen Leadership in Core Markets



India

In India, we continue to focus on the branded generics segment, with particular emphasis on chronic and sub-chronic therapies, including cardiology, CNS, anti-diabetes, gastrointestinal, and VMN therapies. The inclusion of the JB Pharma portfolio has further strengthened our position in the domestic market.

Going forward, we will focus on increasing market share across key therapies, enhancing new product launch performance, improving field force productivity, and building larger brands through various initiatives, alongside scaling and seamlessly integrating the JB Pharma business.

US

In the US business, we continue to focus on strengthening the base business through product mix optimisation and continuous cost

efficiency initiatives. Our strategy remains centred on improving profitability while enhancing operational efficiency across the business.

With our five manufacturing facilities compliant with USFDA requirements, we are well positioned to support future growth opportunities. New product launches, supported by strong regulatory compliance and supply capabilities, are expected to drive sustained and profitable growth in the US market.

Germany

In Germany, we aim to drive growth through stronger performance in tender participation, supported by ongoing cost optimisation to enhance competitiveness. In parallel, we will steadily expand our market coverage through new product launches.

At the same time, we continue to broaden our OTC portfolio and

target high-volume products, including day-one launches of new opportunities. We are also diversifying beyond the traditional retail segment by expanding into specialty channels, hospitals, and institutional businesses, enabling broader market access and more resilient growth going forward.

Brazil

In Brazil, we are focused on expanding our portfolio and increasing coverage across our core therapeutic areas, including Cardiovascular, Diabetes, and CNS.

We continue to scale our generics business while selectively entering new therapies to broaden our presence and improve growth visibility. This is supported by a strong emphasis on in-clinic effectiveness, building large and durable brands, and targeted field force expansion to strengthen engagement and execution across key markets.

S2

Investing in New Markets to Develop them as Tomorrow's Growth Drivers

We are leveraging our established product pipeline to strengthen and expand our presence in high-growth existing markets, while selectively entering new geographies by replicating proven business models and go-to-market strategies. Our approach is centred on carefully planned, incremental investments across

both existing and emerging markets, aimed at building sustainable growth drivers over the medium to long-term.

Our high-potential growth markets, including the Philippines, Mexico, Russia, and Malaysia and others continue to deliver positive performance. We have also entered the South African

market through the acquisition of JB Pharma, which provides an opportunity to scale the business by expanding the portfolio over the next three to five years.

In addition, we continuously evaluate opportunities across global pharmaceutical markets to further support geographic expansion

S3

Operational Excellence

We are committed to enhancing efficiency and productivity across the value chain, enabling operational excellence and driving effective value creation.

Productivity and Cost Competitiveness

Drive productivity improvements and cost optimisation across manufacturing operations and procurement.

R&D Efficiency and Disciplined Innovation

- Optimise R&D efficiency by developing a market-centric portfolio focused on addressing unmet medical needs.
- Deploy appropriate technologies while fostering a culture of disciplined and focused innovation.

Quality Excellence and Compliance

- Maintain strong quality systems and standardised processes.
- Leverage connected technologies to reduce manual interventions and improve process control.
- Ensure strict adherence to global regulatory requirements.
- Reinforce a strong quality culture supported by robust governance, continuous monitoring, regular audits, and timely resolution of issues.

Supply Continuity and Resilience

Ensure uninterrupted supply through alternate sourcing strategies and diversified manufacturing capabilities.

Note : For further details refer Management Discussion & Analysis section of the report

STRATEGIC PRIORITIES

S4

Build a High Performance Workforce



We are focused on building strong leadership capability and a high performance culture by nurturing entrepreneurial talent through structured succession planning, training and development programmes. We promote a culture of disciplined innovation

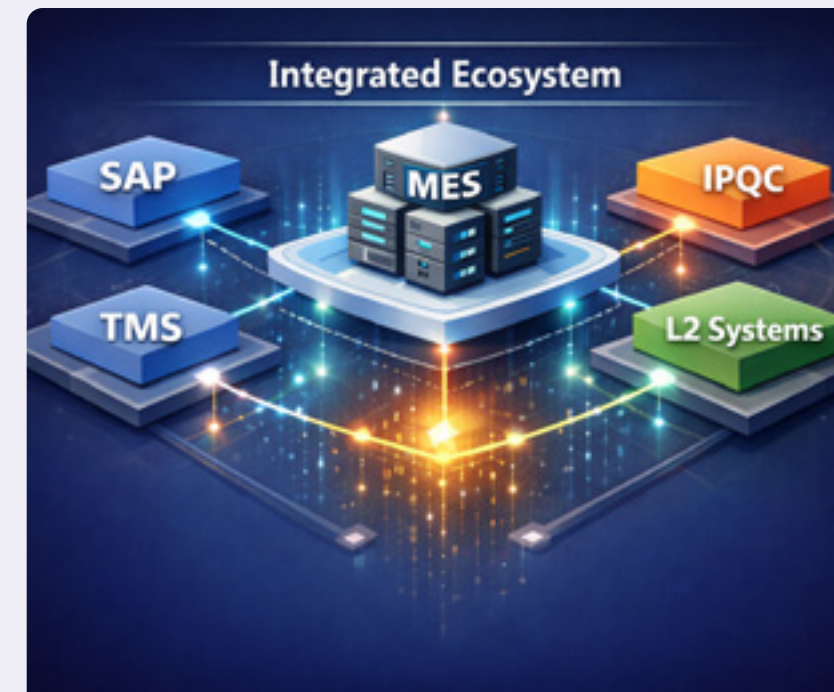
that encourages calculated risk-taking, continuous learning, and experimentation to drive sustainable growth. We enhance operational excellence by improving in-clinic effectiveness through a therapy-focused sales approach, targeted training

programmes, and high employee engagement. Overall, we aim to create long-term value for all stakeholders by aligning people development, innovation, and performance outcomes.

S5

Leverage Digital Innovation to Redefine How We Create Value

We prioritise disciplined investments in technology to build a robust, scalable and secure digital foundation that enables the adoption of emerging technologies and drives enterprise-wide transformation. By deploying integrated digital solutions across manufacturing, R&D, supply chain, commercial operations and governance, we are strengthening agility, controls, compliance and decision-making capabilities. Our technology roadmap, aligned with Pharma 4.0, supports sustainable growth through enhanced automation, data-driven insights and a near-ready greenfield ERP implementation which will further improve operational efficiency and reporting capabilities.



S6

Integrate Sustainability into Value Creation

We prioritise the reliability of our operations as a core responsibility towards our stakeholders, the environment and society. We are committed to conducting our business responsibly by minimising adverse environmental and social impacts across our operations and proactively identifying, managing and mitigating associated risks.

Through consistent implementation of responsible practices, strong governance frameworks, and commitment to continuous improvement, we seek to create lasting positive value for all stakeholders, extending beyond financial performance while preserving the communities and ecosystems in which we operate.



ECONOMIC FINANCIAL PERFORMANCE

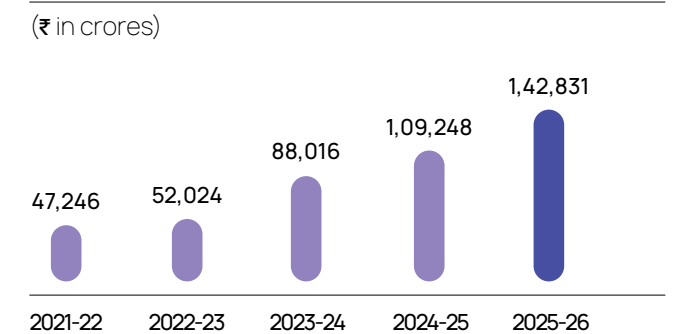


Economic Value Creation (₹ in crores)

Our Direct Economic Value Creation	2024-25	2025-26
Direct Economic Value Generated	11,539	13,886
Revenues Generated	11,539	13,886
Direct Economic Value Distributed	10,544	12,995
Operating Cost	6,339	7,816
Employee Wages and Benefits	2,203	2,671
Payment to Providers of Capital	1,335	1,570
Payment to Government	619	844
Community Investment	48	54
Direct Economic Value Retained	995	931

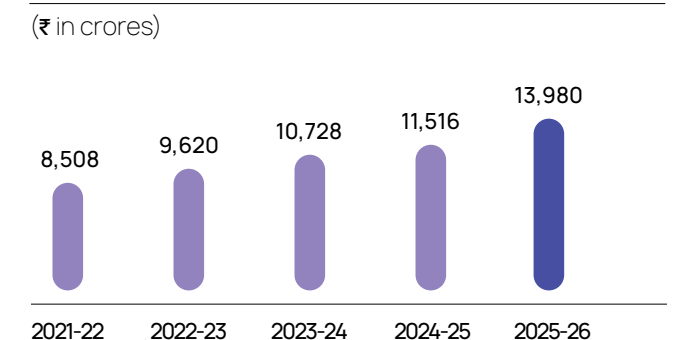
Shareholders' Value

We have consistently created strong shareholder value through disciplined capital allocation and a steadfast focus on operational excellence. Our well-executed strategic acquisitions, combined with sustained growth in branded markets, have enabled us to build a credible track record of value creation. The recent acquisition of JB Pharma marks a significant milestone and ushers in the next phase of the Company's growth journey. On a 5-year CAGR, our shareholder's wealth has increased by 27%.



Revenue

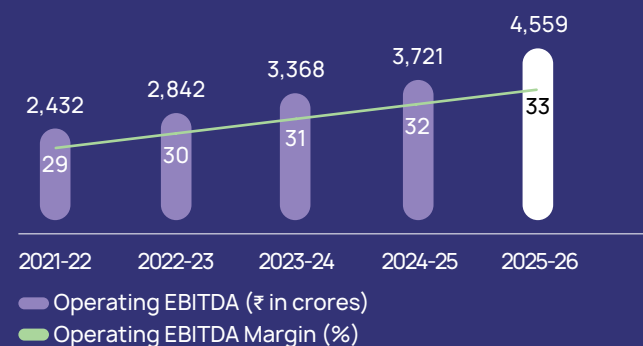
The Company delivered a revenue CAGR of approximately 12% over a period of 5 years, driven by sustained momentum in its core branded generics business. Strategic acquisitions further accelerated growth by unlocking meaningful revenue synergies and cross-selling opportunities. At the same time, focused expansion into new therapeutic segments, coupled with a consistent pipeline of new product launches, strengthened the Company's overall growth trajectory.



FINANCIAL PERFORMANCE

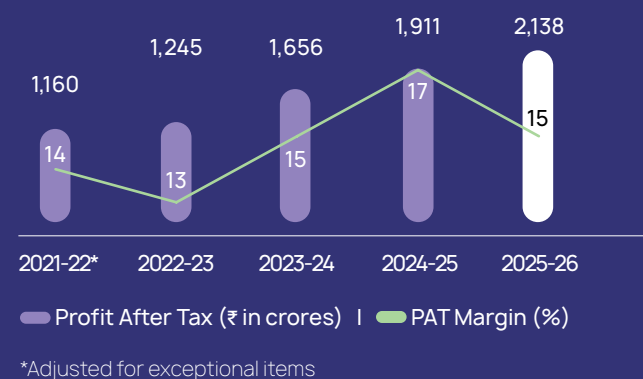
Operating EBITDA

We have consistently improved EBITDA margins through strong cost discipline and the benefits of operating leverage in our branded generics business. In parallel, focused initiatives to enhance the profitability of the US business have started delivering tangible results, further supporting overall margin expansion. Looking ahead, the merger with JB Pharma is expected to provide an additional impetus to margin expansion through the realisation of cost synergies across the combined entity.



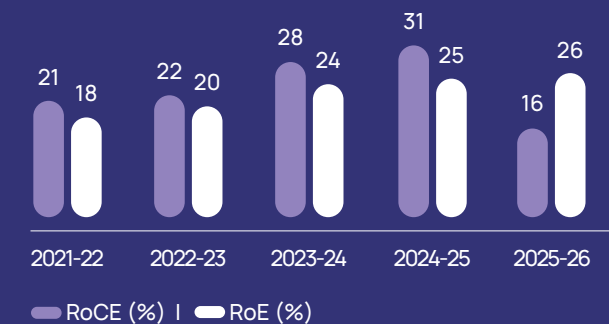
Profit After Tax (PAT)

At Torrent Pharma, we remain committed to maintaining the highest standards of transparency and integrity across regulatory compliance, operations, and tax practices. This commitment has strengthened stakeholder confidence and enabled us to consistently deliver sustainable value. As a result, our profit after tax grew at a 5-yearCAGR of 11%.



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

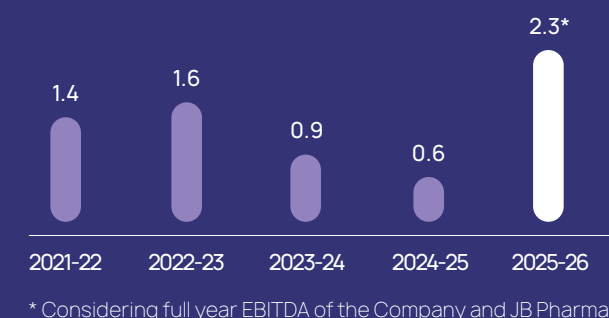
Our disciplined approach to capital allocation has been a key driver of growth and consistent returns for capital providers. Coupled with a sustained focus on operational efficiency and a strategic emphasis on high-growth markets, this approach has established a strong foundation for long-term, sustainable value creation. ROCE moderated during the period primarily due to the increase in capital employed following the acquisition. However, the transaction is expected to strengthen long-term returns through scale benefits, synergies, and enhanced earnings contribution.



Leverage (Net Debt/EBITDA)

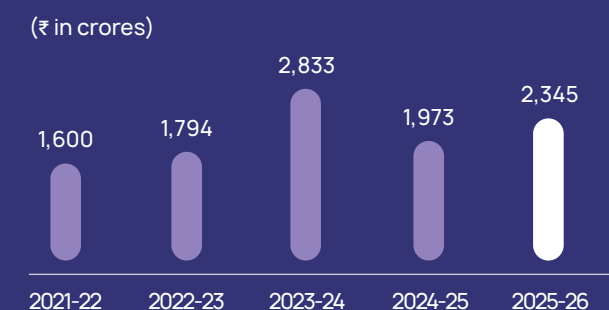
At Torrent Pharmaceuticals, we have maintained a disciplined approach to balance sheet management, leveraging our financial strength to fund high-growth acquisitions and support the next phase of expansion. We have also demonstrated a strong track record of rapid deleveraging following acquisitions, enabling us to consistently restore a healthy financial position.

Following the acquisition of JB Pharma, our Net Debt / EBITDA increased from 0.6x in FY25 to 2.3x in FY26, primarily due to acquisition-related financing. However, we remain confident that strong cash flow generation from the combined entity, supported by synergy realisation and operational efficiencies, will enable steady debt repayment and a rapid improvement in leverage levels over the coming years.



Free Cash Flow

The Company has generated strong free cash flows consistently over the last five years, reflecting disciplined capital allocation and resilient operating performance. This sustained cash generation highlights the business's ability to fund growth initiatives, strengthen its balance sheet, and return value to shareholders even across varying market conditions. For FY24, cash flow performance was additionally supported by temporary working capital movements in one of the Company's geographies, which normalised in subsequent periods.



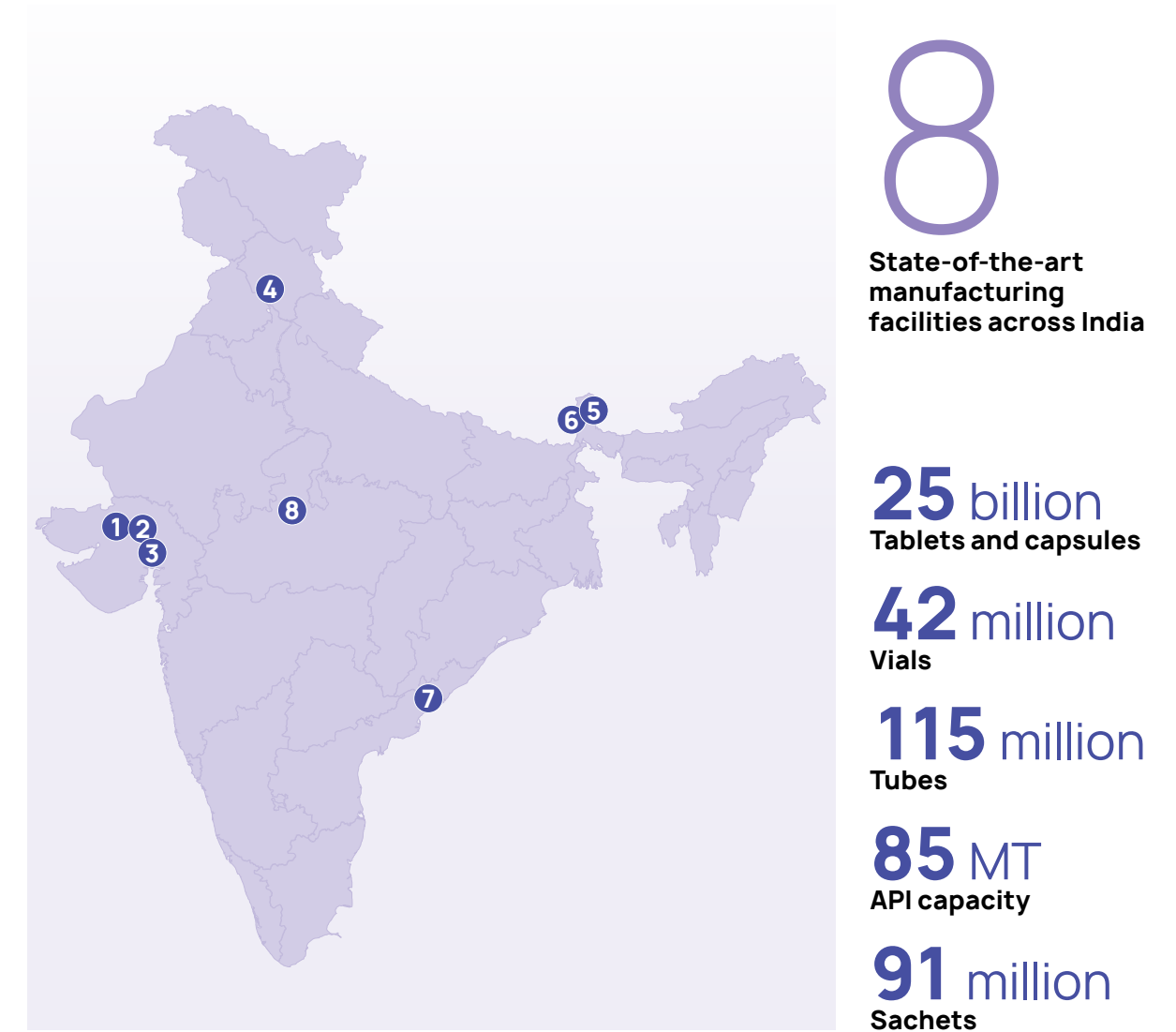
MANUFACTURING EXCELLENCE

Our manufacturing network forms the backbone of our ability to deliver high-quality, affordable medicines at scale. Over the years, we have built a robust and integrated manufacturing ecosystem that combines scale, flexibility and compliance, enabling us to serve diverse markets across geographies.



Manufacturing Footprint and Capacity

We operate a well-diversified manufacturing network across India. Each of these facilities is equipped with advanced technologies and adheres to stringent global regulatory standards. These facilities support a wide range of dosage forms and therapeutic segments, enabling us to respond effectively to evolving market needs while maintaining consistency in quality and supply.



Manufacturing Facilities (excluding JB Pharma)

- | | | |
|--|---------------------------|-----------------------------|
| 1 Indrad, Gujarat | 4 Baddi, Himachal Pradesh | 7 Vizag, Andhra Pradesh |
| 2 Dahej, Gujarat | 5 Sikkim (Unit I and II) | 8 Pithampur, Madhya Pradesh |
| 3 Bileshwarpura, Gujarat (Oncology Facility) | 6 Sikkim (Unit III) | |

Disclaimer: Map for representational purpose, not to be scaled

MANUFACTURING EXCELLENCE

Our Manufacturing Facilities



Indrad, Gujarat

Our Indrad facility is one of our largest and most advanced manufacturing sites, with integrated capabilities in both APIs and formulations, catering to global markets.

- **API capacity:** 35 metric tonnes per annum
- **Formulation capacity:** 5,500 million tablets and capsules, 42 million vials, and 50 million sachets annually
- **Approved by:** USFDA, EU GMP, ANVISA and multiple global regulatory approvals



Dahej, Gujarat

Our Dahej facility is designed as a high-capacity manufacturing unit catering to regulated international markets, with strong API and formulation capabilities.

- **API capacity:** 25 metric tonnes per annum
- **Formulation capacity:** 7,500 million tablets and capsules annually
- **Approved by:** USFDA, EU GMP, ANVISA and WHO-GMP



Sikkim Unit III

Our Sikkim Unit III is dedicated to serving the Indian market and supporting volume growth in key therapeutic areas.

- **Formulation capacity:** 1,500 million+ tablets annually
- **Approved by:** WHO-GMP



Vizag, Andhra Pradesh

Our Vizag facility, manufacturing APIs and advanced intermediates, focuses on supporting our formulation facilities through backward integration.

- **API capacity:** 25 metric tonnes per annum
- **Approved by:** USFDA and WHO-GMP



Baddi, Himachal Pradesh

Our Baddi facility caters to regulated and semi-regulated global markets, including Europe and Latin America, while also serving domestic demand.

- **Formulation capacity:** 4,400 million tablets and capsules and 16 million sachets annually
- **Approved by:** Global regulators, including Germany (BfArM), ANVISA (Brazil) and WHO-GMP



Sikkim Unit I & II

Our Sikkim facilities (Unit I & II) are dedicated to serving the Indian market and supporting volume growth in key therapeutic areas.

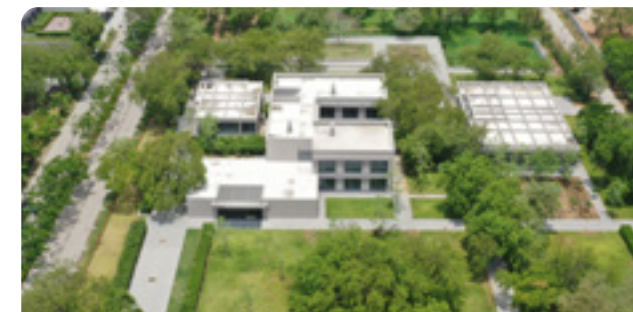
- **Formulation capacity:** 9,000 million+ tablets annually
- **Approved by:** WHO-GMP



Pithampur, Madhya Pradesh

Our Pithampur facility is a dedicated manufacturing unit for topical and dermatological formulations, catering to both domestic and international markets.

- **Formulation capacity:** 115.2 million tubes, 5.8 million bottles and other topical dosage formats annually
- **Approved by:** USFDA, EU GMP and WHO-GMP



Bileshwarpura, Gujarat

We have recently expanded into oncology with our Bileshwarpura facility, a dedicated oral oncology manufacturing unit.

- **Formulation capacity:** 50 million+ tablets and capsules
- **Approved by:** USFDA and EU GMP (Malta)

MANUFACTURING EXCELLENCE

Driving Manufacturing Transformation

During the year, we undertook a series of focused interventions across our manufacturing network to enhance productivity, improve operational efficiency and strengthen technology and quality systems. These initiatives were implemented across key locations, including Baddi, Sikkim, Bileshwarpura, Dahej and Indrad, enabling us to build a more agile, efficient and future-ready manufacturing base.

Strengthening Capacity and Infrastructure

We continued to invest in infrastructure and capability expansion to support portfolio diversification and evolving market requirements.

At Baddi, we installed advanced equipments, including ultrasonic vibratory sifters, vacuum transfer systems and high-capacity conta blenders of 1,200 litres, enhancing material handling efficiency and enabling larger batch processing.

At Sikkim, we added a dedicated bottle packing line for Shelcal 500 and installed an IR dryer, improving packaging flexibility and process efficiency.

At Bileshwarpura, we commissioned spray drying technology to improve solubility and bioavailability for complex molecules and introduced wallet packaging systems to support oncology-focused offerings.

We are developing dedicated small-batch manufacturing areas to support niche and specialty products.

At Dahej, we strengthened infrastructure by creating dedicated area for oral powder manufacturing and introduced new bottle packaging lines, improving segregation, flexibility and readiness for regulated markets.

These investments have strengthened our manufacturing backbone, enabling greater flexibility, improved turnaround times and enhanced supply reliability.

Driving Productivity and Scale Efficiency

We continued to enhance throughput and optimise capacity utilisation through batch size expansion and yield improvement initiatives across facilities.

- At Baddi and Sikkim, batch sizes were increased across identified high-volume 20+ products supported by yield improvement programmes (100+ products) across a wide portfolio.
- At Indrad, similar initiatives were scaled across formulations portfolio, while API operations saw a significant batch size increase for Candesartan.
- At Dahej, commercial scale-ups across key molecules such as Isosorbide Mononitrate, Lercanidipine and Pantoprazole enabled higher batch throughput up to ~35 lakhs tablets for select products, improving economies of scale and reducing cost per unit.

These initiatives have strengthened our ability to cater to growing domestic and international demand while improving asset utilisation across facilities.



Enhancing Operational Efficiency and Process Optimisation

We conducted detailed operational efficiency assessments across our facilities, focusing on process improvements, waste reduction and cycle time optimisation.

- We optimised coating solution usage, reduced testing requirements and implemented formulation improvements.
- We also streamlined packaging processes through multiple initiatives, including the transition from manual to auto-cartonators at Sikkim and Baddi plants and removal of shrink wrap across some markets and replacement of tamper-evident labels with hot melt glue for Brazil supply (150+ SKUs) from the Baddi plant.
- At Indrad, we implemented facility modifications and workflow improvements to decongest operations, delivering measurable productivity gains (~5-6% improvement).

These initiatives reduced manual intervention, improved process efficiency and enhanced overall operational performance.

Advancing Technology, Automation and Digital Manufacturing

We accelerated the adoption of automation and digital technologies to enhance process control, compliance and manufacturing reliability.

- We upgraded compression machines at Baddi in line with 21 CFR requirements, modernised purified water distribution systems and replaced legacy HVAC controllers with advanced building management systems.
- We also upgraded critical equipment at Baddi, including blister packing machines, with advanced PLCs, HMIs and servo drives, improving precision and reliability.
- On the digital front at Dahej facility, we developed a new approach for in-house Manufacturing Execution System (MES) recipe development, a development which can avoid multiple validations for new products (eBMR) with significant reduction in validation time and faster development of new recipes.

These initiatives are strengthening our transition towards digitally enabled, compliant and future-ready manufacturing operations.

Quality, Compliance and Regulatory Excellence

We maintained a strong focus on quality and compliance, reinforcing our systems in line with global regulatory expectations.

Our Dahej facility successfully completed key regulatory inspections, including a USFDA inspection with zero observations and an EU-GMP inspection with no critical or major observations, followed by timely closure of minor observations and renewal of certification.

We strengthened our Quality Management System through enhanced batch record review processes, internal audits and real-time GMP monitoring. Advanced process control measures, including installation of online temperature monitoring systems and 21 CFR Part 11 compliant filter integrity systems, further improved data reliability and compliance.

In addition, we implemented QR code-based traceability across the top domestic SKUs, strengthening anti-counterfeiting measures and ensuring product authenticity.

MANUFACTURING EXCELLENCE



Product Lifecycle Management and Validation

We continued to strengthen product lifecycle management through validation, process optimisation and vendor diversification initiatives.

At Dahej, multiple validation activities were undertaken, including alternate API vendor validation for key products, as well as process validation for certain other product.

Stage-wise hold time studies were introduced to improve manufacturing flexibility, while equipment hold times were extended to enhance operational efficiency.

At Indrad, process simplification initiatives, including reduction of in-process testing and optimisation of testing frequencies, contributed to lower cycle times and reduced quality control costs.

Advancing Complex and Speciality Manufacturing

We strengthened our capabilities in complex and speciality manufacturing, supporting our expansion into regulated and high-value markets.

New Launches in FY 2025-26

We successfully launched multiple complex products across the US, EU and Brazil markets, including formulations in CNS and speciality segments. We also improved process efficiencies and leveraged alternate module utilisation to enhance manufacturing flexibility and ensure supply continuity.

Key product launches during the year:

- Carba ER Tablets (100/200/400 mg) – US
- Pregabalin Capsules (25/50/75/100/150/200/225/300 mg) – US
- Lurasidone Tablets (60 mg) – US
- Rasagiline Tablets (0.5/1 mg) – US
- Lurasidone Tablets (20/40/80 mg) – Brazil
- Sevelamer Sachet (2.4 g) – EU
- Rivaroxaban (2.5 mg) – EU
- Anagrelide Capsules (1 mg) – EU
- Semaglutide Tablets 3/7/14 mg – India
- Levamlodipine Tablets 2.5 & 5 mg – Brazil
- Pazopanib 400mg – US
- Nilotinib Capsule 150 & 200mg – EU
- Empagliflozin Metformin HCl IR 12.5+500 tab – India

Embedding Sustainability in Manufacturing Operations

We are embedding sustainability at the core of our manufacturing operations, aligning efficiency, compliance and environmental responsibility with our long-term growth priorities. Our focus remains on building resource-efficient, low-impact operations while strengthening resilience across our manufacturing network.

(For a detailed overview of our sustainability initiatives, performance and targets, please refer Environment Section of the report)



Way Forward

We remain focused on further strengthening our manufacturing capabilities through continued investments in capacity expansion, process optimisation and digital transformation. We are planning to expand our warehousing infrastructure, further batch size scale-ups, deployment of advanced equipment and continued automation of manufacturing and quality systems. We are also enhancing capabilities for small-batch and high-potency products to support future portfolio requirements.

Through these efforts, we aim to build a more agile, efficient and future-ready manufacturing network that can support our long-term growth ambitions while maintaining the highest standards of quality and compliance.

RESEARCH AND DEVELOPMENT

Our research and development activities form the cornerstone of our strategy and reflect the collective expertise, creativity, and technological capabilities of our dedicated teams. Through sustained investments in scientific advancement, process optimisation, and digital transformation, we continue to strengthen our innovation pipeline, support sustainable growth, and enable early access to essential medicines.



We focus on building a differentiated portfolio through high-value complex generics, advanced drug delivery systems, and innovative therapies that enhance treatment outcomes and patient convenience. Our investments in novel formulations, innovative fixed-dose combinations (FDCs), process engineering, and advanced

analytics continue to strengthen operational efficiency, accelerate product development, and drive the expansion of our product pipeline.

Our continued investment in research and development remains central to our vision of driving innovation, operational excellence, and long-term global leadership.

900+
Scientists

190+
Support staff

R&D Capabilities: Scientific and Technological Advancements

Our single global R&D centre serves all markets and enables us to streamline research operations and maximise efficiency. By consolidating expertise and resources in one location, we ensure standardised processes, facilitate seamless knowledge transfer and accelerate innovation across our product portfolio. This centralised approach not only reduces duplication and operating costs but also enhances agility in responding to regulatory requirements and evolving market demands worldwide.

We made significant progress in advancing our R&D capabilities during FY 2025-26 and strengthened our ecosystem through technology-driven development and digital tools such as product evaluation & portfolio analytics, implementation of toxicity prediction tools and impurity risk assessment technologies that enhances regulatory readiness and global market access. We also expanded our expertise in chiral chemistry, complex API synthesis and impurity characterisation,

while integrating green chemistry approaches for safer and more sustainable manufacturing.

115
Projects under development

₹650 crores
R&D expenditure

Strategic Importance and Focus Areas

Our R&D investments were primarily directed towards oncology, metabolic diseases including GLP-1 based therapies, immunology and neurology, aligning with patient needs and growing demand for advanced treatments. We addressed complex formulation challenges through technologies such as spray drying and developed stable and bioequivalent products in high-burden therapeutic segments. These focused investments ensure alignment with market needs and support sustained growth across therapy areas.



RESEARCH AND DEVELOPMENT

Process Optimisation: Enhancing Efficiency and Regulatory Readiness

We implemented a series of process improvements that contributed to significant reduction in development timelines and regulatory cycle times. The move to parallel execution allowed multiple activities to run simultaneously and substantially shortened overall timelines. A risk-based project management framework enabled early identification of critical paths, proactive management of uncertainties, and structured backup planning.

Continuous and real-time tracking of global regulatory guideline updates ensured proactive incorporation into development checklists, improving submission quality and minimising regulatory queries. Development efficiency was further enhanced through advanced analytical tools, structured approaches to analytical method design and transfer, ensuring quicker method validation.

The introduction of q-NMR technology in the Analytical

Development Laboratory strengthened impurity quantification and potency determination, reducing quality risks and supporting regulatory compliance. Digital systems such as Scientific Data Management Systems, Electronic Lab Notebooks, in-silico toxicity tools, online DMF, and ANDA filing systems, and electronic QMS workflows reduced manual effort, improved data integrity, and shortened development cycles.

Key Advancements

Formulation

Significant progress was made in formulation capabilities, including enhancement of solid-dose development infrastructure with mini-scale dry-granulation and coating systems. These systems enabled rapid prototype development using less material and energy and supported our green chemistry initiatives.

Modern bilayer and high-precision compression platforms were installed, enabling accelerated development of fixed dose

combinations (FDCs) and sophisticated monolayer tablets, thereby strengthening the competitiveness of our future portfolio.

We also integrated advanced oral delivery systems, innovative excipient strategies, and complex solid-dose design, which reduced rework and accelerated regulatory alignment of our products.

We secured first-mover regulatory approvals for Brexpiprazole oral tablets for CNS disorders and Semaglutide oral formulation for metabolic disorders, supporting Day-1 market entry in high-growth therapeutic areas.

APIs (Active Pharmaceutical Ingredients)

We significantly strengthened our in-house API development with a focus on novel non-infringing and cost-effective processes for complex generics, leading to early access to essential medicines and patentable innovations.

New capabilities were established in chiral chemistry, including the development of novel enantiomeric

resolution processes, improving stereochemical purity and supporting global patentability.

We focus on developing non-infringing polymorph, enhancing our ability to design IP-advantaged solid-state forms for first-wave market entry.

Green chemistry initiatives led to safer, more scalable, and environmentally

sustainable manufacturing routes with reduced material consumption and lower ecological burden.

Advanced simulation tools and process engineering minimised development challenges and scale-up risks, shortening overall development timelines.

Bioequivalence Achievements

Our R&D function adopted real-time analytics, data-driven trial designs and Design of Experiments (DoE) to optimise formulation and process parameters improving robustness and quality while supporting successful bioequivalence outcomes.

Bioequivalence studies were supported by advanced

bioanalytical technology of LC-MS/MS, which enabled specific and accurate determination of the drug or applicable metabolite in biological matrices at sub-nanogram concentrations.

The Bioequivalence Centre successfully achieved recertification of NPRA (Malaysia), ANVISA (Brazil) and DCGI (India).

Our digital roadmap includes deployment of an 'end-to end' e-workflow system for BA and BE studies to streamline operations, enhance traceability and improve compliance, further strengthening the bioequivalence assessment process.

Embracing New Technology

We adopted data-driven approaches and advanced trial designs, particularly for value added oral solids and speciality therapies. Real-time analytics supported better prediction of long-term performance, improved formulation targeting, and ensured alignment with stringent regulatory expectations. The use of Design of Experiments enabled systematic optimisation of formulation and process parameters, reducing experimentation time and delivering robust, high-quality formulations. These practices enhanced decision-making accuracy and improved overall development success rates.

Strengthening Quality Capabilities

Our Research and Development centre holds ISO and NABL accreditations, underscoring our commitment to maintaining quality standards aligned with global benchmarks. These certifications reflect our robust processes, rigorous laboratory practices, and adherence to internationally recognised protocols, ensuring that research and development activities consistently deliver 'reliable high-quality results'. Such accreditations reinforce our reputation for scientific excellence and regulatory readiness in domestic and international markets.

Our Bio-evaluation Centre is a Drugs Controller General (India) approved facility, which signifies technical competence and excellence in quality management. This recognition extends to regulatory agencies worldwide, such as ANVISA (Brazil) and Ministry of Health (UAE), NPRA (Malaysia), and studies have been inspected and approved by the USFDA, ANSM (France), DKMA (Denmark), and AGES (Austria), which have accredited our Company's competency and capability to meet global standards.

Accreditations



National Accreditation Board for Testing and Calibration Laboratories (NABL) India

Pharmaceutical Equivalence Centre of R&D also accredited by ANVISA for conducting PE CDP Studies

RESEARCH AND DEVELOPMENT

Differentiated Portfolio: Innovation and Market Leadership

We enhanced our differentiated portfolio in India through advanced formulations, improved drug-delivery platforms, and speciality therapies targeting chronic and high-burden disease areas. Following the Curatio acquisition, we strengthened our dermatology presence while also driving portfolio growth in cardiovascular and diabetology segments through the development of oral Semaglutide.

In international markets, scientific differentiation translated into stronger positioning, particularly in regulated environments requiring high scientific rigour. Investments in complex APIs, tighter impurity controls, and advanced delivery systems consolidated our leadership in Brazil, the United

States and Thailand. Our focus on branded generics complex formulations and speciality therapies ensures a balanced, resilient portfolio and sustained global growth.

Our global strategy combines leadership in branded generics with selective expansion into complex formulations and speciality care while maintaining a diversified product portfolio and geographic mix. Strategic allocation of product types across markets, supported by strong investment in R&D and chronic therapies reinforces our competitive edge.

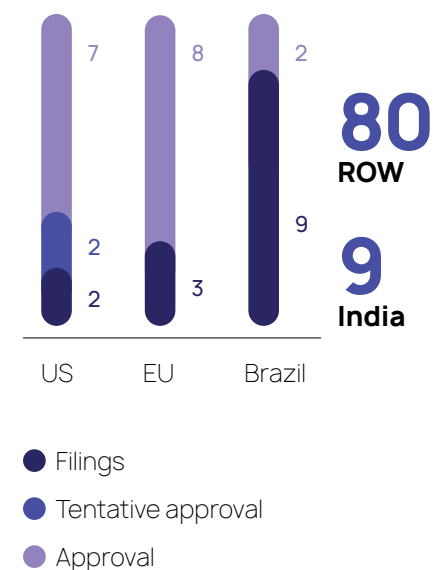
We are further enhancing our global portfolio through investments in NCE-1 opportunities, complex generics, and 505(b)(2)

development, while continuing to launch differentiated offerings across cardiovascular, CNS, and gastrointestinal therapies.

Our R&D pipeline evolved towards higher scientific complexity with focused progress across metabolic disorders, CNS, anti-infectives, oncology, and complex generics. We secured first CDSCO/DCGI market authorisation approvals in India for Brexpiprazole oral tablets for CNS disorders and Semaglutide oral formulation for metabolic disorders.

We also achieved major regulatory milestones in other regulated markets and now have presence in Thailand's oncology segment with approvals for three oncology products.

Regulatory Filings and Approvals in 2025-26



Digital and Technology Use: Transforming Operations and Compliance

We adopted high-value digital platforms to strengthen operational efficiency, compliance, and data integrity across our R&D and quality ecosystem. Key tools included enterprise-grade safety and compliance tracking systems, Scientific Data Management Systems, Electronic Lab Notebooks, in-silico toxicity prediction tools, online regulatory submission platforms, digital QMS workflows, and automated sample management systems.

The integration of real-world evidence (RWE) and scientific data analytics accelerated development cycles, strengthened impurity risk prediction, improved commercial strategy, and enhanced evidence-based decision-making for pricing and business development.

Way Forward

We are evaluating the deployment of end-to-end e-workflow systems for BA and BE studies, and advanced AI tools for literature screening. We are also exploring a molecular-intelligence platform that integrates

retrosynthesis, impurity prediction, toxicity assessment, and route design into a unified digital decision-support environment, further elevating operational efficiency and compliance.



Pharmacovigilance: Strengthening Global Safety and Compliance

We are dedicated to upholding the highest standards of safety and efficacy for our pharmaceutical products. We maintain a premier pharmacovigilance system that adheres to international regulatory requirements. We enhanced our global pharmacovigilance framework through improved field-force training, enabling accurate and timely detection of adverse events and streamlined safety-handling processes that accelerated responses to medical and regulatory queries.

Newly added international affiliates were integrated into a harmonised global safety governance model, ensuring consistent reporting standards across regions.

Data analytics enabled early signal detection, real-time monitoring, and predictive risk forecasting, transforming pharmacovigilance into a proactive safety management framework.

Upgrades to the global safety database achieved E2B(R3) compliance and enhanced

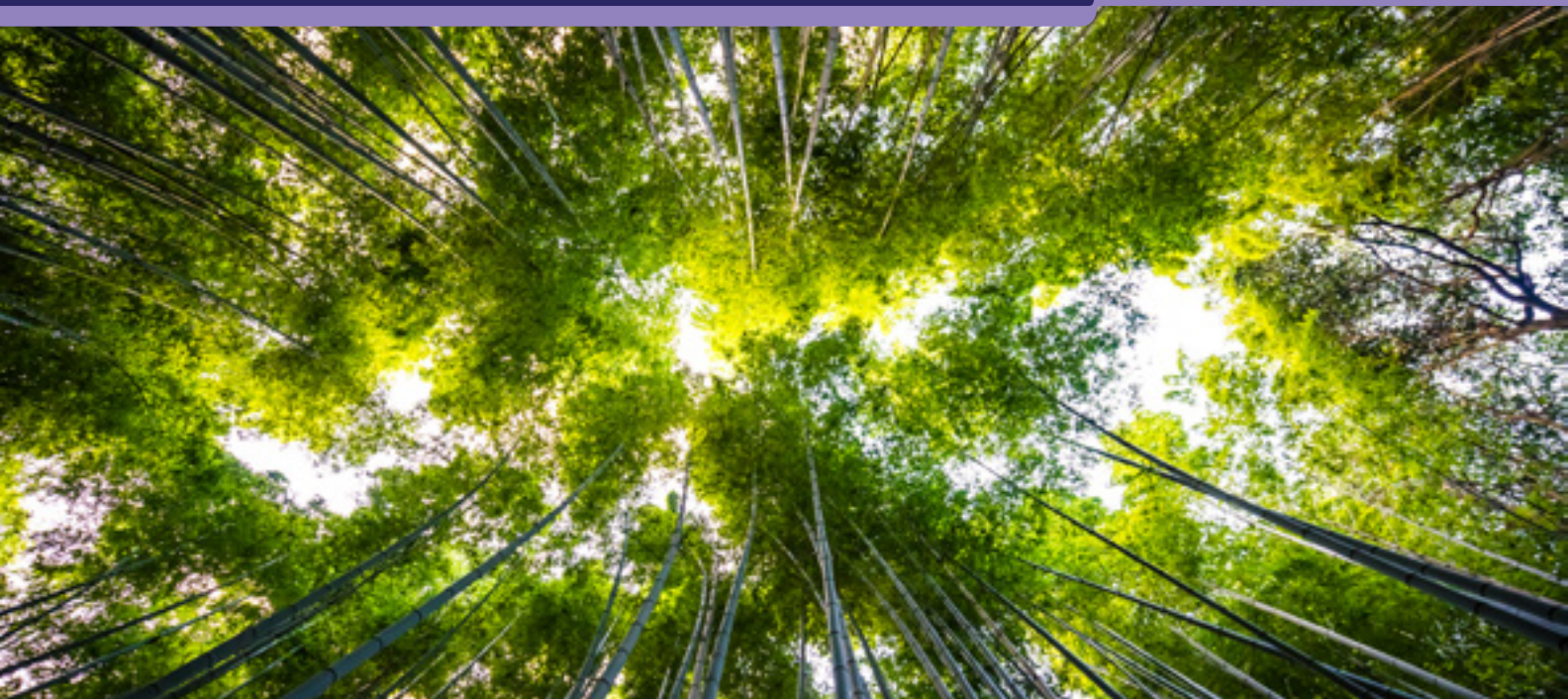
data privacy controls aligned with expectations of the European Medicines Agency, significantly improving data integrity, global oversight, and inspection readiness. Our global pharmacovigilance system integrates worldwide safety data through standardised case processing, literature monitoring, and real-time signal detection, supported by a strong QMS framework for accuracy, compliance, and continuous improvement.

ENVIRONMENT

ENVIRONMENTAL STEWARDSHIP

Environmental stewardship is integral to our operations and embedded in our philosophy. We are committed to optimising the use of resources by producing more with less through the adoption of advanced technologies, efficient processes and systematic waste reduction, thereby minimising our environmental footprint. Guided by our philosophy, “Think of others also, when you think about yourself,” we recognise that the environment is deeply intertwined with societal well-being and the welfare of future generations.

In response to the global climate challenge, we continue to reduce our carbon footprint, enhance the adoption of renewable energy and strengthen environmental protection efforts, supported by a clearly defined sustainability roadmap with measurable focus areas, KPIs and targets.



As part of our unwavering commitment to environmental stewardship, energy efficiency and safe operations, all our sites are ISO 14001:2015 (Environmental Management Systems) and ISO 45001:2018 (Occupational Health and Safety Management Systems) certified. Further reinforcing our focus on energy management and climate action, seven sites (Indrad, Bileshwarpura, Dahej, Baddi Pithampur, Sikkim and R&D facility) have also achieved ISO 50001:2018 (Energy Management Systems) certification.

ESG Strategy

During FY 2025-26, we assessed our progress against existing targets and set progressive goals for FY 2029-30 as part of our ongoing ESG journey.

Climate Action, Energy and Emissions Management

GHG Emission (Scope 1 and Scope 2 emissions)

We are making significant strides in cutting carbon emissions by implementing energy-efficient measures and embracing renewable energy. We are prioritising the reduction of Scope 1 emissions (direct output from assets we own or control) and Scope 2 emissions (indirect output from purchased electricity), demonstrating our commitment to sustainable and responsible business practices.

Target	Achievements
Reduce Scope 1 and Scope 2 GHG emissions by ~70% from a FY 2019-20 base year.	Reduced Scope 1 and Scope 2 GHG emissions by 32% from a FY 2019-20 base year.
FY 2029-30	FY 2025-26

ENVIRONMENTAL STEWARDSHIP

Our Levers to Decarbonisation

Energy Mix

Increase in renewable share,
switching to low carbon fuels

Energy Efficiency

Limit BAU demand through conservation measures

Energy Transition

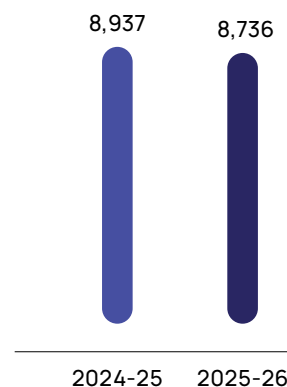
Phase down high GWP refrigerants by adopting low GWP alternatives

Energy Mix

Scope 1 Emissions – Direct Output from Assets we Own or Control

During FY 2025-26, we continued to strengthen our transition toward cleaner energy sources, resulting in a substantial improvement in our Scope 1 emissions profile. A focused shift from conventional fossil fuels to renewable alternatives, particularly agro-waste-based briquettes, has significantly reduced dependence on non-renewable fuels. These initiatives have enabled our Company to achieve a considerable reduction in direct GHG emissions compared to both the baseline year and the previous financial year, reinforcing our long-term decarbonisation strategy.

Scope 1 Emissions (tCO₂e)



2.3% 
Reduction from
previous year

72.2% 
Reduction from
baseline year

70%
Share of renewable fuel in total fuel consumption

Fuel Consumption by Source (in GJ)

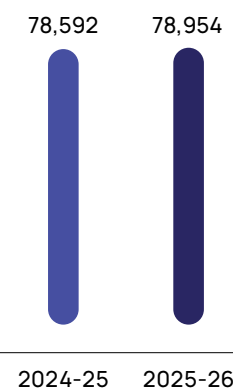
Source	2024-25	2025-26
Diesel	55,740	47,319
Natural Gas	24,061	19,057
LDO	19,145	29,934
LSHS	25,948	24,737
Briquette and Biofuel	2,66,514	2,80,403
Total	3,91,408	4,01,450



Scope 2 Emissions – Indirect Output from Purchased Electricity

Our Company has made consistent progress in lowering Scope 2 emissions through increased adoption of renewable electricity and expansion of clean energy infrastructure. Strategic investments in rooftop solar and hybrid renewable systems have enhanced the share of green power in the overall energy mix. These measures have contributed to a measurable reduction in indirect carbon emissions, supporting our Company's commitment to responsible energy consumption and climate action.

Scope 2 Emissions (tCO₂e)



0.5% 
Increased from
previous year

19.5% 
Reduction from
baseline year

20%
Share of renewable energy in total energy consumption

Electricity Consumption by Source (In GJ)

Source	2024-25	2025-2
Solar + Wind	98,328	97,40
Grid Electricity Purchase	3,89,176	4,00,33
Total	4,87,504	4,97,73

Our energy intensity for the year was 83.94 GJ/₹ crores of revenue, compared to 90.77 GJ/₹ crores of revenue for previous year.

Energy Conservation Initiatives

Improved operation and efficiency by latest technology and ideas in Utilities equipments (i.e. Cooling Tower, HVAC, Chillers, AHU, etc.)

- Replacement of conventional single compressor chillers with twin compressor screw chillers at Indrad manufacturing facility.
- Refurbishment of Cooling tower with advanced PVC fills at Indrad

manufacturing facility and with FRP/Carbon blade fans at Indrad, Dahej and Bileshwarpura manufacturing facility.

- Installation of Integrated demand-based control for 9 Chillers at Dahej manufacturing facility.
- Upgradation of Centrifugal Air Compressor at Baddi

manufacturing facility in place of conventional systems.

- Installation of high-efficiency desiccant beds in HVAC system at Baddi and Sikkim manufacturing facility.

These energy initiatives undertaken during the year contributed to a reduction of more than 350 tCO₂e in Scope 2 emissions.

ENVIRONMENTAL STEWARDSHIP

GHG Emission
(Scope 3 Emissions)

We recognise the importance of tracking Scope 3 emissions as a critical component of our overall climate strategy.



Target

Reduce Scope 3 emission intensity (per ₹ of revenue) by 10% from FY 2024-25 base year

FY 2029-30

FY 2025-26

Scope 3 emissions intensity is 1.688 tCO₂e per ₹ million revenue in FY 2025-26, compared to 1.632 tCO₂e in FY 2024-25

Our levers to decarbonisation

Supply Chain
Decarbonisation

Engage and decarbonise top high-emitting suppliers

Transport Efficiency

Reduce freight emissions through modal shift, load consolidation, and optimised route planning

Green Mobility Transition

Reduce business travel emissions by promoting low-emission mobility and accelerating the adoption of EVs through a Green Travel Policy

We have assessed all 15 categories of Scope 3 emissions in accordance with the GHG Protocol to evaluate their relevance to our business. Based on the nature of our operations and materiality, we currently report emissions under 10 applicable categories.

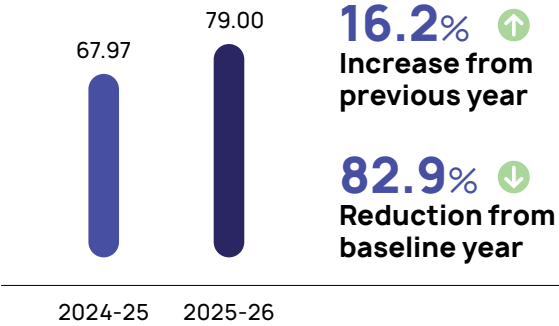
Category-wise Scope 3 Emission

Category	FY 2024-25		FY 2025-26	
	Emissions (in tCO ₂ e)	%	Emissions (in tCO ₂ e)	%
S1 - Purchased Goods and Services	67,010	43.3%	77,189	43.5%
S2 - Capital Goods	984	0.6%	5,946	3.4%
S3 - Fuel and Energy Related Activities	33,933	21.9%	35,291	19.9%
S4 - Upstream Transportation and Distribution	4,775	3.1%	4,090	2.3%
S5 - Waste Generated in Operations	280	0.2%	354	0.2%
S6 - Business Travel	23,183	15.0%	24,850	14.0%
S7 - Employee Commuting	5,151	3.3%	3,248	1.8%
S8 - Upstream Leased Asset	546	0.4%	544	0.3%
S9 - Downstream Transportation and Distribution	18,962	12.2%	25,728	14.5%
S12 - End-of-Life Treatment of Sold Products	13	0.0%	8	0.0%
Total	1,54,837	100.0%	1,77,248	100.0%

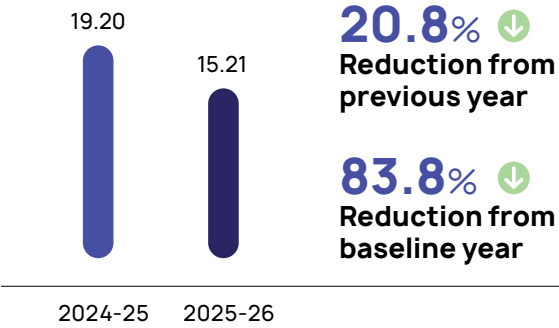
Other than GHG Air Emissions

Our Company has adopted cleaner technologies and refined operational practices to further minimise SO_x and NO_x emissions. Significant advancements have been achieved in lowering emissions of sulphur dioxide (SO₂) and nitrogen oxides (NO_x).

SO_x Emissions
(MT)



NO_x Emissions
(MT)



ENVIRONMENTAL STEWARDSHIP

Waste Management

Our organisation is committed to attaining 'zero waste to landfill', and to that end, has implemented the 4R philosophy: Reuse, Reduce, Recover, and Recycle. Additionally, we adhere to a comprehensive waste management hierarchy that is consistent with circular economy principles.

Target

Ensure minimum 97% of total waste is diverted from landfill

Achievements

98% of total waste is diverted from landfill in FY 2025-26



Our Levers to Waste Management

Zero Waste to Landfill (ZWTL)

Strengthen governance by standardising waste segregation, tracking, and site level controls to eliminate landfill disposal

Hazardous Waste Diversion

Scale diversion through cement kiln co-processing, expanded recycling partnerships, and enhanced solvent recovery capacities

Cleaner Production Practices

Reduce waste at the source via process improvements, solvent minimisation, and adoption of green chemistry in high volume processes

Zero Waste to Landfills

We remain committed to achieving and sustaining 'Zero Waste to Landfill' through strong governance, standardised waste management practices, and continuous monitoring across operations.

75%
Of our operational sites now
being classified as zero-
waste-to-landfill

Waste Reduction and Diversion

We continue to prioritise waste reduction at source, supported by process improvements, solvent minimisation initiatives, and enhanced recovery and recycling practices.



Non-hazardous Waste is 100% Recycled

We fulfil our Extended Producer Responsibility (EPR) obligation by ensuring 100% take-back of plastic waste equivalent to the plastic packaging introduced into the market. The collected plastic waste is sustainably disposed of through co-processing in cement plants and waste to energy facilities, enabling energy recovery, reducing fossil fuel use, and eliminating landfill disposal.

Hazardous Waste Profile (in MT)

Waste Category	Disposable Methods	2024-25	2025-26
Biomedical Waste	Incineration	37.73	43.27
Plastic Waste	Recycling	714.43	809.11
Solid Non-Hazardous Waste	Recycling	1,936.98	2,087.19
E-waste	Recycling	9.06	3.12
Battery Waste	Recycling	29.01	28.87
Hazardous Waste	Incineration	47.38	32.03
	Co-processing	1,210.20	1,273.11
	TSDf Landfilling	276.58	62.40
	Recycling	706.32	1,537.04
Total		4,967.69	5,876.13

ENVIRONMENTAL STEWARDSHIP

Water Management

We have taken stewardship towards conserving water and have implemented various measures to reduce the freshwater consumption. There is a great degree of dependency on an uninterrupted supply of water for continued operations. Our Company is not only maintaining regulatory requirements as envisaged by the Central Ground Water Authority but also has taken ownership of the reduction in water consumption with efficient recycling. We consistently monitor our water stewardship parameters, including water withdrawal, recycling, discharge and consumption.

Target

50% of total water consumption across operations to be recycled and reused

Water neutrality

FY 2029-30

Achievements

44% of total water consumption across operations is recycled and reused

FY 2025-26



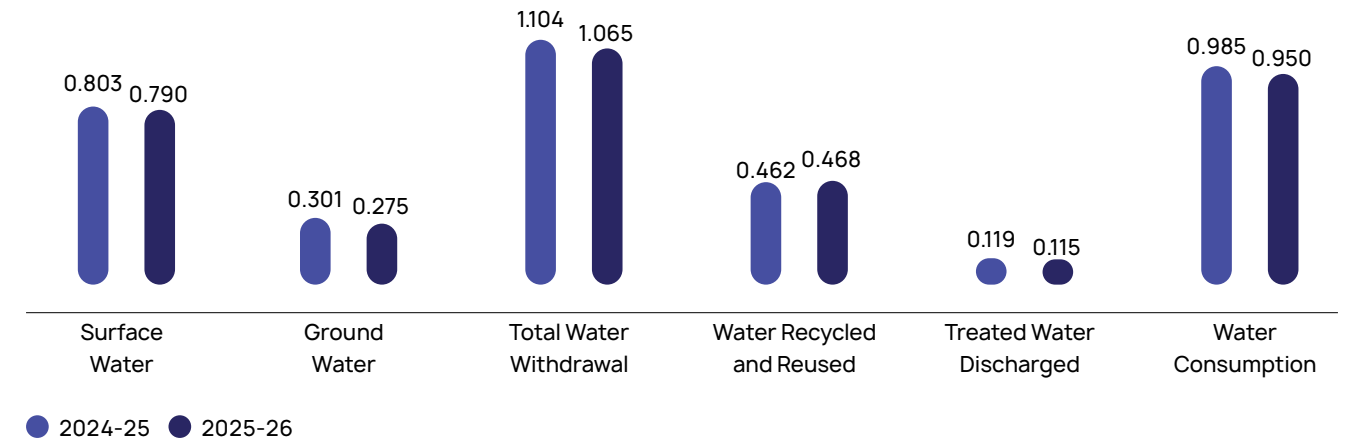
Rainwater Harvesting

53 recharge wells have been strategically installed across our manufacturing locations at Indrad, Pithampur, Bileshwarpura, Baddi, and R&D. Additionally, the Dahej facility includes a rainwater collection pond with an

approximate capacity of 70,000 KL. These systems, comprising of underground tanks, recharge pits and shafts, as well as ponds, reflect our ongoing commitment to sustainable water management and conservation practices.

**~1,10,000 KL
Rainwater; ~10%
of freshwater
consumption**

Water Stewardship Metrics (in million M³)



Zero Liquid Discharge

Five of our manufacturing units are Zero Liquid Discharge (ZLD) sites. Our wastewater treatment infrastructure is equipped with advanced technologies, including Effluent Treatment Plant (ETP), Reverse Osmosis (RO), Nano Filtration (NF), Multiple Effect Evaporator (MEE), Agitated Thin Film Dryer (ATFD), Solvent

Stripper, Sewage Treatment Plant (STP), Volute, and Sludge Dryer. These systems ensure effective treatment, recycling, and reuse of wastewater, significantly minimising waste sent to landfills. Treated water is reused for in house green belt development, while the RO system achieves 90% recovery rate,

with permeate water recycled for utility applications.

5
Manufacturing sites with zero liquid discharge, and 2 facilities with compliant discharge system

Biodiversity

We are committed to conserving and enhancing green spaces within and around premises, recognising afforestation and biodiversity protection as integral to our decarbonisation strategy. Accordingly, all operational units are developed with dense and well maintained green belts, underscoring our Company's commitment to environmental stewardship and sustainable growth.

~43.8%
Green coverage on all sites



SOCIAL

OUR PEOPLE

Our human resource strategy is anchored towards building a capable, engaged and motivated workforce that supports sustainable business growth. Our HR strategy is founded on five core pillars: developing skills and capabilities, promoting employee wellness, ensuring equal opportunity, fair compensation and maintaining empowering work environment. Through structured policies and people-centric initiatives, we strive to create a safe, inclusive, and performance-driven work environment that empowers employees to grow, contribute meaningfully, and align with our Company's long-term objectives.



Employee Snapshot

Category-wise Count of Employees as on 31st March, 2026

Permanent Employees

15,691

2,038



17,729
Total

Permanent Workers

504

25



529
Total

Other than Permanent Employees

235

38



273
Total

Contractual Workers

2,603

478



3,081
Total

Employees by Age
(Other than Contractual Workers)

<30

5,200



30 to 50

12,071

>50

1,260

New Hires by Age
(Other than Contractual Workers)

<30

2,169



30 to 50

1,072

>50

51

Employee Attrition by Age
(Other than Contractual Workers)

<30

1,024



30 to 50

920

>50

137

OUR PEOPLE



Torrent Pharma India is proudly recognised as a Great Place To Work® (GPTW). 93% of our employees responded to the GPTW survey and we recorded an employee engagement of 81%, 14% rise from our previous survey conducted in 2023. This demonstrates our steadfast commitment to empowering our people and elevating their experience.

Skills and Capabilities

Talent Management

We strengthened our talent management strategy to support sustainable growth, high performance and long-term value creation. We focused on optimising workforce productivity, building capabilities of internal talent and nurturing a strong leadership pipeline aligned with our strategic priorities.

Talent Acquisition

We remain committed to attracting and developing diverse talent through targeted hiring initiatives. We actively collaborate with notable universities and institutes such as NIPER, NMIMS, Nirma and IIHMR to strengthen our talent pool. We attract the right talent with focused talent sourcing through job portals, employee referral programmes and networking sites.

SAMPARK

We ensure a structured and inclusive onboarding process through SAMPARK initiative that enables new employees to develop connections essential to help integrate them seamlessly into the organisation's culture, values and ethos. This process focuses on early engagement, role clarity and alignment with organisational values, culture and strategic priorities. The initiative aims to engage with new recruits at regular intervals to foster sustained connections, enhance their comfort, and support retention.



Learning and Development

We remain committed to developing a skilled, future-ready workforce through comprehensive learning and development initiatives. During the year, a variety of training programmes and knowledge-sharing sessions were organised, covering technical competencies, on-the-job learning, behavioural skills and safety procedures. The objective of these programmes is to enhance employee capabilities, boost productivity, and promote professional advancement across the organisation.

We promote continuous learning by encouraging employees to

update their skills in line with industry standards. During the year targeted training programmes were organised, including Basic and Advanced Excel courses for analytics and data management,

E-learning modules for self-paced development, Leadership programmes, such as Learn from Leaders, further strengthened management capabilities and supported succession planning.



Trainings Imparted

Behavioural Training

- Leadership Development programmes
- Code of Conduct
- Human Rights
- Data Protection and Privacy Policy
- Orientation Programme under the POSH Act

Technical Training

- GLP
- 21 CFR Part 11
- cGMP, analysis related training
- Pharmacovigilance
- Sales training for field force (Excel & Encore programmes)
- Job-specific technical training

Safety Training

- General Safety
- First Aid
- Occupational Health, Safety and Productivity in Industries
- Mental health Well-being
- Personal Protective Equipment
- Safe driving
- Personal Health and Hygiene

Promoting Internal Talent

Our Comprehensive Performance Potential (CPP) programme assesses employee potential and develops future leaders by identifying and preparing internal talent for advancement.

38+

Average training hours per employee

Our employee turnover rate declined to 11.7% from 13.5% in previous year (on standalone basis for permanent employees).

7,00,000+

Total training hours

The LEAD programme was implemented to identify Zonal Business Managers with the potential to advance into AGM – Sales roles. During the programme these high-potential Zonal Business Managers of the Pharma Field were subjected to certain job-related simulations, tests, and exercised under the observation of trained assessors. Based on the their competencies, participants are developed for leadership roles.

OUR PEOPLE



Succession Planning and Leadership Development

We place a strong emphasis on succession planning to ensure leadership continuity and organisational resilience. By identifying and nurturing high-potential talent, we aim to build a robust internal leadership pipeline

for critical roles. This structured approach supports long-term value creation, reduces dependency on external hiring and strengthens governance through planned leadership transitions. Job rotation is instrumental in cultivating

emerging talent, supporting their progression into leadership roles, and broadening their competencies by providing exposure across a range of functions.

Employee Wellness

We recognise that well-being impacts performance and quality of life. By incorporating global expertise, specialised training, interactive programmes, and leadership discussions, we strive to build a psychologically safe and engaged workforce while ensuring that our wellness initiatives are accessible and effective.



Communication and Connection

We promote a culture of transparency, trust and accountability through open communication channels and an approachable management framework. Employees are encouraged to raise concerns, share ideas and seek guidance without fear, supported by an open door policy and ethical governance practices. This approach enables timely issue resolution, strengthens employee well-being and reinforces a culture of integrity and mutual respect across the organisation.

Several initiatives such as 'Sahyog, Baatchet, and Coffee with Site Heads', aims to improve communication with site leadership, HR teams, and managers. Additionally, programmes like Anubhav and Spandan aim to foster team bonding through various activities.

Work-life Balance

Work-life balance is vital for productivity, happiness, and retention. Our strategy combines flexibility and targeted well-being programmes for all employee groups. Our Company supports work-life balance through flexible working hours, compensatory leave, and a strong focus on employee satisfaction and well-being.

During the year, we organised multiple webinars to bring awareness on topics such as cholesterol, headache management, and hypertension. Events like Khel Mahotsav — annual sports tournament, birthday and festival celebrations and talent shows were organised, often involving employees' families, to build an inclusive workplace.

Our newly designed Corporate Office features a fully equipped gym and a dedicated yoga studio, designed to promote health and well-being. With the state-of-the-art equipment and guidance from certified fitness professionals, we actively encourage employees to prioritise their fitness in a supportive and supervised environment.



OUR PEOPLE

Health Check-ups and Insurance

Employees undergo comprehensive health check-ups, including age-appropriate tests at reputed centres, followed by doctor consultations. Each manufacturing facility has a full-time on-site doctor to respond to medical emergencies. Employees and their immediate families are covered under a Company-provided medical insurance plan, ensuring protection against hospitalisation costs. In addition, the organisation

facilitates access to top-up and parental insurance options, enabling employees to extend coverage for enhanced financial security in case of accidents or unforeseen health issues. A digital platform further provides seamless access to these resources, ensuring timely support and information during medical exigencies.

6,500+
Employees health check-up conducted during the year

Parental Leave

We are committed to supporting our employees during the important life stage of welcoming a child. In India, mothers are entitled to 26 weeks (approximately six months) of paid maternity leave. Effective 1st April, 2026, we introduced seven days of paternity leave for male employees. Similar benefits are also offered across other territories, in alignment with applicable local laws and regulations.



Equal Opportunities and Inclusive Workplace

Diversity and Inclusion

We strive to create an inclusive and equitable workplace where diversity is respected, and every individual is empowered to achieve their full potential. Diverse perspectives enrich our culture and drive innovation across the organisation.



Our Diverse Workforce

11.3%
Female employees

25.4%
Female scientists at R&D facility

10.4%
Female employees in senior and top management

2 out of 7 Board members are female

33.7%
Female employees in Corporate and Branch offices in India

35.2%
Females in new hires at Corporate and Branch offices in India

40+
Specially-abled employees

Introduction of 7 days paternity leave benefits in India effective 1st April, 2026

7.2%
Of our total employees are based outside India, representing 12+ nationalities

OUR PEOPLE

New Hires by Gender

	2024-25	2025-26
Male	2,963	2,844
Female	528	448
Total	3,491	3,292

Attrition by Gender

	2024-25	2025-26
Male	1,824	1,752
Female	403	329
Total	2,227	2,081

Women Employees who Availed Maternity Leave and Resumed Work*

	2024-25	2025-26
Women who returned to work till 31 st March, after maternity leave ended	56	58
Women employees who availed maternity leave	63	70
Women who returned to work after returning from maternity leave and were retained for 12 months and more, as on 31 st March	49	47

*Reported on a standalone basis

Gender Diversity by Management Category

	Male	Female
Senior Management	180	21
Middle Management	702	123
Junior Management	12,568	1,176
Staff	2,980	781
Total	16,430	2,101

Support for Female Employees

We promote inclusivity by actively engaging and supporting women employees through various wellness programmes and mindset development aimed at advancing equity.

Gender-neutral Policies

To build a truly inclusive environment, recruitment and career development processes are designed to be free from gender bias.

Policies are structured to provide equal opportunities, ensuring a fair and merit-based approach to hiring and promotions.

Further, we:

- Offer crèche facilities to female staff members with young children
- Grant special allowances to female employees working in field roles

- Promote the health and well-being of female employees by organising bi-annual sessions focused on women's overall well-being

For the safety and convenience of our women employees in field, we provide a complimentary radio cab facility for women returning home from field work after 8 pm.



Performance Evaluation

The Performance Evaluation Programme aims to gain comprehensive insight into each employee's strengths and areas for improvement, provide constructive feedback for future skill development, and support goal setting. As part of the annual Performance Management exercise, all employees undergo a structured and comprehensive evaluation process. A robust, integrated appraisal tool is used to ensure that the Performance Appraisal is conducted in a fair and transparent manner. Our performance appraisal framework is built around three key steps: clear communication of expectations, structured evaluation, and normalised scoring.

Additionally, we offer a range of incentives and rewards to recognise employee performance and target achievements.

Recognition and Rewards

We foster a high-performance culture by recognising employee achievements through structured, merit-based programmes. Several initiatives have been implemented to recognise and honour exceptional contributions, including the **GEM (Gone the Extra Mile)** and Utkarsh programme, which are specifically designed to honour exemplary employees. Additionally, the **Circle of Excellence** programme recognises the top three sales performers within each Business Manager's region, with honourees being celebrated at their homes in the presence of their families.

The **Directors' Award** was instituted to recognise the performance of leading brands and new launches of our Company and the people behind their success. In addition, the best performing business units were recognised and rewarded by the Director for their outstanding contribution to our Company's growth. Consistent performers are recognised through **Spotlight Awards** by CEO India Business.

Additionally, the Torrent Group honours two outstanding employees each year with the **'Torrentian of the Year'** award. The recipients are selected through a participatory process that considers their contributions to the organisation.

OUR PEOPLE

Work Environment

We prioritise safety and wellness at all our corporate and manufacturing sites by actively integrating preventive and proactive initiatives into our workplace culture.

Occupational Health and Safety Initiatives

Our Environmental Health and Safety (EHS) function operates under a clear EHS Policy that applies consistently to all our manufacturing sites, corporate offices, and R&D centre. Contractors are also covered under by comprehensive Health, Safety, and Environment (HSE) initiatives. The policy is regularly reviewed and updated to align with International Organisation for Standardisation (ISO) and other global standards, ensuring that our EHS system remain internationally aligned and setting high standards for excellence.

To ensure a safe workplace and effectively manage hazards,

we have implemented the following measures:

- Routine safety inspections to help eliminate near misses and incidents.
- Issuance of permits by department heads for non-routine and critical work, valid for specific periods.
- Internal audits conducted by trained professionals to ensure adherence to best practices.
- External audits performed by subject-matter experts to verify compliance with safe operating practices.

- HAZOP studies undertaken for critical processes, including hazard identification and risk assessment by the respective departments.

We maintain a comprehensive incident reporting system that captures events across all sites. Based on these reports, Corrective and Preventive Actions ('CAPA') or Learnings from Incidents ('LFI') are communicated to relevant personnel, helping to prevent recurrence.



Details of Safety-related Incidents (for Industrial Premises)

Zero Fatalities
Uncompromising on safety

0.19
Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)

4
Total recordable work-related injuries

All our sites are ISO 45001:2018 certified



Human Rights

Our Human Rights Policy serves as the guiding principle for respecting and protecting human rights across our operations and includes:

- Prohibiting practices such as child labour and forced labour
- Promoting diversity, equal opportunity, and non-discrimination
- Ensuring the health, safety, and well-being of employees
- Safeguarding key aspects such as wages, working hours, leave benefits, recruitment practices, data privacy, community engagement, and workplace security

Our Company has a robust process in place for reporting any unethical business practices, along with gender-neutral policy on the Prevention of Sexual Harassment (POSH).

We ensure disability inclusion in a holistic manner by providing appropriate infrastructure and amenities that enable employees with disabilities to work safely and effectively across our premises. Our facilities are designed to promote accessibility and inclusivity, in alignment with the provisions of the Rights of Persons with Disabilities Act, 2016.

Code of Conduct

Our Code of Conduct policy shapes our culture around ethics and legal principles. This policy aims to foster honesty, trust, accountability, and transparency. The code defines essential corporate and organisational values that guide our business practices. All new employees undergo a Code of Conduct orientation during their hiring process to ensure that they understand, accept, and integrate these principles. A robust monitoring mechanism supports the implementation and enforcement of the code by tracking and addressing any violations or misconduct. Every employee is expected to uphold and demonstrate the Code of Conduct in both actions and words in the workplace.

The Human Rights Policy can be accessed at

<https://www.torrentpharma.com/investors/corp-governance/statutory-documents/>

OUR COMMUNITIES

At Torrent Pharma, we build social capital by staying actively involved with communities and committing to inclusive growth. Inspired by our founder’s guiding principle, **“Think of others also, when you think about yourself”**, our Corporate Social Responsibility (CSR) strategy is centred on three core areas: community healthcare, education and knowledge improvement, and social care.



Drawing on our deep understanding of public health and community needs, our projects supports underserved children via primary paediatric centres and specialty hospitals. We also focus on improving adolescent girls’ health, hygiene awareness, developing public infrastructure, and promoting education and skill development initiatives. Each of our initiatives is designed to address local needs, enhance the quality of life, and create lasting social impact, affirming our belief that the well-being of communities is integral to sustainable business success. We implement our CSR projects through the UNM Foundation.

CSR Governance

We are committed to upholding strong CSR governance to ensure the effectiveness, accountability, and long-term impact of our initiatives. We apply the same level of discipline to our community programmes as we do to our core operations, ensuring a structured and outcome-driven approach.

CSR Committee and Policy

At the Board level, the Corporate Social Responsibility and Sustainability (CSRS) Committee oversees our community-focused initiatives. Our well-structured and holistic CSR policy outlines focus areas, project categories, programme types, delivery methodologies, and resource allocation. It serves as a guiding framework for all our employees and partners engaged in CSR activities.

Annual Action Plan

The CSRS Committee convenes meeting at least twice a year to develop an Annual Action Plan (AAP), that outlines key projects, activities, budgets, and monitoring mechanisms. Following Board approval, the Committee closely monitors implementation to ensure alignment with defined objectives and evolving community needs.

OUR COMMUNITIES



Community Healthcare, Sanitation and Hygiene

REACH ('Reach Each Child') is our flagship paediatric healthcare initiative launched in 2014 through the UNM Foundation, the philanthropic arm of the Torrent Group. The initiative is primarily directed at preventing child health problems through proactive grassroots interventions, focusing on children (six months to six years) and adolescent girls (11 to 18 years). The focus remains on improving early diagnosis, strengthening nutrition, enabling behavioural change, and ensuring access to specialised paediatric treatment across underserved regions of Gujarat.

It operates through two distinct categories: Outreach Activities (health screening camps) and Medical Services, which include setting up UNM Children Primary Paediatric Health Centres (PPHCs) and a 150-bed multi-disciplinary UNM Children Hospital in Kamrej, Surat.



Outreach Activities

Child Health, Nutrition and Preventive Care

Our Outreach Programme is a flagship preventive healthcare initiative aimed at improving the baseline health of children in underserved communities. By focusing on early identification, timely intervention, and continuous follow-up, we contribute to long-term child well-being and healthier communities.

Under this programme, baseline health screening camps are organised across villages in Gujarat. Children are screened for malnutrition and anaemia, followed

by appropriate nutritional, medical, and referral-based interventions.

20,000+
Children screened in
FY 2025-26

1,84,000+
Children screened
cumulatively

150+
Villages added in
FY 2025-26

1,900+
Villages covered
cumulatively

OUR COMMUNITIES

Integrated Intervention Areas under Outreach

Malnutrition Management

Children's nutritional status is assessed using the WHO 'weight for age' criteria. Identified cases are classified as moderately or severely underweight and supported through nutritional supplementation and structured home-based follow-ups. Cases requiring advanced care are referred to UNM Children PHC/UNM Children Hospital for further treatment.

60%
Children out of malnourishment on cumulative basis



Anaemia Management

Haemoglobin levels are assessed during screening camps. Anaemic children receive medication, periodic follow-ups through home visits, and are referred for medical evaluation where required.

90%
Children out of anaemia on cumulative basis

Healthcare, Sanitation and Hygiene of Adolescent Girls

Alongside child health, we continue to focus on adolescent girls' health by addressing critical issues related to menstrual hygiene, awareness, and behavioural change. Recognising the social barriers and taboos associated with menstruation, our programmes aim to create informed, confident, and health-aware communities.

Female volunteers and employees conduct structured awareness sessions, provide counselling, and engage directly with adolescent girls to promote safe and sustainable menstrual hygiene practices. These interventions are supported by the distribution of biodegradable, reusable sanitary pads, ensuring both accessibility and environmental sustainability.

13,000+ adolescent girls from 235 villages across Gujarat benefitted in FY 2025-26, cumulatively reaching 1,15,000+ unique beneficiaries across 1,750 villages.

These interventions have significantly enhanced knowledge, confidence, self-esteem, and health-seeking behaviour, contributing to more informed, resilient, and health-aware rural communities.



Medical Services

Advancing Paediatric Care: UNM Children Hospital (UNMCH) and PHCs

Our hub-and-spoke healthcare delivery model is anchored by the 150-bedded NABH and NABL-certified UNM Children Hospital near Kamrej in Surat, which delivers advanced secondary and tertiary paediatric care, including complex surgical interventions.

The hospital is supported by 11 paediatric PHCs across Gujarat, which provide outpatient care, diagnostics, medicines and referrals. This integrated network enables children in underserved communities to access timely and quality medical services closer to their homes, ensuring continuity of care from primary consultation to advanced treatment.

We expand access to healthcare by providing free treatment to underprivileged families and offering subsidised care to others, ensuring equitable and inclusive healthcare delivery. Since its inception in 2017, this network has enabled thousands of underprivileged children to receive quality medical care, while we continued to expand our presence across the underserved rural belts of Gujarat during the year.

We further strengthened our clinical capabilities during the year, as reflected in the sustained growth in surgical capacity. In May 2025, the hospital achieved a significant milestone by completing 266 surgeries in a single month, surpassing the previous record

of 210 surgeries in July 2024. Our teams also undertook highly complex procedures, including a rare Caudal Duplication Syndrome case, while simultaneously expanding developmental care services through the newly inaugurated Child Neuro Development Centre.

2,176
Surgeries performed in FY 2025-26

OUR COMMUNITIES

Key Healthcare Advancements

During the year, UNM Children Hospital augmented its clinical capabilities through targeted additions across diagnostics, critical support, and specialised care, strengthening its ability to deliver high-quality, technology-enabled paediatric healthcare.

Diagnostics and Critical Care Support

- Added a Siemens SOMATOM go Top 128-slice CT scanner, enabling high-resolution paediatric imaging with reduced radiation exposure
- Established a Blood Storage Unit with advanced equipment, ensuring safer and reliable 24x7 blood availability for surgeries and PICU/NICU care
- Set up an advanced Microbiology Laboratory with BACT/ALERT 3D and VITEK 2 Compact systems for faster and more precise diagnostics

Surgical and Developmental Care

- Inaugurated a fourth state-of-the-art operation theatre, enhancing surgical precision and workflow efficiency.
- Established a Child Development Centre providing physiotherapy and occupational therapy for children with autism, intellectual disabilities and developmental delays



Operational Scale and Patient Reach (excluding UNMCH)

790+

OPDs/day

2,38,000+

OPDs in FY 2025-26

9,35,000+

OPDs since inception



Number of Beneficiaries (UNMCH)

Department	2025-26	Cumulative (Since April'20)
OPD	72,821	2,53,430
IPD	2,918	10,017
Surgery	2,176	6,537
Neonatal ICU (NICU)	216	756
Pediatric ICU (PICU)	399	1,005
Pathology	58,095	1,94,892
X - Ray	5,624	18,632
USG	5,436	16,094

Way Forward

Going forward, we plan to further strengthen advanced paediatric and neonatal care by upgrading critical care infrastructure, enhancing intensive care capabilities for complex cases, and establishing robust neonatal nutrition support systems by establishing a Human Milk Bank to improve survival and long-term health outcomes for vulnerable infants. Our outreach activities will transition to a facility-led, pull-based model focusing on early identification and management of neuro developmental disorders. We plan to scale neuro-paediatric services, supported by community awareness, caregiver training, and specialised care hubs.

Transforming Lives through Specialised Care

Rare Paediatric Urology Surgery at UNM Children Hospital

Case Study

In June 2025, UNM Children Hospital successfully performed a rare and complex paediatric urology surgery on a 18 month-old female infant diagnosed with Caudal Duplication Syndrome, an extremely rare congenital condition. The infant presented with duplication of multiple pelvic and lower abdominal structures, including the large intestine, urinary bladder, urethra, anal canal, vagina, sacral bones, and external genitalia. Such an extensive duplication is exceptionally uncommon and sparsely documented in medical literature, requiring meticulous planning and multidisciplinary coordination. The surgery was a highly complex procedure

lasting approximately six hours and was carried out smoothly without complications. The successful management of this rare congenital anomaly underscores UNM Children Hospital's advanced paediatric surgical capabilities and strong multidisciplinary approach. The case was presented at a national paediatric urology conference in Coimbatore, contributing valuable insights to the broader medical community. This case stands as a milestone in the hospital's journey toward advancing rare paediatric surgical care and reflects the strength of multidisciplinary collaboration and institutional leadership.



OUR COMMUNITIES

Early Intervention for Developmental Delay

Case Study

A one-year-old girl was first evaluated at UNM Children Hospital in July 2025 with global developmental delay secondary to a perinatal insult. At the time of assessment, she exhibited significant delays, including lack of head control, inability to sit independently or stand, and limited social responsiveness with minimal

facial expressions and difficulty recognising her parents. Following structured physiotherapy and occupational therapy interventions, the child demonstrated encouraging developmental progress. She achieved independent sitting and was able to stand with

support. Notable improvements were also observed in her social and emotional development, as she began giving appropriate facial expressions and recognising familiar faces, indicating enhanced cognitive and social engagement.



Social Care and Concern for Environment

Pratiti: Reviving Public Spaces for Greener Cities

City parks and public spaces have been facing ecological stress due to rapid urbanisation and the impact of climate change. These green spaces play an important role in controlling temperatures, improving air quality and biodiversity, collecting rainwater, and absorbing carbon and other pollutants, yet, many parks remain neglected. The Pratiti Programme was started as a Public-Private Partnership (PPP) between

the UNM Foundation and local governing bodies to transform such spaces into sustainable ecological zones with areas for recreation, children's play, pets, cultural events, and quiet reflection in natural surroundings.

The iconic garden of Ahmedabad - Sardar Baug was inaugurated in the year and is now being maintained. Additionally, Heritage Park and Adalaj Urban Grove measuring 1,80,000 sq. mt area has been developed and is ready for inauguration.

2.12
lakhs+ sq mt
Area developed/maintained across Ahmedabad in FY 2025-26

3.07 lakhs+
Trees and shrubs across locations

21,000+
Daily footfall across developed parks



OUR COMMUNITIES

A Look at Our Newly Developed Gardens

Adalaj Cloverleaf Intersection – Urban Grove Project

The Adalaj Cloverleaf Urban Grove is a transformative ecological initiative developed across 16 hectares (1,60,000 sq. mt.) at a critical highway junction connecting the Sarkhej–Gandhinagar and Ahmedabad–Mehsana corridors. Strategically located near key cultural landmarks such as the Trimandir Temple and Adalaj Stepwell, the project integrates green infrastructure within a high-traffic urban landscape.

Guided by principles of ecological sustainability, low-maintenance design, and long-term environmental value, the Urban Grove has been developed as a resilient woodland ecosystem. The project includes the plantation of 4,700 native trees from 70 species and 1.7 lakhs shrubs, grasses, and creepers, while preserving and integrating existing mature trees on site.

Sustainable water and energy systems, including recharge wells and swales, support long-term ecological self-sufficiency. Supporting infrastructure such as boundary walls, utility services, and an Interpretation Centre, is being developed to enhance functionality and public engagement.

Adaptive maintenance practices ensure the grove matures into a self-sustaining ecosystem with minimal intervention.

Moreover, we have assessed the carbon sequestration potential of the Adalaj Urban Grove. The findings indicate that once full ecological maturity is achieved, the grove will sequester approximately 1,164.30 tonnes of CO₂ annually from the 20th year onwards. This level of carbon absorption establishes the Adalaj Urban Grove as a resilient, high-impact urban green asset, delivering substantial long-term environmental benefits.

Heritage Garden

Spread across 20,000 sq. mt., the Heritage Garden has been reimagined as a 500-metre linear park that reflects community, identity, and the city's evolving civilisation. Developed from the ground up around the remnants of the Eastern Wall of Bhadra Fort, originally constructed in the year 1411 by Ahmed Shah I, the park celebrates Ahmedabad's rich legacy while offering a serene space for reflection and public engagement.

Sardarbaug Park

In the year, Sardarbaug, a sprawling 26,000 sq. mt. landmark of historic grandeur, has been redeveloped and opened to the public, preserving its legacy.



PAGE Foundation

Our Company and other Member Companies of the Indian Pharmaceutical Alliance (IPA) collaborated to establish 'Foundation for Pharmaceutical Academy for Global Excellence' ("PAGE Foundation") with the objective of setting up a world-class cutting-edge institute providing state-of-the-art training facilities to create appropriate talent for the pharmaceutical industry and for promoting a culture of manufacturing and quality excellence.

The institute will offer a carefully curated portfolio of programmes and courses delivered by a distinguished pool of faculty. These programmes, varying in duration, will be conducted in a hybrid format and made available throughout the year to interested participants.

PAGE Foundation's first training institute will be established in Ahmedabad and subsequently similar facility will be set up in Hyderabad.

Employee Engagement and Social Volunteering

Over the years, the Torrent Group has remained committed to enhancing societal well-being through focused and impactful social interventions. Building on this commitment, we continued the 'UJAAS' initiative during FY 2025–26 to address social isolation among senior citizens residing in old age homes. The programme emphasised employee volunteering, companionship, health and wellness support, and cultural engagement, contributing to improved emotional well-being and quality of life for elderly residents while fostering empathy and social responsibility among employees.

Other Social Development Initiatives

During FY 2025–26, we undertook several community-focused interventions aimed at improving the overall welfare of villages in and around our facilities. These initiatives spanned community and rural infrastructure development through the construction of community centres, provision of solar lighting, development of community spaces, and distribution of essential amenities; strengthening of education, healthcare, and

sanitation by upgrading government school infrastructure, enhancing access to healthcare services and mobility aids, and improving drinking water and sanitation facilities; and promotion of sports and youth development through support for sports infrastructure and equipment across multiple Panchayats, collectively contributing to inclusive community development and improved quality of life.



OUR COMMUNITIES

Preventive Health Awareness Initiatives

The health and well-being of patients are at the core of our operations. Guided by our motto "Not just healthcare, but Lifecare" we strive to empower patients through awareness and knowledge. We conduct various health camps and reach out through social networks to raise awareness of the availability of high-quality, affordable medicines.

We are committed to upholding the highest ethical standards in our interaction with healthcare professionals and ensure that our communication is professional and respectful. We engage with healthcare professionals to gain insights into the clinical aspects and patients' needs and to keep them informed of the latest

developments in treatment, medications and other areas.

During the year, we organised extensive disease detection and screening camps for Diabetes, Hypertension, Heart Failure, and Neuropathy, reaching more than 13 lakhs beneficiaries across multiple parameters.



**Prarambh
Depression Care
Kits distributed,
~24,000
beneficiaries**

**98,000+
RBS camps conducted,
engaging more than 9.80
lakhs beneficiaries**

**8,000+
HbA1c measurement camps
conducted, engaging more
than 88,000 beneficiaries**

**20,500+
Hypertension Detection
camps conducted, engaging
more than 2.10 lakhs
beneficiaries**

**275
NTproBNP camps
conducted, engaging 1,400
beneficiaries**

**1,400+
Neuropathy camps
conducted, engaging 13,000
beneficiaries**

**3,000
Lipid camps conducted,
engaging 30,000
beneficiaries**

Value Chain Partners

We engage with our suppliers and channel partners on a regular basis, through site visits, quality audits, training sessions, and meetings. In addition to a robust vendor onboarding process, we adhere to a comprehensive Supplier Code of Conduct, which integrates ESG principles into our value creation process and helps strengthen mutual trust.

To ensure that our product quality consistently meets defined quality standards, we conduct cGMP audits of supplier facilities. These audits provide assurance of compliance with quality standards

and help build long-term and sustainable relationships. We also maintain continuous dialogue with our channel partners to understand their concerns

and gain market insights. This engagement helps ensure the availability of our products for patients and mitigates the risk of supply disruptions.



Regulators and Industry Associations

We engage transparently with governments, regulators, and industry associations to advocate patient-centred policies. We promote well-being, innovation, and the use of digital technologies in healthcare while considering the perspectives of all stakeholders.

Leveraging our industry leadership, we contribute to healthcare policy discussions, share domain expertise, and advocate improved access to affordable, high-quality medicines with an aim to prioritise patients' well-being. We actively participate in leading industry forums like the Confederation of Indian Industry (CII), the Federation of Indian Chamber of Commerce (FICCI), the Pharmaceutical Export Promotion Council (PHARMEXCIL)



↑ Kuwarjibhai Bavaliya, Hon'ble Cabinet Minister, Gujarat Government along with other officials visited Indrad Plant

and the Indian Drug Manufacturing Association (IDMA). These platforms facilitate transparent discussions where diverse perspectives are appreciated.

We also represent the pharmaceutical industry in engagement with Central & State Governments, the Ministry of Health and Family Welfare, the Drug Controller General of India, the Department of Pharmaceuticals, the National Pharmaceutical Pricing Authority and other regulatory bodies.

GOVERNANCE

GOVERNANCE FRAMEWORK

Our governance philosophy reflects our core value system, encompassing our culture, policies, and relationships with stakeholders. At Torrent Pharma, we are committed to maintaining the highest standards of corporate governance, ethical conduct, transparency, and accountability across all our business operations. Through strong leadership, transparency, and accountability, the Board provides strategic direction and oversight, guiding the Company on its journey towards sustained growth and long-term value creation. We continuously strive to foster responsive, inclusive, participative, and representative decision making processes, ensuring alignment with stakeholder expectations and regulatory requirements.



Board of Directors

Our experienced and diverse Board provides insightful oversight, rigorous guidance, and independent judgement through an integrated thinking approach. The Board sets the strategic direction of our Company, oversees and monitors performance, and ensures accountability as well as compliance with applicable policies and regulatory requirements.



Board Committees

The Board has constituted various committees to focus on specific operational and governance areas, enabling effective oversight and informed decision making. These committees oversee specialised aspects of our Company's operations and provide recommendations based on their respective expertise. Each committee functions under a clearly defined charter outlining its roles, responsibilities, and authority. Collectively, the committees assist the Board in addressing matters with greater efficiency, supporting strategic decision making, evaluating effectiveness, reviewing corporate performance, advising on risk management initiatives, and overseeing the implementation of policies.

Key Committees

Audit Committee | Risk Management Committee | Nomination and Remuneration Committee | Corporate Social Responsibility and Sustainability Committee | Securities Transfer and Stakeholders Relationship Committee



Senior Management

Members of the core team/functional heads

Familiarisation Programme

Our Company conducts a comprehensive Familiarisation Programme for our Independent Directors with the objective of providing them with meaningful insights into our Company's business model, operations, industry landscape, regulatory developments and strategic priorities. This enables them to contribute effectively to Board deliberations. Regular visits to our

Company's manufacturing facilities are organised to enhance their understanding of operational processes. In addition, ongoing interactions with senior management and functional heads further strengthen the familiarisation process. The details of the Familiarisation Programme for Independent Directors are posted on the website of our Company at www.torrentpharma.com

GOVERNANCE FRAMEWORK

Policies and Governance Procedures

At Torrent Pharma, our governance framework is founded on a robust set of policies that guide ethical conduct, responsible decision making and effective risk management across the organisation. These policies are formulated in alignment with applicable legal and regulatory requirements and benchmarked against global best practices. The framework is reviewed periodically to ensure continued relevance in light of evolving business priorities, regulatory changes and stakeholder expectations.

Code of Business Conduct

Our Corporate Governance is reinforced through our Company's Code of Business Conduct ('the Code'). The Code applies to all employees and Board Members of our Company. The Code articulates the fundamental ethical standards that guide our business practices and reflect our core values. It serves as a comprehensive framework to ensure compliance with legal, regulatory and internal requirements, while fostering a culture of integrity, transparency and accountability throughout the organisation.

Whistleblower Policy

Our Company has implemented a 'Whistle blower Policy' that underscores our commitment to ethical conduct, transparency and accountability. This policy provides a secure and confidential mechanism for stakeholders to report concerns relating to unethical behaviour, suspected fraud or any violation of our Company's Code of Business Conduct. It ensures that issues which may adversely impact the Company's operations, performance or reputation can be raised and addressed promptly and responsibly.

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons

The Insider Trading Code is aimed at preventing any insider trading and is applicable to all the designated persons who are expected to have access to Unpublished Price Sensitive Information relating to our Company. Through the Insider Trading Code, our Company lays down the guidelines, which advise on procedures to be followed and disclosure to be made while dealing in the shares of our Company.

Policy on Materiality of and dealing with Related Party Transactions

The policy of our Company provides the process for the approval of various types of Related Party Transactions (RPTs) and general principles governing RPTs. This brings necessary transparency in the RPTs and ensures that the transactions are fair and in compliance with the applicable laws and regulations.

Policy on Determination of Materiality of Events or Information

The policy on determination of Materiality of Events or Information brings consistency in the disclosure of various events or information to the Stock Exchanges in accordance with the thresholds determined.

Policy on Protection of Women against Sexual Harassment (POSH) at Workplace

In order to ensure a safe, respectful and harassment free workplace for women employees, our Company has implemented a POSH Policy. This policy empowers women to pursue their careers with confidence, free from prejudice, gender bias, sexual harassment or any implicit or explicit discriminatory conduct. It reinforces our Company's commitment to fostering an inclusive and secure work environment for all.

Human Rights Policy

Our Company has adopted a Human Rights Policy formulated in accordance with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights (UNGPs). The policy embeds processes for respecting, protecting and addressing human rights concerns, and incorporates the fundamental conventions identified by the International Labour Organisation (ILO) as well as the principles outlined in the National Guidelines on Responsible Business Conduct (NGRBC). It reflects our Company's commitment to upholding human rights across all aspects of its operations.

Leadership Team



Sudhir Mehta
Chairman Emeritus

Board Composition (as at 22nd May, 2026)



Samir Mehta
Executive Chairman



Aman Mehta
Managing Director



Ameera Shah
Independent Director



Nayantara Bali
Independent Director



Manish Choksi
Independent Director



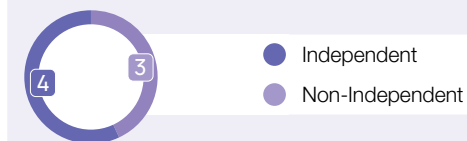
Nikhil Khattau
Independent Director



Jinal Mehta
Non-Executive Director

For detailed profile visit
<https://www.torrentpharma.com/ourstory/board-of-directors/>

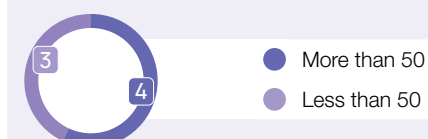
Board Independence



Gender Diversity



Age Diversity



Tenure



Highlights

Average Tenure

9.7 years
All Board Members

5.5 years
Independent Directors

100%
of the statutory Board Committees are chaired by an Independent Director

- A Audit Committee
- R Risk Management Committee
- N Nomination and Remuneration Committee
- C Corporate Social Responsibility and Sustainability Committee
- S Securities Transfer and Stakeholders Relationship Committee
- D Committee of Directors
- Chairperson ■ Member

ENTERPRISE RISK MANAGEMENT

(GRI 3-3)

Our risk management framework ensures an effective response to strategic, operational, financial and compliance risks. Over time, our risk management approach has evolved into an integrated and continuous process, supported by the implementation of an organisation-wide Enterprise Risk Management (ERM) framework. By integrating ERM into strategic decision-making and business operations, we enhance operational resilience. A robust ERM framework supports both innovation and sustainable growth in a highly competitive and regulated industry.

Risk Management Process



Risk Identification

Proactively identifying events that could impact strategy implementation and business outcomes supported by regular discussions with functional heads to analyse risks and opportunities. The identified risks are populated in the form of a risk repository and are classified into appropriate categories, including Strategic, Performance, Financial, and Compliance risks. These risks are categorised as internal, external, or both, and are mapped to relevant functional areas, along with any other categories considered appropriate.

Risk Assessment

Perform risk assessment to evaluate the likelihood and potential impact of identified risks on achieving objectives.

Risk Mitigation

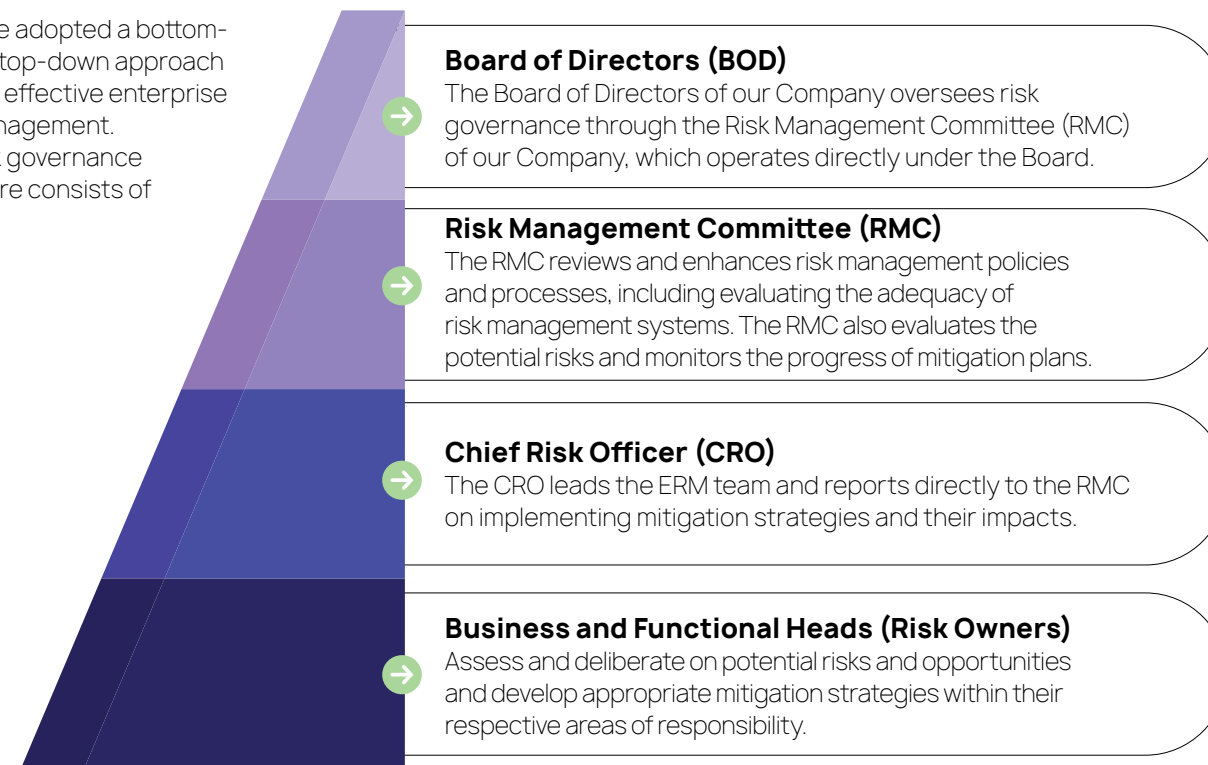
A comprehensive risk register is continuously updated to capture new risks, assess their likelihood of occurrence, and determine their possible impacts of internal and external changes. To address the risks, mitigation plans are developed for implementation.

Risk Monitoring and Reporting

Continuously monitor the risks and the effectiveness of mitigation strategy adopted. Risks and mitigation effectiveness are periodically reviewed and reported as per risk governance framework.

Risk Governance Structure

We have adopted a bottom-up and top-down approach to drive effective enterprise risk management. Our risk governance structure consists of



Board of Directors (BOD)

The Board of Directors of our Company oversees risk governance through the Risk Management Committee (RMC) of our Company, which operates directly under the Board.

Risk Management Committee (RMC)

The RMC reviews and enhances risk management policies and processes, including evaluating the adequacy of risk management systems. The RMC also evaluates the potential risks and monitors the progress of mitigation plans.

Chief Risk Officer (CRO)

The CRO leads the ERM team and reports directly to the RMC on implementing mitigation strategies and their impacts.

Business and Functional Heads (Risk Owners)

Assess and deliberate on potential risks and opportunities and develop appropriate mitigation strategies within their respective areas of responsibility.

ERM Framework

Business activities inherently involve risk-taking, and an integrated risk management framework is necessary to identify, monitor and minimise the adverse impact of risks across business operations consistently, collaboratively and comprehensively. Our risk appetite depends on the acceptable risk level to achieve our business objectives. Risks are broadly categorised as strategic, operational, financial and compliance risks based on their nature, with communication and training being essential components of the framework.

We have implemented the Enterprise Risk Management (ERM) framework through a risk management committee that includes risk owners & functional heads across the Company including subsidiaries and manufacturing facilities. The ERM framework is integrated into Company's strategy and performance to ensure they are integral to our decision-making processes.

Aligning ERM with COSO Framework

We have aligned our risk management framework with the globally recognised Committee of Sponsoring Organisations (COSO) framework of the Treadway Commission. This provides us a structured, principles-based approach for identifying, assessing, managing, and monitoring risks across the organisation. This approach empowers us to identify opportunities within our risk appetite, foster resilience and ensure constant improvements.

Key Risks and their Mitigation

Please refer to the Management Discussion and Analysis section of the Report, which details key risks that may impact our operations.



BOARD'S REPORT

To,
The Shareholders

The Directors have the pleasure of presenting the Fifty Third Annual Report of your Company together with the Audited Financial Statement for the year ended 31st March, 2026.

HIGHLIGHTS

1. Building Core Strength. Unlocking Future Potential

Our branded business continues to be a cornerstone of strength, accounting for approximately 74% of the Company's overall revenues. It has delivered consistent, strong performance, outpacing market growth across our key emerging markets. This sustained momentum reflects the resilience of our business model, the depth of our market presence and the enduring value of the foundation we have built over the years.

In our generics business, we remain focused on our core markets of the United States and Germany. In the United States, with new product launches, the business has started delivering growth, supported by a strengthened portfolio and a compliant manufacturing network. In Germany, the business experienced a decline during the year, primarily due to disruptions at third party suppliers. While this impacted performance in the near term, we remain focused on rebuilding momentum through portfolio optimisation and disciplined market participation.

A defining milestone in our journey this year has been the acquisition of a controlling stake in J. B. Chemicals & Pharmaceuticals Limited ("JB Pharma") aligned with our strategic objective of strengthening and deepening our presence in the Indian Pharmaceutical Market ("IPM"). On a combined basis, the Company is now ranked 5th in the IPM and has significantly enhanced its prescription footprint, improving its ranking from 10th to 4th, as per the SMSRC dataset. This reflects the increased scale, wider reach and stronger positioning of the combined business.

The acquisition reinforces our domestic foundation, expands our presence across key therapeutic areas and strengthens our long-term growth platform. It also enhances our international footprint across select markets, where both organisations have complementary strengths, enabling the creation of a more diversified and resilient global portfolio.

Importantly, the transaction provides a focused entry into the Contract Development and Manufacturing Organisation ("CDMO") segment, particularly in the medicated lozenges category. This adds a differentiated and specialised capability to our portfolio, creating opportunities for targeted expansion over time.

Overall, the acquisition represents a pivotal step in building core strength while unlocking future potential, in line with our long-term strategic vision.

2. India Business:

Market out-performance: As per AIOCD data (MAT March 26), the Company recorded a growth of 12% (including operations of JB Pharma) significantly ahead of the IPM growth of 9%. The outperformance was driven by strong traction in key brands, expanded field force reach, sustained new product momentum and market share gains across focus therapies. During the year, the Company also launched the off-patent molecule Semaglutide in both oral and injectable formulations. The launch strengthens our presence in high-growth metabolic segments including type-2 diabetes and obesity and reinforces our commitment to addressing evolving patient needs.

Field force expansion: During the year, the Company has expanded field force by around 600 medical representatives to complement new product launches and selectively enhance our reach across key specialties. As of 31st March 2026, the field force stands at around 7,000 medical representatives which, upon integration with JB Pharma, increases to approximately 9,300.

In-Licensing: As part of our strategy to strengthen and position our portfolio for long-term growth, the Company has expanded its presence in high-potential therapies through selective in-licensing of differentiated drugs. During the year we launched Tegoprazan and Linacotide in India reinforcing our position in gastrointestinal segment.

These initiatives enhance the depth of our portfolio, accelerate access to differentiated products and position us to capture the emerging opportunities in the chronic disease segments.

Consumer Health: Over the past four years, Consumer Health(CHC) business has delivered double digits growth, playing a pivotal role across consumer centric brand portfolio. Key anchors for business have been focused portfolio approach, premiumisation strategy and calibrated portfolio expansion including entry into new segments such as nutrition supplements with science based, differentiated offerings catering to evolving consumer needs.

CHC had delivered consistent growth trajectory across key brands supported by brand building initiatives, influencers campaigns and precision led digital media investments. These efforts have strengthened consumer engagement and enhanced brand salience and equity across target segments. In parallel CHC has strengthened its omnichannel presence with accelerated expansion across ecommerce and quick commerce which contribute more than 20% complemented by deepening reach in approximately 4500 Modern Trade pharmacy chains. Distribution has been further augmented through direct distribution network covering approximately 75,000 chemist outlets for enhancing market access, availability and activations.

3. Brazil Business:

- The Company continues to be ranked no. 1 Indian Pharma Company in Brazil. Torrent Brazil registered a growth of 12% in the local currency (BRL). The performance was aided by new product launches, improvement of market share in existing portfolio and higher growth in the generic segment. Torrent's growth in IQVIA is at 15% as against market growth of 5% in value.
- The Company launched two major products during the year with one (Lurasidone) achieving 32% of volume market share within 5 months.
- The Company also received approval of its first Oncology product. Overall, the Company has 58 products under approval at ANVISA.
- As of 31st March 2026, the total number of medical representatives stood at around 320.
- The Company will continue to deepen its presence in the existing therapies of cardiology, diabetes and CNS by focusing on brand building, expansion of product portfolio and improvement in field force productivity and at the same time, spreading reach to regional markets through its generic portfolio. In addition, the Company stands ready to enter the non-retail segment particularly in oncology starting in next fiscal.

4. Germany Business:

- The Company held a market share of 4.9% (IQVIA MAT March 2026) in the German generics market and continues to be ranked no. 1 Indian Pharma Company in Germany. It is ranked no. 5 in the overall generic market.
- Germany registered a revenue growth of 10% against a market growth of 2%. In Euro terms, Germany registered a degrowth of 3%. The degrowth is attributable to sales loss due to supply disruption at third party suppliers.
- The German tender market remains extremely competitive with annual price declines. We have been successful in these challenging circumstances through our efforts in improving productivity and cost competitiveness. Our portfolio currently covers 56% of the overall generics market and we expect the coverage to expand in the coming years. We launched five products during the year.

5. US business:

- US base business registered constant currency growth of 14% during the year.
- The Company launched 2 major products, Valsartan- Sacubitril and Fidaxomicin
- The Company filed 2 ANDAs during the year.
- The US pipeline consists of 16 ANDA approvals and 21 products under development to be filed over the next 3 years.

FINANCIAL RESULTS

The summary of Standalone (Company) and Consolidated (Company and its subsidiaries) operating results for the year and appropriation of divisible profit is given below:

	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Sales & Operating Income	10,712	9,682	13,980	11,516
Operating EBITDA*	4,054	3,575	4,559	3,721
Less: Depreciation & Amortisation	764	760	1,119	795
Less: Finance Cost	341	213	385	252
Add: Other Income	18	32	(94)	23
Profit Before Exceptional Items & Tax	2,967	2,634	2,961	2,697
Less: Exceptional Items	70	24	89	24
Less: Tax Expense	705	722	734	762
Net Profit for the Year	2,192	1,888	2,138	1,911
Less: Non-Controlling Interest	-	-	(25)	-
Attributable to owners of the Company	-	-	2,163	-
Balance brought forward	4,514	3,736	4,746	3,942
Other Comprehensive income and other adjustments	(5)	(27)	(1)	(24)
Balance available for appropriation	6,701	5,597	6,908	5,829
Appropriated as under:				
Transfer to General Reserve	-	-	-	-
Dividend	1,184	1,083	1,184	1,083
Balance Carried Forward	5,517	4,514	5,724	4,746
Earnings Per Share (₹ per share) (Basic & diluted)	64.75	55.79	63.92	56.47

* Operating EBITDA = Profit Before Depreciation & Amortisation, Finance Cost, Other Income, Exceptional Items & Tax.

Consolidated performance

The above consolidated financial result includes financial results of JB Pharma and its subsidiaries w.e.f. 21st January, 2026, together with depreciation and amortisation on the fair value of the acquired assets, that has been determined based on purchase price allocation.

The Company registered a revenue growth of 21% and Operating EBITDA growth of 22%, driven by underlying business momentum. Operating EBITDA margins improved to 32.6% versus 32.3% in the previous year, reflecting continued operational efficiency and portfolio strength.

Base business without giving effect to consolidation of JB Pharma, the Company registered a revenue growth of 15% and Operating EBITDA growth of 16%.

Exceptional Item

The exceptional item relates to acquisition and merger related cost

Management Discussion and Analysis (MDA)

The details of operating performance of the Company for the year, the state of affairs and the key changes in the operating environment have been analysed in the Management Discussion and Analysis section which forms a part of the Annual Report.

Appropriations

i) Dividend

The Company endeavours to distribute 50% of its annual consolidated net profit after tax without taking into account non-cash charges relating to the business acquisitions as dividend, in accordance with the dividend policy. The policy is available on the website https://www.torrentpharma.com/assets/Dividend_Policy.pdf

During the year under review, an interim dividend of ₹ 29/- per equity share of face value of ₹ 5/- each (@ 580%) amounting to ₹ 981 crore was paid to the shareholders. Further the Board considered it prudent to recommend the final dividend for 2025-26 as per the Dividend Distribution Policy and accordingly recommended a final dividend of ₹ 9/- per equity share of face value of ₹ 5/- each (@ 180%) amounting to ₹ 305 crore for approval of shareholders at the 53rd Annual General Meeting (AGM) of the Company. Hence, the total dividend paid / payable with respect to the year under review was of ₹ 38/- per equity share (@ 760%) amounting to ₹ 1,286 crore.

ii) Transfer to Reserves

The Board of Directors of the Company has decided not to transfer any amount to the reserves for the year under review.

HUMAN RESOURCES

At Torrent Pharma, we understand our employees are our most valuable assets, essential to our growth and success. Their commitment, loyalty and hard work drive our achievements. In order to sustain this momentum, we continue to build competencies and embrace new skills for a sustainable future. This approach has fostered an inclusive, multicultural Organisation that prioritises employee satisfaction, diversity and a sense of belonging.

We firmly believe that our success is a direct result of our employees' collective efforts. Further to enhance organisational performance and productivity, we have implemented several initiatives, reinforcing our commitment to being a value-driven and future-ready Organisation. And in January 2026, this was recognised and we were conferred as a "Great Place to Work" as well.

The Company provides a safe and healthy work environment, aiming for an injury- and illness-free workplace. Economic considerations never take precedence over health and safety measures. Our leadership demonstrates visible commitment to maintaining rigorous health and safety standards.

All lead and lag incidents are reported through a structured incident reporting system. This system ensures thorough documentation, investigation and resolution through root cause analysis, corrective actions and system improvements. Employees and contract staff can report incidents without fear of retaliation, ensuring transparency and accountability.

Through targeted capability-building efforts, we remain focused on strengthening our talent pipeline. Significant efforts have been made to enhance leadership and recruit top-tier talent, bringing fresh perspectives and energy to the Organisation. Our robust training and development initiatives play a critical role in nurturing managerial skills and career growth.

Moreover, to foster open communication, we have introduced initiatives such as Sampark, which enables employees to connect with their functional heads, strengthen team dynamics and voice concerns.

We have structured coaching and mentoring programmes. This along with initiatives such as Sahyog, Baat-cheet and UCoffee sessions provide employees with opportunities to share their perspectives, seek guidance and enhance their personal and professional development.

Our commitment to health and safety extends beyond physical well-being to include psychological safety and overall employee wellness. Every employee is responsible for ensuring their actions contribute positively to the workplace, fostering a culture of open and respectful communication. Our new office "Avirat" is again a testimony to the care and comfort we commit to our employees with a better workplace with added amenities like a Gym and a spacious cafeteria as well.

We are committed to diversity and inclusivity, with various women-friendly policies creating an ecosystem that enables women to thrive professionally. Maternity benefits and daycare facilities further support female employees in advancing their careers. The Company upholds meritocracy with a robust appraisal system, ensuring fair evaluations devoid of gender bias.



As of 31st March, 2026, our workforce has grown to 17,264 employees compared to 16,107 employees as of 31st March, 2025.

The Company has built a strong reputation for conducting business with integrity and upholding zero tolerance for unethical behaviour or misconduct. Our commitment to professionalism, fairness and ethical conduct are reinforced through a robust reporting system available to all employees and stakeholders, as detailed in the Corporate Governance Report.

Both the Whistleblower Policy and Code of Business Conduct are accessible on our website at www.torrentpharma.com, underscoring our commitment to transparency and accountability.

POLICY ON PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT AT WORKPLACE

COMPLIANCE WITH THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961

CORPORATE SOCIAL RESPONSIBILITY (CSR)

- Community Healthcare, Sanitation & Hygiene – REACH: Reach EAch CHild
- Social Care & Concern for Environment – Pratiti: Reviving Public Spaces for Greener Cities

REACH: Driven by the belief of Chairman Emeritus, Sudhir Mehta **'Children are the future of our nation and this future must be well preserved'**, the flagship CSR programme of the Group "REACH" was initiated in the year 2016 under the aegis of UNM Foundation, a Section 8 Company ("UNMF").

Outreach Activities

1,84,000+

1,900+

n Villages covered in Gujarat on Cumulative basis

60%

Children out of malnourishment

90%

Children out of anemia

In 2025-26, we have expanded our initiatives in more than 150 villages with target to cover cumulative total of more than 1,900 villages in Gujarat and screened additional 20,000 children totalling more than 1,84,000 children on a cumulative basis.

One of our initiatives was focused on empowering adolescent girls in rural areas by addressing the taboo associated with menstruation and promoting menstrual hygiene. Our programme included interventions to encourage the use of bio-degradable re-usable sanitary pads and provide education on menstrual hygiene. Female volunteers / employees conduct counselling sessions and distributes sanitary pads to adolescent girls in Sugen, Pakhajan, Balasinor, Indrad, Chhapi, Radhanpur, Dholera, Junagadh, Surel, Babra and Bhatiya in Gujarat. 13,518 unique beneficiaries from 235 villages across Gujarat benefited in FY 2025-26, cumulatively reaching 1,15,196 unique beneficiaries across 1,750 villages in Gujarat.

1,15,000+

Adolescent girls benefited

1.750

Villages covered on cumulative basis

Medical Services - UNM Children Hospital & Paediatric Primary Health Centre (PHC)

Cumulative status across all PHCs (excluding UNM Children Hospital):

790+

OPDs / day

2.38.000+

OPDs FY 2026

9,35,000+

OPDs since inception

The Hub-and-Spokes Model

The PHCs serve as spokes, providing primary care, while UNM Children Hospital at SUGEN serves as the central hub managing more complex healthcare needs. Cases identified at the PHCs that require advanced care are referred to the hospital for further treatment. In addition to primary care, we focus on providing secondary and tertiary care. In 2020, we reached a significant milestone by upgrading our Sugeng Paediatric Centre into a 150-bedded UNM Children Hospital, which now serves as the hub of our medical services.

UNM Children Hospital: Enhancing Healthcare Facilities

UNM Children Hospital is a state-of-the-art facility offering both outpatient (OPD) and inpatient (IPD) services, including advanced and critical surgeries across multiple disciplines. Our hospital provides advanced care in specialties such as Orthopaedics, Ophthalmology, Neurology, Urology, Plastic Surgery, Dental, ENT and more. The hospital is equipped with 150 beds, 4 operation theatres, a 20-bed NICU, a 17-bed PICU and is NABH certified.

As a NABH-certified hospital, we are committed to delivering high-quality healthcare services that meet national standards of excellence.

Particulars		Beneficiaries				
Sr. No.	Department	FY 22-23	FY 23-24	FY 24-25	FY 25-26	Cumulative (since Apr'20)
1	OPD	41,906	61,001	63,273	72,821	2,53,430
2	IPD	1,406	2,725	2,745	2,918	10,017
3	Surgery	783	1,709	1,822	2,176	6,537
4	Neonatal ICU (NICU)	120	207	213	216	756
5	Pediatric ICU (PICU)	89	178	339	399	1,005
6	Pathology	29,502	53,892	52,155	58,095	1,94,892
7	X - Ray	2,528	5,038	5,167	5,624	18,632
8	USG	1,873	4,031	4,602	5,436	16,094
9	Radio Procedure	-	-	97	90	187

Strategic Shift to Advanced Surgical Care

During the year, UNM Children Hospital significantly strengthened its clinical capabilities through targeted enhancements across diagnostics, critical care support and specialised services, reinforcing its commitment to delivering high-quality, technology-enabled paediatric healthcare. The hospital added a Siemens SOMATOM go.Top 128-slice CT scanner, enabling high-resolution imaging with reduced radiation exposure for children. A Blood Storage Unit equipped with advanced systems was established to ensure safe and reliable 24x7 blood availability for surgeries and PICU / NICU care. An advanced Microbiology Laboratory featuring BACT / ALERT 3D and VITEK 2 Compact systems was also commissioned, enabling faster and more accurate diagnostics. In surgical care, a fourth state-of-the-art operation theatre was inaugurated to enhance surgical precision and workflow efficiency. Additionally, a Child Development Centre was established to provide physiotherapy and occupational therapy for children with autism, intellectual disabilities and developmental delays.

Pratiti - Reviving Public Spaces for Greener Cities:

The Pratiti programme aims to provide citizens with accessible, sustainable green spaces for leisure and recreation. The Company has successfully revamped twelve parks in Ahmedabad, covering more than 1,51,000 square meters. We also maintain green space at Adalaj Clover leaf junction measuring approximately 1,65,000 square meters. The Company's commitment to maintain these green spaces ensures their longevity and continued accessibility to the public. All the parks and lakes are designed to recharge ground water and developed with a mission to provide citizens with the best environmental conditions and recreational areas near their neighbourhood, with reduced levels of air pollution.

In 2025-26, we developed the following public parks and green spaces in and around Ahmedabad:

Heritage Garden: Spread across 20,000 square meters, the Heritage Garden has been reimagined as a 500 meter linear park that reflects community, identity and the city's evolution.

Sardarbaug Park: A sprawling 26,000 square meters landmark of historic grandeur, has been redeveloped and opened to the public, preserving its legacy.

Adalaj Cloverleaf Intersection - Urban Grove Project

The Adalaj Cloverleaf Urban Grove is a transformative ecological initiative developed across 16 hectares (1,60,000 square meters) at a critical highway junction connecting Sarkhej-Gandhinagar and Ahmedabad-Mehsana corridors. The project includes plantation of 4,700 native trees from 70 species and 1.7 lakh shrubs, grasses and creepers, while preserving and integrating existing mature trees on site. Sustainable water and energy systems, including recharge wells, support long-term ecological self-sufficiency. Supporting infrastructure such as boundary walls, utility services and an Interpretation Centre are being developed to enhance functionality and public engagement. This urban grove will sequester approximately 1,164.30 tonnes of CO₂ annually from the 20th year onwards.

PAGE Foundation

Our Company along with the members of Indian Pharmaceutical Alliance ("IPA") have established 'Foundation for Pharmaceutical Academy for Global Excellence' ("PAGE Foundation") with the objective of setting up a world-class cutting-edge institute providing state of the art training facilities to create appropriate talent for the pharmaceutical industry and for promoting a culture of manufacturing and quality excellence.

It will provide a carefully curated set of programmes and courses taught by a pool of distinguished faculty, varying in duration, which will be designed in a hybrid format and available throughout the year and such programmes and courses will be offered to all interested applicants.

PAGE Foundation's first training institute will be established in Ahmedabad and subsequently similar facility will be set up in Hyderabad.

The Report on CSR activities is annexed herewith as **Annexure A**.

ENVIRONMENT, HEALTH & SAFETY

Commitment to Environment, Health, Safety and Sustainability

The Company's commitment to Environment, Health and Safety (EHS) remains integral to its operations and long term sustainability strategy. During the reporting period, we continued to strengthen our EHS management systems to ensure full compliance with applicable statutory requirements and alignment with global best practices.

We are committed to achieving excellence in Environment, Health, Safety and Sustainability (EHS&S) management through responsible environmental stewardship, protection of health and safety and promotion of sustainable practices with minimal carbon footprint across all locations. Our robust EHS&S Policy encompasses stringent safety procedures, environmental and sustainability programmes and employee well being initiatives.

Our governance framework mandates continual enhancement of sound EHS&S practices across all aspects of business, including strategy, planning and effective execution. We continuously assess and upgrade state of the art technologies, systems and processes to reduce our environmental impact and minimise carbon emissions.

Zero Harm Culture and Capability Building

We follow a 'Zero Harm' philosophy, ensuring that our life saving innovations never come at the cost of people or the planet. In support of this commitment, we actively educate, communicate and provide ongoing and need based training to employees, contractors and other relevant stakeholders. These programmes enhance awareness of EHS&S protection measures and associated risks. The effectiveness of such training is systematically evaluated and forms an integral part of employee career development and performance enhancement.

ESG Integration and Sustainability Leadership

Organisations worldwide are increasingly adopting Environmental, Social and Governance (ESG) frameworks, moving beyond regulatory compliance to drive long term positive impact. In alignment with this approach, we integrate sustainability into daily operations by reducing carbon footprints, promoting circular economy practices and ensuring ethical sourcing.

As part of our sustainability journey, the Company successfully achieved its previous targets for FY 2022–25 and has evaluated new targets for FY 2026–30. As an outcome of our efforts, we transitioned boiler operations from fossil fuel to renewable fuels at 4 (four) manufacturing facilities, while the other 3 (three) manufacturing facilities operate on natural gas. In line with our roadmap, renewable fuels will be explored at the remaining one location to switch boiler operation through renewable / low carbon foot print fuel.

Renewable Energy and Resource Management

The Company has installed 5.4 MW of hybrid solar capacity and 2.75 MW of rooftop solar systems, generating approximately 27 million kWh of green energy annually, thereby significantly reducing our carbon footprint.

Water stewardship remains a key sustainability priority. Achieving zero groundwater usage is a critical milestone and currently 78% of our manufacturing facilities utilise surface water, supporting responsible water management practices and helping reverse groundwater over extraction.

Waste Management and Circular Economy

Effective hazardous waste management is essential to protect human health and the environment. The Company adheres to all regulatory requirements for identification, safe handling, treatment, recycling and disposal of hazardous waste at authorised facilities and through approved recyclers.

Our objective is to achieve 100% recycling of non-hazardous waste and zero waste to landfill. In pursuit of this goal:

- Land fillable hazardous waste has been reduced by 96% from the base year.
- Incineration of hazardous waste has decreased by 94% from the base year.
- The majority of waste has been diverted to co processing for energy recovery in cement industries.

As part of our Extended Producer Responsibility (EPR) initiative, we have implemented a nationwide 100% plastic waste take back programme, ensuring collection and responsible disposal of plastic waste equivalent to the quantity consumed by the Company PAN India.

Certifications and Management Systems

All manufacturing facilities are certified under:

- ISO 14001:2015 – Environmental Management System
- ISO 45001:2018 – Occupational Health & Safety Management System
- ISO 27001 – Information Security Management System
- ISO 22301 – Business Continuity Management System

Additionally, 6 (six) manufacturing facilities and the R&D Centre of the Company are now certified under ISO 50001:2018 (Energy Management System), reinforcing our consistent focus on energy efficiency.

Looking Ahead

As we progress with our sustainability roadmap, the Company's commitment to EHS continues to evolve—from regulatory compliance towards fostering a proactive, value driven safety culture, where every employee is intrinsically motivated and safety is embedded as a personal and organisational value.

FINANCE

(a) Share Capital

As on 31st March, 2026 the Authorised Capital of the Company is ₹ 235 crore, divided into 42 crore Equity Shares of ₹ 5/- each and 25 Lakh Preference Shares of ₹ 100/- each.

(b) Deposits and Loans, Guarantees and Investments

The Company has neither accepted nor renewed any deposits. None of the deposits earlier accepted by the Company remained outstanding, unpaid or unclaimed as on 31st March, 2026.

Details of Loans, Guarantees and Investments by Company under the provisions of Section 186 of the Companies Act, 2013, during the year, are provided in Note 11 and 12 to the Standalone Financial Statements.

(c) Fund Raising

Commercial Papers

During the year under review, your Company has raised ₹ 2,400 crore (Rupees Two Thousand Four Hundred crore only) through the issuance of 48,000 Commercial Papers with a face value of ₹ 5,00,000 (Rupees Five Lakh only) each listed on National Stock Exchange of India Limited as per following details:

Security Description	Date of Issuance	No. of Commercial Papers	Total Amount (₹ in crore)	Tenor	Maturity Period
Listed Rupee Denominated Commercial Papers	20 th June, 2025	4000*	200	90 days	18 th September, 2025
	26 th June, 2025	6000*	300	92 days	26 th September, 2025
	17 th September, 2025	4000*	200	90 days	16 th December, 2025
	24 th September, 2025	4000*	200	90 days	23 rd December, 2025
	19 th January, 2026	30,000	1,500	337 days	22 nd December, 2026

* Commercial Papers were redeemed

Non-Convertible Debentures

During the year under review, your Company has raised ₹ 10,990 crore (Rupees Ten Thousand Nine Hundred Ninety crore only) through issuance of 10,99,000 Non-Convertible Debentures ("NCDs") in 4 Series, with a face value of ₹ 1,00,000 (Rupees One Lakh only). These NCDs are listed on National Stock Exchange of India Limited, with the details provided below:

Security Description	Date of Allotment	Series	No. of NCDs	Total Amount (₹ in crore)	Maturity Period
Senior, Secured, Redeemable, Listed, Rated, Non-Convertible Debentures	19 th January, 2026	Series 1	2,00,000	2,000	19 th January, 2028
		Series 2	2,49,000	2,490	19 th January, 2029
		Series 3	3,00,000	3,000	18 th January, 2030
		Series 4	3,50,000	3,500	17 th January, 2031

As on 31st March, 2026, outstanding amount of Non-Convertible Debentures issued by the Company is ₹ 11,390 crore

(d) Contracts or Arrangements with Related Parties

All Related Party transactions are entered in compliance to the provisions of law, the Policy on Materiality of and dealing with Related Party Transactions ("Related Party Policy") and were entered with the approval of Audit Committee, Board and Shareholders if and as applicable. All the related party transactions were entered into during the financial year were on arm's length basis. Further there were no related party transactions which could

be considered material based on the definition of material transaction as mentioned under explanation to Sub regulation (1) of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company for 2025-26 and hence does not form part of this report.

(e) Internal Financial Control System

The Company has a formal framework of Internal Financial Control ("IFC") in alignment with the requirement of Companies Act, 2013 and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

Accordingly, the Company has a well-placed, proper and adequate IFC system, which ensures:

- The orderly and efficient conduct of its business;
- Adherence to the Company's Policies;
- 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.

Effectiveness of IFC is ensured through management reviews and control self-assessment.

The Audit Committee reviews the effectiveness of controls documented as part of IFC framework and oversee implementation of necessary corrective and preventive actions wherever weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and Information Technology controls.

Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect, our IFC. The management has also come to a conclusion that the IFC and other financial reporting were effective during the year and are adequate considering the size, scale and nature of the Company's business operations. The Statutory Auditors of the Company has audited the IFC with reference to Financial Reporting and their Audit Report is annexed as Annexure B to the Independent Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements.

(f) Material changes affecting the Company

No material changes and commitments have occurred after the close of the year till the date of this Report which may affect the financial position of the Company.

INSURANCE

The Company's manufacturing facilities, properties, equipment and stocks are adequately insured against all major risks including loss on account of business interruption caused due to property damage. The Company has appropriate liability insurance covers particularly for product liability, clinical trials and cyber liability. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

BUSINESS RISK MANAGEMENT

Risk Management is an integral part of the Company's strategy for enhancing stakeholder value and is embedded into the governance and decision making process across the Organisation. The Company has in place the Risk Management Policy to ensure effective responses to strategic, operational, financial and compliance risks faced by the Organisation.

As a part of this Policy, all the risks are discussed and deliberated with the concerned functional heads and business process owners to continually identify, assess, mitigate and monitor risks across the entity, its business functions and units. The Policy also encompasses identification, assessment and mitigation of ESG risks. The Risk Management Committee meets periodically to assess and deliberate on the key risks and adequacy of mitigation plan. The Company has formulated a comprehensive 'Risk Register', which is periodically reviewed and updated to capture new and emerging risks / threats and change in existing identified risk augmenting from changes in internal / external environment. Inputs from risk assessment are also embedded into annual internal audit programme. Key risks and mitigation measures are summarised in Management Discussion and Analysis section of the Annual Report.

SHIFTING OF REGISTERED OFFICE

Your Company has shifted its registered office from Torrent House, Off. Ashram Road, Ahmedabad - 380 009 to Avirat, Thaltej Shilaj Road, Ahmedabad - 380 059 with effect from 29th January, 2026.

ACQUISITION OF CONTROLLING STAKE IN J.B. CHEMICALS & PHARMACEUTICALS LIMITED

In line with the Company's Strategic objectives and to create future ready, diversified healthcare platform combining a deep chronic segment heritage with emerging CDMO capabilities, the Company has entered into share purchase agreement dated 29th June, 2025 ("SPA 1") with J.B. Chemicals & Pharmaceuticals Limited ("JB Pharma") and Tau Investment Holdings Pte. Ltd., the erstwhile Promoter of JB Pharma to acquire 7,44,81,519 equity shares of JB Pharma representing 46.39% of its fully diluted share capital subject to receipt of Members' approval and applicable statutory and regulatory approvals.

The Company has also entered into share purchase agreement dated 03rd July, 2025 ("SPA 2") with certain employees of JB Pharma to acquire upto 38,75,056 equity shares of JB Pharma representing 2.41% of its fully diluted equity share capital consequent to the exercise of their respective employee stock options subject to receipt of applicable statutory and regulatory approvals.

Pursuant to the execution of SPA 1 and SPA 2, an open offer was triggered under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. In accordance with the said regulations, the Company acquired 1,317 fully paid up equity shares of JB Pharma from eligible public shareholders through the Open Offer on 05th December, 2025.

In terms of SPA 1, the Company completed the acquisition of 7,44,81,519 equity shares of JB Pharma on 21st January, 2026 and was accordingly classified as Promoter of JB Pharma. Further in terms of SPA 2, the Company acquired 38,75,056 equity shares of JB Pharma from its employees on 23rd January, 2026 and 03rd February, 2026.

Accordingly, as on 31st March, 2026 the Company holds an aggregate of 7,83,57,892 equity shares, representing 48.80% of the equity share capital of JB Pharma.

SCHEME OF AMALGAMATION OF J.B. CHEMICALS & PHARMACEUTICALS LIMITED WITH TORRENT PHARMACEUTICALS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

The Board of Directors at their meeting held on 29th June, 2025 approved the Scheme of Amalgamation of J. B. Chemicals & Pharmaceuticals Limited ("Transferor Company" or "JB Pharma") with Torrent Pharmaceuticals Limited ("Transferee Company" or "Company") and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 read with the rules made thereunder ("Scheme"). The Scheme inter-alia provides for the amalgamation of Transferor Company with and into the Transferee Company.

Pursuant to the proposed Scheme, 51 fully paid up equity shares of the Company of face value of ₹ 5 each shall be issued and allotted to the shareholders of JB Pharma for every 100 fully paid equity shares of ₹ 1 each held in JB Pharma as determined by independent registered valuers.

The Company and JB Pharma received No Objection Letters from BSE Limited and National Stock Exchange of India Limited on 17th February, 2026 in relation to the Scheme.

Pursuant to the Order of National Company Law Tribunal, Ahmedabad Bench ("NCLT") dated 23rd March, 2026, meetings of the equity shareholders of the Company and of the Transferor Company were held on 28th April, 2026 through video conferencing. The Proposed arrangement in the nature of amalgamation was duly approved by the equity shareholders of both the Companies with requisite majority in accordance with the provisions of Section 230(6) of the Companies Act, 2013. Further, in terms of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 issued by the Securities and Exchange Board of India, the Scheme was approved by requisite majority of the public shareholders of the Transferor Company. The Company and the Transferor Company have filed a joint petition with NCLT seeking its approval on the Scheme.

The Scheme is expected to enhance the product offerings of the Transferee Company, unlock new market opportunities and expand access to customer coverage through a more comprehensive and synergistic product portfolio. It is also expected to improve operational, organisational and financial efficiencies, reduction in multiple entities and associated regulatory compliances, consolidation of administrative and managerial functions, eliminate duplication of multiple record-keeping, strengthen organisational capability and leadership, create diversified and consolidated portfolio of branded products. This will strengthen existing presence in key segments and support long term sustainable growth.

SUBSIDIARIES & JOINT VENTURES

As of 31st March, 2026, the Company has 18 subsidiaries, out of which 3 are step down subsidiaries.

During the year under review, the Company:

- acquired controlling stake of 48.80% and became the promoter of JB Pharma w.e.f 21st January, 2026;
- transferred the shares held in UNM Foundation, Associate Company (Section 8 Company) to Torrent Investments Limited, Holding Company of the Company on 30th March, 2026 and hence UNM Foundation ceased to be an Associate Company of the Company;
- made an equity investment of 26% in Torrent Urja 27 Private Limited ("Torrent Urja") on 28th October, 2025 for power procurement by the Company under Group Captive model – Hybrid Power and hence Torrent Urja became the Associate Company of the Company.

The highlights of performance of major subsidiaries of the Company have been discussed and disclosed under the Management Discussion and Analysis section of the Annual Report. The contribution of each of the subsidiaries, including JB Pharma and its Subsidiaries in terms of the revenue and profit is provided in Form AOC-1, which forms part of the Annual Report.

The annual accounts of the subsidiary companies will be made available to any Member of the Company seeking such information at any point of time and are also available for inspection by any Member of the Company at the Registered Office of the Company on any working day during business hours up to the date of the AGM. The annual accounts of the subsidiary companies are also available on the website of the Company at www.torrentpharma.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Board of Directors

The Board of Directors of the Company is chaired by the Executive Chairman and comprises six other Directors as on 31st March, 2026, including one Managing Director, four Independent Directors (including two Women Directors) and one Non-Executive Non-Independent Director.

All the Independent Directors of the Company have furnished declarations that they meet the criteria of independence as prescribed under the Companies Act, 2013 and under Listing Regulations.

During the year under review, Dr. Maurice Chagnaud (holding DIN: 09592878), Independent Director of the Company, who was appointed for a term of 3 (three) years effective from 11th May, 2022 to 10th May, 2025 ceased as Director on the Board of the Company on 10th May, 2025 pursuant to completion of his term. The Board put on record its sincere appreciation for the valuable role played by him in guiding the functioning of the Board and its Committees.

During the last AGM held on 28th July, 2025, the members approved appointment of Aman Mehta (holding DIN: 08174906) as Managing Director w.e.f. 01st August, 2025 for a period of 5 (Five) years with the pre-closure of his existing term as Whole Time Director.

As per the provisions of the Companies Act, 2013, Samir Mehta, Executive Chairman (holding DIN: 00061903), retires by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

The brief resume and other relevant information of the Director being re-appointed is given in the explanatory statement to the Notice convening the AGM, for your perusal.

(b) Meetings of Board of Directors

Regular meetings of the Board are held to review performance of the Company, to discuss and decide on various business strategies, policies and other issues. A calendar of Board / Committee meetings for the year is prepared and circulated to the Directors well in advance to enable them to plan their schedule for effective participation in the meetings. During the year, six meetings of the Board of Directors were convened and held on 19th May, 2025, 20th May, 2025, 29th June, 2025, 28th July, 2025, 07th November, 2025 and 13th February, 2026. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. Detailed information on the meetings of the Board is included in the Corporate Governance Report which forms part of the Annual Report.

(c) Audit Committee

The composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The composition of the Committee as on 31st March, 2026 is given below:

Name of Director ¹	Category of Directorship
Nikhil Khattau, Chairman	Independent Director
Ameera Shah	Independent Director
Nayantara Bali	Independent Director
Manish Choksi ²	Lead Independent Director

- Dr. Maurice Chagnaud ceased to be Member of the Committee due to completion of his term on the Board on 10th May, 2025.
- Manish Choksi was appointed as Member of the Committee with effect from 16th March, 2026.

During the year, the Board has accepted all the recommendations made by the Audit Committee.

(d) Appointment of Directors

(i) Criteria for Appointment of Directors

The Board of Directors of the Company has identified following criteria for determining qualification, positive attributes and independence of Directors:

- Proposed Director ("Person") shall meet all statutory requirements and should:
 - possess the highest ethics, integrity and values;
 - not have direct / indirect conflict with present or potential business / operations of the Company;
 - have the balance and maturity of judgment;
 - be willing to devote sufficient time and energy;

- have demonstrated high level of leadership and vision and the ability to articulate a clear direction for an organisation;
- have relevant experience (in exceptional circumstances, specialisation / expertise in unrelated areas may also be considered);
- have appropriate comprehension to understand or be able to acquire that understanding
 - Relating to Corporate Functioning
 - Involved in scale, complexity of business and specific market and environment factors affecting the functioning of the Company.

2) The appointment shall be in compliance with the Board Diversity Policy of the Company.

The key qualifications, skills and attributes which the Board is collectively expected to have for the effective discharge of their duties are explained in Corporate Governance Report of the Company.

(ii) Process for Identification / Appointment of Directors

- Board members may (formally or informally) suggest any potential person to the Chairman of the Company meeting the above criteria. If the Chairman deems fit, necessary recommendation shall be made by him to the Nomination and Remuneration Committee (NRC).
- Chairman of the Company can himself also refer any potential person meeting the above criteria to the NRC.
- NRC deliberates the matter and recommends such proposal to the Board.

Board considers such proposal on merit and decide suitably.

(e) Familiarisation Programme of Independent Directors

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company endeavours, through presentations at regular intervals, to familiarise the Independent Directors with the strategy, operations and functioning of the Company and also with changes in the regulatory environment having a significant impact on the operations of the Company and the pharmaceutical industry as a whole. Site visits to various plant locations and CSR sites get organised for the Directors to enable them to understand the operations of and CSR activities carried out by the Company. The Independent Directors also meet with senior management team of the Company in formal / informal gatherings.

The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at https://www.torrentpharma.com/pdf/cms/Familiarization_Programme_2025-26.pdf

(f) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all Individual Directors (Independent and Non Independent Directors) and Chairperson as per the process and criteria laid down by the Board of Directors based on the recommendation of the NRC.

Evaluation Feedback Mechanism:

Evaluation Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as Board composition, frequency of meetings, fulfillment of key responsibilities, effectiveness of board process and information sharing, quality of decisions, establishment and delineation of responsibilities to Committees and facilitation of Independent Directors. The performance evaluation was carried out based on the responses received from the Directors.

Evaluation of Committees:

The performance evaluation of Committees was based on criteria such as Adequacy of Committee composition, frequency and effectiveness of meetings, degree of fulfilment of key responsibilities as outlined by terms of reference of Committee and as required by the statute, Committee dynamics especially openness of discussions, including with the Board and quality of relationship of the Committee with the Board and the management.

Evaluation of Non-Independent Directors:

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors.

Evaluation of Independent Directors:

The performance evaluation of Independent Directors was based on various criteria, such as participation in Board in terms of adequacy, contribution at meetings, fulfillment of functions, guidance and support to management outside Board / Committee meetings and independent views and judgement.

Evaluation of Chairman:

The performance evaluation of Chairman of the Board was based on various criteria, like Attendance, steering the meetings, effectiveness as Chairman of the board including leading the decision making on the vision, strategy, ability to keep shareholder's interest in mind and communicating with external stake holders and impartiality etc.

Result of Evaluation:

Independent Directors have carried out the performance evaluation of the Board as a whole and the Non-Independent Directors, the Committees, Chairman and flow of information between the management and the Board. Thereafter, the Board expressed the satisfaction on the functioning of the Board, the Committees and performance of Individual Directors.

(g) Key Managerial Personnel

There was no change in the Key Managerial Personnel during the year under review other than what has already been captured above.

(h) Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, in relation to financial statements of the Company for the year ended 31st March, 2026, the Board of Directors state that:

- the applicable Accounting Standards have been followed in preparation of the financial statements and there are no material departures from the said standards;
- reasonable and prudent accounting policies have been used in preparation of the financial statements and that they have been consistently applied and that reasonable and prudent judgments and estimates have been made in respect of items not concluded by the year end, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit for the year ended on that date;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the financial statements have been prepared on a going concern basis;
- proper internal financial controls were in place and were adequate and operating effectively; proper systems to ensure compliance with the provisions of applicable laws were in place and were adequate and operating effectively.

REMUNERATION

(a) Remuneration Policy

The Remuneration policy covers the remuneration for the Directors (Chairman, Managing Director, Whole-time Directors, Independent Directors and other non-executive Directors) and other employees (under senior management cadre and management cadre). The Policy has been formulated with the following key objectives:

- To ensure that employee remuneration is in alignment with business strategy & objectives, organisation values and long-term interests of the organisation.
- To ensure objectivity, fairness and transparency in determination of employees' remuneration.
- To ensure the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate a high performance workforce and are in compliance with all applicable laws.

It covers various heads of remuneration including benefits for Directors and employees. It also covers the process followed with respect to annual performance reviews and variables considered for revision in the remuneration. The said Policy is available on the website of the Company www.torrentpharma.com.

(b) Criteria for Remuneration to Non-Executive Directors (NEDs):

1. The payment of commission to the Directors of the Company who are neither in the whole time employment nor Managing Director(s) (NEDs) is approved by the shareholders of the Company and is subject to the condition that total commission paid to the NEDs shall not exceed the percentage limits of the net profit of the Company as specified in the Companies Act, 2013 (presently 1% of the net profit), calculated in accordance with Section 197 read with Section 198 and any other applicable provisions of the Companies Act, 2013.

Further, as per the Regulation 17(6)(ca) of the Listing Regulations, approval of the shareholders by special resolution shall be required every financial year, in which the annual remuneration payable to a single NED exceeds fifty per cent of the total annual remuneration payable to all NEDs, giving details of the remuneration thereof.

2. The Board or its Committee specifically authorised for this purpose, determines the manner and extent upto which the commission is paid to the NEDs within the limit as approved by the Members. The commission is determined based on the participation of the Directors in the meetings of Board and / or Committees thereof, as well as on industry practice, performance of the Company and contribution by the Directors, etc.
3. Payment of Commission is made annually on determination of profit.
4. Sitting fees of ₹ 1 lakh is paid to Independent Directors for each meeting of the Board or any Committee thereof attended by them.
5. Independent Directors are reimbursed for all the expenses incurred for attending any meeting of the Board or Committees thereof and which may arise from performance of any special assignments given by the Board.

(c) Remuneration to Managerial Personnel

The details of remuneration paid to the Managerial Personnel forms part of the Corporate Governance Report.

(d) Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details are provided in the **Annexure B** to this Report.

AUDITORS

(a) Statutory Auditors

As per Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the members of the Company in Forty Ninth AGM of the Company approved the re-appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of Forty Ninth AGM until the conclusion of the Fifty Forth AGM to be held with respect to the financial year 2026-27.

(b) Cost Auditors

In terms of the Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company has prepared and maintained the cost accounts and records for the year 2025-26.

The Company has appointed M/s. Kirit Mehta & Co., Cost Accountants, Mumbai (Firm Registration No. 000353) as the Cost Auditors of the Company for audit of cost accounting records of its activities (Formulation & Bulk Drugs activities) for the financial year ended 31st March, 2026. The Cost Audit Report to the Central Government for the financial year ended 31st March, 2025 was filed on 21st August, 2025, within the statutory timeline. Further, the Board of Directors has appointed M/s. Kirit Mehta & Co. as the Cost Auditor of the Company for the financial year 2026-27 and fixed their remuneration, subject to ratification by the Members in the ensuing AGM of the Company.

(c) Secretarial Auditor

Pursuant to the provisions of Regulation 24A of the Listing Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the members of the Company approved the appointment of M/s. M. C. Gupta & Co. (Firm Registration No.: S1986GJ003400 and Peer Review Certificate No.: 5380/2023) as Secretarial Auditors of the Company for a term of upto 5 (Five) consecutive years to hold office from the conclusion of 52nd AGM till the conclusion of 57th AGM of the Company

M/s. M. C. Gupta & Co. have carried out the Secretarial Audit for FY 2025-26 accordingly and their report in Form MR-3, is annexed with this Report as **Annexure C**. There were no qualification / observations in the report.

During the year 2025-26, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

CORPORATE GOVERNANCE

As required by Regulation 34 read with Schedule V of the Listing Regulations, a separate Report on Corporate Governance forms part of the Annual Report. The Report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause E of Schedule V of the Listing Regulations forms part of this Report as **Annexure D**.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link https://torrentpharma.com/index.php/investors/annual_return



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ETC.

A statement containing the necessary information on Conservation of energy, Technology absorption and Foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to this Report as **Annexure E**.

APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors appreciate the trust reposed by the medical fraternity and patients in the Company and look forward to their continued patronage. The Directors are also grateful and pleased to place on record their appreciation for the excellent support, guidance and cooperation extended by the Government of India and various State Governments specifically the Governments of Gujarat, Himachal Pradesh, Sikkim, Madhya Pradesh and Andhra Pradesh, Central and State Government Bodies and Authorities, Financial Institutions and Banks. The Board also expresses its appreciation of the understanding and support extended by the shareholders and the commitment shown by the employees of the Company.

For and on behalf of the Board of Directors

Samir Mehta

Executive Chairman
DIN: 00061903

Ahmedabad
22nd May, 2026

ANNEXURE A TO THE BOARD'S REPORT

Annual Report on CSR Activities for FY 2025-26

1. Brief outline on CSR Policy of the Company:

- Torrent has always been committed to the cause of social service and has consistently channelised a part of its resources and activities, such that it positively impact the society socially, ethically and also environmentally. The Company has taken up various CSR initiatives improving the quality of life of the people and making quality value addition to the society.
- The Company channelises its CSR activities in light of its guiding principle as enumerated by its founder - Shri U. N. Mehta: **"Giving back to the society, for all the years of care, support and nurturance that is being bestowed upon the organisation"**.
- The Policy focuses on three thrust areas in which CSR activities are planned - (a) Community Healthcare, Sanitation & Hygiene (b) Education & Knowledge Enhancement and (c) Social Care & Concern.
- The CSR Activities are conducted, preferably in areas where the Company has industrial or business presence, after approval of the Corporate Social Responsibility and Sustainability Committee ("CSRS Committee") and the Board.
- CSR Activities are conducted by implementing agencies, which include section 8 Company / registered public trust / registered society established by the Company / an external entity engaged in CSR activities etc.

2. Composition of Corporate Social Responsibility and Sustainability Committee:

Sr. No.	Name of Director ¹	Designation / Nature of Directorship	Number of Meetings of CSRS Committee held during the year / tenure	Number of Meetings of CSRS Committee attended during the year
1	Nayantara Bali	Chairperson / Independent Director	2	2
2	Manish Choksi	Member / Independent Director	2	2
3	Nikhil Khattau ²	Member / Independent Director	2	2

1. Dr. Maurice Changaud ceased to be the Member of the Committee due to completion of his term on the Board on 10th May, 2025.
2. Nikhil Khattau was appointed as the Member of the Committee with effect from 06th May, 2025.

3. Provide the web-link(s) where Composition of CSRS Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

CSRS Committee: https://www.torrentpharma.com/docs/Composition_Of_Various_Committees_Of_Board_Of_Directors.pdf

CSR Policy: https://www.torrentpharma.com/assets/CSR_Policy.pdf

CSR Projects: <https://www.torrentpharma.com/index.php/investors/csr>

4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, If applicable:

Not applicable for financial year 2025-26

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 2,069 crore
(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 41.38 crore
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: ₹ 0.08 crore
(d) Amount required to be set-off for the financial year, if any: Nil



- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 41.46 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 44.95 crore
- (b) Amount spent in Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 44.95* crore
- (e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the Financial Year (₹ in crore)	Amount Unspent (₹ in crore)				
	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
44.95* [§]	4.17	29 th April, 2026	Nil		

*Including ₹ 7.06 crore spent during the financial Year on ongoing projects, out of unspent amount pertaining to earlier financial years.

[§] Project wise bifurcation is detailed below:

REACH - Paediatric Healthcare Programme (Phase II) - ₹ 13.25 crore; Lake Development - ₹ 2.79 crore; Pratiti - Public Park Development (Phase III) - ₹ 21.66 crore; Baddi School & Community Development Work - ₹ 1.49 crore; Indrad School, Medical OPD & Community Development Work at Indrad and Virochannagar - ₹ 0.01 crore; School, Panchayat, other infrastructure facilities and Community Development Work at Sikkim - ₹ 1.98 crore; Bileshwarpura - Community Development & Medical services - ₹ 0.08 crore; Other Plants (Dahej, Vizag & Pithampur) - ₹ 0.40 crore and PAGE Foundation - ₹ 3.29 crore.

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

Sr. No.	Particulars	Amount (₹ in Crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (₹ in crore)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (₹ in crore)**	Amount spent in the Financial Year (₹ in crore)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in crore)	Deficiency, if any
					Amount (₹ in crore)	Date of transfer		
1	2024-25	10.78	10.78	4.33	Nil	--	6.45 [#]	--
2	2023-24	11.30	Nil	Nil	Nil	--	--	--
3	2022-23	21.42	2.73 [^]	2.73 ^{^^}	Nil	--	--	--

**Unspent as on 01st April, 2025

[#] Excluding an amount of ₹ 0.02 crore surplus arising at implementing agency level from temporary investment of funds in FY 2025-26

[^]Including an amount of ₹ 0.11 crore surplus arising at implementing agency level from temporary investment of funds in FY 2024-25

^{^^}Excluding an amount spent of ₹ 0.06 crore arising out of surplus generated at implementing agency level from temporary investment of funds in FY 2025-26

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

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

110

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

1 Sr. No.	2 Short particulars of the property or asset(s) [including complete address and location of the property]	3 Pincode of the property or asset(s)	4 Date of creation	5 Amount of CSR spent (₹ in Lakhs)	6 Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1.	Table and Chair	173205	02 nd September, 2025	0.65	Not Applicable	Govt School	Village Bhud, Baddi - 173 205, Himachal Pradesh
2.	CCTV Camera		31 st December, 2025	0.41			
3.	Civil and Electrical work for new class room		31 st March, 2026	16.59			
4.	Water Cooler	173024	30 th June, 2025	1.36	Not Applicable	Govt School	Village Chewan Bhellon, Pachachhad - 173 024, Himachal Pradesh
5.	Almirah	173205	04 th October, 2025	0.35	Not Applicable	Govt School	Village Makhnumajra, Baddi - 173 205, Himachal Pradesh
6.	Geyser		06 th October, 2025	0.07			
7.	Water Cooler	174303	05 th July, 2025	2.24	Not Applicable	Govt School	Village Barsara, Fatehpur, Lalsinghi, Arniala Una- 174303, Himachal Pradesh
8.	Water Purifier	175124	20 th November, 2025	1.06	Not Applicable	Govt School	Village Pandoh (JNV) Dist Mandi - 175 124, Himachal Pradesh
9.	Computer	176093	12 th February, 2026	0.60	Not Applicable	Govt School	Village Dhatti, Palampur - 176 093, Himachal Pradesh
10.	Portable speaker		26 th March, 2026	0.10			
11.	Ambulance Van	173001	16 th March, 2026	8.10	Not Applicable	Govt Hospital	Dr.YS Parmar Medical College, Nahan - 173 001, Himachal Pradesh
12.	CCTV	173205	16 th July, 2025	0.62	Not Applicable	Govt Office	Baddi - 173 205, Himachal Pradesh
13.	Exhaust Fans	173205	24 th December, 2025	0.64	Not Applicable	Govt School & Panchayat	Village Gullarwala, Baddi - 173 205, Himachal Pradesh
14.	Solar Light	176206	24 th September, 2025	7.23	Not Applicable	Gram Panchayat	SDM Office, Sahapur Kangra - 176206, Himachal Pradesh
15.	Electric Wheel Chair	174301	18 th March, 2026	1.68	Not Applicable	Gram Panchayat	Village Mandi - 174 301, Himachal Pradesh
16.	Electric Wheel Chair	174301	24 th March, 2026	3.36	Not Applicable	Gram Panchayat	Village Una - 174 301, Himachal Pradesh
17.	Solar Light and Wheel Chair	175024	18 th March, 2026	5.70	Not Applicable	Gram Panchayat	Village Bhatyar, Samoh Distt - 175 024, Himachal Pradesh
18.	Computer and RCC Cement Bench	173205	12 th February, 2026	4.47	Not Applicable	Gram Panchayat	Village Bhud - 173 205, Himachal Pradesh
19.	Solar Light and Wheel Chair	176059	25 th November, 2025	8.99	Not Applicable	Gram Panchayat	Village Gounta, Distt Mandi - 176 059, Himachal Pradesh
20.	Fans	174021	30 th January, 2026	0.81	Not Applicable	Gram Panchayat	Village Gumarwin, Bilaspur - 174 021, Himachal Pradesh
21.	Fan and Chair	176501	24 th December, 2025	4.71	Not Applicable	Gram Panchayat	Village Jandour & Bari Pragpur - 176 501, Himachal Pradesh
22.	Electric Wheel Chair	174301	15 th December, 2025	1.68	Not Applicable	Gram Panchayat	Village Nangal Khurd Una - 174 301, Himachal Pradesh



1	2	3	4	5	6		
Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent (₹ in Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
49.	Electrical Installations and Equipment at UNM Children Hospital, Sugem Mega Power Project, Off. N. H. 48, Village. Akhakhol, Tal. Kamrej, Surat, Gujarat		12 th February, 2026	6.24			
50.	Furniture and Fixture at UNM Children Hospital, Sugem Mega Power Project, Off. N. H. 48, Village. Akhakhol, Tal. Kamrej, Surat, Gujarat		10 th July, 2025	0.57			
51.	Medical Equipments at UNM Children Hospital, Sugem Mega Power Project, Off. N. H. 48, Village. Akhakhol, Tal. Kamrej, Surat, Gujarat		17 th December, 2025	107.98			
52.	Software at UNM Children Hospital, Sugem Mega Power Project, Off. N. H. 48, Village. Akhakhol, Tal. Kamrej, Surat, Gujarat		01 st September, 2025	31.08			
53.	Executive office Chair	737135	29 th January, 2026	6.70	Not Applicable	Govt School	Govt. Primary School, Mahabir, Ranka BAC, Gangtok, East Sikkim
54.	Plastic Chair	737136	29 th September, 2025	0.18	Not Applicable	Gram Panchayat	Bagheykhola Sadvawana Sangha Sikkim
55.	Plastic Table and Chair	737131	03 rd September, 2025	1.77	Not Applicable	Gram Panchayat	Bhanu Jaagriti Sangh Rongli, Shanti Yuha Sangh Chuba Busty, East Sikkim
56.	Plastic Chair	737135	02 nd December, 2025	1.34	Not Applicable	Gram Panchayat	Chuba Block , 32 no Middle camp East Sikkim
57.	Desktop	737135	24 th December, 2025	0.41	Not Applicable	Gram Panchayat	Chuba Panchayat , 32 no Middle camp East Sikkim
58.	RO Drinking water dispenser		31 st December, 2025	0.84			
59.	Desktop		15 th January, 2026	0.51			
60.	Solar Street Lights		20 th February, 2026	8.63			
61.	Gym Equipment		16 th March, 2026	8.25			
62.	Laptop	737131	08 th October, 2025	0.63	Not Applicable	Gram Panchayat	Chujachen, Pakyong District East Sikkim
63.	Plastic Chair and Table	737138	06 th September, 2025	1.79	Not Applicable	Gram Panchayat	Dip Jyoti Sangh Ganchung Pakyong Sikkim
64.	Plastic Chair		09 th December, 2025	1.15			
65.	Printer	737136	25 th August, 2025	0.81	Not Applicable	Gram Panchayat	Duga Suntala Gram Panchayat Unit
66.	Microphone, Amplifier and Speaker Box	737128	28 th August, 2025	0.39	Not Applicable	Gram Panchayat	Ekta Samaj Ramabong Namchi District
67.	Mixer	737136	17 th February, 2026	0.29	Not Applicable	Govt School	Government School Majhitar Pakyong District Sikkim
68.	Microphone, Amplifier and Speaker Box		17 th March, 2026	0.58			

1	2	3	4	5	6		
Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent (₹ in Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
69.	Printer	737132	04 th December, 2025	0.81	Not Applicable	Govt School	Government Secondary School Duga, Pakyong District
70.	Ceiling Fan	737131	04 th December, 2025	0.19	Not Applicable	Govt School	Government Secondary School, Lingtam, Pakyong District
71.	CCTV Camera		12 th December, 2025	0.28			
72.	Printer	737134	29 th November, 2025	0.41	Not Applicable	Govt School	Govt. Jr High School, Namchi District South Sikkim
73.	Printer	737135	29 th November, 2025	0.81	Not Applicable	Govt School	Govt. Jr High School, Nimtar District Pakyong
74.	CCTV Camera	737134	03 rd February, 2026	1.51	Not Applicable	Govt School	Govt. Junior High School, Nimtar, Pakyong, Sikkim
75.	Microphone, Amplifier and Speaker Box	737135	07 th January, 2026	0.39	Not Applicable	Govt. School	Govt. Primary School, Mahabir, Ranka BAC, Gangtok, East Sikkim
76.	Table & Drawer		13 th January, 2026	0.61			
77.	Generator	737135	13 th January, 2026	1.44	Not Applicable	Govt. School	Govt. Sec. School, 32 No. Middle Camp, Gangtok, East Sikkim
78.	Office Chair	737134	28 th May, 2025	0.03	Not Applicable	Gram Panchayat	Gram Panchayat 10 Beng Phegyong Gram Panchayat
79.	TV	737133	17 th February, 2026	1.30	Not Applicable	Gram Panchayat	Gram Prashasan Kendra-12-Sudunglakha Gram Panchayat, Pakyong District
80.	Amplifier		17 th March, 2026	0.19			
81.	Dental treatment equipment (Intra Oral Sensor (RVG)) & Laptop	737111	30 th January, 2026	1.05	Not Applicable	Gram Panchayat	Health & Wellness Centre, Rinchenpong, Soreng, West Sikkim
82.	Padestal Fan	737133	15 th July, 2025	0.11	Not Applicable	Gram Panchayat	HWC Sudunglakha Gram Panchayat Unit, East Sikkim
83.	Padestal Fan		04 th December, 2025	0.10			
84.	Padestal Fan		05 th December, 2025	0.02			
85.	Microphone, Amplifier, Speaker Box and accessories	737136	12 th December, 2025	0.80	Not Applicable	Gram Panchayat	Kasturi Club, Bardang Pakyong District East Sikkim
86.	Dining Table	737133	26 th September, 2025	1.29	Not Applicable	Gram Panchayat	Laliguras Samaj Rhenock Sikkim
87.	Desk and Bench	737133	27 th January, 2026	1.09	Not Applicable	Govt School	Lingtam Secondary School Pakyong District
88.	Plastic Chair	737135	28 th May, 2025	0.03	Not Applicable	Gram Panchayat	Manav Jagaran Sewa Samiti Pakyong Sikkim
89.	Sound System with Amplifier, Speaker and Audio System	737135	07 th January, 2026	1.57	Not Applicable	Gram Panchayat	Manav Uttan Samiti, Gangtok East Sikkim
90.	Plastic Table	737135	02 nd December, 2025	0.15	Not Applicable	Gram Panchayat	Marthan Block, 32 no Middle camp East Sikkim
91.	Padestal Fan	737135	24 th November, 2025	0.14	Not Applicable	Gram Panchayat	Namli Radang Gram Panchayat East Sikkim
92.	Plastic Chair and Table		05 th December, 2025	0.76			
93.	Office almirah & table		13 th January, 2026	0.30			
94.	Executive office Chair		29 th January, 2026	0.76			
95.	Solar Street Light		20 th February, 2026	8.63			
96.	Visitors Chair		02 nd March, 2026	0.19			

1	2	3	4	5	6		
Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent (₹ in Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
97.	Executive office Chair	737135	29 th January, 2026	0.35	Not Applicable	Gram Panchayat	PHC 32 No. Middle Camp, NH- 10, East Sikkim
98.	Office almira	737132	15 th September, 2025	0.67	Not Applicable	Gram Panchayat	PHC Rangpo Pakyong District, East Sikkim
99.	Desktop	737134	24 th December, 2025	2.44	Not Applicable	Govt. School	PM Shri Govt. S School, Singtam, Gangtok, East Sikkim
100.	Projector and RO Drinking water dispenser		31 st December, 2025	1.89			
101.	Printer	737173	16 th September, 2025	0.22	Not Applicable	Govt. School	PM Shri Govt. Senior Secondary School Singtam East Sikkim
102.	Mega Phone	737132	17 th February, 2026	0.21	Not Applicable	Gram Panchayat	Rangpo Nagar Panchayat, Rangpo Pakyong District
103.	Solar Street Light		17 th March, 2026	7.47			
104.	Dental Chair with x ray facility	737133	01 st November, 2025	4.82	Not Applicable	Gram Panchayat	Rhenock Gram Panchayat unit, East Sikkim
105.	Plastic Table	737134	09 th December, 2025	0.51	Not Applicable	Gram Panchayat	RKV Mediation Center West Pandam
106.	Plastic Chair		13 th December, 2025	0.46			
107.	Executive office Table	737134	29 th September, 2025	0.13	Not Applicable	Gram Panchayat	Shanti Yuva Samittee, Sikkim
108.	Dystocia set & Castration machine	737106	07 th January, 2026	1.71	Not Applicable	Gram Panchayat	Sudunglakha AH&VS Department Government of Sikkim, West Pandam AH&VS
109.	Office Chair	737101	04 th March, 2026	0.29	Not Applicable	Gram Panchayat	Women Child Senior Citizen & Divyangjan Welfare Department Samdur Ranipool, Gangtok
110.	Solar Street Light	737132	17 th March, 2026	7.72	Not Applicable	Gram Panchayat	Samaj Sudhar Samity Bagheykhola -East Sikkim

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

Samir Mehta
Executive Chairman
DIN: 00061903

Ahmedabad
22nd May, 2026

Nayantara Bali
Chairperson CSRS Committee
DIN:03570657

Ahmedabad
22nd May, 2026



ANNEXURE B TO THE BOARD'S REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014

- A. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the year 2025-26 are as under:

Sr. No.	Name	Designation	Ratio of Remuneration of Director to Median Remuneration of employees	% increase in Remuneration in the year 2025-26
1	Samir Mehta	Executive Chairman	492.86 ⁽¹⁾	20.00 ⁽¹⁾
2	Ameera Shah	Independent Director	8.35	1.67
3	Nayantara Bali	Independent Director	10.40	7.04
4	Manish Choksi	Independent Director	7.39	1.89
5	Nikhil Khattau	Independent Director	10.40	11.76
6	Jinal Mehta	Non-Executive Non-Independent Director	NA	NA
7	Aman Mehta	Managing Director	182.20 ⁽¹⁾	80.39 ⁽¹⁾⁽²⁾
8	Sudhir Menon	Chief Financial Officer	NA	20.29 ⁽¹⁾⁽²⁾
9	Chintan Trivedi	Company Secretary	NA	14.40 ⁽¹⁾

(1) Also entitled to group personal accident and group mediclaim policy.

(2) Excluding one-time reward / Commission

- B. The percentage increase in the median remuneration of employees in the financial year under review is 12.00%. The employees whose remuneration is determined based on negotiations, employees who have not received the increment for full year and the employees at representative offices of the Company abroad have been excluded for this purpose.
- C. The Company has 17,264 employees on the rolls of Company as on 31st March, 2026.
- D. The increase made in the salaries of employees other than managerial personnel during the year under review was 11.45% while the increase in managerial remuneration was 31.92% (excluding one-time commission).
- E. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.
- F. The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Ahmedabad
22nd May, 2026

ANNEXURE C TO THE BOARD'S REPORT

Form No. MR - 3

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

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

To,
The Members,
Torrent Pharmaceuticals Limited,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Torrent Pharmaceuticals Limited (CIN: L24230GJ1972PLC002126) (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 my 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 authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 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, having its Registered Office at Avirat, Thaltej- Shilaj Road, Ahmedabad - 380 059 for the financial year ended on 31st March, 2026 according to the provisions of:

- The Companies Act, 2013 (the Act) and the Rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;
 - 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;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**.

(vi) The Company has complied with the following other specific applicable laws to the Company:

- The Drugs and Cosmetics Act, 1940
- The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- The Drug and Price Control Order, 2013
- The Narcotics, Drugs & Psychotropics Substances Act, 1985
- The Patent Act, 1970
- The Prevention of Cruelty to Animals Act, 1960
- The Water (Prevention and Control of Pollution) Act, 1974
- The Water (Prevention and Control of Pollution) Cess Act, 1977.
- Air (Prevention and Control of Pollution) Act, 1981.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Provisions of 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. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent 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 the decisions were taken unanimously in the Board & its committees.

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

We further report that during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc except the following:

- The 52nd Annual General Meeting (AGM) of the members of the Company was held on 28th July, 2025 through Video Conferencing in terms of MCA Circulars 14/2020, 17/2020 and 9/2024 at which the members of the Company, inter alia, had accorded their approval to raising of the funds by issuance of one or more kinds of securities up to ₹ 5000 crores, appointment of Mr. Aman Mehta as Managing Director of the Company for a period of five years and fixation of remuneration, authority to the Board of Directors to make loans, provide guarantees and/or make investments etc. up to ₹ 26,000 Crores and to borrow and create charge on the assets of the Company for the borrowings up to ₹ 26,000 crores.
- The Company had entered into share purchase agreement dated 29th June, 2025 ("SPA 1") with J.B. Chemicals & Pharmaceuticals Limited ("JB Pharma") and Tau Investment Holdings Pte. Ltd, the erstwhile Promoter of JB Pharma to acquire 7,44,81,519 equity shares of JB Pharma representing 46.39% of its fully diluted share capital subject to receipt of Members' approval and applicable statutory and regulatory approvals. The Company had also entered into share purchase agreement dated 03rd July, 2025 ("SPA 2") with certain employees of JB Pharma to acquire upto 38,75,056 equity shares of JB Pharma representing 2.41% of its fully diluted equity share capital consequent to the exercise of their respective employee stock options subject to receipt of applicable statutory and regulatory approvals.

The Company had made an open offer to acquire up to 4,17,45,264 fully paid-up equity shares having face value of ₹ 1/- each ("equity shares"), representing 26.00% of the expanded share capital of JB Pharma, at a price of INR 1,639.18, having tendering period from 18th November, 2025 to 1st December, 2025. In response to the aforesaid offer, the public shareholders tendered 1,317 equity shares in the open offer and thereafter on 21st January, 2026, the Company had acquired 7,44,81,519 equity shares from Tau Investment Holdings Pte. Ltd. Accordingly, the Company had been classified as Promoter of JB Pharma with effect from 21st January, 2026.

- The equity shareholders of the Company at the NCLT convened meeting held on 28th April, 2026 have approved the Scheme of Amalgamation of JB Pharma (Transferor Company) with Torrent Pharmaceuticals Limited (Transferee Company) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Company and the Transferor Company have filed a joint petition with NCLT seeking its approval on the Scheme.
- The Company has issued Commercial Paper amounting to ₹ 2,400 crores (CP), during the year under review having ₹ 1,500 crores as outstanding amount of Commercial papers as on 31st March, 2026.
- The Company had allotted non-convertible secured debentures of ₹ 10,990 crores on 19th January, 2026.
- The Registered Office of the Company was shifted to Avirat, Thaltej Shilaj Road, Ahmedabad – 380 059 with effect from 29th January, 2026.
- The Company has transferred its entire holding of 50,000 equity shares of ₹ 10/- each, being 50% stake in UNM Foundation (a Section 8 Company) engaged in charitable activities and CSR arm to Torrent Investment Limited, the holding Company on 30th March, 2026.
- The Company has made an equity investment of 26% in Torrent Urja 27 Private Limited on 28th October, 2025 for power procurement under the Group Captive model – Hybrid Power.

For **M. C. Gupta & Co,**
Company Secretaries
UCN: S1986GJ003400

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review: 5380/2023
UDIN: F002047H000440914

Place: Ahmedabad
Date: 22nd May, 2026

Note: This Report is to be read with Our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.



Annexure: A

To,
The Members,
Torrent Pharmaceuticals Limited,

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 Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M. C. Gupta & Co,**
Company Secretaries
UCN: S1986GJ003400

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review: 5380/2023
UDIN: F002047H000440914

Place: Ahmedabad
Date: 22nd May, 2026

ANNEXURE D TO THE BOARD'S REPORT

Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
Torrent Pharmaceuticals Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 21st September, 2022 and addendum to the engagement letter dated 09th April, 2026.
2. We have examined the compliance of conditions of Corporate Governance by Torrent Pharmaceuticals Limited ("the Company"), for the year ended 31st March, 2026, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the Listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2026.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.



Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Sadashiv Shetty

Partner

Place: Ahmedabad

Date: 22nd May, 2026

Membership No: 048648

UDIN:26048648GLUZKS8157

ANNEXURE E TO THE BOARD'S REPORT

Particulars required under the Rule 8(2) of the Companies (Accounts) Rules, 2014

A. Conservation of Energy

1. Steps taken or impact on conservation of energy:

At Torrent Pharma, sustainability is embedded in our operational ethos, with a strong focus on optimising energy consumption, reducing carbon emissions and minimising environmental impact. The Company has undertaken multiple initiatives aimed at conserving natural resources, improving energy efficiency, increasing the use of renewable energy, reducing waste generation and promoting water stewardship. These efforts are complemented by stringent environmental compliance, continuous monitoring and employee engagement, reinforcing our commitment to responsible and sustainable business practices.

- Replacement of conventional single compressor chillers with twin compressor screw chillers at Indrad manufacturing facility which improved part-load efficiency resulting into saving of 77,000 KWH per annum
- Refurbishment with advanced PVC fills at Indrad manufacturing facility and installation of FRP (Fiber Reinforced Plastic) / Carbon blade fans at Indrad, Dahej and Bileshwarpura manufacturing facilities resulting into saving of 1,00,000 KWH per annum.
- Installation of Integrated demand-based control for 9 Nos. Chillers at Dahej manufacturing facility which achieved energy saving of 4,40,000 KWH per annum.
- Installation of automated warehouse lighting system at Dahej manufacturing facility and hybrid solar-electrical LED streetlights at Bileshwarpura manufacturing facility reducing consumption of electricity by 10,000 KWH per annum.
- Upgradation of Centrifugal Air Compressor at Baddi manufacturing facility in place of conventional systems resulting into energy conservation by 2,00,000 KWH per annum.
- Installation of high-efficiency desiccant beds in HVAC system at Baddi and Sikkim manufacturing facilities resulting into energy conservation by 80,000 KWH per annum.
- Installation of heat pump for hot water at Research & Development Centre resulting into reduced steam usage by 500 tons per annum.
- Installation of various energy efficient system across all locations resulting into saving of 3,10,000 KWH per annum.
- Maintaining near-unity power factor at various manufacturing facilities minimized losses and secured rebates from the State Electricity Board.
- Recycling of waste water from RO reject and PW sanitisation and installation of water-saver tap aerators resulted into water saving of 25,000 Kilo Litres per annum.

2. Steps taken by the Company for utilizing alternate source of energy:

To meet our sustainability goals, the Company has taken following steps to reduce the dependency on conventional source of energy:

- Total installed renewable power generation capacity achieved by 8.15 MW leading to total green energy generation of 27.07 Million KWH during the FY 2025-26.

3. The capital investment on energy conservation equipments:

- Around ₹ 4 crore invested across all locations for energy efficient equipment like Centrifugal Air Compressor, upgradation in Chillers and Cooling Tower, Heat pump, LED lighting system etc.

B. Technology Absorption

Particulars with respect to technology absorption are given below:

1. Efforts Towards Technology Absorption

During the year, the Company undertook several initiatives to enhance production capacity, operational flexibility and efficiency across its manufacturing facilities. Key measures included:

Indrad Manufacturing Facility

- Installation of Fluid bed processor (GLAT FBP 120), CTX Compression Machine, PAM coater and Romaco blister machine to increase capacity and productivity.
- Increased batch sizes for 46 high-volume products, improving productivity and reducing costs.
- Batch size increased from 30 kg to 75 kg, optimizing costs and enhancing productivity.
- Extended clean equipment hold time from 72 to 120 hours, reducing solvent usage and manpower requirements.
- IoT-based vibration monitoring systems installed for critical pumps, blowers and motors.

Bileshwarpura Manufacturing Facility

- Introduced advanced spray drying technology to improve drug solubility, bioavailability and particle consistency for poorly soluble molecules.
- Installed shifter machine for extra granular material to debottleneck constraints.
- Deployed wallet sealing machine as new technology for oncology products.
- Automated secondary packing lines with print and inspection machines, reducing manual intervention and improving quality.

Baddi Manufacturing Facility

- Installed ultrasonic vibratory sifter to accelerate sifting and minimize particle agglomeration.
- Introduced vacuum transfer system in roll compaction and a 1200-litre Conta Blender, eliminating manual transfers and improving productivity.
- Increased batch sizes for 11 high-volume SKUs and improved yields for 80 SKUs.

Sikkim Manufacturing Facility

- Installation of new bottle line for Shelcal 500 to meet market demand.
- Addition of IR dryer in octagonal blender to enhance productivity.
- Increased batch sizes for 12 high-volume SKUs and improved yields for 27 SKUs.

Dahej Manufacturing Facility

- Introduced Clean-in-Place (CIP) systems in fluid bed dryers, processors and auto coaters.
- Increased Clean Equipment Hole Time (CEHT) from 3 to 9 days and Dirty Equipment Hole Time (DEHT) from 60 hours to 6 days, improving operational flexibility.
- Installed spray rate alarms in SBM fluid bed processor.
- Qualified agitator bead mill (Dyno Mill) for Aprepitant capsules.
- Introduced new powder and micro-tablet filling modes in capsule filling machines.

These technology absorption initiatives have collectively enhanced production capacity, improved operational efficiency, reduced costs and strengthened product quality across multiple facilities. They demonstrate the Company's commitment to innovation and continuous improvement in manufacturing excellence.

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

At Torrent Pharma, we continually enhance use of technology, creating new strategies to boost productivity and expand our capacity to provide patients with quality medicines. The Company has implemented various measures viz. installation of multiple machines, machine upgradation and capacity and capability enhancement to improve production, safety and reliability of operations in all its manufacturing facilities.

The technologies adopted so far have given us the benefits in terms of Cost Optimisation, energy efficiency and resource conservation. The Company continues to put efforts to regularise alternate sources of raw materials usage via procuring from across globe, including in-house technology development and implementation, as a part of cost reduction, import substitution and to ensure consistency in product availability. Modern approach with automation in process is adopted for better control

3. Information of technology imported during last three years:

Sr. No.	Technology Imported	Year of Import
1	Hardness Tester	2025-26
2	Upgradation in Blister Packing Machine	2025-26
3	Automatic shrink packaging system	2024-25
4	XRD System	2023-24
5	MS/UV Directed Auto Preparative HPLC System with MS	2023-24
6	HPLC with UV and PDA Detector	2023-24
7	Huber Unistat 815w - Water cooled with controller	2023-24
8	Tube & airless pump filling Machine	2023-24
9	Sachet Filling Line	2023-24
10	X-Ray System	2023-24
11	Sejong Make AWC based double rotary high throughput compression machine	2023-24

The above technologies have been fully absorbed.

4. Expenditure on R&D:

	(₹ in crore)
Particulars	2025-26
Total R&D expenditure including Capital expenses	532.24
Total R&D expenditure as a percentage of turnover	5.07

C. Foreign Exchange Earnings and Outgo

	(₹ in crore)	
Particulars	2025-26	2024-25
Foreign Exchange Earnings	2,813.33	2,696.06
Foreign Exchange Outgo	481.62	635.31

For and on behalf of the Board of Directors

Ahmedabad
22nd May, 2026

Samir Mehta
Executive Chairman
DIN: 00061903

MANAGEMENT DISCUSSION AND ANALYSIS

Caveat

Shareholders are cautioned that certain data and information external to the Company are included in this section. Though these data and information are based on sources believed to be reliable, no representation is made on their accuracy or comprehensiveness. Further, though utmost care has been taken to ensure that the opinions expressed by the management herein contain their perceptions on most of the important trends having a material impact on the Company's operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which are extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performance, achievements or sequence of events may be materially different from the views expressed herein. Shareholders are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this section, consequent to new information, future events, or otherwise.

Note

Except stated otherwise, all figures, percentages, analysis, views and opinions are on consolidated financial statements of Torrent Pharmaceuticals Limited and its wholly owned subsidiaries/ entities where company is having controlling stake (jointly referred as Torrent or Company, hereinafter). Financial information presented in various sections of the Management Discussion and Analysis are classified under suitable heads, which may be different from the classification reported under the Consolidated Financial Statements. Some additional financial information is also included in this section, which may not be readily available from the Consolidated Financial Statements. The previous year's figures have been regrouped, wherever necessary, to make it comparable with the current year.

Global Economy:

The global economy is expected to grow at a moderate but slightly weaker pace amid rising geopolitical uncertainty. According to the IMF's April 2026 World Economic Outlook, global growth is projected at 3.1% in 2026 and 3.2% in 2027, revised downward from earlier estimates, mainly due to the outbreak of conflict in the Middle East. Without this disruption, growth would have been higher, indicating that underlying momentum remains resilient but uneven.

Inflation dynamics show a temporary reversal in disinflation trends. Global headline inflation is projected to rise to 4.4% in 2026 before easing to 3.7% in 2027, driven largely by higher commodity and energy prices following geopolitical tensions. However, inflation patterns remain divergent across economies, with advanced economies facing sticky services inflation while emerging economies experience mixed trends.

Growth performance varies significantly across regions. The United States continues to outperform, supported by fiscal expansion, technological investment, and easing financial conditions. In contrast, the Euro area grows modestly, while Japan's growth remains subdued. Emerging market and developing economies grow at a slower pace than earlier expected, with China's outlook slightly upgraded due to policy support and reduced trade tensions.

The outlook is dominated by heightened downside risks, including geopolitical escalation, energy market disruptions, trade fragmentation, fiscal vulnerabilities, and potential financial market corrections linked to AI-driven investment cycles.

Policy priorities emphasize maintaining price stability, safeguarding fiscal sustainability, and preserving financial stability. Central banks are urged to remain vigilant, while governments must ensure targeted and temporary support measures. Structural reforms, international cooperation, and trade stability are essential to strengthening long-term global resilience.

Indian Economy:

Overall, the outlook for the Indian economy remains strongly positive. India is expected to grow by 6.8–7.2% in FY27 (Economic Survey 2025-26). The IMF revised India's growth upward to 7.3% for FY2025-26, with growth projected to moderate to 6.4% in 2026 and 2027.

On the demand side, domestic demand continues to anchor growth, supported by a strengthening momentum in capital formation. On the supply side, manufacturing activity has gained traction, and services continue to drive overall expansion. On the supply side, manufacturing activity has gained traction, and services continue to drive overall expansion.

Inflationary pressures have eased significantly. Headline CPI inflation declined to 1.7 per cent during April–December FY26, driven primarily by corrections in vegetable and pulse prices, supported by favourable farm conditions, supply-side interventions, and a strong base effect. Core inflation has exhibited persistence, largely influenced by price spikes in precious metals; adjusting for these, underlying inflation pressures appear materially softer. The Reserve Bank of India delivered a cumulative reduction of 125 basis points in the policy repo rate since February 2025, complemented by an injection of durable liquidity via CRR, open market operations and forex swaps.

India's growth profile in FY26 reflects a well-balanced and resilient domestic demand environment, with private consumption emerging as a key anchor. The strength in consumption is underpinned by benign inflation, stable labour market conditions, and improving real incomes, allowing households to sustain spending at levels not seen in over a decade. This suggests that the recovery has moved beyond pent-up demand and is now supported by structural improvements in purchasing power.

At the same time, investment activity remains robust, with capital formation holding firm at elevated levels relative to the pre-pandemic period. This indicates continued confidence in the medium-term growth outlook, supported by both public and private sector capex, and points to the persistence of an investment-led growth cycle alongside consumption strength.

On the production side, growth is becoming increasingly broad-based. Manufacturing is gaining traction, reflecting improving capacity utilisation and policy support, while services continue to act as a key growth engine, benefiting from strong domestic demand and external linkages. The agricultural sector, though growing at a more moderate pace, remains stable, supported by favourable climatic conditions, thereby reinforcing rural demand dynamics.

Externally, India's position remains comfortable despite global uncertainties. Strong export performance, particularly in services, highlights the country's growing competitiveness in high-value sectors, while a contained current account deficit and ample foreign exchange reserves provide a buffer against external shocks. Recent sovereign rating upgrades by agencies such as S&P Global Ratings and Morningstar DBRS reflect increasing confidence in India's macroeconomic stability and fiscal credibility.

Overall, the economy appears to be in a balanced growth phase characterised by steady growth, controlled inflation, and strong macroeconomic fundamentals, positioning it relatively well to navigate an increasingly uncertain global environment.

Middle East Conflict:

The ongoing Middle East conflict has evolved from a geopolitical risk into a systemic macroeconomic driver, with the International Monetary Fund, International Energy Agency, and World Bank jointly characterizing it as one of the largest energy supply disruptions in modern history.

The shock is primarily being transmitted through a sharp reduction in oil and gas supply, leading to sustained increases in energy prices, which are already feeding into global inflation. Beyond first-round effects, higher gas prices are elevating fertiliser costs, creating second-order pressures on food prices and amplifying inflationary risks, particularly in emerging economies.

In parallel, disruptions to key energy trade routes and rising shipping and insurance costs are increasing the delivered cost of commodities, further tightening global financial conditions. The IMF has also highlighted risks of currency volatility and capital outflows in energy-importing economies as external balances deteriorate.

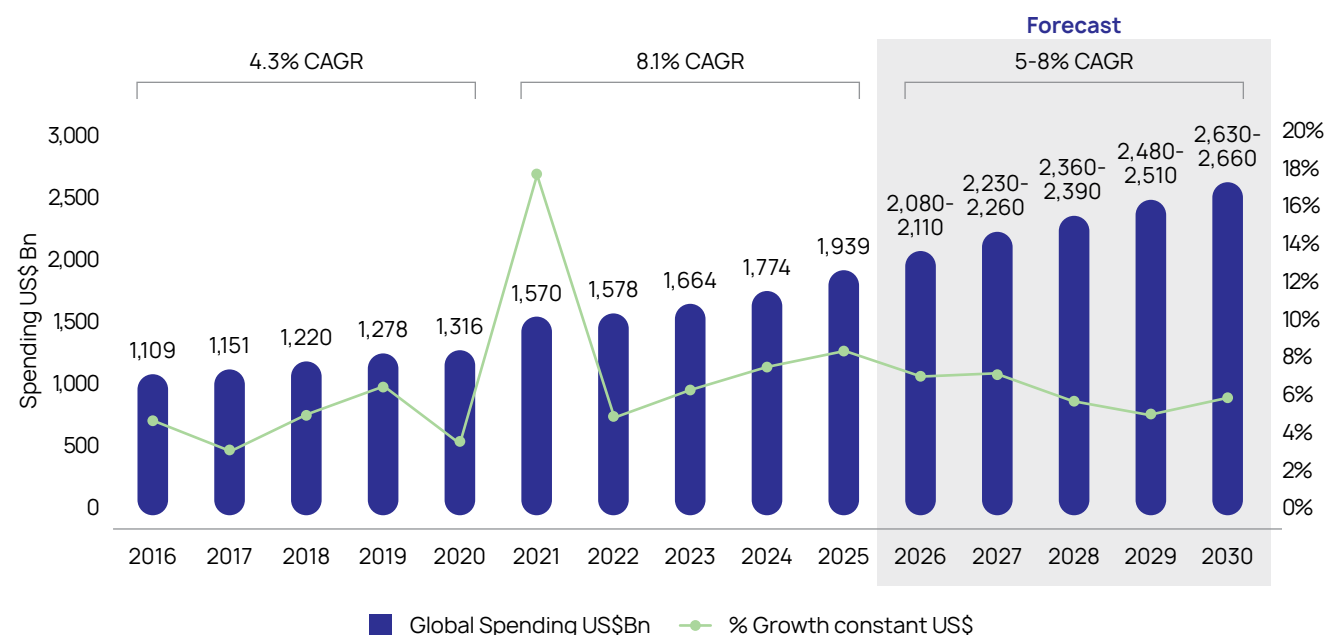
Crucially, the persistence of the shock implies that adjustment is likely to occur through demand destruction rather than rapid supply recovery, pointing to weaker global growth. This creates a stagflationary backdrop, where inflation remains elevated even as economic momentum slows.

Global Pharma Market

In 2026, global health systems continue to demonstrate remarkable resilience, having adapted significantly in the aftermath of the COVID-19 pandemic, surging inflation, and ongoing regional conflicts. The pharmaceutical sector remains a critical pillar of global healthcare, with innovation, access, and affordability shaping the industry's trajectory.

At invoice price levels, the global pharmaceutical market is projected to grow at a compound annual growth rate (CAGR) of 5–8% through 2030, reaching a total estimated market size of approximately \$2.6 trillion. This growth will be driven by the continued availability and use of innovative therapeutics in developed markets, offset by losses of exclusivity. Spending and volume growth are following diverging trends by region, with volume and spending drivers varying some regions are more volume-driven while others have a greater contribution from adoption of innovation with higher prices.

Exhibit 15: Global medicine market size and growth including estimated COVID-19 vaccine and therapeutic spending. 2016-2030



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

A significant portion of future global medicine spending will be driven by existing branded products, which are expected to contribute the largest share of growth. Thirty countries are expected to drive global spending growth, all with spending in 2030 more than \$2 billion higher than in 2025. Half of these are developed countries with GDP per capita above \$50,000, and the other half are Pharmerging countries with robust pharmaceutical growth.

On a net price basis, U.S. pharmaceutical spending is forecast to grow at a 4–7% CAGR over the next five years, down from 9.4% CAGR for the past five years. This deceleration reflects the growing impact of patent expiries, biosimilar competition, and policy measures including the Inflation Reduction Act. Total net spending on medicines in 2030 is expected to increase by \$171 billion compared to 2025. At list prices, U.S. spending is expected to increase by \$389 billion through 2030, driven by new and existing brands and offset by the largest-ever wave of losses of exclusivity projected at \$198 billion, the highest in history, significantly exceeding the often-cited patent cliff of 2011–2012.

Regional Outlook

- **United States:** On a net price basis, U.S. pharmaceutical spending is projected to grow at a 4–7% CAGR over the next five years. Growth will be driven by adoption of newly launched innovative products, with an average of 50–55 new medicines launching per year, including those in oncology or with specific return-on-investment profiles. The largest driver of growth will be increased usage of existing protected branded products, expected to add \$378 billion in spending over five years. The Inflation Reduction Act (2022), benefit redesign for Medicare Part D, and the omnibus legislation of summer 2025 are reshaping how consumers pay for drugs.
- **Europe:** Spending in the top six European markets (Germany, UK, Italy, Spain, France, and Poland) ranges from \$41 billion to \$78 billion in 2025, with spending at invoice prices projected to grow modestly through 2030. Eastern European countries with higher historic growth, including Russia, Poland, Romania, and Türkiye, are projected to continue above-average growth. The recently announced U.S./UK trade deal includes an intention by the UK to increase spending on novel drugs as a percentage of GDP. EU-wide policies targeting security of supply, harmonisation of health technology assessments, and incentives to industry will shape the market.
- **Japan:** Medicine spending is forecast to remain nearly unchanged over five years, averaging 0.5 to 2.5% CAGR through 2030. Growth is driven by existing products and expected new launches, while offset by annual price cuts and expiries. Long-listed products (off-patent brands) face significant price erosion through biennial and annual pricing revisions. Average price cuts are projected in the 4–6% range, with larger cuts for every-year scheduled price cuts.
- **China:** Pharmaceutical spending has risen from \$112 billion in 2016 to \$166 billion in 2025 in constant USD. Over the past five years, spending growth was driven by protected original branded products, more often from multinational companies, which grew at an average of 18.2% per year. Over the next five years, protected original brands will slow to 8.4% per year while most other types of product will decline, contributing to overall growth slowing to 0–2%. The National Reimbursement Drug List (NRDL) updates and volume-based procurement (VBP) continue to drive down generic prices.
- **Latin America:** Growth is expected to slow to 8–11% CAGR through 2030, led by strong performance in Brazil (the largest and among the fastest growing), Mexico, Argentina, and Colombia. Brazil's growth is driven by a combination of economic and policy drivers.
- **India:** Spending growth is expected at 7–10% through 2030. Growth has been driven by volume over the past decade as 1.3 billion people expand usage in a largely out-of-pocket market. Most of the spending is driven by non-original brands and unbranded generic drugs, supported by lower prices and robust domestic generics.
- **Middle East and North Africa:** Spending is expected to grow considerably, led by Saudi Arabia growing from \$15.5 billion to \$23.6 billion, driven by Vision 2030 goals including increasing life expectancy and promoting preventive healthcare. Egypt's growth is driven more by price growth amid currency devaluation. The UAE is expected to see more modest growth. Sub-Saharan Africa is projected to grow only 2.6% CAGR through 2030, spending only \$14 billion on medicines despite being home to 1.5 billion people.

Key Drivers Ahead

Looking ahead, the pharmaceutical sector's trajectory will be shaped by a few critical forces:

1. **New product launches, particularly in oncology, immunology, diabetes and obesity.** An estimated 73 novel active substances (NAS) were launched globally in 2025, above the average of NAS launches over the past decade. In the past five years there were 386 NAS launches. Oncology is expected to grow 9–12% CAGR through 2030, with spending projected to reach \$467 billion. Obesity spending reached nearly \$65 billion in 2025 and could reach \$105–\$200 billion by 2030.
2. **A sharp increase in patent expiries, notably among biologics, accelerating biosimilar adoption.** The impact of brand loss of exclusivity is projected at \$198 billion in developed markets over the next five years, as both small molecule and biologic product exposure to Loss of exclusivity [LOE] has increased substantially. Global spending on biotech drugs is expected to reach \$915 billion by 2030, about 34% of global medicine spending.

3. Differentiated regional policy landscapes, particularly around pricing reforms and reimbursement mechanisms.
4. Glucagon-like peptide-1 (GLP-1) receptor agonists have emerged as one of the most transformative drug classes in the pharmaceutical industry, reshaping the treatment landscape for both diabetes and obesity. The dramatic growth of therapies based on GLP-1 has accelerated in the past five years, through wider usage for both diabetes and obesity indications.

The global outlook remains robust as the sector balances innovation with affordability, emphasising both high-value branded therapies and cost-effective generics and biosimilars in a complex and evolving healthcare landscape.

The largest driver of medicine spending growth through the next four years is still expected to be the availability and use of innovative therapeutics in developed markets and offset by losses of exclusivity and lower costs of generics and biosimilars.

Global Trends in Medicine Use – 2026 Outlook

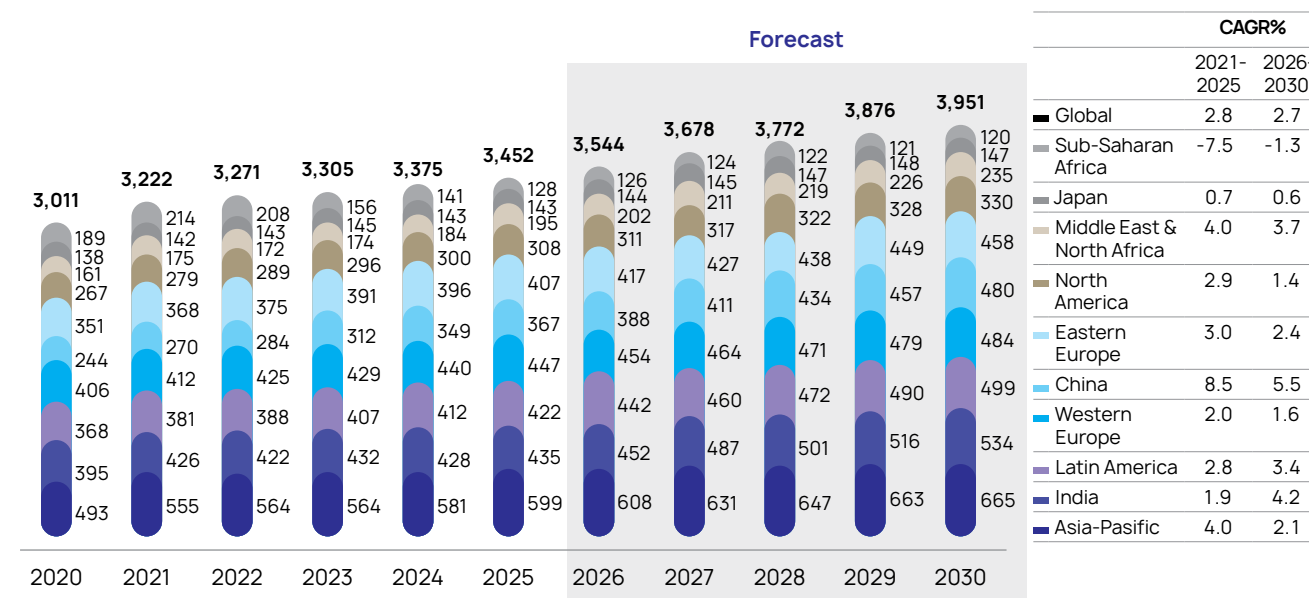
Global medicine use based on modelling medicine volumes shipped according to defined daily dose assumptions increased by 441 billion defined daily doses over the past five years and is expected to grow on average 2.7% annually through 2030.

The highest volume growth over the next five years is expected in China, reaching 5.5% compound annual growth (CAGR) driven by policy initiatives related to Healthy China 2030. By 2030, usage in China is expected to reach an index of 196, nearly doubling relative to 2020 levels. Asia-Pacific and China together account for more than half of global volume growth through 2030. Eastern European growth slows to 2.4% CAGR, with relatively little or localized impact of Ukraine conflict.

Medicine use in regions with higher-income countries like North America, Western Europe, and Japan is projected to increase more slowly, remaining close to or below global average growth as mature markets typical of these more established health systems. Per capita use varies widely by region, with Japan and Western Europe having more than double the use of most other regions. Broadly, there is a correlation of medicine use to per capita gross domestic product, where per capita use generally increases with income.

The global use of medicines is expected to grow on average 2.7% annually through 2030, similar to the last five years

Exhibit 1: Historic and projected use of medicines by region. defined daily doses (DDD) in billions, 2020-2030



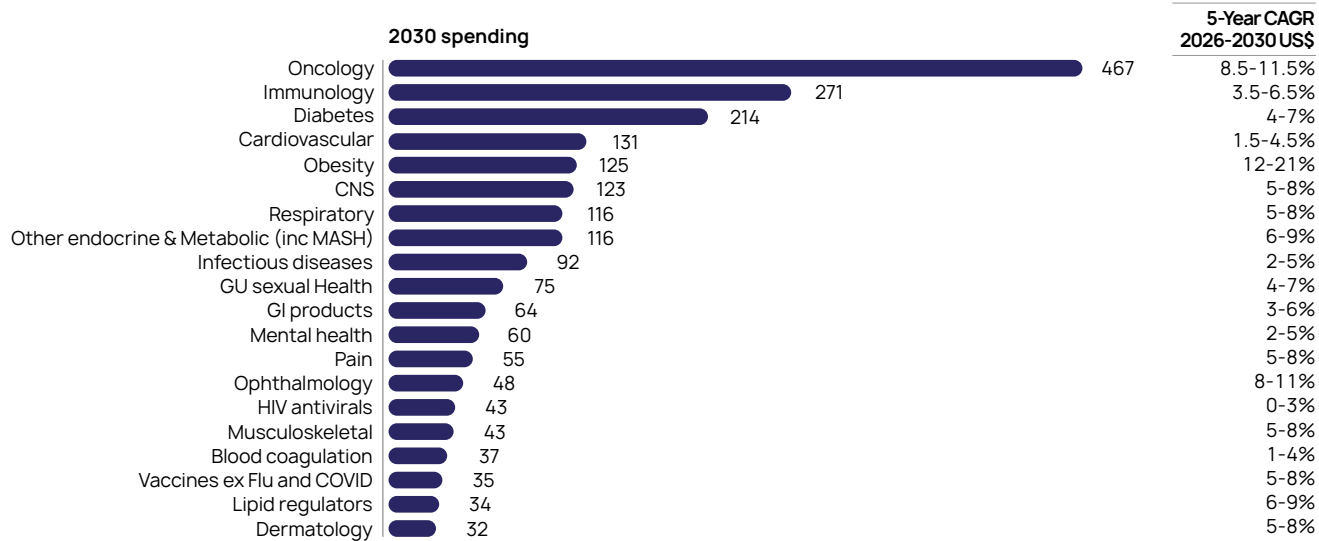
Source: IQVIA Institute, Jan 2026

Key Areas of Global Medicine Spending

- Biotech medicines – those created through recombinant DNA technology – are expected to reach \$915 billion by 2030, about 34% of global medicine spending. Biotech covers a range of therapies, including traditional therapies such as insulin analogues and more complex specialty medicines and cell and gene therapies. Biotech drugs will see a 47% aggregate increase over the next five years. However, overall biotech growth will occur despite brand losses of \$50 billion due to biosimilars in developed markets.
- Specialty medicines – those treating chronic, complex, or rare conditions, often requiring special handling, distribution, or patient monitoring – will represent about 46% of global spending by 2030 and over 53% in leading developed markets, up from 34.9% and 36% respectively a decade earlier. Pharming countries have lagged, with only 18% of spending on specialty medicines in 2025.
- Oncology: Expected to grow at 9–12% CAGR through 2030, reaching \$467 billion from \$291 billion in 2025. The PD-1 inhibitors pembrolizumab (Keytruda) and nivolumab (Opdivo), which combined accounted for 10% of global oncology spending in 2025, are expected to face biosimilar competition. This will be offset by continued uptake of novel modalities including ADCs, bispecific antibodies, and cell and gene therapies.
- Immunology: Projected to grow at 3.5–6.5% CAGR through 2030, reaching \$271 billion. Growth is offset by the impact of biosimilars, particularly biosimilar adalimumab (Humira), ustekinumab (Stelara), and tocilizumab (Actemra). New products in psoriasis, atopic dermatitis, and severe asthma have driven spending growth and are expected to continue.
- Diabetes and Obesity: Diabetes spending in developed markets reflects both the consistent use of key therapies as a patient's Type 2 disease progresses and the adoption of novel therapies. GLP-1 therapies have risen to \$88 billion in spending globally. Obesity spending reached \$65 billion in 2025 and could reach \$105–\$200 billion by 2030.
- Cardiovascular: Spending on therapies for cardiovascular diseases highlights the highly effective range of treatments where drugs have multi-use, including cardiovascular, heart failure, and diabetes. Novel GLP-1 receptor agonist therapies have been approved for cardiovascular indications, benefiting more patients. SGLT2 therapies, originally developed for diabetes, are now used more widely for cardiovascular prevention. Growth in cardiovascular therapies overall is projected at 2.5% CAGR through 2030.
- Neurology: New therapies in Alzheimer's and anxiety/depression are expected to drive spending growth. The anti-amyloid therapies aducanumab (Aduhelm, launched 2021), lecanemab (Leqembi, launched 2023), and donanemab (launched 2024) have seen limited adoption. Expected spending growth in mental health areas is currently higher than in neurology treatments, reflecting the effects of innovation for unmet needs.
- Cell and Gene Therapies: In addition to the over 80 cell and gene therapies launched globally to date, an additional 20–25 are expected to be launched by 2030. Many of these therapies have very high costs which, combined with uncertain numbers of patients, are generating significant tension and resistance from payers. Health technology assessments (HTAs) are key to setting net prices, especially in Europe.

Oncology and obesity forecast double-digit growth rates to 2029 while immunology slows due to biosimilars

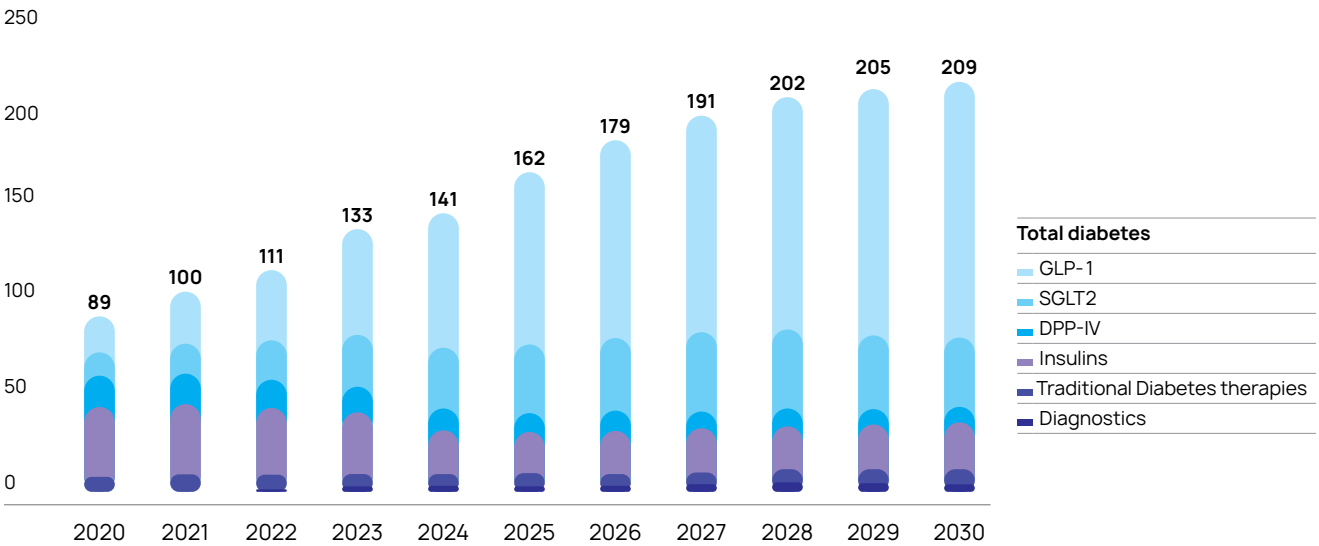
Exhibit 42: Top 20 therapy areas in 2030 in terms of global spending with forecast 5-year CAGRs, constant US\$, 2026-2030



Source: IQVIA Forecast Link, Dec 2025; IQVIA Institute, Dec 2025.

Global growth in spending for treatment of diabetes is driven entirely by GLP-1 drugs

Exhibit 50: Global diabetes spending and growth, constant US\$Bn, 2020-2030



Source: IQVIA Forecast Link; IQVIA Institute, Dec 2025.

Therapeutic Area Spotlight: Growth Drivers

Growth spans a wide range of therapeutic areas, with immunology, endocrinology, and oncology maintaining strong momentum. Medicine use has increased across most therapy areas since 2020, with particularly strong growth in immunology (201% increase across all regions), infectious disease, and endocrinology. Cardiovascular medicines remain the largest therapy area by volume at 483 billion defined daily doses.

In immunology, biologic medicines account for the majority of treatment in developed regions, while Pharmerging countries and countries in the rest of the world averaged only 31% biologic use. Immunology has seen the largest percentage increase in medicine use across all regions in the past five years. The lowest per capita use remains in lower GDP countries, yet these countries increased usage by 194% over the period.

In oncology, global defined daily doses grew more than 25% over the last five years. Growth is driven primarily by Pharmerging countries due to widening access to care and increased access to innovation. PD-1/PD-L1 checkpoint inhibitors have seen wide adoption in developed markets, with variations on a per capita basis. Access in low- and middle-income countries remains limited and the gap with developed markets has widened over time.

In endocrinology, the group of hormone-regulating therapies has grown at double the global average, primarily driven by 30% growth in diabetes medicine volume over the last five years. The dramatic growth of GLP-1 therapies has been the single largest driver, with use accelerating for both diabetes and obesity indications.

Looking Ahead

The next phase of global medicine use will be defined by increased patient-centric innovation through targeted, high-value therapies; expanded access in emerging markets via biosimilars and generics; and stronger therapeutic engagement across chronic and complex disease categories. Coupled with supportive health policy, continued investment in R&D, and responsive pricing strategies, the pharmaceutical sector is poised to deliver both clinical and commercial impact through 2030.

Emerging trends

Brand Loss of Exclusivity: Opportunities for Generics and Biosimilars

A significant wave of patent expirations is set to reshape the competitive landscape. Over the next five years, the impact of brand loss of exclusivity in developed markets is projected at \$198 billion, with both small molecule and biologic product exposure increasing substantially. This represents a critical opportunity for generic and biosimilar manufacturers to introduce cost-effective alternatives.

Pricing Pressures and Value-Based Expectations

The dual forces of rising healthcare demand and constrained public health budgets are intensifying pressure on pharmaceutical pricing globally. In the U.S., the Inflation Reduction Act and Medicare reforms are reshaping how consumers and government pay for drugs. In Europe, harmonisation of health technology assessments is expected to improve access in some countries while shifting pricing thresholds in others. In China, volume-based procurement and NRDL negotiations continue to drive down prices. Payers in developed markets are expected to face budget pressures and act to curtail drug spending growth

The Rise of Specialty Pharmaceuticals

Specialty medicines targeting complex, chronic, or rare conditions continue to command a growing share of global pharmaceutical expenditure. By 2030, specialty medicines will account for about 46% of global spending and over 53% in leading developed markets. The most commonly noted attribute is that they are more expensive, often exceeding \$1,000 per month. As specialty medicine share of spending increases, payers are increasingly focused on demonstrating value and managing costs.

Oncology: The Epicenter of Therapeutic Innovation

Oncology remains the most active therapeutic area in terms of clinical trials, new product approvals, and investment. Cancer medicine spending rose to \$291 billion globally in 2025 and is expected to reach \$467 billion by 2030. Growth is expected to slow beginning in 2027 as a number of backbone therapies begin to face generic or biosimilar competition, but this will be offset by continued uptake of novel modalities.

The Growing Burden of Chronic and Lifestyle Diseases

As populations age and lifestyles shift, the global burden of chronic conditions is rising, including cardiovascular disease, diabetes and obesity, and CNS disorders. The broad range of therapies for cardiovascular and metabolic conditions account for 24% of global use of medicine. Emerging markets like India, Brazil, and Southeast Asia are seeing the fastest increases, driven by urbanisation, improved diagnosis, and health system strengthening.

Pharma 4.0: The Digital Transformation of Manufacturing

Pharma 4.0 is revolutionising pharmaceutical manufacturing through the integration of cyber-physical systems, AI, IoT, and data analytics. Key benefits include real-time data monitoring and predictive maintenance, smarter decision-making and reduced human error, and automation of production lines with enhanced regulatory compliance. The use of augmented reality, virtual reality, and machine learning enhances training, batch predictability, and operational efficiency.

Digital Healthcare and Integrated Delivery Models

The integration of digital tools into healthcare delivery is accelerating post-pandemic. Telemedicine, e-prescriptions, and remote monitoring are becoming integral to care delivery. Health data platforms and electronic health records are enhancing continuity and coordination of care. In India, the Ayushman Bharat Digital Mission is creating a unified national digital health ecosystem. Globally, digital health ecosystems are enabling value-based procurement, predictive analytics, and personalised care pathways.

Regulatory Evolution and Global Harmonization

Regulatory frameworks are evolving to support innovation while ensuring safety, transparency, and faster market access. Greater emphasis is being placed on real-world evidence and post-marketing surveillance. Harmonisation of regulatory standards, especially across Asia-Pacific and Latin America, is expected to ease cross-border approvals. The growing use of digital submissions, adaptive trial designs, and expedited review pathways is helping speed the delivery of life-saving therapies.

Environmental, Social, and Governance (ESG) Priorities

Pharma companies are increasingly aligning with ESG standards, focusing on sustainable manufacturing and supply chain practices, equity in global medicine access, and transparent pricing and ethical R&D practices. Investors, regulators, and consumers are placing greater scrutiny on corporate responsibility, making ESG integration a critical component of long-term strategy.

The pharmaceutical sector in 2026 is at a pivotal juncture defined by disruptive innovation, digital transformation, evolving global health needs, and regulatory modernisation. Companies that effectively navigate these dynamics balancing innovation with access, cost with value, and speed with safety will be best positioned for sustainable growth.

The future of pharma will be not only about curing disease, but about delivering value, ensuring equity, and designing systems that are smarter, faster, and more inclusive.

Growth Drivers



1. Affordability

With increasing healthcare costs, there will be growing demand for quality generic medicines as they offer affordable options for patients and healthcare providers. The global wave of patent expiries over the next five years creates significant opportunities for generic and biosimilar manufacturers to introduce cost-effective alternatives, expanding access across both developed and emerging markets.



2. Loss of Exclusivity:

The impact from brands losing exclusivity is expected to be the highest in history in developed markets over the next five years. This provides transformative opportunities for generic and biosimilar manufacturers to introduce bioequivalent, cheaper alternatives at scale.



3. Health Insurance & Infrastructure:

Penetration of health insurance (both public and private) is expected to surge with government-sponsored initiatives and programmes. In India, the Ayushman Bharat PM-JAY scheme and expanding health infrastructure are making healthcare more affordable. Globally, strengthening of healthcare infrastructure, particularly in emerging markets, will drive increased medicine consumption and spending.



4. Digital and Advanced Analytics:

Major technological shifts including AI, IoT, and data analytics are transforming drug discovery, manufacturing, supply chain management, and patient engagement. Application of AI in drug discovery is making the process faster, cheaper and may lead to identifying completely new drugs beyond the reach of traditional methods. Pharma 4.0 is enabling real-time monitoring, predictive maintenance, and automation with enhanced regulatory compliance.



5. Longer Life Expectancy:

With declining fertility and increasing life expectancy globally, the proportion of elderly population is rising, driving demand for chronic disease management therapies. This demographic shift is particularly pronounced in developed markets but is increasingly relevant in emerging economies, creating sustained demand for cardiovascular, diabetes, oncology, and CNS therapies.



6. Changing Lifestyle:

Sedentary lifestyles, urbanisation, and dietary changes are driving increased prevalence of cardiovascular disease, diabetes, obesity, and CNS disorders globally. The cardiometabolic therapy area accounts for 24% of global medicine use. The dramatic rise of GLP-1 therapies for diabetes and obesity from \$25 billion in 2020 to \$65 billion in 2025 for obesity alone exemplifies how changing lifestyle patterns are creating entirely new therapeutic categories.



7. Improving Purchasing Power:

The middle-class population and purchasing power in emerging markets continue to grow, expanding the addressable market for pharmaceutical products. India's PFCE share in GDP has risen to 61.5% in FY26, the highest since FY12. Pharmerging countries those with GDP per capita below \$50,000 and robust pharmaceutical growth will grow by \$121 billion through 2030.



8. Regulatory Developments:

The Pharma industry operates in one of the world's most regulated environments to meet the public expectation of safe, effective, and high-quality medicines. Global harmonization of regulatory standards will help in driving confidence and market expansion.

Indian Pharma

The Indian pharmaceutical industry ranks as the third largest globally by volume, eleventh in terms of medicine spending, and fourteenth by value. India is the world's leading supplier of generic medicines, accounting for approximately 20% of global generic drug exports by volume and serves over 200 countries. The country is recognised for its cost-effective and high-quality pharmaceutical products.

The country hosts the highest number of pharmaceutical manufacturing facilities approved by the U.S. Food and Drug Administration (USFDA). These facilities cater to a diverse range of segments, including generic drugs, over the counter (OTC) medications, active pharmaceutical ingredients (APIs), vaccines, biosimilars, and contract research and manufacturing services (CRAMS).

The Indian pharmaceutical market is projected to reach US\$ 130 billion by 2030 and US\$ 450 billion by 2047. This growth will be driven by a combination of factors such as increasing affordability and accessibility, a growing burden of lifestyle-related diseases, cost-effective production capabilities, and a supportive policy environment. Medicine spending in India is expected to grow at a compound annual rate of 7-10% through 2030, propelled by an ageing population, expanding healthcare access, and a rising prevalence of chronic conditions.

India's expanding network of trade agreements is strengthening its pharmaceutical industry by improving global market access, boosting exports, and enhancing competitiveness. Agreements with key partners such as the EU, the UK, and New Zealand are enabling reduced or zero-duty access for a wide range of pharmaceutical products, making Indian generics more competitive in international markets.

These partnerships are expected to drive export growth, attract investment, support MSME participation, and deepen integration into global healthcare value chains. Alongside these agreements, government initiatives such as Production Linked Incentive schemes, bulk drug and research support are reinforcing domestic manufacturing, reducing import dependence, and positioning India as a reliable global supplier of affordable medicines.

Policy Initiatives and Strategic Direction

To enhance domestic pharmaceutical production and reinforce healthcare system resilience, the Government of India has introduced several strategic policy measures. These aim to improve affordability, accessibility, and innovation while reducing dependence on imports. Key initiatives include:

- Establishing Centres of Excellence to promote pharmaceutical research and innovation.
- Regulating essential drug pricing to ensure affordability.
- Expanding the Jan Aushadhi scheme, targeting approximately 25,000 outlets to provide cost-effective medicines.
- Launching umbrella schemes for overall industry development.

These efforts build upon earlier programs such as the Production Linked Incentive (PLI) schemes (PLI 1.0 and 2.0) and the Bulk Drug Parks initiative. Collectively, these policies aim to position India as a self-reliant, globally competitive pharmaceutical manufacturing hub.

The evolving global geopolitical environment, particularly the "China Plus One" strategy, presents a significant opportunity for India to emerge as a preferred destination for Contract Development and Manufacturing Organizations (CDMOs). India's strengths in cost-effective manufacturing, regulatory compliance, and a large skilled workforce position it well to capture a growing share of global CDMO outsourcing.

Future Outlook

The integration of digital technologies in pharmaceutical manufacturing and supply chain operations is expected to further enhance efficiency, traceability, and product quality. Coupled with increasing healthcare awareness and rising disease burden, the industry is well-positioned to meet the growing demand for high-quality, affordable medicines.

Regulatory frameworks are also expected to evolve in alignment with industry advancements, emphasizing patient safety and supporting sustainable growth.

Regulatory Reforms

In a bid to strengthen ethical standards and enhance transparency, the Department of Pharmaceuticals has introduced the Uniform Code of Pharmaceutical Marketing Practices (UCPMP) 2024. The code has been made mandatory, marking a significant shift from the earlier voluntary framework. It has been disseminated to pharmaceutical associations, which are responsible for ensuring member compliance.

Mergers & Acquisitions

Global health industries M&A values rose by 46% in 2025, despite a drop in volumes of 5%. This performance was underpinned by 11 megadeals (transactions valued greater than \$5bn), up from three in 2024. While each region accounted for roughly one-third of global deal volumes, Asia Pacific grew the most, up 12% in 2025, compared to a 5% increase in Europe, the Middle East, and Africa (EMEA) and a drop of 23% in the Americas. Much of the growth in Asia Pacific's M&A activity was due to a 53% increase in China dealmaking, with investors attracted to the country's innovative drug development landscape. The Americas continued to dominate in terms of deal value, representing nearly two-thirds of total deal value and nine megadeals.

Health industries dealmakers are seeking to build resilience, secure capabilities and reposition for growth. In 2026, M&A will be driven by derisked innovation, technology, shifting funding models, and the consumerisation of care. After two years of navigating macroeconomic volatility and regulatory uncertainty, Healthcare industries dealmakers are starting 2026 with renewed confidence and strategic urgency.

M&A activity in the pharmaceutical and healthcare sector is expected to focus on several high-growth and strategic areas. These include opportunities in the rapidly expanding GLP-1 drug market, driven by demand for advanced diabetes and weight-loss therapies, where innovation commands premium valuations. Large pharmaceutical companies are also likely to acquire mid-stage biotech firms to address patent expiries and strengthen their product pipelines. Additionally, CROs and CDMOs with specialized capabilities and strong cash flows will remain attractive investment targets due to their role in accelerating time-to-market. The growing application of AI in drug discovery and development is further expected to drive acquisitions aimed at accessing cutting-edge technological capabilities. At the same time, companies will continue to divest non-core assets to unlock capital and refocus on core business areas aligned with long-term growth strategies.

M&A trends in Indian Pharma

The domestic formulations segment has seen sustained interest from both strategic acquirers and financial sponsors, reflecting a push for market expansion, therapeutic diversification, and access to established brands. In the B2B pharma space, particularly within the Active Pharmaceutical Ingredient (API) segment, deal activity remains strong. The API/CDMO segment is benefiting from global demand for supply chain diversification and India's positioning as a cost-competitive manufacturing hub.

The sector remains relatively fragmented, offering significant opportunities for consolidation. Larger domestic players are increasingly streamlining their operations by focusing on core therapeutic areas and high-growth verticals. As a result, there is a growing trend of divesting non-core brands and business units, a strategy aimed at optimizing capital allocation and improving operational focus. This trend is expected to continue through 2026, supported by evolving market dynamics and increased scrutiny on return on investment.

Overall, M&A is serving as a strategic tool for companies to reposition portfolios, gain scale, and unlock long-term value in an increasingly competitive and innovation-driven healthcare environment.

Performance Snapshot:

As a frontrunner in the industry, the Company has established itself as one of the leading players in the Indian pharmaceutical industry with a formidable presence in India as well as international markets. With a strong foundation, the Company remains poised for continued growth and success in an evolving landscape. Internationally, the Company's presence extends across diverse geographies through its subsidiaries, encompassing a broad spectrum of growth markets. Additionally, it maintains a global footprint in many other countries through different business models. The multifaceted approach ensures robust and expansive reach, allowing the Company to effectively cater to the needs of diverse markets and capitalise on emerging opportunities.

Acquisition during the year:

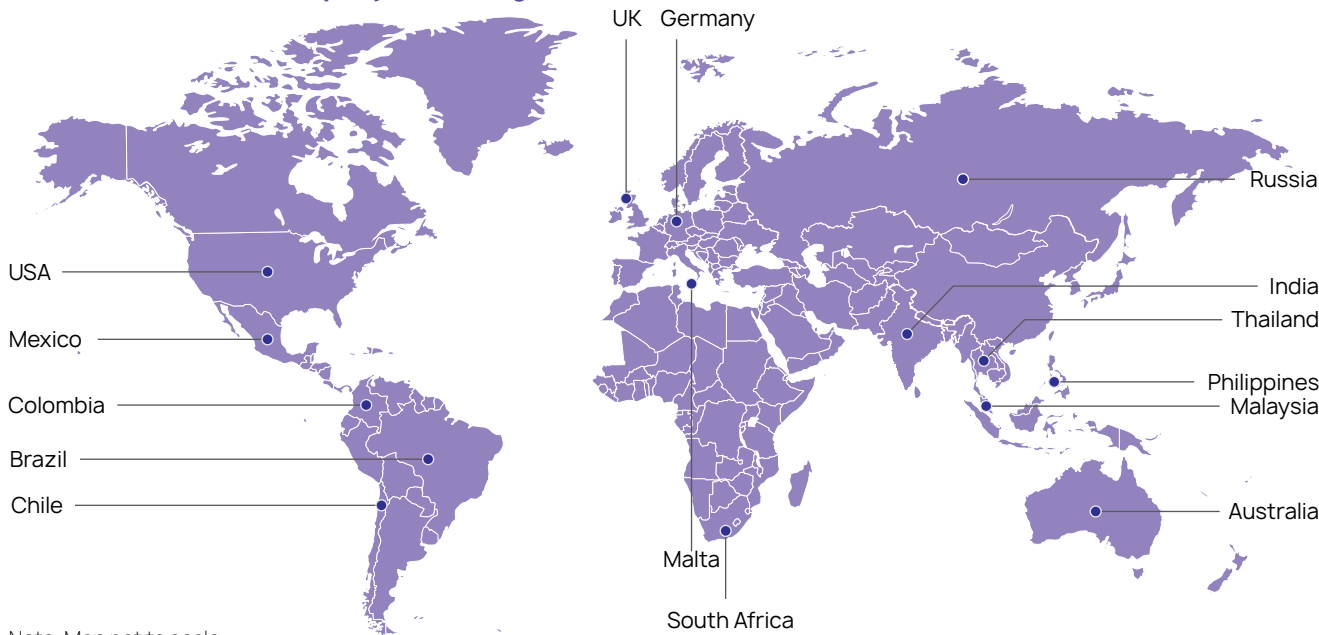
During the year, the Company acquired a controlling stake in J. B. Chemicals & Pharmaceuticals Limited ("JBCPL") pursuant to share purchase agreements executed with Tau Investment Holdings Pte. Ltd. (promoter) and certain employees of JBCPL, along with a mandatory open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Subsequent to completion of the acquisition of controlling stake on January 21, 2026 and additional purchases from employees, the Company's aggregate shareholding in JBCPL stood at 48.80% on a fully diluted basis, resulting in the Company obtaining control over JBCPL.

The acquisition is aligned with the Company's strategic objective of strengthening and deepening its presence in the Indian Pharmaceutical Market (IPM). On a combined basis, Torrent Pharma is now ranked 5th in the IPM and significantly enhances its prescription footprint, improving its ranking in terms of reach from 10th to 4th, as per the SMSRC dataset, reflecting the enhanced scale and breadth of the combined business. This transaction strengthens the domestic foundation, expands the footprint across key therapeutic areas, and reinforces the long-term growth platform.

The acquisition also enhances the Company’s international business presence across select geographies, including the United States, Russia, and South Africa, where both organizations have overlapping or complementary market presence. This is expected to support a more diversified and resilient global portfolio. In addition, the acquisition provides a meaningful entry and expansion opportunity in the Contract Development and Manufacturing Organization (CDMO) segment, which is a strategically attractive space.

Overall, this acquisition represents a meaningful step in the Company’s long-term strategy and positions it well for the next phase of sustainable growth.

Subsidiaries of the Company (including JB chemicals)



Note: Map not to scale

The Consolidated financial result includes financial results of the JB Pharma and its subsidiaries w.e.f. January 21, 2026, together with depreciation and amortization on the fair value of the acquired assets, that has been determined based on purchase price allocation. The Company reported revenues of Rs. 13,980 crores, growth of 21% compared to Rs. 11,516 crores in the previous financial year. Base business without giving effect to consolidation of JB Pharma, the Company registered a revenue growth of 15%.

The breakup of revenues under key territories is as under:

Revenue (in crores)	2025-26		2024-25		Growth %
	Amount	Share	Amount	Share	
India	7,645	54%	6,393	55%	20%
USA	1,363	10%	1,100	10%	24%
Germany	1,249	9%	1,139	10%	10%
Brazil	1,362	10%	1,100	10%	24%
Others	2,361	17%	1,784	15%	32%
Total	13,980	100%	11,516	100%	21%

Core Competencies:

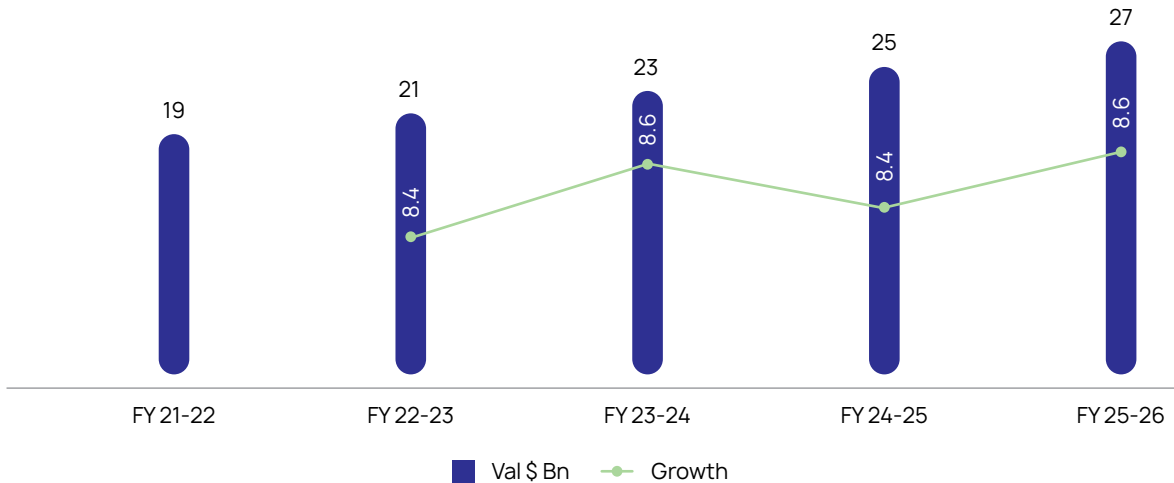
India, Brazil, Germany, US, are the top four markets for the Company. The Company’s strategic priorities in India and Brazil and other branded markets continue to focus on strengthening specialties, field force productivity and brand building. These markets remain a key priority for the Company and offer higher visibility and sustainability to the business. The base Branded business constitutes around 74% of the overall Company revenues.

India:

The Indian pharmaceutical market (IPM) which is valued over \$27 billion, grew at 8%. The market is expected to grow at high single digit over the near term, backed by factors such as increasing healthcare expenses, rising chronic diseases, expanding health insurance

coverage, rising income levels and increasing government initiatives that aim to improve healthcare infrastructure and expand access to essential medicines. Initiatives such as the Jan Aushadhi Scheme, which aims to provide affordable generic medicines to the masses, have played a crucial role in improving access to healthcare in rural and underserved areas. Stable pricing environment and patent expiries in the recent past supported the new launch momentum and have made up for the tepid volume growth.

IPM growth trend (in value):



For the year ended 31st March 2026, India base business continues to be the largest business unit contributing 54% to the overall revenues.

Together with JB Pharma the Company is now ranked 5th in the IPM (PY 7th) and continues to grow faster than the market at 12% vs IPM at 9%. The Company ranks 4th in the combined chronic / sub chronic therapy areas and 25 Brands feature amongst Top 500 brands of the IPM and 27 Mother brands (MB) have revenues of more than Rs. 100 crores.

5th

Largest Company in IPM

4th

Rank in combined chronic / sub chronic segment

4th

Rank by prescription (SMSRC)

29 (MB)

Among Top 500 brands in IPM

27 brands (MB)

Above ₹100 crores

Ranked amongst

Top 5

Rank #1 in Cardiac,

Rank#3 in CNS & Gastro-intestinal,

Rank #5 in Pain management & Derma therapies

In IPM, Cardiac is the major contributor followed by Anti-Infective, Gastro-intestinal, Anti-diabetic and Vitamin Mineral Nutrients (VMN) segment. The Company has strong presence in Cardiac, Gastro-intestinal, CNS, Vitamin Minerals Nutrients, Anti-diabetic, Pain/Analgesic and Dermatology, contributing to ~90% of the India revenues.

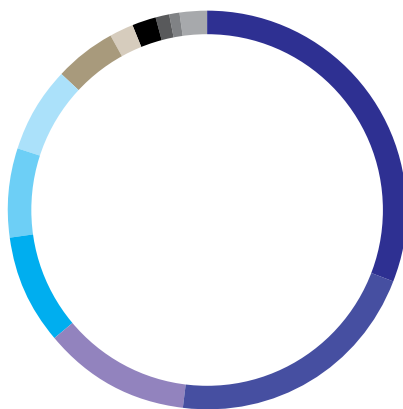


IPM (%)



Cardiac	14
GI	12
AI	11
VMN	9
Respi	8
Anti Diabetic wo Insulin	7
Pain/Analgesic	7
CNS	7
Derma	6
Gyane.	3
Anti-Neoplastic	2
Ophthol	2
Urology	2
Rest	10

TORRENT (%)



Cardiac	31
GI	21
CNS	12
VMN	9
Anti Diabetic wo Insulin	7
Derma	7
Pain/Analgesic	5
Gyane.	2
AI	2
Ophthal	1
Urology	1
Rest	2

Chronic/ sub -
chronic 56%



IPM
100%

Acute 44%

Chronic/ sub -
chronic 75%



Torrent
100%

Acute 25%

The Company continues to focus on chronic and sub chronic therapies as its main area of focus and aims to gain market share in key sub-therapies. The Company has outperformed and gained rank in major therapy areas like Cardiac, Anti-Diabetic, CNS, GI, Derma, with one rank improvement in Gynaecology.

Ranking → Cardiac 1 → CNS 3 → GI 3 → Pain 5 → Derma 5 → AntiDiab* 6 → VMN 6 → Gynae 8

*without Insulin & GLP

Over the past four-years the Consumer Health business has delivered double digits growth, playing a pivotal role across consumer centric brand portfolio. Key anchors for business have been focussed portfolio approach, premiumisation strategy and calibrated portfolio expansion including entry into new segments such as nutrition supplements with science based, differentiated offerings catering to evolving consumer needs.

CHC had delivered consistent growth trajectory across key brands supported by brand building initiatives, influencers campaigns and precision led digital media investments. These efforts have strengthened consumer engagement and enhanced brand salience and equity across target segments. In parallel CHC has strengthened its omnichannel presence with accelerated expansion across ecommerce and quick commerce which contribute > 20% complemented by deepening reach in 4,500 Modern Trade pharmacy chains. Distribution has been further augmented through direct distribution network covering approximately 75,000 chemist outlets for enhancing market access, availability, and activations.

New introductions in key therapies have been a focus area for the Company to drive higher than market growth. The Company has strategically diversified and strengthened its presence in some of the key therapies linked to patent expiries such as Empagliflozin & its Fixed Dose Combinations (FDC) and also with a wide range formulation for Semaglutide in the anti-diabetic segment. The Company has launched Semaglutide in both oral and injectable formulations. The launch expands the company's presence in metabolic disorders such as type-2 diabetes and obesity.

The Company has also launched Elobixibat, Linaclotide & Tegoprazan in GI therapy; Shelcal Total / CM and Prozuca in VMN; Tedibar Ceramax & Ega glow in Derma segment; Lactium Melatonin in CNS. Tedirex in Skin Infection & Denosumab in RA therapy. The launches have been identified in high potential segments.

JBCPL's top brands Cilacar, Metrogyl, Rantac and Nicardia would strengthen Torrent's Chronic portfolio presence and help consolidate its ranking in therapy.

In the coming year, the Company will continue to focus on new launches driven by patent expiries, brand extensions and therapy gaps which will help to address the unmet patient needs.

The new introductions have been backed by expansion of the field force (FF) across key therapeutic areas of the Company. This expansion will help the Company to retain its competitive edge in all focus markets, without diluting focus on the existing portfolio. Expansion of field force has been done across key therapeutic areas including Cardiology, Diabetology, CNS & Multi specialty TAs. The field force strength including JB Pharma is now approximately 9300.

Stable market, high chronic led growth, differentiating products along with field force expansion have helped the Company gain market share and strengthen its leadership position within the industry.

Brazil:

Brazil continues to be the largest pharmaceutical market in Latin America, representing almost half of the LATAM market in units and value (USD). It is currently the 8th largest in the world with an estimated market size of around BRL 249 Bn (US\$ 45 Bn), growing at ~11%. The Brazilian pharma market is expected to grow at a CAGR of 9.7% (between 2025-29).

Brazil's GDP growth of 2025 was~2.3%. Given the economic situation, the interest rate in 2025 was 15% which is expected to be at 12.5% in 2026 and projected GDP growth is likely to be 1.5 to 2.2%. Tax reform entered its first phase in 2026, with a key milestone in 2027, when the transition from the current ICMS system to the new IBS/CBS model begins. The transition period between the two systems will run through 2032, when the new model is expected to be fully implemented.

Brazilian retail market continues to grow in units in 2025 and maintains a pace of 12.3% in value (excluding OTC). Approximately 67% of the retail market is driven by prescription products with mature promoted products growing at 6.2%, Patented (exclusive) products growing at 69.5% (Excluding GLP-1, patented products grew 4.5% in value) and Generics growing at 12%. On the non-retail front, the private market continues to register healthy growth of 16%. On the regulatory front, Brazilian Health Agency (ANVISA) restricted the drug registration process through clones, limiting it to companies within the same economic group only. This will benefit local pharma corporations at large.



During the fiscal year 2025-26, Brazilian operations registered a total revenue of BRL 817 Mn or ~Rs 1362 crores, registering constant currency growth of 12%. In the retail market, Torrent is ranked 19th in the Brazilian pharma market and 15th in the overall branded and generic market. In Branded Generics covered market, the Company maintains its leadership. The Company intends to gain market share through specialty focus, enhancing existing field force productivity and reach, and launch of new products. The Company is also preparing for entry into newer therapeutic segments in the near term.

Among the Indian companies, in terms of value, the Company ranks No. 1 (IQVIA Retail dataset). Currently, it has commercialized 33 branded generics and 27 generic products. Overall the Company has 58 products under approval at ANVISA and 19 new filings planned in the next 12 months.

Germany:

Medicine spending in Europe is expected to increase by US\$ 85B over the next 5 years, from US\$ 242 Bn in 2024 to US\$ 327 Bn in 2029. CAGR from 2024 to 2029 is expected to be 4% to 8%.

Germany, where the Company has significant presence, Medicine spending is increased by 5.7 % is now valued over € 67 Bn and is expected to grow at a CAGR of 4% to 7% through 2029. The German healthcare market is highly regulated, and the legislative pressure on pharmaceutical businesses to lower the sales price of drugs for end-consumers is not very high. Generics, including biosimilars, are expected to add more than \$20Bn in growth over the next five years. This growth is comparable to previous five years despite a larger impact of losses of exclusivity as volume gains will be offset by price deflation.

The Company has direct presence in Germany and UK.

Sales from Germany operations during 2025-26 were Rs.1243 Cr (Euro 121 Mn), registering growth of 10% in INR (Euro degrowth 3%). The German tender market remains extremely competitive with annual price declines. We have been successful in these challenging circumstances through our efforts in improving productivity and cost competitiveness. Our portfolio currently covers 56% of the overall generics market and we expect the coverage to expand in the coming years. We launched five new products during the year.

Among the generic players, the Company holds 5th position and is ranked No. 1 among Indian players in the German market.

USA:

United States remains the single largest pharmaceutical market worldwide and exerts outsized influence on global medicine spending and innovation. U.S. pharmaceutical revenues are projected to reach approximately USD 884 billion by 2030, supported by high levels of innovation adoption, strong specialty care infrastructure, and payer reliance on pharmaceuticals to address chronic and complex diseases.

Growth across therapeutic areas remains concentrated in oncology, immunology, and endocrinology. Within these areas, diabetes and obesity therapies have emerged as the fastest growing categories globally. GLP-1 receptor agonists and dual GLP-1/GIP therapies, originally developed for diabetes managements, are increasingly deployed for obesity and broader metabolic disease treatment. Global GLP-1 sales are projected to exceed \$70 billion by 2026, with the United States accounting for more than half of global demand.

With innovation industry's product mix continues to evolve. Though small molecule drugs still account for more than half of total prescription volumes, biologics and specialty medicines represent a disproportionate share of revenue growth. Biosimilars are expanding rapidly across oncology, immunology, and inflammatory diseases, improving patient access while lowering system wide healthcare costs.

Tariffs on pharmaceuticals was a grave concern in 2025. Fortunately, as of now, generic pharmaceuticals are exempt, and we expect this to continue in 2026.

US Generic Pharmaceutical experienced 5.8% price deflation in 2025 and we expect similar deflationary pressures in 2026. Supply chain constraints arising out of Middle East Asia conflict, continued cost pressure and highly competitive landscape for new launches will continue to have impact on the business. However, such impact would be similar to other Generic players operating in this region.

ANDA filings have reduced in 2025 to 600 vs 740 in 2024, driven by higher ANDA filing fees and complexity of filings. The median approval timeline continues to be around 25-27 months.

The Company is ranked No.12 amongst the US generic Indian companies. Sales from the US business were US\$ 151 Mn during the financial year 2025-26.

The Company has filed 2 ANDAs during FY 2025-26. The Company has 124 ANDA approvals (including 3 tentative approvals) and its pipeline consists of 16 pending approvals and 21 products under development to be filed over the next 3 years.

Manufacturing

The Company's state-of-the-art manufacturing facilities for formulation and API have significantly contributed to the fulfilment of demand for high-quality products and in sustaining its growth and success. During the year, the Company received USFDA Establishment Inspection Report (EIR) for its Dahej Plant, located in Gujarat and for the Vizag API plant located at Andhra Pradesh. All four plants, which manufacture finished products for the US market, have been cleared by FDA and the Company has already started receiving new product approvals for USA.

Plants at Indrad, Dahej, Pithampur, Bileshwarpura and Baddi has valid EU approval as on date.

Research and Development

With a strong strategic focus on the development of generic as well as complex products, the Company has filed 19 dossiers across regulated markets. Torrent has received 24 approvals from regulated markets.

Torrent continues to maintain a strong footprint across all segments of domestic operations. During FY 2025-26, the Company received 8 product approvals in the domestic market.

Marking a significant milestone, Torrent launched Semaglutide, providing healthcare professionals with a comprehensive range of treatment options. Metabolic disorders, particularly Type 2 diabetes, represent one of the most pressing healthcare challenges in India. Torrent's entry into the GLP-1 therapy segment underscores its commitment to widening access to advanced therapies at affordable prices, while supporting physicians in managing complex metabolic conditions.

Torrent Pharma also achieved a Day 1 launch of Brexpiprazole tablets in India for the treatment of acute schizophrenia. Brexpiprazole is a novel second generation antipsychotic (SGA) indicated for schizophrenia and as an adjunctive therapy for major depressive disorder (MDD). Further strengthening its differentiated portfolio, Torrent launched India's first Prucalopride oral solution (Pruvict), offering greater dosing flexibility and ease of administration. Liquid formulations address patient convenience and psychological comfort, thereby enhancing adherence to therapy. In the cosmetic dermatology segment, differentiated products were introduced, including Ahaglow Liposomal, which leverages advanced liposomal technology to improve formulation performance and patient experience.

The current development pipeline reflects a broad and well balanced portfolio encompassing orphan drugs, NCE-1, first to file (FTF), injectables, and high value as well as high volume products. Selective incremental innovations have been incorporated to enhance patient convenience and compliance. To further strengthen its competitive positioning, the R&D function has expanded into biologics, with a key focus on the oncology segment.

To accelerate growth and support inorganic opportunities, due diligence activities for external development programs, particularly in complex generics and injectables, were stepped up during the year.

The Company's in house API manufacturing capability significantly supports the development of complex products, strengthens the API business, and enhances global scalability. To accelerate growth and support inorganic opportunities, due diligence activities for external development programs, particularly in complex generics and injectables, were stepped up during the year.

Torrent's in house Bio Evaluation (BE) Centre successfully cleared a USFDA inspection with zero Form 483 observations and has also received NABL accreditation valid until 2028. The Company is planning to expand BE Centre capacity to enable additional bioequivalence studies with enhanced analytical support, thereby minimizing regulatory risks during product approvals. Also, PE centre renewal received till Mar'28 from ANVISA which will facilitate BR dossier filing with better compliance.



The R&D expenditure for the year amounted to ₹650 crore, representing approximately 5% of the Company's total revenue, reaffirming Torrent Pharma's sustained commitment to innovation and long-term growth.

Threats, Risks and Concerns

Strategic risk

The Company faces strategic risks due to delays in product development and launch, regulatory landscape, capital investments on new projects and inorganic growth opportunities.

The pharmaceutical product development lifecycle integrally carries high risk in terms of uncertainty in clinical outcomes, technical challenges related to development of complex products and significant expenditure. Timely launch of the product is of utmost important to recover the expenses already incurred in the R&D phase. Launch could be delayed or abandoned on account of delay in securing regulatory approvals or high probability of patent litigation. Moreover, simultaneous entry of competitors at the time of launch of product creates pricing pressure, adversely impacting margins of the Company. The Company manages such risks through careful market research for selection of new products, detailed project planning and continuous monitoring. R&D activities are complemented with insurance programmes suited to nature and propensity of risk.

The Company may launch a generic product based on legal and commercial factors, even though patent litigation is pending. The outcome of such patent litigation could affect the Company's business adversely in case it is established by the court of law that there has been a patent infringement. In addition to the substantial liabilities for patent infringement, the Company may also incur high costs of litigation for defending against the infringement. This risk is sought to be managed by a careful patent analysis prior to development and launch of the generic products and strategy of early settlement with the patent holders, on case-to-case basis, particularly in the US market.

The Company deploys capital to add manufacturing capacity to meet increasing demand of pharmaceutical products from various markets. The Company faces risks arising out of delay in implementation of project and results in cost overrun. There is also a possibility of demand slump by the time the project is completed and carries risk of underutilization of capacities resulting in high manufacturing cost. The risks are sought to be mitigated through the formation of appropriate project management teams and management oversight.

The Company has a history of successful acquisitions and its integration with existing business operations. It continuously looks for new inorganic growth opportunities. Any such acquisition involves significant challenges in terms of integration of people, system and processes with existing operations, which requires considerable amount of time, resources and effort. This may lead to temporary disruption of ongoing business, affect relations with the employees and customers with whom the Company has been dealing.

Competition Risk and Pricing Pressure

The Company markets pharmaceutical products across different countries and has global operations. Generally, pharmaceutical products are affected by price erosion over a period, either due to intensified competition in the market or on account of pricing controls notified by local governments. Intense competition and threats from new entrants in existing key markets and therapies impede the Company's ability to drive improvements in market share.

In the Generics market, the Company is mainly exposed to pricing pressure in the US and Germany. In the US, consolidation of certain customer groups, emergence of large buying groups representing independent retail pharmacies, prevalence and influence of managed care organisations and similar institutions enable such groups to extract price discounts on the Company's products and it could adversely affect the overall price realisations of the Company. In Germany, insurance companies have been empowered to enter into rebate contracts and float tenders. Aggressive bidding by competitors in such tenders leads to continuous price erosion.

In the Branded Generics market, the Company is mainly exposed to pricing pressure in India and Brazil. In India, the Company is exposed to pricing pressure due to drug price control through National List of Essential Medicines (NLEM) as well as the promotion of generic medicines by the Government of India through various initiatives. In Brazil, the Company sells branded generics, the pure generic competition could adversely affect development of branded business.

A significant portion of the revenue in various markets would be derived from sales to limited number of customers. In case of loss of business from one such customer or difficulties experienced by the customer in paying us on time may impact business performance.

The risks are mitigated through careful market analysis, upgrading skills, marketing alliances and upscaling of volumes to bring down costs and management oversight. For Branded Generic Markets, mitigation strategies include Specialty-driven approach and building brands, resulting in high prescription stickiness. Evolving patients' needs are met through the delivery of innovative products in diverse dosage forms and fixed dosage combinations. Scientific detailing, delivery of quality products, competitive pricing, therapy focused sales structure together with low attrition will help to wither out competition risks. For Generics markets, continuous supply through a robust and agile supply chain and compliance at our manufacturing facilities, portfolio optimisation by incremental investment in R&D of complex drugs, introduction of diversified dosage forms and value-added generics, continuous cost optimisation structures and enhanced manufacturing productivity enables us to remain competitive and sustain margins.

Product Quality and Regulatory Risk

The Company operates in a highly regulated pharmaceutical sector. It is essential to comply with the highest quality standards as potential risks associated with Pharmaceutical products can have significant impact on human health. Risks of product efficacy, adverse drug reactions, unexpected side effects, drug interactions, medication errors etc. pose risk to the safety of patients.

Additionally, product manufacturing sites of the Company and those of our contract manufacturers and suppliers are regulated by government health and quality regulations. Failure to comply with the applicable regulations and cGMP requirements results in regulatory warnings, failure / delay to secure approvals for commercial launches, withdrawal of certification of manufacturing facility, product recalls and product liability claims or cancellation of approvals / licenses to manufacture. Inability to comply with quality requirements throughout the supply chain may lead to the risk of batch rejection. Overall, non-compliance to such requirements adversely impacts brand and Company reputation.

The Company assures product quality and regulatory compliance through robust quality management systems, adequately assisted by automated and system driven controls to adhere with applicable processes, pharmacovigilance function and stringent training programmes at its own and third-party manufacturing plants. The Company has established a global pharmacovigilance group comprising a team of experienced doctors and pharmacists in the field of pharmacovigilance. The global pharmacovigilance system supervises and integrates all affiliates' pharmacovigilance system. This ensures that any safety information or adverse events from any country are captured, evaluated and reported duly as per regional and global pharmacovigilance regulations. These risks are sought to be managed by appropriate laboratory and clinical studies for each new product, compliance with Good Manufacturing Practices and independent quality assurance system. Rigorous vendor and contract manufacturer audits on factors such as cGMP and quality management system compliance is in place to mitigate risks. The Company also has an adequate insurance cover for product liability. The Company is facing litigation on two of its products viz. Losartan and Valsartan in the US.

Supply Chain Risk

Although a major portion of the Company's finished formulations are being manufactured at in-house facilities, the Company also depends on third party suppliers for sourcing, for some of its markets. Any significant disruption at in-house facilities or any third-party manufacturing locations due to economic, regulatory, political and social factors, quality deficiencies in products or any other event may impair the Company's ability to produce, procure and/or ship products to the markets on time and could expose the Company to penalties and claims from customers.

The Company purchases Active Pharmaceutical Ingredients (API) and other materials that it uses in its manufacturing operations from foreign and domestic suppliers. Although the Company has a policy to actively develop alternate supply sources for key products, there would be certain cases where the Company has listed only one supplier in its application with regulatory agencies. An interruption in the supply from single source materials can impact the financial performance of the Company.

Continuous monitoring to identify potential disruptions, proactive deployment of mitigation measures, maintaining sufficient inventory balances for key products, logistics optimisation and cost rationalisation through rate contracts with vendors and prior scheduling of dispatches helps to manage the risk.



Financial Risks

The Company operates across the globe and risks associated with fluctuation in foreign currencies, changes in interest rates and tax landscape of respective foreign countries may impact the Company's operations.

Foreign currency risks mainly arise due to the Company's overseas operations and borrowings. The Company accrues revenue from export and import of raw materials, plant and machinery. It also avails services from different countries. All such transactions are in foreign currency and exposed to foreign currency risk. With respect to borrowings, the Company carries currency risk to the extent of foreign currency borrowings and is exposed to interest rate risk on borrowings linked to variable rate of interest.

The Company has potential tax exposure resulting from application of varying laws and interpretations in relation to various business transactions. Although the Company carries out cross-border transactions between affiliates on the basis of internationally accepted practices, tax authorities in various jurisdictions may have different views or interpretations and subsequently challenge the amount of profits taxed in their jurisdiction, resulting in increased tax liability, including interest and penalties, that may drive up the tax expense of the Company.

The Company has a defined risk management framework to manage currency and interest rate risks. The Company has also taken adequate measures to ensure compliance to the laws of respective countries.

Cyber Security and Data Privacy Risk

The pharmaceutical sector continues to be targeted by cyber criminals which may cause significant disruption to business operations. The Company depends upon complex and interdependent information technology systems, including internet and cloud-based systems, to support business processes. Moreover, there are dependencies on outsourced and collaborative systems, which require exchanging data and information. The size, complexity and interconnectivity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion, computer viruses and other cyber-attacks.

Failure to protect personal data and comply with data privacy regulations of countries in which the Company operates may attract financial penalties, intervention by regulators and reputational loss.

The Company has internationally recognised framework of ISO 27001:2022 which includes Information security policy, secured IT system, robust access control and restricted administrator privilege to restrict unauthorised access. Adequate e-mails protection, multi-factor authentications, and laptop encryptions are also implemented. Independent vulnerability assessment and penetration tests (VAPT) are performed yearly to identify gaps in controlled framework and enhance effectiveness of controls. An IT disaster recovery plan is also in place for our key applications. It aims to minimise impacts from any unanticipated events and breakdowns. The Company continuously invests in information technology to reduce risks and has also opted for significant cyber security insurance cover.

Business Continuity Risks

Potential disruption or failure of the Company's operations due to unexpected events including natural disasters, supply chain disruptions, security breaches or cyberattacks, financial crisis, regulatory changes or pandemics may lead to business continuity risks. It can have significant impacts on a company's financial performance, reputation and ability to continue operations. The Company has identified key business, operational, strategic business continuity risks and have instituted various measures including alternate sourcing strategies, carrying adequate inventories, vertical manufacturing integration, digital interventions, periodic review BCP and DRP plans, training on Emergency Response Plan etc. to ensure timely availability and management of operations in times of disruptions.

Compliance Risks

As the Company operates in multiple geographies globally, each operating in a dynamic and complex regulatory landscape that continuously evolves, changes and undergoes increased scrutiny from the regulators, failure to identify and/or comply with applicable statutes and regulations globally may pose a threat to business operations, thereby affecting our financial and/or reputational standing. Regulatory risks are managed through a strong governance mechanism based on the philosophy of 'zero tolerance to non-compliance'. This is implemented through regular assessment of regulatory and compliance requirements, robust internal controls, continuous monitoring through compliance management systems and periodic reporting to senior management and the Board. Further, independent assessments and audit mechanisms are put in place.

Environment, Social and Governance Risks

Commercial activities may cause adverse impact on the environment and thereby impact society at large. Climate-related events such as weather pattern changes, rising sea water levels may cause disruption in manufacturing and supply chain cycles, resulting in financial losses. To sustain growth in a continuously evolving global ecosystem with unpredicted externalities, it is important to implement ESG measures. Failure to limit our environmental impact may have negative consequences on our reputation, operations and long-term sustainability of our Company's performance.

Sustainable value creation can no longer be agnostic of ESG risks, which has now evolved as a new yardstick in addition to profitability and capital efficiency returns. The Company has developed a structured ESG framework and strategy, based on international standards and structures such as GRI, SASB and many others. The Company has designed a multi-fold strategy, with four core ESG pillars, i.e. Responsible Consumption, Responsible Practices, Responsible Communication and Responsible Supply Chain, that will enable it to navigate its growth in a manner that maximises stakeholder value, consistently and sustainably.

Counterfeit Drugs Risks

The pharmaceutical industry has been increasingly challenged by the vulnerability of illegal counterfeit products in a growing number of markets and over the internet. Counterfeit medicines are fake medicines that are passed off as authentic, which may contain the wrong ingredients, contain too much, too little or no active ingredient at all or contain other harmful ingredients. Third parties may illegally distribute and sell counterfeit versions of our products, which do not meet the rigorous manufacturing and testing standards that our products undergo, making them unsafe and ineffective for consumption. The Company takes measures to prevent counterfeit by assessment of random samples from the market, implements packaging controls via serialization, track and trace systems, hologram and barcodes. It helps to build a strong and reliable distribution network.

Geopolitical Risks

The Company operates in multiple geographies and is exposed to risks arising from geopolitical developments, international conflicts, trade restrictions, regulatory changes, and global economic uncertainties. Ongoing geopolitical tensions, regional conflicts, supply chain disruptions, changes in trade policies, and volatility in key shipping routes may adversely impact the availability and cost of raw materials and active pharmaceutical ingredients, logistics and freight costs, foreign exchange stability, and timely realization of receivables. Such events may disrupt operations, delay shipments, increase costs, and adversely affect business performance, cash flows, and growth. The Company seeks to mitigate these risks through continuous monitoring of global developments, diversification of sourcing and market exposure, securing receivables through Letters of Credit and Bank Guarantees, foreign currency hedging, contractual risk management measures, and by maintaining prudent exposure to higher-risk geographies.

Human Capital Risk

The Pharmaceutical industry is knowledge driven and requires highly skilled human resources in major operations of the Company to drive productivity. Inability to attract and retain skilled employees may adversely affect the complex operations of the Company. The Company manages to attract and retain talented employees by providing job rotations, creating a motivating working environment and development of team-building initiatives. Prioritisation of continuous learning and development initiatives foster innovation and develops a future-ready workforce. Further, the Company takes adequate measures to develop succession plans and de-risk critical roles.

Human Resources

The total employee strength of the Company at the end of financial year 2025-26 was 18,531 (without JB Pharma) against 17,312 at the end of financial year 2024-25, an increase of 1,219 employees.



Internal Control System

The Company has a robust system of internal controls comprising authority levels and powers, supervision, checks and balances, policies and procedures. The system is reviewed and updated on an on-going basis. The Company continuously upgrades its internal control systems by taking measures such as strengthening of IT infrastructure and use of external management assurance services. The Company has in place a well-defined internal audit system whereby the internal audit is performed across locations of the Company and the results of the audit findings are reviewed by the audit committee.

Results of Operations for 2025-26 compared with 2024-25

Summary Financial Information:

Particulars	2025-26*		2024-25	
	Crores	% to Revenues	Crores	% to Revenues
Sales and Operating Income (Revenues)	13,980	100	11,516	100
Gross Profit	10,592	76	8,740	76
Operating EBITDA	4,559	33	3,721	32
Forex (Gain) /Loss	183	1	17	0
Other (Income)	(51)	(0)	(20)	(0)
Depreciation / amortization	1,119	8	795	7
Net Interest expense / (Income)	347	3	232	2
Profit before tax and exceptional items	2,961	21	2,697	23
Exceptional Items	89	1	24	0
Profit before tax and after exceptional items	2,872	20	2,673	23
Income Tax	734	5	762	6
Profit after Tax	2,138	15	1,911	17

*2025-26 includes JBCPL financials from 21st Jan – 31st Mar, 2026

Financial Performance

The Company registered a revenue growth of 21% and Operating EBITDA growth of 23%. Operating EBITDA margins improved to 33% versus 32% in the previous year.

Profit before Tax and exceptional items is 21% vs 23% in the previous year, mainly on account of higher depreciation & amortization and interest charges relating to acquisition of JB Pharma with effect from January 21, 2026.

Exceptional item relates to acquisition and merger related cost.

Liquidity

Cash and cash equivalents including current investments and bank balances including fixed deposits was at Rs. 2,372 crores as on 31st March 2026 compared to Rs. 689 crores at the end of financial year ending 31st March -25.

Key Financial Ratios for 2025-26 compared with 2024-25

Particulars	2025-26	2024-25
Profitability ratios		
(a) Operating profit margin	33%	32%
(b) Net profit margin (Refer Note 1)	16%	17%
(c) Return on net worth	26%	25%

Particulars	2025-26	2024-25
Working capital ratios (Refer Note 2)		
(d) Debtors turnover (days)	62	60
(e) Inventory turnover (days)	65	82
(f) Trade Working Capital (days)	70	90
Gearing ratios		
(g) Interest coverage	9.26	12.43
(h) Debt / equity	1.42	0.23
Liquidity ratios		
(i) Current ratio	1.17	1.36

Note:

- Net profit margin is adjusted for exceptions items.
- Working Capital ratio for the FY 2025-26 is calculated considering full year revenue of the Company and JB Pharma.

The ratios have been computed as follows:

- Operating profit margin: $\text{Revenues} - (\text{Cost of goods sold} + \text{employee benefits} + \text{other expenses}) + (\text{Other income} - \text{Interest income}) / \text{Revenues}$
- Net profit margin: $\text{Profit after taxes} / \text{Revenues}$
- Return on net worth: $\text{Profit after tax attributable to owners of the Company} / \text{Net worth}$ (Net worth = Share capital + Reserves and Surplus)
- Debtors days: $(\text{Trade receivables} / \text{Net Sales}) * 365$
- Inventory Days: $(\text{Inventory} / \text{Net Sales}) * 365$
- Trade Working Capital: (Net working capital investment excluding current investments, cash and cash equivalents, bank balances other than cash and cash equivalents, short term borrowings, current maturity of long-term debt and accruals on tender contracts (Germany) / Net Sales) * 365
- Interest coverage: $(\text{Profit after tax} + \text{Deferred tax} + \text{Depreciation and amortisation} + \text{Interest expense}) / \text{Interest expense}$
- Debt to equity: $\text{Debt} / \text{Net worth}$
- Debt: Long term borrowings (current and non-current portion)
- Net worth: Share capital + Reserves and surplus
- Current ratio: $\text{Current assets} / [\text{Current liabilities less Current Maturities of Long-term debt}]$

For and on behalf of the Board of Directors

Samir Mehta

Executive Chairman

DIN: 00061903

Ahmedabad

22nd May 2026

References

- World Economic Outlook, International Monetary Fund, Apr 2026
- Economic Survey (Indian economy) 2025-26
- India's Pharmaceuticals in Global Healthcare
- IQVIA - Global Medicine use trends2026.
- AIOCD MAT March 2026 data set.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

FOREWORD

Sustainability is the cornerstone of operations at Torrent Pharma, reflecting the Company's steadfast commitment to long term value creation. The Company strongly believes that sustainable and responsible business practices are integral to building a resilient, ethical and enduring enterprise. Accordingly, Environmental, Social and Governance (ESG) principles are embedded into the Company's strategic framework and decision making processes, enabling balanced value creation while contributing meaningfully to sustainable development.

We are committed to integrating sustainability into our operations by optimising energy usage, reducing carbon emissions, and minimizing our environmental impact. We continue to advance initiatives focused on adopting renewable energy, managing waste responsibly and implementing effective emission control measures to contribute to a healthier and more sustainable planet. We balance environmental stewardship, social responsibility, and strong governance to create lasting value for our stakeholders and communities, guided by our core value of **"CONCERN FOR SOCIETY & ENVIRONMENT"**.

The Company acknowledges that the integration of sustainability into core business operations is essential for responding to pressing global challenges including climate change, resource constraints, social inequities and biodiversity loss. Our integrated ESG approach supports proactive risk management, regulatory preparedness, innovation and organisational resilience thereby enabling sustainable value creation over the long term.

The Company remains committed to building a resilient and responsible business that operates in alignment with national priorities, including the transition towards a low carbon economy. Our sustainability approach is guided by recognised global frameworks such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals (UN SDGs), reinforcing our commitment to globally accepted best practices. Our Business Responsibility & Sustainability Report articulates the Company's commitment to the nine principles of the National Guidelines on Responsible Business Conduct ("NGRBC") and provides a comprehensive overview of our performance and progress against defined objectives across Environmental, Social and Governance ("ESG") parameters.

The BRSR framework, aligned with the NGRBC principles, is structured into the following three sections:

Section A presents a comprehensive overview of the Company's business, encompassing the market it serves, financial performance, key employee statistics, engagement with related parties, Corporate Social Responsibility initiatives and transparency.

Section B outlines management and process disclosures related to the businesses highlighting the governance structures, policies and operational framework established to align with the NGRBC Principles and Core Elements.

Section C encompasses a comprehensive set of measurable Key Performance Indicators (KPIs) for each of the nine principles which include ethical business practices, product stewardship, employee wellbeing, safety & development, stakeholder engagement, human rights, environmental stewardship, public policy advocacy, inclusive growth and responsible customer relationship.

For 2025-26, Grant Thornton Bharat LLP ("GT") has issued Independent Assurance Statement for reasonable assurance of the core attributes of BRSR. GT has also issued the said statement for limited assurance on nine principles of BRSR framework.

SECTION A: GENERAL DISCLOSURE

I. Details of the Company

1	Corporate Identity Number (CIN) of the Company	L24230GJ1972PLC002126
2	Name of the Company	Torrent Pharmaceuticals Limited
3	Year of incorporation	1972
4	Registered office address	Avirat, Thaltej Shilaj Road, Ahmedabad - 380059
5	Corporate address	Avirat, Thaltej Shilaj Road, Ahmedabad - 380059
6	E-mail	investorservices@torrentpharma.com
7	Telephone	+91 79 26599000
8	Website	www.torrentpharma.com
9	Financial year for which reporting is being done	2025-26
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited, Mumbai (BSE); and National Stock Exchange of India Limited, Mumbai (NSE)
11	Paid-up Capital	₹ 169.23 crore as on 31 st March, 2026
12	Contact Person	
	Name of the Person	Chintan Trivedi, Company Secretary
	Telephone	+91 79 26599000
	E-mail address	investorservices@torrentpharma.com
13	Reporting Boundary	
	Type of Reporting	Disclosures under this report are made on standalone basis for Torrent Pharmaceuticals Limited
14	Assurance	
	Name of assessment or assurance Provider	Grant Thornton Bharat LLP
15	Type of assessment or assurance obtained	Reasonable Assurance on BRSR Core attributes and limited assurance on nine principles of the BRSR framework

II. Products / Services

16	Details of business activities	S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
		1	Research & Development, Manufacturing, Marketing and Distribution of Pharmaceutical Products	We are one of the leading pharmaceutical companies in India and are engaged in research, development, manufacturing, marketing and distribution of branded and generic pharmaceutical formulations in India and Internationally.	100%
17	Products / Services sold by the entity	S. No.	Product / Service	NIC Code	% of Total Turnover contributed
		1	Pharmaceutical products	Division 21 Group 210 Class 2100	100%

III. Operations

18	Number of locations where plants and / or operations / offices of the entity are situated:	Location	Number of Plants	No. of Offices	Total
		National	9*	30	39
		International^	--	17	17



19	Market served by the entity	Locations	Numbers
a.	No. of Locations	National (No. of States)	PAN India
		International (No. of Countries)	More than 50 markets served across Asia, North America, Brazil, European Union & Rest of World
b.	What is the contribution of exports as a percentage of the total turnover of the entity?	Standalone – 28% Consolidated – 41%	
c.	A brief on types of customers	Torrent Pharma serves across all segments of customers. At the core, the final customers are the patients / consumers who buy the products of the Company based on their need / prescriptions from the Doctors. The primary channel of distribution is through the wholesale drug distributors, stockiest, retail and e-commerce channel partners. We also sell to the institutional segment which majorly includes government, semi-government institutions, hospitals, nursing homes, clinics, dispensing doctors etc.	

* includes R&D unit

^ includes offices of its Subsidiaries / Representative offices.

IV. Employees

20. Details as at the end of Financial Year:						
S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
a.	Employees and workers (including differently-abled)					
Employees						
1	Permanent (D)	16,499	15,150	92%	1,349	8%
2	Other than Permanent (E)	236	220	93%	16	7%
3	Total Employees (D+E)	16,735	15,370	92%	1,365	8%
Workers						
4	Permanent (F)	529	504	95%	25	5%
5	Other than Permanent (G)	3,077	2,601	85%	476	15%
6	Total Workers (F+G)	3,606	3,105	86%	501	14%
b.	Differently abled employees and workers					
Differently Abled Employees						
7	Permanent (D)	23	19	83%	4	17%
8	Other than Permanent (E)	0	0	0%	0	0%
9	Total Differently Abled Employees (D+E)	23	19	83%	4	17%
Differently Abled Workers						
10	Permanent (F)	5	5	100%	0	0%
11	Other than Permanent (G)	10	9	90%	1	10%
12	Total Differently Abled Workers (F+G)	15	14	93%	1	7%

21. Participation / Inclusion / Representation of women				
S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B / A)
1	Board of Directors	7	2	29%
2	Key Management Personnel	4	0	0%

Note: Key Managerial Personnel includes Executive Chairman, Managing Director, Chief Financial Officer and Company Secretary.

22. Turnover rate for permanent employees and workers									
Category	FY 2025-26 (Turnover rate in current Financial Year)			FY 2024-25 (Turnover rate in previous Financial Year)			FY 2023-24 (Turnover rate in the year prior to previous Financial Year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.12%	18.07%	11.69%	12.7%	22.2%	13.5%	15.8%	26.0%	16.6%
Permanent Workers	2.55%	7.69%	2.80%	3.2%	10.5%	3.6%	2.4%	12.5%	3.0%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23	S. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a holding / Subsidiary / Associate / or 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.	Torrent Investments Limited (formerly known as Torrent Investments Private Limited)	Holding		All Policies / practices to the extent relevant are also applicable to the subsidiaries in conformity with the applicable laws
	2.	Zao Torrent Pharma	WOS	100%	
	3.	Torrent Do Brasil Ltda.	WOS	100%	
	4.	Torrent Pharma GmbH	WOS	100%	
	5.	Heumann Pharma GmbH & Co. Generica KG	WOS	100%	
	6.	Heunet Pharma GmbH	WOS	100%	
	7.	Torrent Pharma Inc.	WOS	100%	
	8.	Torrent Pharma Philippines Inc.	WOS	100%	
	9.	Laboratories Torrent, S.A. de C.V.	WOS	100%	
	10.	Torrent Australasia Pty. Ltd.	WOS	100%	
	11.	Torrent Pharma (Thailand) Co., Ltd.	WOS	100%	
	12.	Torrent Pharma (UK) Ltd.	WOS	100%	
	13.	Laboratories Torrent Malaysia SDN. BHD.	WOS	100%	
	14.	TPL (Malta) Ltd.	WOS	100%	
	15.	Torrent Pharma (Malta) Ltd.	WOS	100%	
	16.	Curatio Inc., Philippines	WOS	100%	
	17.	Torrent International Lanka (Pvt.) Ltd., Sri Lanka	WOS	100%	
	18.	Farmaceutica Torrent Colombia SAS	WOS	100%	
	19.	Torrent Pharmaceuticals Chile SpA	WOS	100%	
	20.	Torrent Urja 27 Private Limited^	Associate	26.00%	
	21.	J.B. Chemicals & Pharmaceuticals Limited*	Associate	48.80%	

^ w.e.f. 28th October, 2025

* w.e.f. 21st January, 2026

Note: UNM Foundation (Section 8 Company) ceased to the Associate Company w.e.f. 30th March, 2026.

VI. CSR Details

24	i.	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	ii.	Turnover (in ₹ crore)	10,498
	iii.	Net worth (in ₹ crore)	8,452

25	Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No)	If Yes, then provide web-link for grievance redress policy	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)		
					Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
		Communities	Yes	Policies which are required by the law is available on the website of the Company and the policies which are internal to the Company are available on the intranet of the Company	0	0	0	0	
		Investors (other than shareholders)			0	0	0	0	
		Shareholders			45	1	25	1	
		Employees and workers			47	8	27	3	
		Customers*			1,365	55	1,576	54	
		Value Chain Partners			0	0	0	0	
		Others (Please Specify)			NA				

* One pending complaint pertaining to Curatio Health Care (I) Private Limited was transferred to the Company on account of its merger vide the Order dated 17th May, 2023 of the National Company Law Tribunal, Ahmedabad Bench, with an appointed date as 14th October, 2022.

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

At Torrent Pharma, we recognise the strategic importance of materiality assessments in identifying and prioritising sustainability topics that are most relevant to our business and stakeholders. To remain responsive to evolving stakeholder expectations, regulatory developments, and emerging risks and opportunities, we periodically review our material sustainability priorities. Following our earlier materiality assessment conducted in FY 2021–22, Torrent Pharma undertook its first Double Materiality Assessment (DMA) in FY 2025–26. The assessment was guided as per the European Sustainability Reporting Standards (ESRS). This DMA resulted in a prioritised list of sustainability topics that are material from impact and financial perspective as listed below. The identified topic represents a risk or opportunity, based on a clear rationale reflecting its relevance to the business and stakeholders; where classified as a risk, appropriate mitigation or adaptation measures have been outlined, along with an assessment of the financial implications, indicating whether the impact is positive or negative for the Company.

Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Climate Change Adaptation and Mitigation	Risk	- Energy-intensive manufacturing operations, particularly when powered by fossil fuels, result in significant greenhouse gas emissions, contributing to global warming. - Rise in regulatory requirements aimed at promoting a low carbon economy, (such as potential carbon taxation, emission reduction mandates etc.) expose the Company to risks of non-compliance. - Further, rapid advancements in green technologies pose the risk of asset-write off and substantial capital investments	- Targets have been defined for reducing Scope 1, Scope 2 and Scope 3 GHG emissions and action plans have been developed to increase the adoption of renewable energy in order to decarbonise operations - Accelerate refrigerant transition & leak control (due to higher sensitivity) - Phase down high-GWP gases to low-GWP alternatives per India's HFC schedule - Cap BAU demand growth via load optimisation and operations discipline so RE gains translate to absolute reductions - Expand onsite solar power across suitable/available areas.	Negative
	Resource Management: Water	Risk	- Operations in water-scarce regions expose the Company to risks associated with inadequate water supplies. - Lack of water availability may disrupt production schedules, negatively impacting business continuity and product availability	Targets have been set to advance water reuse and recycling, and reduce dependency on groundwater withdrawal, supported by a comprehensive action plan to promote water neutrality for ensuring long-term business resilience	Positive

Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Further, increase in water tariffs due to rising scarcity may result in higher operating expenses. Potential production delays due to insufficient water supply can reduce output and sales	- Expand internal reuse applications by routing treated water to utilities, cooling towers, horticulture, and sanitation - Improve water recycling by increasing RO recovery - Transition to ZLD, with RO permeate reused for utilities, thereby reducing freshwater consumption. - Strengthen water resilience through expanded rainwater harvesting	
	Resource Management: Waste	Opportunity	Optimising raw material use through incorporating circular practices (such as recycling solvents, minimising packaging, end-of-life management for products and designing products for safe disposal) reduces environmental impact, ensures regulatory compliance and helps optimise operating costs	Targets have been defined for ensuring zero waste-to-landfill, supported by a structured action plan focused on waste reduction to promote resource efficiency and circularity - Establish a Zero-Waste-to-Landfill governance framework with standardized segregation, tracking, and site-level controls - Minimise hazardous waste at source through process improvements, solvent reduction, and green-chemistry practices - Participate in industry and regulatory circularity programmes to strengthen landfill-avoidance solutions/ Waste reduction measures.	Positive
	Human Capital Development	Opportunity	Implementing comprehensive learning and development programmes will promote skill upgradation and boost employee productivity, while driving innovation and operational efficiency. L&D investment builds a strong talent pipeline, leading to improved business performance and reduced turnover costs	Targets have been defined to increase learning hours per employee, supported by interventions to scale up skill development programmes with industry relevant skills to promote a continuous learning culture Scale up annual skill development programmes covering functional, behavioral, and leadership training for all employee levels	Positive

Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				- Strengthen leadership development programmes to support career growth and build a talent pipeline for higher managerial positions - Promote a continuous learning culture with self-learning modules and regular technology-update sessions	
	Occupational Health & Safety	Risk	Pharmaceutical manufacturing operations are associated with safety risks and hazards that pose a risk of occupational injuries and ill-health such as exposure to toxic compounds, ergonomic risks, and accidental injuries for employees and workers	Targets have been set to strengthen occupational health and safety across manufacturing operations through ensuring zero fatalities, supported by interventions to minimise safety risks and strengthen compliance with safe work procedures - Extend near-miss reporting to third-party contracted workers, ensuring active participation in incident reporting - Strengthening safety management through regular hazard identification, risk assessments, and strict SOP compliance for all workers	Negative
	Diversity, Equity and Inclusion	Opportunity	Strong positioning and performance relating to workforce diversity can promote business innovation, improved business performance and greater employee satisfaction. A diverse & inclusive workplace culture would result in better problem-solving capabilities, increased ability to serve a diverse customer base and enhanced competitive advantage	Targets have been defined to increase the share of women in workforce across different management levels and strategic action plan has been developed for ensuring targeted recruitment, inclusion and retention of women employees - Develop career advancement and mentorship programmes for high performing women employees. - Establish Employee Resource Groups to support under-represented communities in workforce and foster an inclusive culture - Adopt inclusive hiring practices through women-focused recruitment events, anti-bias training, and diverse interview panels	Positive

Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Access & Affordability of Products	Opportunity	Ensuring equitable access to essential medicines and maintaining affordable pricing to meet the needs of diverse customers, in order to promote healthcare inclusivity, social responsibility, and sustainable market reach	Expanding affordable medicines can increase revenue by capturing price-sensitive segments and driving higher volumes in emerging markets. This also enables deeper market penetration, serves a large and diverse customer base, and strengthens brand trust and perception. • Focus on manufacturing, marketing and distributing affordable alternatives to off-patented drugs under its own brand names. • Specialise in manufacturing generic pharmaceutical products after patent exclusivity expires, focusing on markets with regulatory approval for generics	Positive
	Community Engagement	Opportunity	The Company's contribution to socio-economic development and well-being of local communities, particularly through job creation and improved access to quality healthcare services, will foster positive relationships with surrounding communities, thereby strengthening business continuity and strengthening social license to operate.	The Company engages with vulnerable or marginalised stakeholders through the CSR outreach programmes. As a part of Corporate Social Responsibility philosophy, the Company strives to impact communities positively in three thrust areas of Community Healthcare, Education & Knowledge Enhancement and Social Care & Concern. Through these projects, we are committed to working towards enhancing the access to quality healthcare, to improve the lives of the people across communities and promote welfare of the underprivileged segments.	Positive
	R&D and Technology	Opportunity	Investing in advanced R&D capabilities and innovative formulations to address unmet therapeutic needs enables entry into new markets, securing first-mover advantage and driving revenue growth through differentiated offerings and strengthened competitive positioning	Targets have been defined to increase the integration of Green Chemistry principles across R&D projects, supported by interventions to promote green manufacturing through high efficiency process designs, and adoption of technologies to reduce resource consumption • Promote green manufacturing through safer solvents, efficient process designs, and sustainable catalytic technologies	Positive

Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				• Foster strategic collaborations with academia, research bodies, and industry partners to drive innovation and accelerate therapy development	
	Product Quality & Safety	Risk	Ineffective implementation of quality management systems or non-compliance with regulatory standards may result in product recalls, increased regulatory scrutiny, and may negatively impact competitiveness, brand reputation, and stakeholder trust	Targets have been defined to enhance product quality and safety by identifying and addressing product related impacts through life-cycle assessments and reinforcing robust quality management systems • Conduct Life Cycle Assessments for major products to identify cradle-to-grave environmental impacts • Maintain detailed in-house testing specifications and precautionary testing to proactively address quality/safety concerns • Ensure input material quality through design specifications, supplier qualification, and periodic critical-attribute trend analysis	Negative
	Combating Counterfeit Medicines	Risk & Opportunity	Combating counterfeit medicines through track-and-trace systems (such as advanced serialisation) and secure supply chain practices is critical to ensure product authenticity and patient safety. These measures also strengthen market credibility while mitigating revenue loss from counterfeit infiltration	Targets have been set supported by a strategic action plan to strengthen anti-counterfeit mechanisms by enhancing product authentication and traceability solutions • Scale multi-layer security features (holograms, microtext, UV elements) across priority domestic SKU packaging. • Standardize packaging security protocols across facilities, including vendor qualification and periodic feature refresh cycles	Positive & Negative
	Digitisation & Automation	Opportunity	Adoption of digital tools, AI and advanced technologies can help drive automation and enhance operational efficiency in manufacturing and quality control, to reduce manufacturing defects and improve product quality. This also helps shorten production cycles, reduce costs in the long term, ensure consistent	Targets have been set to advance digitalisation and automation across manufacturing and quality systems to improve operational efficiency and strengthen data reliability, supported by a structured action plan across critical production lines	Positive

Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Corporate Governance	Risk	Strong corporate governance practices are significant for ensuring organisational success and securing stakeholder confidence. Absence of effective corporate governance can expose the Company to legal penalties compromising its stability and credibility. This can lead to damaged reputation, eroded stakeholder trust, decreased investor confidence, and loss of market value due to concerns over transparency and accountability	Targets have been set to strengthen corporate governance by enhancing awareness of evolving regulatory and ESG requirements among Board members and senior management, supported by a defined action plan • Conduct biannual ESG training for Board members on regulatory updates and global best practices • Share periodic ESG regulatory briefs to keep the Board informed between trainings • Integrate ESG compliance updates into Board agendas for informed oversight	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

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

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1	a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Yes						NA	Yes	
	b. Has the policy been approved by the Board? (Yes / No)	The policies have been either approved by the Board or senior functional head authorised by the Board in this respect.								
	c. Web Link of the Policies, if available	Yes. All polices which are required to be disclosed under various governing regulations have been placed on the website www.torrentpharma.com								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes						NA	Yes	
3	Do the enlisted policies extend to your value chain partners? (Yes / No)	Yes						NA	Yes	
4	Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	- Our ERM Framework is aligned with COSO Framework - Our product quality is aligned with GxPs (Good Laboratory Practices, Good Manufacturing Practices and Good Clinical Practices) - All manufacturing facilities and R&D Centre are strengthened with integration of ISO 14001:2015 and ISO 45001:2018 standards. - Our certain facilities are certified with ISO 50001 (Energy Management System). - Our Dahej manufacturing facility has received IGBC (Indian Green Building Council) silver certification. - Our Indrad and Dahej manufacturing facilities are certified with ISO 9001:2015(Quality Management System). - We have obtained ISO 27001:2022 (Information Security Management System) Certification for all information assets used for provision of IT support services for its identified locations.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has drawn up an ESG roadmap which lays down the key aspects of Sustainability including timelines for achieving the targets.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The key performance targets are set, reviewed, and implemented as per the objectives taken. The Corporate Social Responsibility and Sustainability Committee reviews the progress periodically.								

Governance, Leadership and Oversight

7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

Torrent Pharma is committed to enhancing the affordability and accessibility of medicines worldwide through production, research and distribution of generic medicines as well as ensuring healthcare is accessible to all. Our Company is built on Core values viz Integrity, Passion for Excellence, Participative Decision Making, Concern for Society & Environment, Fairness with Care and Transparency. Therefore, sustainability is ingrained in our ethos, evident in our values and behavior towards sustainability and stakeholders alike.

We acknowledge the global climate change challenge and are dedicated to reducing carbon emission and energy consumption. To this end, we have established targets, identified key focus areas and implemented KPIs to monitor the progress. To achieve these targets, action plans have been developed to make use of hybrid renewable sources such as solar and wind power, bio-briquettes, flash steam systems and heat pumps. While we plan for growth by expanding into core geographies and investing in new markets, the commitment to make medicines accessible and affordable remains steadfast. Sustainability is integrated into all our endeavors to generate long term value.

We prioritize environmental consciousness and strive to minimize our carbon footprint through our best efforts. Our commitment to sustainability extends to our suppliers and contractors, ensuring that sustainable practices are integrated throughout our operations.

8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	DIN- 08174906 Name- Aman Mehta Designation- Managing Director Telephone No- 079-26599000 E-mail Id: investorservices@torrentpharma.com
9 Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Corporate Social Responsibility and Sustainability Committee supports the Board on all matters relating to Sustainability. The Committee inter-alia reviews the implementation progress of sustainability strategy along with its key performance indicators and defines action plan as may be appropriate from time to time to achieve the same.

10. Details of Review of NGRBCs by the Company:

	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee	Frequency (Annually / Half yearly / Quarterly / Any other – please specify)
Performance against above policies and follow up action	Yes	On a regular basis
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	On a need 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

The processes and compliances are assessed by internal auditors and Statutory auditors, as applicable. On the regular basis, the policies are reviewed and updated by senior functional heads and approved by the management, Committees of Directors or Board.

Further Grant Thornton Bharat LLP ("GT") has been engaged to provide assurance on Torrent Pharma's Integrated Annual Report including Business Responsibility and Sustainability Report for FY 2025-26. As a part of their assurance process GT has reviewed the effectiveness of the policies related to BRSR Core.

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

With respect to Principle 7, the answer is "Not Applicable" as the Company does not have a separate policy on public advocacy. For advocacies related to pharma industry, the Company works through industry associations such as Indian Pharmaceutical Alliance (IPA), Indian Drug Manufacturing Association (IDMA) and others. For more information, please refer to Principle 7.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.



At Torrent Pharma, our Corporate Governance philosophy is firmly anchored in the principles of INTEGRITY, TRANSPARENCY & ACCOUNTABILITY, which form the foundation of its business practices and decision making processes. A robust corporate governance framework, supported by comprehensive policies, codes of conduct and well defined governance structures, ensures that the Company conducts its affairs in a responsible, compliant and ethical manner. The Board of Directors provides effective strategic direction and oversight, fostering a culture of accountability and fairness while safeguarding the interests of all stakeholders. This is further strengthened through clearly demarcated roles and responsibilities, strong internal control systems, vigilant risk management practices and an unwavering commitment to regulatory compliance. Inspired by the values of "INTEGRITY" and "TRANSPARENCY," we consistently maintain a high level of fairness in all our interactions with stakeholders.

Our Core Values, which we believe in and constantly strive to build are Integrity, Passion for Excellence, Participative Decision Making, Concern for Society & Environment, Fairness with Care and Transparency.

Each of these Timeless Values, a Pillar of Strength, ENSURES OUR LONGEVITY.

INTEGRITY: When Truth is Paramount

Thoughts and actions entail doing the right thing at all times and in all circumstances; whether or not anyone is watching. This requires inner courage and conviction, no matter what the consequences are. It is honouring one's commitments and being accountable for one's actions, end-to-end.

PASSION FOR EXCELLENCE: When best is not enough

Passion for excellence means not doing extra-ordinary things, but doing ordinary things in all pursuits exceedingly well. Passion and excellence are forces that fuel each other on the exclusive path to leadership. As we are what we repeatedly do, excellence then is not an act, but a habit.

PARTICIPATIVE DECISION MAKING: Involvement that engenders effectiveness

An ideal organisation facilitates participation and involvement of each of its members in various decision making processes, thus ensuring their commitment to such decisions as well as its outcome. It provides a platform for seeking and nurturing constructive ideas from individuals, teams and units which eventually yields exceptional results.

CONCERN FOR SOCIETY & ENVIRONMENT: When every smile matters

Concern for Society & Environment is a sense of responsibility and contribution to society that defines our existence. It entails making a difference in the quality of lives and environment surrounding us. It is important to encourage fellow-members on collective as well as individual basis to fulfil the responsibility of leaving behind a world rich in flora and fauna and rich in time tested values and ideals and above all rich in social fervour for our future generations.

FAIRNESS WITH CARE: Harnessing equality

Fairness and Care towards all fellow members are inextricably linked. Weaving the threads of equality, irrespective of caste, creed, religion and gender, into the day to day fabric, ensures fairness for each and every individual. Empathic care recognises needs and aspirations of all. Only such fairness and care eventually lead fellow members to the dawn of eternal success.

TRANSPARENCY: Openness that builds enduring trust

Transparency implies openness. It is the opposite of secrecy. It encourages more informed decision making and aids in creating enduring trust among all stakeholders.

Our Core values are aligned with the nine Principles of NGRBC.

The Board of Directors has established a Code of Business Conduct ("the Code"), which applies to all employees and Board Members of the Company. This Code outlines essential corporate ethical standards that shape our business practices and embody our cherished values. It offers guidance to employees in recognising and addressing significant ethical and legal issues, fostering a culture of honesty and accountability.

Furthermore, the Company has implemented a 'Whistle-blower Policy,' demonstrating our commitment to ethical standards, transparency, and accountability. This policy encourages stakeholders to report any instances of unethical behaviour, suspected fraud, or violations of the Company's Code of Business Conduct that could potentially harm the Company's operations, performance, or reputation.

In order to protect investors' interest, we have adopted Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.

The Related Party Transactions Policy of the Company provides the process for the approval of various types of Related Party Transactions (RPTs) and general principles governing RPTs. This brings necessary transparency in the RPTs and ensures that the transactions are fair and in compliance with the applicable laws and regulations.

The Policy on Materiality of Events or Information brings consistency in the disclosure of various events or information to the Stock Exchanges in accordance with the thresholds determined.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of person in respective category covered by the awareness programme
Board of Directors	14	The Directors of the Company at the time of their appointment are acquainted on the Company's Core Values, Code of Business Conduct and their roles and responsibilities as the director along with Company's operations / business and the industry in which it operates. Further at each meeting of the Board and Committees, the Directors and KMPs are apprised, inter alia, of the material developments in the Company & industry as a whole, material regulatory updates impacting the operations of the Company and key integrity matters that helps to reflect and focus on key strategies. During the year, various familiarisation programmes have been undertaken broadly covering the array of matters relating to Company's strategic plans, business regulations, regulatory changes, updates on CSR initiatives undertaken / Impact assessment of CSR project, Enterprise Risk Management covering Quality parameters etc.	100%
Key Managerial Personnel	14		
Employees other than BOD & KMPs	1,940	At Torrent Pharma, we strongly believe in upskilling our employees by providing various functional as well as general training. We have identified various skills which are relevant to the employees and workers based on their work requirements.	100%
Workers	1,700	On joining, the employees and workers are oriented on various functional and non-functional aspects of the organisation. Detailed orientation program is conducted on the Company's Core Values, Ethical Business Practices, Code of Business Conduct, Prohibition of Insider Trading Code and Organisation's work culture. Further on the regular basis, along with functional aspects, they also undergo various training programmes on employee's wellbeing, Health & Safety, skill updating programmes, Whistle blower mechanism, Prevention of Sexual harassment at workplaces etc. Further details on training and development can be identified in 'Our People' section of Integrated Report	100%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the Company's website)

	NGRBC Principle	Name of the regulatory / enforcement agencies / Judicial institutions	Monetary	Brief of the case	Has appeal been preferred? (Yes / No)
			Amount (in ₹)		
Penalty / Fine	Principle 1	Deputy Commissioner of State Tax, Pune, Maharashtra	1,70,353	The Order alleges excess ITC claimed in GSTR 3B/9 which is not confirmed in GSTR 2A 8A of GSTR 9	Yes
	Principle 1	Office of the Joint Commissioner State Tax, Tax Audit Wing, Jamshedpur	20,000	Mismatch in outward supply between GSTR 3B and outward way bill generated during FY 2021-22	No
	Principle 1	National Pharmaceutical Pricing Authority, New Delhi	60,28,721	Notice alleges overcharging for two drugs for the period May 2018 to July 2020 and Aug 23 respectively	*
	Principle 1	National Pharmaceutical Pricing Authority, New Delhi	6,63,07,606	Notice alleges overcharging for five drugs covering period between Jan-16 to Nov-18	*
	Principle 1	State tax Officer, Royapettah Assessment Circle, Nandam, Chennai	40,000	The demand is raised in respect of alleged excess availment of ITC by erstwhile Curatio Health care (I) Private Limited-Tamilnadu for FY 2021-22.	No
	Principle 1	Joint Commissioner of State Tax, Corporate Circle, Lucknow	1,35,405	The demand is raised in respect of alleged excess availment of ITC for FY 2021-22	Yes
	Principle 1	Deputy Commissioner of State Tax Ghaziabad, Uttar Pradesh	20,000	The Order alleges differences in ITC availed GSTR-3B vs. ITC available in GSTR-2A and impose general penalty by erstwhile Curatio Health Care (I) Private Limited ("Curatio") for tax period 2019-20. The Company had acquired Curatio in October 2022 which was subsequently merged into the Company	No
	Principle 1	Joint Commissioner of State Tax, Corporate Circle, Lucknow	47,612	The demand is raised in respect of alleged Multiple e-way are issued for same invoice for FY 2018-19	No
	Principle 1	Assistant Commissioner of State Tax Bhiwandi, Maharashtra	20,000	The demand is raised in respect of alleged short payment of taxes under Reverse Charge Mechanism (RCM)	No
	Principle 1	Deputy Commissioner of State Tax Bengaluru, Karnataka	20,000	The demand is raised in respect of alleged availment of blocked credit.	No
	Principle 1	Joint Commissioner, Common Adjudicating Authority, Central GST, Ahmedabad South Commissionerate	41,33,84,165	The Order alleges erroneous refund by Department on export of goods.	Yes
Settlement					
Compounding fee				Nil	

* The Company may file an appeal with relevant authorities.

	NGRBC Principle	Non-Monetary	Brief of the case	Has appeal been preferred? (Yes / No)
		Name of the regulatory / enforcement agencies / Judicial institutions		
Imprisonment				
Punishment		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
The Order alleges excess ITC claimed in GSTR 3B/9 which is not confirmed in GSTR 2A 8A of GSTR 9	Commissioner (Appeal), CGST
The demand is raised in respect of alleged excess availment of ITC for FY 2021-22	Commissioner (Appeal), CGST
The Order alleges erroneous refund by Department on export of goods.	Commissioner (Appeal), CGST

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.

The Code of Business Conduct and Whistle Blower Policy adopted by the Company are in line with the legal and statutory framework on anti-bribery and anti-corruption in India. For further details, please refer preamble to Principle 1.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	Nil	Nil
KMPs		
Employees		
Workers		

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

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	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				

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)

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	65	67

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:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases [#]	a. Purchases from trading houses as % of total Purchases	14%	17%
	b. Number of trading houses where purchases are made from	850+	850+
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	41%	51%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	75%	74%
	b. Number of dealers / distributors to whom sales are made	5800+	5700+
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	9%	9%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.08%	*
	b. Sales (Sales to related parties / Total Sales)	22%	24%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	88%	89%

[#] Total purchases includes raw material, packing material, trading goods, stores, laboratory chemicals and capital expenditure for tangible assets.

* There are no purchases from related party of raw material, packing material and stock-in-trade.

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Torrent Pharma is moving rapidly with respect to sustainable capacity building of all our stakeholders. We believe our suppliers play a critical role in our Business Responsibility and Sustainability agenda. We have taken on the responsibility for sensitising and encouraging our vendors to follow the path of sustainability. The Company has created supplier criteria to ensure that their goals and missions are aligned with its own. We have a strong emphasis on ESG factors in addition to general competences, finances, and capacity. Further, during the reporting year, a lot of attention was devoted to operations and procedures in order to reduce waste and make processes more energy efficient and we have also advanced the procurement process this year by ensuring that we work with environmentally and socially responsible vendors. For further details on our supplier engagement please refer to 'Manufacturing Excellence' section of Integrated Reporting.

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.

Yes. We have a Code of Business Conduct ("Code") for the Directors and Senior Management to ensure that they exercise the utmost care when engaging in any transaction that may conflict with the interest of the Company, either directly or indirectly. The Code covers the issues on Integrity, Gifts, Conflict of Interest, Legal compliance, Respect for people, Environmental commitment, Safety, Confidential & Proprietary Information, Financial Information, Company assets, Computer Network use & Security, Records maintenance and Management.

The Code adopted by the Company has been posted on the website of the Company. The members of the Board and Senior Management of the Company submit their affirmation on compliance with the Code on an annual basis.

Designated Persons, whether dealing in personal or official capacity, are expected to avoid activities, agreements, positions, business investments or interests, and other situations that are in conflict or appear conflicting with interests of the Company or that may interfere with the discharge of their duties to the Company.

We, therefore, ensure 100% compliance with the Code which ensures zero conflict of interest.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe



At Torrent Pharma, our core value of "PASSION for EXCELLENCE" drives an unwavering commitment to drug quality and patient safety. By integrating advanced manufacturing technologies with robust quality systems, we deliver high-quality medicines to a global market. Through continuous investment in innovation and skilled talent, we bridge the gap between complex product development and reliable supply, ensuring we consistently meet evolving regulatory standards and the vital needs of patients worldwide.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	4.62%	3.75%	R&D investments pertain to spending on various projects focused on improving the environmental and / or social impacts of our products and processes.
Capex*	4.63%	2.20%	FY 2025-26 - Installed new energy efficient Centrifugal Air Compressor at Baddi manufacturing facility which resulted into energy conservation. - Installation of Integrated demand-based control in Chillers at Dahej manufacturing facility which reduced electricity consumption. - Upgradation in existing Cooling towers and Chillers at Indrad manufacturing facility increases the efficiency of systems which reduced energy consumption and carbon emission. - Installed LED street lights at Bileshwarpura manufacturing facility resulted into less energy consumption. - Installed energy efficient HVAC systems, LED lightings, sensor based control systems, and solar rooftop at Corporate office to reduce energy consumption and greenhouse gas emissions. - Opted for advanced & efficient water management practices including rainwater harvesting system, sewage treatment plant, dual-plumbing system, waterless urinals, water-efficient fixtures etc. to minimise freshwater demand. FY 2024-25 - Commissioned Solar roof top system at Dahej Manufacturing facility which lead to substantial generation of green energy and thereby reducing environmental impact/ carbon footprint compared to previous financial year in Scope -2 emission. - Installed new energy efficient Centrifuge Chiller at Indrad Manufacturing facility and Electric Blowers at Bileshwarpura Manufacturing facility which resulted into energy conservation.

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
			- Purchased Electric Forklift at Baddi manufacturing facility and Electric loading Vehicle at Dahej Manufacturing facility which reduces the consumption of Fossil fuel. - Installed tubular type diffuser system in ETP at Indrad Manufacturing facility to reduce energy consumption and carbon emission. - Installed heat pump system at R&D which results in reduction of steam generation cost and carbon emissions.

* Total CAPEX includes Gross CAPEX addition as per note 6 and 10 of the Standalone Financial Statement

2. Does the entity have procedures in place for sustainable sourcing? (Yes / No). If yes, what percentage of inputs were sourced sustainably?

Torrent Pharma is on an ESG Transforming journey, and it believes supplier collaboration as crucial to doubling its effect. We have initiated sensitising and encouraging our vendors to follow the road of sustainability with the goal of driving sustainable behaviour beyond their manufacturing facilities. Keeping in mind the best interests of the patients, the Company endeavours to work with responsible suppliers who adhere to the uniform quality, social and environmental standards as Torrent Pharma.

We have standard operating procedures for the evaluation and selection of our vendors for sourcing of material. This includes the evaluation of the EHS resources and their compliance by suppliers and vendors for key raw materials / APIs and intermediates. We have system of identifying and / or developing alternate vendors where single vendor is considered critical for business continuity. For further details please refer to 'Manufacturing Excellence' section of Integrated report.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	Under the Plastic Waste Management Rules, 2016, the Company is registered as a Brand Owner with Central Pollution Control Board (CPCB). Pursuant to this, 2,261 MT per annum equivalent quantity of plastic waste was collected from PAN India during the year under review and recycled and co-processed in cement industries. The Company is fully compliant with the Plastic Waste Management Rules as applicable.
b. E-Waste	3.12 MT E-waste is disposed off through registered recycler.
c. Hazardous Waste	Hazardous waste is disposed off through pre-processing, co-processing, incineration, landfill and by selling to authorised re-cycling & decontamination facility of registered recyclers. Expired / near expiry / rejected medicines are taken back from the distributors and disposed off (co-processed) in cement plants like other hazardous waste.
d. Other Waste	Bio-medical waste is disposed off through Common Bio-medical Waste Treatment and Disposal Facility (CBWTF) incinerator.

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.

Yes, EPR is applicable to the Company's activities and the waste collection plan is in line with the EPR action plan submitted to Central Pollution Control Board (CPCB). The usage of plastic for packaging the finished product is as per norms as laid down by the Pollution Control Board. Further the process is in place for receipt and disposal of plastic and is in line with the applicable Statutory regulations.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by Independent external agency (Yes / No)	Results communicated in public domain (Yes / No). If yes, provide the web link
21009	Zolpidem Tartrate Rabeprazole sodium Lamotrigine Ropinirole Nicorandil	NA (Only for Captive Consumption)	Cradle to Gate	Yes, Crisil Intelligence	No

2. If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action taken
Zolpidem Tartrate Rabeprazole sodium Lamotrigine Ropinirole Nicorandil	- We had conducted ISO 14040 / 44 & PAS 2090 aligned Cradle to Gate LCA study of these products using Environmental Footprint V3.1 impact assessment method. - No such significant risk / concern identified towards environment during the Cradle to Gate - Life Cycle Assessment study of the products	As no significant impacts observed, no actions required.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Solvent in API Process	56%	73%

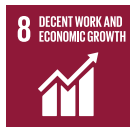
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	-	1,064.00	1,197.00	-	1,130.00	959.00
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	313.69	-	-	439.84
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic Packaging	100% (As per applicable statutory norms)

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains



At Torrent Pharma, we firmly believe that the well being, safety and continuous development of our employees and workforce across the value chain are fundamental to sustainable business performance and long term value creation. Guided by our core value of "FAIRNESS WITH CARE," the Company is committed to providing a safe, healthy and inclusive work environment through robust occupational health and safety frameworks, comprehensive employee welfare initiatives and proactive risk identification and mitigation measures.

Complementing this approach, the core value of "PARTICIPATIVE DECISION MAKING" is embedded across our people management processes, encouraging open communication, employee engagement and collaborative leadership. Through structured policies and programmes that promote skill enhancement, leadership development, work life balance and continuous dialogue, the Company empowers employees to contribute meaningfully to decisions that shape both their professional growth and organisational outcomes.

Extending beyond direct employees, Torrent Pharma endeavours to uphold responsible labour practices across its value chain by engaging with partners and contractors in alignment with its ethical standards and expectations. Supported by structured governance mechanisms, continuous monitoring and a people centric culture anchored in fairness, care and participation, the Company seeks to nurture a motivated, diverse and resilient workforce that contributes to organisational excellence and shared societal progress.

ESSENTIAL INDICATORS

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B / A)	No. (C)	%(C / A)	No.(D)	%(D / A)	No. (E)	%(E / A)	No. (F)	%(F / A)
Permanent Employees											
Male	15,150	15,149	100%	15,150	100%	0	0%	16^	0%	16^	0%
Female	1,349	1,346	100%	1,349	100%	1,349	100%	0	0%	1,052	78%
Total	16,499	16,495	100%	16,499	100%	1,349	8%	16	0%	1,068	6%
Other than Permanent Employees											
Male	220	220	100%	220	100%	0	0%	0	0%	0	0%
Female	16	16	100%	16	100%	16	100%	0	0%	16	100%
Total	236	236	100%	236	100%	16	7%	0	0%	16	7%

^ Paternity benefits and Day Care Facilities provided by the Government.

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B / A)	No. (C)	%(C / A)	No.(D)	%(D / A)	No. (E)	%(E / A)	No. (F)	%(F / A)
Permanent Workers											
Male	504	504	100%	504	100%	0	0%	0	0%	0	0%
Female	25	25	100%	25	100%	25	100%	0	0%	25	100%
Total	529	529	100%	529	100%	25	5%	0	0%	25	5%
Other than Permanent Workers											
Male	2,601	2,601	100%	2,601	100%	0	0%	0	0%	0	0%
Female	476	476	100%	476	100%	476	100%	0	0%	456	96%
Total	3,077	3,077	100%	3,077	100%	476	15%	0	0%	456	15%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.31%	0.37%

2. Details of retirement benefits, for Current and Previous Financial Year:

Sr. No.	Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y / N / N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y / N / N.A.)
1	PF	100%	100%	Y	100%	100%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI*	7%	44%	Y	7%	48%	Y
4	Others-Superannuation	42%	NA	Y	42%	NA	Y

* Those not covered under ESI, are covered through group Medclaim 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.

The Company is committed to fostering an inclusive, equitable, and safe workplace, ensuring the well-being and dignity of all employees, including persons with disabilities.

The Company promotes equal opportunity and non-discrimination across all stages of the employee lifecycle, including recruitment, training, career progression, and retention. We provide a barrier-free work environment through accessible infrastructure such as ramps, elevators, and wheelchair access within our premises. Utilities and common facilities are designed with accessibility considerations to enable ease of movement and independent functioning for differently abled employees. Reasonable accommodation is provided wherever required to support employees in effectively discharging their responsibilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

At Torrent Pharma, we ensure that persons with disabilities are treated with dignity, fairness, and respect, and are protected against any form of discrimination or harassment. Our policies reinforce equal opportunity and inclusivity, and we are committed to creating a workplace culture that supports long-term career development for employees with disabilities. We have framed the "Equal Opportunity Policy" and the same is available at the Company's website www.torrentpharma.com.

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

Gender	Return to work rate	Retention Rate
Permanent Employees		
Male	NA	NA
Female	82.86%	83.93%
Total	82.86%	83.93%
Permanent Workers		
Male	NA	NA
Female	--	--
Total	--	--

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes / No (If yes, then give details of the mechanism in brief)
Permanent Workers	At Torrent Pharma, we value our employees and believe that Torrent's success is an outcome of the collective contribution of all our employees. We have in place an appropriate grievance redressal mechanism wherein employees can directly report their concerns to their Head of Department, HR head or any members of Senior management. We have a Worker's Union for shop floor personnel, where their issues are addressed. We also have an Open-Door Policy / Whistleblower Policy for all employees.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	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	15,150	0	0%	14,067	0	0%
Female	1,349	0	0%	1,274	0	0%
Total	16,499	0	0%	15,341	0	0%
Permanent Workers						
Male	504	504	100%	517	517	100%
Female	25	25	100%	27	27	100%
Total	529	529	100%	544	544	100%

8. Details of training given to employees and workers:

a. Details of Skill training given to employees and workers.	Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
		Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received Skill Training (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received Skill Training (D)	% (D / C)
	Employees						
	Male	15,370	15,278	99%	14,275	14,270	100%
	Female	1,365	1,344	98%	1,288	1,271	99%
	Total	16,735	16,622	99%	15,563	15,541	100%
	Workers						
	Male	3,105	2,896	93%	2,757	2,716	99%
	Female	501	483	96%	469	466	99%
	Total	3,606	3,379	94%	3,226	3,182	99%

b. Details of training on Health and Safety given to employees and workers.	Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
		Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received training on Health and Safety (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received training on Health and Safety (D)	% (D / C)
	Employees						
	Male	15,370	15,262	99%	14,275	14,259	100%
	Female	1,365	1,313	96%	1,288	1,255	97%
	Total	16,735	16,575	99%	15,563	15,514	100%
	Workers						
	Male	3,105	3,050	98%	2,757	2,716	99%
	Female	501	500	100%	469	466	99%
	Total	3,606	3,550	98%	3,226	3,182	99%

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

Over the year, the line managers regularly review and discusses possible improvements on the current performance and ensure the goals of the department are achieved. These interactions aid in aligning the employee's contributions to overall business needs. The goal of Performance Enhancement Program is to gain a better understanding of an employee's strengths and weaknesses, provide constructive feedback for future skill development and assist with Goal Planning. During the Annual Performance Management exercise, every employee is subjected to the annual performance evaluation process.

We have an inbuilt robust tool for ensuring the conduct of Performance Appraisal process in a fair and impartial manner. A strong in-built mechanism ensures that the Performance Appraisal process is conducted in a fair and impartial manner. The process is comparable across all the Torrent Group's entities and is initiated by the Group HR across the companies. The Annual Performance Review comprises the following features:

- Informing all employees of the Annual Performance Appraisal process
- Ensure the performance review is conducted as per the defined process
- Every employee is evaluated based on the set targets and defined competencies and accordingly scores are awarded. Weightage is also given for employee's contribution to specific projects.
- Later the appraisal tool normalises the scores and based on the normalised score increment is awarded.

With regards to workers in manufacturing facilities, we have wage settlement in place and increments are given to the workers as per the agreement signed.

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	15,370	11,870	77%	14,275	10,763	75%
Female	1,365	948	69%	1,288	760	59%
Total	16,735	12,818	77%	15,563	11,523	74%
Workers						
Male	504	504	100%	517	517	100%
Female	25	25	100%	27	27	100%
Total	529	529	100%	544	544	100%

Note: Out of 16,735 employees, 12,818 employees were eligible for performance and career development reviews during the year.

10. Health and safety management system:

All the major manufacturing facilities of the Company are certified for ISO 45001: 2018. The Company prioritises the health, safety, and wellness of all its employees above all. The Company is dedicated to establishing a secure and healthy work environment for every employee throughout the Organisation. Our Environmental Health and Safety (EHS) function operates effectively under a well-defined EHS Policy, uniformly applied across all our manufacturing facilities, Corporate Offices and R&D Centre. Our contractors benefit from comprehensive coverage through various Health, Safety, and Environment (HSE) initiatives. Continual improvement in Health, Safety, Environment, and Sustainability involves a proactive, ongoing process of identifying and implementing improvements to enhance performance, reduce risks and promote a culture of safety and sustainability. We prioritise safety, health and environmental responsibility through our comprehensive HSE Policy which is aligned with legal regulations and ISO standards.

We have following measures in place to create a safe working environment for our employees and to address work related hazards:

- Near misses and incidents are frequently eliminated through routine safety inspections.
- The department head issues a permit to work system for non-routine activities and critical works for a set length of time.
- Internal audits are carried out by internal professionals to guarantee that safe practises are best implemented.
- External audits are conducted by subject experts in order to ensure safe practices.
- Every essential process undergoes HAZOP studies, which include hazard identification and risk assessment by departmental activity.

We have the system of incident reporting which allows us to keep track of any incidents that occur at any location and based on such reporting, Corrective Action and Preventive Action ('CAPA') / Learning from Incident ('LFI') reporting is issued to all the concerned persons, which help us to prevent re-occurrence of similar incidents in future.

We have full-time doctor(s) at all our manufacturing facilities, who attend to any medical issues that arise. Employees and their immediate families have medical insurance or are covered under ESI benefits that covers hospitalisation costs in the event of an accident or other unforeseen medical emergencies.

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees and Workers	0.19	0.05
Total recordable work-related injuries	Employees	3	0
	Workers	1	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note: Includes figures of industrial premises only

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

To ensure a safe and healthy workplace, the Company has implemented comprehensive measures like risk assessments, providing PPE (Personal Protective Equipment), offering regular training & drills, establishing clear communication channels for hazards, maintaining cleanliness & ergonomics and creating robust emergency response plans, all fostered by a strong safety culture with accountability.

1. We strive to foster a healthy, vibrant work environment, which includes keeping our employees safe.

2. We seek to create a Companywide culture where best-in-class safety practices are consistently followed. To do this, we assess and continuously attempt to improve our Companywide safety performance to promote the well-being of employees and to help safeguard communities where we operate.
3. We believe a holistic approach and dedication to safety helps us be our best as we deliver on our Company purpose to improve lives around the world.

13. Number of Complaints on the Working Conditions and Health & Safety made by employees and workers:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions						
Health & Safety						Nil

14. Assessments for the year:

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

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

We have implemented various activities as proactive measures and risk assessments such as:

- FRP Cable tray is installed at ETP and other areas to enhance self-life and provide corrosion free atmosphere.
- Construction of 250 M3 Underground Fire water Storage Tank (positive suction) and installed Fire Fighting Pumps (DG pump, Electrical Pump & Jockey Pump) at new Fire Pump room.
- Implemented secondary Containment Pallets to Prevent Spillage of Hazardous chemicals and to maintain safe and clean work environment at Chemical storage area.
- Implementation of QR code system for fire system.
- External electrical safety training imparted to all concerns.
- Installation of Fire Alarm System at Tunnel Area, Lift Rooms, ETP Office & Security Cabins.
- Installation of Foam Flooding System at Solvent Storage.

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).

The Company extend the benefit of medical insurance and Group Personal Accident Policy for all its employees. Further, the Company has in place the Conviction of Safety Policy which substantially compensates the employees who have been adversely affected by accident and the unfortunate event of Death or Permanent / Temporary disablement. The Company also has in place a policy on financial support that compensates on the event of demise. Benefits like provident fund, extended gratuity payment and superannuation are settled on a priority basis.

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

At Torrent Pharma, we always adhere to the regulatory and applicable compliance with numerous laws. We ensure that our value chain partners also follow relevant compliance and it is an essential part of the contract agreed with the service provider. We also collect previous month deposit challans before releasing money to the service provider for statutory payments.

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

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees				
Workers				

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).

For employees who are about to get retired, we offer them retirement planning advice. Also, we provide 4-6 weeks' time to an employee who is transferred internally so that they get adequate time to adapt to the change.

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	All LLM sites were audited according to a set of guidelines.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks / concerns were observed owing to extreme vigilance and efforts put on health and safety within the Company.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders



11 SUSTAINABLE CITIES AND COMMUNITIES

At Torrent Pharma, we recognise that our long-term success is deeply intertwined with the well-being of our diverse stakeholders, ranging from patients, employees to regulators and marginalised communities. By embedding ethical governance and transparent institutional practices into our core operations, we foster a culture of trust that ensures the delivery of high-quality healthcare. We actively bridge socio-economic gaps by prioritising equitable access to medicine, ensuring that the benefits of our growth reach those most in need. Through strategic collaborations with healthcare providers and research bodies, we strengthen medical infrastructure and communal hygiene, transforming collective input into sustainable value. Our commitment to comprehensive engagement and fair consultations remains fundamental to our business continuity, allowing us to build a resilient ecosystem where commercial excellence and social responsibility thrive in harmony.

ESSENTIAL INDICATORS

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

At Torrent Pharma, we believe that establishing robust relationship with stakeholders across the value chain drives informed decision making leading to its value creation process and sustainability. The Company has identified key stakeholders based on those who are impacted and those who have a significant impact on the business as part of stakeholder's engagement and materiality assessment exercise. Consequently it engages continuously with the identified stakeholder groups throughout the year.

For further details on stakeholder identification, please refer to 'Stakeholder Engagement' section of our Integrated Report.

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
Patients	No	- Website - Clinical studies - Pharmacovigilance	Need Basis	Patients are the ultimate customers of Torrent Pharma. The Company interacts with patients proactively to understand the end users' expectations in terms of timely delivery of quality products at an affordable price range.
Channel Partners	No	- Meetings - Field visits - Digital Communication	Need Basis	Channel partners play an important role in the distribution of products across different geographies and ensure accessibility of products to Patients. We interact with them to discuss product distribution strategies and monitor the operations on a regular basis.
Suppliers	No	- Meetings - Supplier audit - Facility visits	Need Basis	Suppliers are contacted regularly to ensure material quality, safety and timely availability amongst other critical services to ensure continuity of business operations. We also connect for supplier training, audits on operational and sustainability matters.
Healthcare Professionals	No	- Meetings - Conferences - Seminars - Field visits - CME events	Need Basis	Healthcare professionals act as a link between patients and our products. They are the direct representatives of our medicines and thus, we interact with them to understand market outlook, patient demands, patient's reviews, and their feedback including any adverse event reporting, if any.
Government and Regulators	No	- Meetings - Conferences - Facility visits - Official Communications - Statutory Publications	Need Basis	Policies and regulatory changes impact operations as well as provide opportunities. Strict compliance with the laws and regulations together with ethical business conduct is crucial for business viability. In the fast-changing world of sustainability related regulations and laws, we interact with Government and Regulators to deep dive into requirements for our Company, and pharmaceutical sector in general.
Industry Associations	No	- Industry forums - Policy representations	Need Basis	Public policy advocacy and awareness on our contribution to society are major topics of discussions with industry associations. We also share the best-case practices for cumulative development of pharmaceutical industry.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement
Shareholders and Investors	No	- Earning calls - Meetings - Investor Conferences - AGM - Website disclosures	Quarterly	Shareholders and Investors forms an integral part of the Stakeholder group, influencing decisions of the Company. We believe in maintaining financial transparency with our investors and shareholders. We share quarterly financial results through our website regularly and connect with our investors to understand their expectations & grievances and perform consultations on ESG topics amongst other topics.
Communities	Yes	Interactions through CSR initiatives	Carried out continually throughout the year	The Company strives to create positive impact on the local communities where it operates. Being a responsible corporate citizen, we believe in "Giving back to the society, for all the years of care, support and nurturance that have been bestowed upon the organisation". Starting from community need assessments, grievance resolution to having extensive CSR programmes, we contribute towards community development through our foundation. The Company fulfills its manpower requirement by employing the people from the nearby location where it has its business operation to the extent possible.
Employees	No	- Leadership interactions - HR Communications - Engagement Programme	Need basis	The Company believes that employees are its greatest asset(s) who help augment the growth and success. We interact with our employees every day, since they are the pillar of our reputation, our functioning and are the torchbearers of the Company in future. Employee engagement, training, grievance redressal, feedbacks, consultations are major reasons of our interactions.

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.

Engagement and dialogue enable us to understand the needs and views of stakeholders.

In recent years, we have gathered opinions and insights from all its stakeholders that had an influence on the organisation's material topics. The input of stakeholder were used to determine topics that are material to the Company. The outcome of that materiality exercise was translated into an Integrated Strategy for the Company using various other global standards and requirements. This strategy framework was further detailed including specific sustainability focus, pillars, goals and targets.

Apart from this recent exercise, we believe in consultations with our stakeholders on sustainability to implement our major initiatives. Many of the engagements take place during the routine course of business, in day-to-day interactions with the stakeholders. Engagements on sustainability includes sensitising suppliers towards sustainability, receiving product feedbacks in terms of safety from healthcare professionals and patients, undertaking hundreds of sustainability initiatives and volunteering programmes with employees and increasing healthcare accessibility with channel partners amongst other things. Also, the Board interacts with Senior management personnel of the Company on various matters relating to the above.

Meaningful output from these discussions is channeled to the respective departmental heads, which are further taken to senior management and the Board if required.

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, During FY 2025–26, Torrent Pharma used systematic stakeholder consultation to support the identification of environmental & social material topics through a Double Materiality Assessment. Inputs were gathered from key internal and external stakeholders—including employees, management, customers, suppliers, healthcare professionals, —via surveys, interviews, and focused discussions. Stakeholder feedback was evaluated from both an impact perspective (the Company's effects on society and the environment) and a financial perspective (sustainability-related risks and opportunities affecting business performance). The stakeholder inputs were evaluated to develop the Company's Double Materiality Matrix, guiding its ESG strategy, policies, and actions. Outcomes of the consultation were incorporated into initiatives such as strengthening environmental management practices, enhancing employee health and safety, wellbeing programmes, reinforcing responsible supply chain practices, aligning sustainability priorities with enterprise risk management and long-term strategic decision-making, thereby supporting sustainable value creation.

3. Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable / marginalised stakeholder groups.

Vulnerable or marginalised stakeholders are identified by the Company based on gender, caste, age, occupation and Persons with disabilities. A defined portion of Torrent Pharma's resources is directed toward social, ethical, and environmental initiatives. We believe in the development of vulnerable and marginalised groups around our premises and operational areas. We conduct community need assessments to identify the needs of the communities every year.

The Company engages with vulnerable or marginalised stakeholders through the CSR outreach programmes. As a part of Corporate Social Responsibility philosophy, the Company strives to positively impact communities in three thrust areas of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. Through these projects, we are committed to working towards enhancing the access to quality healthcare, to improve the lives of the people across communities and promote welfare of the underprivileged segments. For more information on our CSR activities, please refer to 'Our Communities' section of Integrated Report.

PRINCIPLE 5: Businesses should respect and promote human rights



Torrent Pharma is committed to conducting its business in accordance with internationally recognised human rights principles and applicable laws. We acknowledge our responsibility to uphold the dignity, equality and rights of all individuals impacted by our operations. To reinforce this commitment, we have established a structured Human Rights Policy and related governance mechanisms, ensuring alignment with internationally accepted human rights principles and standards.

We actively promote and support fundamental human rights across our value chain, including the right to life and health, the right to education, and the right to equality and non discrimination. We maintain zero tolerance for child labour and any form of discrimination, and we are committed to providing equal opportunities and fair treatment, including equal rights for women in employment. Through our policies and practices, we strive to foster a safe, inclusive and respectful work environment while contributing positively to the communities in which we operate.



ESSENTIAL INDICATORS

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	16,499	16,284	99%	15,341	15,109	98%
Other than Permanent	236	236	100%	222	214	96%
Total	16,735	16,520	99%	15,563	15,323	98%
Workers						
Permanent	529	528	100%	544	544	100%
Other than Permanent	3,077	3,021	98%	2,682	Refer Note (1)	
Total	3,606	3,549	98%	3,226		

Note 1: Workers are provided several training on different topics of Human rights. They are made aware of the Company's Code of Business Conduct, various HR Policies etc. Further several informal discussions are held with workers by their functional head to make them aware about the Human rights. Such sessions are currently not tracked. Further, the Code of Business Conduct is available for reference on the Company's website and on the Company's intranet portal. They are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with all applicable laws, rules and regulations, and all applicable policies and procedures adopted by the Company.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	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	15,150	152	1%	14,998	99%	14,067	129	1%	13,938	99%
Female	1,349	40	3%	1,309	97%	1,274	52	4%	1,222	96%
Total	16,499	192	1%	16,307	99%	15,341	181	1%	15,160	99%
Other than Permanent										
Male	220	26	12%	194	88%	208	16	8%	192	92%
Female	16	0	0%	16	100%	14	2	14%	12	86%
Total	236	26	11%	210	89%	222	18	8%	204	92%
Workers										
Permanent										
Male	504	0	0%	504	100%	517	0	0%	517	100%
Female	25	0	0%	25	100%	27	0	0%	27	100%
Total	529	0	0%	529	100%	544	0	0%	544	100%

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	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)
Other than Permanent										
Male	2,601	1,948	75%	653	25%	2,240	1,463	65%	777	35%
Female	476	238	50%	238	50%	442	127	29%	315	71%
Total	3,077	2,186	71%	891	29%	2,682	1,590	59%	1,092	41%

3. Details of remuneration / salary / wages:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	5	57,00,000	2	52,00,000
Key Managerial Personnel	4	8,99,54,228	0	-
Employees other than BoD and KMP	15,366	6,00,000	1,365	4,74,996
Workers	504	5,18,208	25	5,14,608

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages*	7%	7%

* Excluding employees at representative offices of the Company.

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)

We recognise the significance of human rights. We also acknowledge that there may be problems that hinder our efforts to establish a secure workplace devoid of any kind of unfair or immoral behavior. We address any such issues that are reported affecting human rights in any form through the heads of various welfare committees, union representatives, department heads, and HR heads. The Company has dedicated mail id where complaints related to human rights issues can be registered .In order to address complaints of sexual harassment at work, the Company has implemented a POSH policy that is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Individual dignity shouldn't be compromised, and we work to uphold it via a variety of internal procedures.

In the endeavour to create consistent value propositions for all the stakeholders and to ensure highest level of honesty, integrity and ethical behaviour in all its operations, the Company has adopted 'Whistle-Blower Policy'. Through this Policy the Company encourages stakeholders to bring any instances of unethical behaviour and actual or suspected misconducts or fraud or violation of Company's Code of Conduct that could adversely impact Company's operation, business performance and / or reputation.

Under this Policy, the Company investigates any aforesaid incidents, when reported, in an impartial manner and takes appropriate action to ensure that required standards of professional and ethical conduct are maintained. The Company ensures protection of the employees who bring forth any such incidents to its attention. The outcome of the investigation is informed to all the concerned parties and a written report of the findings are prepared.

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

The Company has in place the grievance redressal mechanism to redress grievances related to human rights issues. The Company supports the Open door policy, wherein the employees can directly report their concerns to their Head of Department, HR head or any members of Senior Management. We have a Worker's Union for shop floor personnel, where their issues are addressed. Further, the grievances can also be reported under the mechanism of Whistle Blower Policy and Prohibition of Sexual harassment at workplace.

6. Number of Complaints made by employees and workers:

Torrent Pharma has policies and procedures to uphold human rights. The endeavour is to do the business in a fair and transparent manner maintaining highest ethical standards that supports and protects Human Rights and has demonstrated a zero-tolerance for any type of unethical behavior or misconduct. In order to encourage professionalism, fairness, dignity, and ethical behavior among our employees and stakeholders, we have implemented a rigorous vigil mechanism, i.e., the whistle blower mechanism to report unethical activity. The Company's whistle blower mechanism with which it seeks to provide a mechanism for the Stakeholders to disclose their concerns and grievances on unethical behavior and improper / illegal practices and wrongful conduct taking place in the Company that are to be addressed.

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	01	01				
Discrimination at workplace						
Child Labour						
Forced Labour / Involuntary Labour						
Wages						
Other human rights related issue						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	01	Nil
Complaints on POSH as a % of female employees / workers	0.05%	Nil
Complaints on POSH upheld	0	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

In accordance with the provisions of the Sexual Harassment Against Women at Work (Prevention, Prohibition and Redressal) Act 2013 and the rules promulgated thereunder, we have adopted a policy to protect women from sexual harassment at work for the women employees. This encourages female employees to pursue their careers without fear of prejudice, gender bias, sexual harassment and /or any such orientation, implicit or explicit. For this purpose, complaints arbitration committees are formed at administrative units / offices. Inquiries under this Policy will be conducted in the strictest confidentiality. Anyone who is entrusted with the processing of complaints and violates the duty of confidentiality is liable to be prosecuted. In addition, we have a Whistle blower Policy that provides the necessary safeguards for all whistle blowers to make disclosures in good faith and any party assisting the investigation.

The POSH policy clearly details the governance mechanisms for redressal of sexual harassment issues relating to women. Training is imparted to all employees on a regular basis through inhouse portals and face-to-face sessions

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

Yes, in, certain business agreements and contracts where relevant.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced / involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	--

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

We have Human Rights Policy which is developed in accordance with the Universal Declaration of Human Rights and United Nations Guiding Principles on Business and Human Rights (UNGP) which include processes of respecting, protecting and remediating human rights issues including those fundamental conventions identified by the International Labour Organisation (ILO) and principles of National Guidelines on Responsible Business Conduct (NGRBC)

During the year, no complaints were received. Through various training mechanisms and a well-defined vigil system in place, the Company ensures that its workforce is aware about Human Rights policy and more sensitive to human rights. Furthermore, our employees have received training on our human rights policies and processes. The Human Rights Policy is also uploaded on Company website www.torrentpharma.com

2. Details of the scope and coverage of any Human rights due diligence conducted.

No such due diligence was either warranted or conducted.

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?

Yes. We have ensured accessibility of all the premises / offices for differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100% of LLM sites were assessed
Discrimination at workplace	
Child labour	
Forced / involuntary labour	
Wages	
Others – please specify	--

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



Torrent Pharma is conscious of its responsibility towards environmental stewardship and is committed to conducting its operations in an environmentally responsible manner. We place strong emphasis on the efficient use of natural resources and continuously work to minimise the environmental footprint arising from our activities. Mindful of the global climate change crisis, we are committed to reduce our footprint by expanding the utilisation of renewable energy across our operations, while also supporting initiatives aimed at environmental conservation and restoration.

Moreover, our Environment, Health & Safety (EHS) function oversees environmental performance across operations. Regular internal/external monitoring and audits are conducted to ensure 100% compliance. The Company follows recognised international standards, including ISO 14001 and ISO 50001, to strengthen environmental management and promote long term sustainability.

ESSENTIAL INDICATORS

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From Renewable Sources		
Total electricity consumption (A) [Giga Joules (GJ)]	97,407	98,328
Total fuel consumption (B) (GJ)	2,80,403	2,66,514
Energy consumption through other sources (C) (GJ)	0	0
Total energy consumption from renewable sources (A+B+C) (GJ)	3,77,810	3,64,842
From Non-Renewable Sources		
Total electricity consumption (D)	4,00,331	3,89,177
Total fuel consumption (E)	1,21,047	1,24,893
Energy consumption through other sources (F)	0	0
Total energy consumed from Non-renewable sources (D+E+F)	5,21,378	5,14,070
Total Energy Consumed (A+B+C+D+E+F)	8,99,188	8,78,912

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Energy intensity per rupee of turnover (Total energy consumed / revenue from operations)	83.94 GJ / crore	90.77 GJ / crore
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / revenue from operations adjusted for PPP)*	1707.37 GJ / crore	1875.38 GJ / crore
Energy intensity in terms of physical output	109.48 GJ / metric ton	126.99 GJ / metric ton
Energy intensity (optional) – the relevant metric may be selected by the entity		

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by International Monetary Fund for India which is 20.34.

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

Yes. Indrad, Dahej, Bileshwarapura, Baddi, Sikkim and Pithampur manufacturing facilitates and R&D Centre is certified for Energy Management System ISO 50001 by ISOQAR (Registered under UKAS Management System) and Baddi manufacturing facility is certified by BSI (Registered under ANAB) and Sikkim Manufacturing facility is certified by TUV.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y / N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. The PAT Scheme is not applicable to the pharmaceutical industries.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in Million m³)		
(i) Surface water	0.790	0.803
(ii) Groundwater	0.275	0.301
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others (Water recycled and reused)	-	-
Total volume of water withdrawal (in Million m³) (i + ii + iii + iv + v)	1.065	1.104
Total volume of water consumption (in Million m³)	0.950	0.986
Water intensity per rupee of turnover (Total Water consumed / revenue from operations)	0.00009 million m ³ / crore	0.00010 million m ³ / crore
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / revenue from operations adjusted for PPP)*	0.0018 million m ³ / crore	0.0021 million m ³ / crore
Water intensity in terms of Physical Output	0.00012 million m ³ / metric ton	0.00014 million m ³ / metric ton
Water intensity (optional) – the relevant metric may be selected by the entity		

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by International Monetary Fund for India which is 20.34.

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

Yes, Water Audit was conducted by Rajiv Gandhi National Ground Water Training & Research Institute at R&D Center.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in Million m³)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of Treatment (sent to CETP after primary treatment at Vizag, Tertiary treatment at Dahej and Baddi manufacturing facilities)	0.1147	0.1189
(v) Others		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
Total water discharged (in Million m³)	0.1147	0.1189

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

Yes. Water discharge monitoring was carried out at Dahej manufacturing facility by NABL Approved Laboratory and PCB allocated Schedule - 1 Environment Auditor on regular intervals. Further water audits are conducted at certain manufacturing facilities by respective PCBs. Common Effluent Treatment Plant (CETP) agencies monitor the discharge for quantity and quality also.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The Company has implemented mechanism for zero liquid discharge (ZLD), within the Company's manufacturing facilities and at R&D Centre. The Company has adopted reduce, reuse, recycle and recharge strategy to conserve water.

Our Waste Water ZLD system comprises of Effluent Treatment Plant (ETP), RO Membrane plant, Multiple Effect Evaporator (MEE) and allied system.

Treated process wastewater is recycled in utilities as boiler feed and cooling tower make up water and reused for maintaining and developing in-house green belt.

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

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	MT	15.21	19.20
SOx	MT	79.00	67.97
Particulate matter (PM)		-	-
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

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

Yes. Air emission monitoring was carried out by NABL Approved Laboratories and respective PCBs.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) (Emissions from Non-renewable fuels)	tCO ₂ e	8,736	8,937
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	78,954	78,592
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e	8.19 tCO ₂ e / crore	9.04 tCO ₂ e / crore
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*	tCO ₂ e	166.50 tCO ₂ e / crore	186.76 tCO ₂ e / crore
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	tCO ₂ e	10.68 tCO ₂ e / metric ton	12.65 tCO ₂ e / metric ton
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by International Monetary Fund for India which is 20.34.

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

No

8. Does the entity have any project related to reducing Greenhouse Gas emission? If Yes, then provide detail

The Company has been continuously investing capital and resources to achieve reduction in the Greenhouse gases emission. Our key areas of action include:

A. Energy efficiency measures: We undertook several energy initiative, which include:

- Replacement of conventional single compressor chillers with twin compressor screw chillers at Indrad Manufacturing facility which improved part-load efficiency which resulted into saving of 77,000 KWH

per annum Refurbishment with advanced PVC fills at Indrad manufacturing facility and installation of FRP (Fiber Reinforcement Plastic)/Carbon blade fans at Indrad, Dahej, and Bileshwarpura manufacturing facilities which resulted into savings of 1,00,000 KWH per annum.

- Installation of Integrated demand-based control for certain Chillers at Dahej Manufacturing facility which achieved energy saving of 4,40,000 KWH per annum.
- Installation of automated warehouse lighting system at Dahej manufacturing facility and hybrid solar-electrical LED streetlights at Bileshwarpura manufacturing facility reducing consumption of electricity by 10,000 KWH per annum.
- Upgradation of Centrifugal Air Compressor at Baddi manufacturing facility in place of conventional systems resulting into energy conservation by 2,00,000 KWH per annum.
- Installation of high-efficiency desiccant beds in HVAC system at Baddi and Sikkim manufacturing facilities resulting into energy conservation by 80,000 KWH per annum.
- Installation of heat pump for hot water at R&D center resulting into reduced steam usage by 500 tons per annum.
- Installation of various energy efficient system across all locations resulting into saving of 3,10,000 KWH per annum.
- Maintaining near-unity power factor at various manufacturing facilities minimised losses and secured rebates from the State Electricity Board.

B. Enhanced data monitoring:

- Manufacturing operation and cleaning optimised, which has resulted in reduction in hazardous waste generation by 54% from the base year FY20.

C. Renewable energy:

- Group captive 6.6 MW & 3.3 MW hybrid plant approved and to be installed by FY27.

D. Offsetting:

- The Company has developed above 43% state-of-the-art green belt across all the manufacturing facilities PAN India to offset carbon emissions naturally.

More details on our GHG reduction projects are provided in 'Environmental Stewardship' section of the Integrated Report.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste (A)	809.11	714.43
E-waste (B)	3.12	9.06
Bio-medical waste (C)	43.27	37.73
Construction and demolition waste (D)	0	0
Battery waste (E)	28.87	29.01
Radioactive waste (F)	0	0
Other Hazardous waste (waste for landfill, Incineration, co-processing and recyclable) (G)	2,904.58	2,240.48
Other Non-hazardous waste generated (H) (Solid waste)	2,087.19	1,936.98
Total (A + B + C + D + E + F + G + H)	5,876.13	4,967.69

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.55 metric tons / crore	0.51 metric tons / crore
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)*	11.16 metric tons / crore	10.60 metric tons / crore
Waste intensity in terms of physical output	0.72 metric tons / metric ton	0.72 metric tons / metric ton
Waste intensity (optional) – the relevant metric may be selected by the entity		

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by International Monetary Fund for India which is 20.34.

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Plastic Waste		
(i) Recycled	809.11	714.43
Hazardous waste		
(i) Recycled	1,537.04	706.32
Non-hazardous waste		
(i) Recycled	2,087.19	1,936.98
Battery waste		
(i) Recycled	28.87	29.01
E-waste		
(i) Recycled	3.12	9.06
Total	4,465.32	3,395.80

For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Plastic Waste		
(i) Co-processing	0	0
Bio-medical waste		
(i) Incineration	43.27	37.73
Hazardous waste		
(i) Incineration	32.03	47.38
(ii) Landfilling	62.40	276.58
(iii) Co-processing	1,273.11	1,210.20
Total	1,410.81	1,571.89

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

Yes.

Environment Audits were conducted by ATIRA (Ahmedabad Textile Industry's Research Association) at Indrad manufacturing facility, SICART (Sophisticated Instrumentation Centre for Applied Research & Testing) at Dahej manufacturing facility and Bharti Enviro Services at R&D Centre.

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.

Torrent Pharma has standard operating procedures for handling waste and follows CPCB / SPCB regulations for the same.

- The Company’s waste management plan includes a strategy for waste minimisation, segregation, and safe disposal.
- The Company has implemented a number of measures to reduce manufacturing rejects aligned with its resource optimisation and waste minimisation objectives.
- The Company complies with the requirements of Extended Producer Responsibility (EPR) by collecting end-of-use plastic and improving its management of plastic waste.
- Additionally, the Company has adopted initiatives to divert greater amounts of hazardous waste toward co-processing and recycling over other disposal mechanisms, such as Incineration and landfilling, as part of the hazardous waste disposal mechanism.

More details on our waste management projects are provided in 'Environmental Stewardship' section of the Integrated Report.

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

Sr. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y / N) If no, the reasons thereof and corrective action taken, if any
The Company does not have any of its manufacturing facilities in ecologically sensitive areas.			

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

Name and brief details of project	EIA Notification No	Date	Whether conducted by independent external agency (Yes / No)	Result communicated in public domain (Yes / No)	Relevant web link
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:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is compliant with all the applicable laws / regulations / guidelines in India				

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress:

- (i) Name of the water stressed area: Pithampur manufacturing facility and R&D Centre
- (ii) Nature of operations: Manufacturing and R&D

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in Million m³)		
(i) Surface water	0.049	0.052
(ii) Groundwater	0.101	0.110
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in Million m³)	0.150	0.162
Total volume of water consumption (in Million m³)	0.150	0.162
Water intensity per rupee of turnover (Water consumed / turnover)	0.00001 million m ³ / crore	0.00001 million m ³ / crore
Water intensity (optional) – the relevant metric may be selected by the Entity		
Water discharge by destination and level of treatment (in Million m³)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in Million m³)	0	0

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

Yes, Water Audit is conducted by Rajiv Gandhi National Ground Water Training & Research Institute at R&D Center.

2. Please provide details of total Scope 3 emissions & its intensity

We have undertaken an assessment of the 15 categories of Scope 3 emissions as per the GHG protocol to determine the relevance of each category to our business. Out of 15 categories, we are reporting under 10 categories.

For more information, please refer to 'Environmental Stewardship' section of the Integrated Report.

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.

Torrent Pharma does not have any manufacturing facilities in 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:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Improved operation and efficiency by latest technology and ideas in Utilities equipments (i.e Cooling Tower, HVAC, Chillers, AHU etc)	Energy efficiency improvement projects -- 1) Replacement of conventional single compressor chillers with twin compressor screw chillers at Indrad manufacturing facility. 2) Refurbishment of Cooling tower with advanced PVC fills at Indrad manufacturing facility and with FRP (Fiber Reinforced Plastic) /Carbon blade fans at Indrad, Dahej, and Bileshwarpura manufacturing facilities. 3) Installation of Integrated demand-based control for 9 Nos. Chillers at Dahej manufacturing facility. 4) Upgradation of Centrifugal Air Compressor at Baddi manufacturing facility in place of conventional systems. 5) Installation of high-efficiency desiccant beds in HVAC system at Baddi and Sikkim manufacturing facilities. 6) Installation of heat pump for hot water at Research & Development Centre. 7) Recycling of waste water from RO reject and PW sanitisation and installation of water-saver tap aerators at Indrad Manufacturing facility	1. Saving of 77,000 KWH per annum. 2. Saving of 1,00,000 KWH per annum. 3. Saving of 4,40,000 KWH per annum. 4. Saving of 2,00,000 KWH per annum. 5. Saving of 80,000 KWH per annum. 6. Saving of 500 Tons Steam usage per annum. 7. Saving of 25,000 KL fresh water per annum.
2	Installed energy efficient equipments (i.e. LED light, occupancy sensor for AC, Ceiling Fan, etc)	1) Installation of automated warehouse lighting system at Dahej manufacturing facility and hybrid solar-electrical LED streetlights at Bileshwarpura manufacturing facility 2) Installation of various energy efficient system across all locations.	1. Saving of 10,000 KWH per annum. 2. Savings of more than 3,10,000 KWH per annum.
3	Maintenance of power factor near to Unity	Operational efficiency of electrical system at various manufacturing facilities	Maintaining near-unity power factor at various manufacturing facilities minimised losses and secured rebates from the State Electricity Board.

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

Yes, the Company has a business continuity and on-site emergency plan for all its locations.

This business continuity plan includes introduction, definitions, details of the organisation, factory layout plan, objectives, process, process hazard and their control measures, various emergency scenarios, natural calamities and their control measures, Environment Impact Assessment Plan, Emergency Evacuation plan, Emergency declaration procedures, Plant safe shut down procedures and Organogram of Emergency action plan amongst other important things.

The Company continuously enhances its existing plan by incorporating inferences and observations from disruptions faced in unprecedented situations. Further, the Company's risk management plan enables the minimisation of disaster-linked losses, by assessing the potential for major disruption with its consequent risks to the business, and by providing appropriate mitigation action plans.

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 significant adverse impact has been observed during value chain assessments.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

100% LLM sites have been assessed for environmental impacts during audit conducted as per predefined checklist.

8. How many Green Credits have been generated or procured:

- (i) By the listed entity: NIL
- (ii) By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Not Available

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



As a responsible organisation, Torrent Pharma actively engages with industry associations and chambers to support the development of regulations that are aligned with industry requirements and national priorities.

ESSENTIAL INDICATORS

1. a) Number of affiliations with trade and industry chambers / associations.

The Company is associated with 7 trade and Industry chambers / associations.

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

Sr. No	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State / National)
1	Indian Pharmaceutical Alliance (IPA)	National
2	Indian Drug Manufacturing Association (IDMA)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	Pharmaceuticals Export Promotion Council of India (PHARMEXCIL)	National
5	Gujarat Chamber of Commerce and Industry (GCCCI)	State
6	The Advertising Standards Council of India (ASCI)	National
7	The Federation of Telangana Chambers of Commerce and Industry (FTCCI)	State

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
There were no adverse orders passed by regulatory authorities against the Company related to anti-competitive conduct.		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity

The Company does not have a separate policy on public advocacy. The Company takes an active role in industry associations and forums to enhance processes, regulatory frameworks, and product quality. Through advocating for industry needs, it plays a pivotal role in policy development, positioning itself as a leader within the industry. The objective is to collaborate with the government in crafting regulations that align with the economy's requirements.



PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.



The philosophy of "Think of others also when you think about yourself," as articulated by our late Founder Chairman, Shri U.N. Mehta, serves as the guiding principle for the Company. It drives us to develop a comprehensive Corporate Social Responsibility (CSR) approach and framework, aimed at addressing the diverse developmental needs of society and fostering a more sustainable future for all.

At Torrent Pharma, we pursue growth in a manner that creates shared value for our stakeholders and communities. Our culture of social responsibility encourages sustained engagement with communities to support their overall development and well being. Through focused interventions and increased investment in social initiatives, the Company seeks to enhance quality of life and strengthen livelihoods. Our CSR programmes are aligned around core focus areas including Community Healthcare, Sanitation and Hygiene, Education & Knowledge Enhancement and Social Care & Concern.

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)	Result communicated in public domain (Yes / No)	Relevant web link
Company has not initiated any green field project in the financial year and hence no Social Impact Assessment was conducted					

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

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable						

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

We continue to take appropriate and effective actions to address grievances received from community members and other stakeholders. Robust follow up mechanisms are in place to ensure timely resolution and closure of issues, with preventive measures to avoid recurrence. Stakeholder grievances are addressed through a structured framework aligned with our Whistle Blower Policy, which clearly defines reporting channels, investigation processes, and accountability. This ensures transparency, fairness, and consistency in grievance redressal across operations.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

We consciously endeavour to source procurement of goods and services from medium and small vendors of the local areas, wherever feasible. It improves operational efficiency and saves on transportation costs and inventory management. We provide detailed specifications as well as technical knowhow to improve capacity and capability of local and small vendors.

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs / Small producers	33%	15%
Directly from within India	87%	86%

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

Location	FY 2025-26* (Current Financial Year)	FY 2024-25* (Previous Financial Year)
Rural	19%	19%
Semi-Urban	29%	29%
Urban	22%	23%
Metropolitan	30%	29%

* Excluding the employees of Representative offices of the Company

(Place to be categorised as per RBI Classification system – rural / semi-urban / urban / 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):

Details of Negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company undertakes the CSR initiatives in the surrounding locations where it has its business presence. We have not undertaken any CSR projects in aspirational districts as per the 'Transformation of Aspirational Districts' programme of the Government. Hence, this question is not applicable to us.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes / No)

(b) From which marginalised / vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

Yes, we aim to procure our material locally wherever it is possible. The focus during the fiscal remained on local suppliers and local contractors. This has a dual benefit of promoting the local economy and reducing negative externalities associated with transportation of material. We actively monitor supply chain continuity and focus on getting quality materials locally.

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

Sr. No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit shared
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the Case	Corrective Action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects.

Torrent Pharma, under the aegis of UNM Foundation, has undertaken CSR activities. The CSR activities undertaken by the Company were under the thrust areas of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. Driven by the belief of Chairman Emeritus, Sudhir Mehta **'Children are the future of our nation and this future must be well preserved'**, the flagship CSR program of the Group "REACH" – Reach Each Child was initiated in the year 2016 under the aegis of UNM Foundation, a section 8 Company. REACH has three major pillars: (a) grass root interventions, (b) greenfield actions and (c) other allied initiatives. For further details on beneficiaries of our CSR projects, please refer to 'Our Communities' section of Integrated Report.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner



As a responsible pharmaceutical Company, Torrent Pharma places paramount importance on patient safety, product quality and access to affordable, high quality healthcare solutions. The Company is committed to ensuring accessibility and affordability by focusing on complex generics primarily in the CNS, Cardio, Diabetes, Pain, GI, VMN and Cosmetic categories. The Company ensures that its products meet stringent quality, safety and efficacy standards through robust quality management systems, compliance with applicable regulatory requirements and adherence to Good Manufacturing Practices.

Patient safety remains a key priority, supported by a comprehensive pharmacovigilance framework that enables timely detection, assessment and reporting of adverse events. The Company has established a robust Pharmacovigilance (PV) system that aligns with international regulatory standards, enabling comprehensive monitoring of drug safety across global markets.

All safety information received by the Company is processed in a validated global safety database adhering to international guidelines set by the International Council for Harmonisation (ICH). This centralised system enables efficient capture, evaluation and reporting of safety related data.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Torrent Pharma places great emphasis on the quality of its products. The Company treats customer complaints with utmost importance and has established a mechanism for addressing and redressal of customer complaints. It provides swift connection channels to all its customers, mainly healthcare professionals, patients, retailers, and others. We have both digital and offline mechanisms to receive feedback and address complaints.

Digital mechanisms include:

- Dedicated page on Company's website on adverse event reporting.
- Dedicated E-mail ID, pv@torrentpharma.com
- Dedicated customer care toll free number i.e., 1800-120-3001, which is available 24 x 7 for our customers.

Our channels receive feedback regarding customer satisfaction, product complaints and recalls, customer privacy, or any other issue pertaining to the consumer. With the goal of preventing any future customer complaints and continuously increase customer value, solutions are applied in a systematic manner and are given the utmost priority. Customers' feedback on the management and resolution of their complaints are also encouraged.

Furthermore, we have put in place a rigorous Pharmacovigilance system to ensure that prompt action is taken in the event of any adverse side effects from our medicines. We place very high value on quality and all our products are rigorously tested for safety and efficacy in clinical studies before being approved for use. Our goal is to offer high-quality medications with minimal side effects, and our pharmacovigilance system assists us in doing

so. We collaborate with regulators to improve mechanisms for tracking the safety and benefit-risk profile of our medications throughout the product lifecycle.

For further details, please visit 'Research and Development' section of Integrated Report.

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
Environment and Social parameters relevant to product	--
Safe and responsible usage	100%
Recycling and / or safe disposal	--

The Company complies with all the regulatory requirements in relation to the display of information on product label. The pharmaceutical industry is an extremely regulated sector when it comes to the marketing and labelling of the products, and thus we ensure responsible communication to all our customers.

3 Number of consumer complaints

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber Security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others (Product related complaints)*	1,365	55		1,576	54	

*One pending complaint pertaining to Curatio Health Care (I) Private Limited was transferred to the Company on account of its merger vide the Order dated 17th May, 2023 of the National Company Law Tribunal, Ahmedabad Bench, with an appointed date as 14th October, 2022.

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

	Number	Reason for recall
Voluntary recalls	3	Quality issue
Forced recalls	1	Regulatory authority initiative

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

Yes, we believe that keeping medical information secure and confidential helps to build trust in our users. Data breaches can directly hamper our reputation and operations. Therefore, we comply with the highest standards of data privacy through our privacy policy.

The policy is available to internal stakeholders and is placed on the intranet of the Company.

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.

No recall is re- occurrence in nature. CAPA have been taken to reduce similar event as follows:

- Formula, Manufacturing process, and Pack style related enhancements, where necessary
 - Control Strategy build at Vendor and Manufacturer end, where necessary
 - Harmonisation of specification for various market, where necessary
- Further no Penalty / action has been taken by regulatory authorities against any of above stated recall.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches
- Percentage of data breaches involving personally identifiable information of customers
- Impact if any, of the data breaches

The Company has not witnessed any instances of data breaches during the year.

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 weblink containing prescription information for medicines. The page can be accessed here: https://www.torrentpharma.com/index.php/site/info/prescribing_info

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company adheres to relevant regulatory requirements by disclosing information to our stakeholders on the safe and responsible usage of our products. On every pharmaceutical product's primary pack, there are clear instructions depicting the active ingredients of the product, caution for consumption or usage, possible side effects and guidelines for storage/disposal. Further, we provide very specific disclaimers on all the medicines to ensure the usage only as per the direction of healthcare professionals.

Also, all the drug related information is available in detail on Company's website on Prescribing Information, which can be accessed here: https://www.torrentpharma.com/index.php/site/info/prescribing_info

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

As the Company is part of the branded generics pharma business, there are multiple other Companies providing similar products. Hence, the discontinuation of any of the Company's products will not impact the communities at large.

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, besides the mandatory information, the Company also displays the general information for patients in order to guide them with respect to usage on certain products. We adhere to the national and international standards for product safety.

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)

The marketing team of the Company regularly interacts with the Doctors and other Healthcare professionals and takes their feedback on the products.

Independent Practitioner's reasonable assurance report on non-financial information pertaining to core attributes of BRSR ("BRSR Core Information") and limited assurance report on non-financial information pertaining to identified attributes other than core attributes of BRSR ("other selected indicators of BRSR other than BRSR Core Information") in Torrent Pharmaceuticals Limited's Business Responsibility and Sustainability Report (BRSR)

To
The Board of Directors
Torrent Pharmaceuticals Limited
Ahmedabad, Gujarat, India

- We have been engaged to perform an assurance engagement for Torrent Pharmaceuticals Limited ('Torrent Pharma' or 'the Company') vide our engagement letter dated 12th February, 2026 to provide reasonable assurance on non-financial information pertaining to core attributes of BRSR ("BRSR Core Information") and limited assurance on non-financial information pertaining to identified attributes other than core attributes of BRSR ("other selected indicators of BRSR other than BRSR Core Information") (collectively referred as the 'Identified Sustainability Information') prepared by the Company's management in accordance with the criteria stated below. This Identified Sustainability Information is included in the Business Responsibility and Sustainability Report (BRSR) section in the Annual Report of the Company for the financial year ended 31st March, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and engineers.

Identified Sustainability Information

- The BRSR Core Information for the year ended 31st March, 2026 included in BRSR report is summarised below:

Attribute	Principle	Key Performance Indicator
Energy footprint	Principle 6 – 1	- Total energy consumption (in Joules or multiples) and energy intensity % of energy consumed from renewable sources - Energy intensity
Water footprint	Principle 6 – 3 and 4	- Total water consumption - Water consumption intensity - Water Discharge by destination and levels of Treatment
Greenhouse (GHG) footprint	Principle 6 – 7	Greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity
Embracing circularity- details related to waste management by the entity	Principle 6 – 9	- Details related to waste generated by the entity (category wise) - Waste intensity - Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations - For each category of waste generated, total waste disposed by nature of disposal method
Enhancing Employee Wellbeing and Safety	Principle 3 – 1 (c) Principle 3 – 11	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) Safety related incidents: - Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) - Total recordable work-related injuries - No. of fatalities - High consequence work-related injury or ill-health (excluding fatalities)
Enabling Gender Diversity in Business	Principle 5 – 3 (b) Principle 5 – 7	Gross wages paid to females as % of total wages paid by the entity Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013



Attribute	Principle	Key Performance Indicator
Enabling Inclusive Development	Principle 8 – 4	Percentage of input material (inputs to total inputs by value) sourced from suppliers
	Principle 8 – 5	Job creation in smaller towns – Wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the locations, as % of total wage cost
Fairness in Engaging with Customers and Suppliers	Principle 1 – 8	Number of days of accounts payables
	Principle 9 – 7	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events
Open-ness of business	Principle 1 – 9	Details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties

3. The other selected indicators of BRSR other than BRSR Core Information for the year ended 31st March, 2026 included in BRSR report is summarised below:

Section	Principle	Key Performance Indicator
A.I	-	Details of listed entity
A.II	-	Products / Services
A. IV (20,21 and 22)	-	- Employees and workers - Differently abled employees and workers - Participation / Inclusion / Representation of women - Turnover rate for permanent employees and workers
A.V	-	Holding, Subsidiary and Associate Companies (including joint ventures)
A.VI	-	CSR Details
A. VII (25)	-	Number of Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:
B (1a, 1b, 1c and 4)	-	- Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs - Has the policy been approved by the Board? - Web Link of the policies, if available. - Name of the national and international codes / certifications / labels / standards
C	Principle 1 Essential Indicator 1	Percentage coverage by training and awareness programmes on any of the Principles.
	Principle 1 Essential Indicator 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
	Principle 1 Essential Indicator 5	Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption
	Principle 1 Essential Indicator 6	Details of complaints with regard to conflict of interest
	Principle 1 Leadership Indicator 1	Awareness programmes conducted for value chain partners on any of the Principles
	Principle 2 Essential Indicator 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
	Principle 2 Leadership Indicator 3	Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry)
	Principle 2 Leadership Indicator 4	Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed
	Principle 2 Leadership Indicator 5	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
	Principle 3 Essential Indicator 1 (a) and 1 (b)	- Details of measures for the well-being of employees - Details of measures for the well-being of workers
	Principle 3 Essential Indicator 2	Details of retirement benefits
	Principle 3 Essential Indicator 5	Return to work and Retention rates of permanent employees and workers that took parental leave.

Section	Principle	Key Performance Indicator
	Principle 3 Essential Indicator 7	Membership of employees and worker in association(s) or Unions recognised by the listed entity
	Principle 3 Essential Indicator 8	Details of training given to employees and workers
	Principle 3 Essential Indicator 9	Details of performance and career development reviews of employees and worker
	Principle 3 Essential Indicator 13	Number of Complaints on the following made by employees and workers: - Working Conditions - Health & Safety
	Principle 3 Essential Indicator 14	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties) for: - Health & safety practices - Working conditions
	Principle 3 Leadership Indicator 3	Number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:
	Principle 3 Leadership Indicator 5	Percentage of value chain partners (by value of business done with such partners) that were assessed for: - Health & safety practices - Working conditions
	Principle 5 Essential Indicator 1	Employees and workers who have been provided training on human rights issues and policy(ies) of the entity
	Principle 5 Essential Indicator 2	Details of minimum wages paid to employees and workers
	Principle 5 Essential Indicator 3 (a)	Median remuneration / wages of respective category - Board of Directors (BoD) - Key Managerial Personnel - Employees other than BoD and KMP - Workers
	Principle 5 Essential Indicator 6	Number of Complaints on the following made by employees and workers, on: - Sexual Harassment - Discrimination at workplace - Child labour - Forced labour / Involuntary labour - Wages - Other human rights related issues
	Principle 5 Essential Indicator 10	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties) for: - Child labour - Forced labour / Involuntary labour - Sexual Harassment - Discrimination at workplace - Wages - Others – please specify
	Principle 5 Leadership Indicator 4	Percentage of value chain partners (by value of business done with such partners) that were assessed for: - Sexual Harassment - Discrimination at workplace - Child labour - Forced labour / Involuntary labour - Wages - Others – please specify
	Principle 6 Essential Indicator 2	Sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.
	Principle 6 Essential Indicator 6	Details of air emissions (other than GHG emissions) by the entity



Section	Principle	Key Performance Indicator
	Principle 6 Essential Indicator 11	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
	Principle 6 Leadership Indicator 1	Water withdrawal, consumption and discharge in areas of water stress
	Principle 6 Leadership Indicator 7	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts
	Principle 7 Essential Indicator 1	- Number of affiliations with trade and industry chambers / associations - Top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.
	Principle 9 Essential Indicator 2	Turnover of products and / services as a percentage of turnover from all products / service that carry information about - Environmental and social parameters relevant to the product - Safe and responsible usage - Recycling and / or safe disposal
	Principle 9 Essential Indicator 3	Number of consumer complaints in respect of the following: - Data Privacy - Advertising - Cyber-security - Delivery of essential services - Restrictive trade practices - Unfair Trade Practices - Other
	Principle 9 Essential Indicator 4	Details of instances of product recalls on account of safety issues
	Principle 9 Essential Indicator 5	Does the entity have a framework/ policy on cyber security and risks related to data privacy?

4. **Boundary of the report covers the Company's operations in India and overseas, which includes the following sites selected for data review and verification:**

- (i) Corporate Office, Ahmedabad
- (ii) Branch Office, Mumbai
- (iii) Branch Office, Delhi
- (iv) Branch Office, Bangalore
- (v) Branch Office, Kolkata
- (vi) Branch Office, Chennai
- (vii) Research & Development Centre, Ahmedabad
- (viii) Manufacturing facility, Indrad
- (ix) Manufacturing facility, Dahej
- (x) Manufacturing facility, Baddi
- (xi) Manufacturing facility, Pithampur
- (xii) Manufacturing facilities (Unit I,II and III), Sikkim
- (xiii) Manufacturing facility, Visakhapatnam
- (xiv) Manufacturing facility, Bhileshwarpura
- (xv) Project Site, Virochannagar
- (xvi) Representative Office, Russia
- (xvii) Representative Office, Vietnam
- (xviii) Sales field Operations
- (xix) Warehouse, Barwala

5. Our assurance engagement is with respect to the Identified Sustainability Information for the reporting boundary as mentioned above for financial year ended 31st March, 2026 only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and therefore, do not express any opinion / conclusion thereon.

Criteria

6. The criteria used by the Company to prepare the Identified Sustainability Information is summarised below (hereinafter referred to as 'Criteria'):
- Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') as amended, read with SEBI Master circular HO/49/14/14(7)2025-CFD-POD2/11/3762/2026 dated 30th January, 2026 and BRSR Core Reporting Standard formulated by Industry Standards Forum.

Management's Responsibilities

7. The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

8. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Practitioner's Independence and Quality Control

9. We have complied with the independence and other ethical requirements of International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code') issued by the International Ethics Standards Board for Accountants' ('IESBA'), which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality and professional behaviour and we have the required competencies and experience to conduct this assurance engagement.
10. Our firm applies International Standard on Quality Management (ISQM) 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

11. Our responsibility is to express a reasonable assurance in the form of an opinion on BRSR Core Information and express a limited assurance in the form of a conclusion on other selected indicators of BRSR other than BRSR Core Information, based on the procedures we have performed and evidence we have obtained.
12. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ('ISAE 3000 (Revised)') issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the BRSR Core Information is prepared, in all material respects, in accordance with the Criteria and limited assurance about whether the other selected indicators of BRSR other than BRSR Core Information is free from material misstatement.

13. A reasonable assurance engagement involves assessing the risks of material misstatement of the BRSR Core Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the BRSR Core Information.
14. A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the other selected indicators of BRSR other than BRSR Core Information, identifying areas where material misstatement is likely to arise in the other selected indicators of BRSR other than BRSR Core Information whether due to fraud or error, designing and performing procedures to address identified risk areas as necessary in the circumstances and evaluating the overall presentation of the other selected indicators of BRSR other than Core Information.
15. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.
16. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.
17. Given the circumstances of the engagement, in performing the procedures listed above, we:
 - Physically visited the site at the corporate office and R&D centre at Ahmedabad and site visit at Indrad, Gujarat, for walkthrough and discussion with individual data owners for understanding business processes, data management processes, and to verify data and documents;
 - Conducted desk reviews of the field operations, Russia representative office and manufacturing locations at Baddi and Pithampur;
 - Carried out discussions at the corporate office and manufacturing facilities for data and document verification;
 - Interviewed senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.
 - Reviewed the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.
 - Evaluated the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.
 - Selected key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
 - Re-performed calculations to check accuracy of claims,
 - Reviewed data from independent sources, wherever available,
 - Reviewed data, information about sustainability performance indicators and statements in the report.
 - Reviewed and verified information / data as per the Criteria;
 - Reviewed accuracy, transparency and completeness of the information / data provided;
18. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion on BRSR Core Information.
19. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the other selected indicators of BRSR other than BRSR Core Information have been prepared, in all material respects, in accordance with the Criteria.

Exclusions:

20. Our assurance engagement scope excludes the following and therefore we do not express an opinion or conclusion on the same:
 - Operations of the Company other than those mentioned in paragraph 2 and 3 above on Scope of Assurance.
 - Aspects of the BRSR and data/information (qualitative or quantitative) other than the Identified Sustainability Information.
 - Data and information outside the defined reporting period i.e., 01st April, 2025 to 31st March, 2026
 - Data related to Company's financial performance, strategy and other related linkages expressed in Identified Sustainability Information.
 - The statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company
 - Assertions related to Intellectual Property Rights and other competitive issues.
 - Mapping of Identified Sustainability Information with reporting frameworks other than those mentioned in Criteria above.
 - While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
 - The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Opinion

21. Based on the procedures we have performed and the evidence we have obtained, the BRSR Core Information included in the BRSR report for the financial year ended 31st March, 2026 is prepared in all material respects, in accordance with the Criteria.

Conclusion

22. Based on the procedures performed and evidences obtained and the information and explanations given to us along with the representation provided by the management, nothing has come to our attention that causes us to believe that the other selected indicators of BRSR other than BRSR Core Information included in the BRSR report for the year ended 31st March, 2026, is not prepared, in all material respects in accordance with the Criteria.

Restriction on use

23. Our Assurance Report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on the Company's sustainability performance and activities. Accordingly, this report may not be suitable for any other purpose and should not be used, by any other party other than the Board of Directors of the Company, without our prior written consent. Further, we do not accept or assume any duty of care or liability for any other purpose or to any other party to whom this report is shown or into whose hands it may come without our prior consent in writing.

Grant Thornton Bharat LLP

Abhishek Tripathi
Partner

Place: Noida
Date: 28th May, 2026

REPORT ON CORPORATE GOVERNANCE

MAXIMUM GOVERNANCE – THE TORRENT WAY

Torrent Pharma is committed to upholding the highest standards of Corporate Governance as a foundation for sustainable and ethical business growth, building on its legacy of fair, transparent and responsible business practices. Our governance framework is anchored in three inviolable principles: Transparency, Integrity and Accountability which guide every aspect of our operations and decision-making.

Transparency is ensured through timely and comprehensive disclosures. Integrity is reinforced by robust financial controls and unwavering ethical conduct across all functions. Accountability is embedded in our governance processes to safeguard stakeholder interests and drive long-term value creation. This report sets out the governance systems and processes of the Company, as set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, for the financial year ended 31st March, 2026. The Company is in full compliance with the Corporate Governance norms as stipulated in Listing Regulations.

The Company upholds a strong legacy of fair, transparent and ethical governance practices, that reinforce its commitment to responsible and sustainable business conduct.

1. BOARD OF DIRECTORS

An empowered Board comprising of diverse group of experienced leaders brings rich experience, expertise, strategic directions and takes the Company forward on the path of sustainable progress. Your Company has, an Accounting Professional, Entrepreneurs of leading Companies including from Healthcare and an Accomplished Professional as Independent Directors. The Sharp entrepreneurial ability, a strong leadership and years of experience are represented in the rest of the Board. The Board of Directors (Board) comprises of seven directors as on 31st March, 2026. Out of total Board strength, five are Non-Executive Directors (NEDs) (71% of Board strength) and four are Independent Directors (IDs) (57% of the Board strength) including two Independent Women Directors.

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board possesses a balanced and complementary mix of skills, experience and perspectives necessary to effectively discharge its responsibilities. This diversity enables robust oversight of the Company's strategy, governance processes, risk management and long-term value creation. The table below summarises the key qualifications, skills, expertise and competencies possessed by Directors of the Company:

	Skills / Expertise / Competencies	Director who possess such skills / expertise / competencies
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.	Entire Board
Industry Experience	Experience and / or knowledge of the industry in which the Company operates.	Samir Mehta Aman Mehta Ameera Shah
Financial Expertise	Qualification and / or experience in accounting and / or finance coupled with ability to analyse key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	Entire Board
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.	Entire Board
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.	Ameera Shah Nayantara Bali

An annual calendar of meetings is established after consulting all Directors to facilitate their presence and meaningful participation. It has been the Company's endeavour to have meetings at various plants / locations of the Company too, to get Directors to witness the practices and to get under the skin of the Company's business model.

During the financial year, the Board of the Company met six times on 19th May, 2025, 20th May, 2025, 29th June, 2025, 28th July, 2025, 07th November, 2025 and 13th February, 2026. Time elapsed between any two consecutive meetings never exceeded 120 days.

Details of the composition of the Board, the Board meetings held during the year, attendance of Directors at Board meetings and at the last Annual General Meeting (AGM) are as under:

Name & Designation of the Director ²	Category ¹	No. of Board Meetings held during the tenure	Board meetings attended	Attendance at the last AGM
Samir Mehta, Executive Chairman	Executive Chairman (Promoter)	6	6	Yes
Ameera Shah	ID	6	5	Yes
Nayantara Bali	ID	6	6	Yes
Manish Choksi	Lead Independent Director	6	6	Yes
Nikhil Khattau	ID	6	6	Yes
Jinal Mehta	NED (Promoter)	6	6	Yes
Aman Mehta	MD (Promoter)	6	6	Yes

Notes:

- NED – Non-Executive Director (other than ID); ID – Independent Director; MD – Managing Director.
- Dr. Maurice Chagnaud completed his tenure as an Independent Director of the Company on 10th May, 2025 pursuant to which he ceased to be the Director of the Company.

Details of Directorships as on 31st March, 2026 and other related matters are as under:

Name & Designation of the Director ²	No. of other Directorship Held ¹		Name of the other listed entities where Directorship held & Category of Directorship	No. of other Board Committees of which Member / Chairperson ¹
	Listed Company	Other Company		
Samir Mehta, Executive Chairman	1	1	1. Torrent Power Limited, Executive Chairman (Promoter)	2 (Member)
Ameera Shah	1	3	1. Metropolis Healthcare Limited, Executive Chairperson	1 (Member)
Nayantara Bali	1	-	1. Marico Limited, Independent Director	1 (Member)
Manish Choksi	3	1	1. Asian Paints Limited, Non-Executive Director & Vice Chairman 2. Vedant Fashions Limited, Independent Director 3. Birlasoft Limited, Independent Director	4 (Member)
Nikhil Khattau	2	-	1. Marico Limited, Non-Executive Non-Independent Director 2. Kaya Limited, Non-Executive Non-Independent Director	2 (Member)
Jinal Mehta, Non-Executive Non-Independent Director	1	3	1. Torrent Power Limited, Managing Director (Promoter)	-
Aman Mehta, Managing Director ³	1	2	1. J.B. Chemicals & Pharmaceuticals Limited, Manging Director	-

Note:

- These numbers exclude the Directorship / Committee Membership held in the Company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013. Further, it includes only the Chairmanship / Membership of the Audit Committee and Stakeholders' Relationship Committee. All Directors have informed the Company about the committee positions they occupy in other companies as per Regulation 26 of Listing Regulations, which were placed before the Board.
- Dr. Maurice Chagnaud has completed his tenure as an Independent Director of the Company on 10th May, 2025.
- Aman Mehta has been appointed as Managing Director w.e.f. 01st August, 2025 for a period of 5 years with the pre-closure of his existing term as Whole Time Director.

Aman Mehta is son of Samir Mehta. None of the other Directors are related to any other Director on the Board in terms of definition of 'relative' as per the Companies Act, 2013.

Shareholding of Non-Executive Directors:

Details of the equity shares held by Non-Executive Directors as on 31st March, 2026 are as under:

Name of the Director	Nos. of Equity shares
Ameera Shah	1,865 [#]
Jinal Mehta	200

[#] holds 1500 shares & 365 shares as second holder jointly with Sushil Kanubhai Shah and Duru Sushil Shah respectively.

Samir Mehta is liable to retire by rotation at the forthcoming AGM and being eligible, has offered himself for re-appointment. Relevant details pertaining to him are provided in the notice of the AGM.

All IDs of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. These were placed before the Board. The Board, based on such declarations, has verified the veracity of such disclosures and confirmed that the IDs fulfil the conditions of Independence specified in the Listing Regulations and are independent of the management of the Company.

The IDs of the Company met on 13th February, 2026 under the chairmanship of Nikhil Khattau without the presence of Non-Independent Directors to review the performance of Non-Independent Directors, the Board, Committees and the Chairperson. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

The terms and conditions of appointment of Independent Directors have been placed on the website of the Company www.torrentpharma.com. The details of familiarisation programmes for Independent Directors have been provided in the Board's Report and posted on the website of the Company and can be accessed at the web link https://www.torrentpharma.com/pdf/cms/Familiarization_Programme_2025-26.pdf

During the year, all the recommendations of all the Committees were accepted by the Board.

The Company Secretary also acts as Secretary to all the Committees of the Board and provided secretarial support to the Committees.

2. AUDIT COMMITTEE

During the year under review, five meetings of the Audit Committee were held on 20th May, 2025, 29th June, 2025, 28th July, 2025, 07th November, 2025 and 13th February, 2026. Time elapsed between two meetings never exceeded 120 days.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name & Designation of Director ¹	Category of Directorship	Qualification	No. of meetings held during the tenure	No. of meetings attended
Nikhil Khattau, Chairman	ID	Fellow of the Institute of Chartered Accountants in England and Wales and Bachelor's degree from University of Mumbai	5	5
Ameera Shah	ID	Degree in Finance (University of Texas)	5	4
Nayantara Bali	ID	Post Graduate Diploma in Business Management (IIM, Ahmedabad)	5	5
Manish Choski ²	Lead Independent Director	Bachelor of Chemical Engineering and an MBA with specialisation in Entrepreneurial Management and MIS Program from the University of Houston, USA	-	-

¹ Dr. Maurice Chagnaud ceased to be Member of the Committee due to completion of his term on the Board on 10th May, 2025.

² Manish Choksi was appointed as the Member of the Committee with effect from 16th March, 2026.

The Chairman of the Committee attended the last AGM of the Company.

The Committee meetings are attended by the Chief Financial Officer and Vice President (Finance). The Statutory Auditors, Internal Auditors, Cost Auditors and other related functional executives of the Company also attended the meeting when required.

The Committee holds meetings with Statutory Auditors and Internal Auditors on one to one basis as and when it deems fit and had ascertained that they didn't have any unexpressed concerns.

The total fees for all services paid by the Company and its subsidiaries to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, amounts to ₹ 2.52 crore for the year 2025-26.

The principal terms of reference of the Committee as approved by the Board and as revised / updated from time to time by the Board are:

1. Financial Information Review

- 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.
- To examine the financial statement and the auditors' report thereon.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Modified opinion(s) in the draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- 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 public issue or rights issue or preferential issue or qualified institutional placement and making appropriate recommendations to the Board to take steps in this matter.
- To review the utilisation of loans and / or advances from / investment by the Company in the Subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- To review the following details mandatorily:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the Statutory Auditors if any;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor;
 - Statement of deviations:

- a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations.
- b) Annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of Listing Regulations.
- viii. To review the financial statements of unlisted subsidiary companies, and in particular, the investments made by them.

2. Internal Controls and Policies for Maintaining Vigil

- i. Scrutiny of inter-corporate loans and investments.
- ii. Valuation of undertakings or assets of the Company, wherever it is necessary.
- iii. Evaluation of Internal Financial Controls and Risk Management systems.
- iv. 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.
- v. 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.
- vi. To review the functioning of the Whistle Blower (Vigil) mechanism.
- vii. To approve the appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- viii. Investigate any activity within its terms of reference and any matters referred to it by the Board.
- ix. To review the frauds reported by the Statutory Auditors, Cost Auditors and Secretarial Auditors, if any.
- x. Monitoring the end use of funds raised through public offers and related matters.
- xi. Reviewing with the Auditors and Management, if required, about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and any related issues there with.
- xii. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

3. Relationship with Statutory, Internal & Cost Auditors

- i. Recommend to the Board for appointment, remuneration and terms of appointment of Auditors of the Company.
- ii. Approval of payments to Statutory Auditors for any other services rendered by them.
- iii. Review and monitor the auditor's independence and performance and effectiveness of audit process.
- iv. 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.
- v. 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.
- vi. Discussion with Internal Auditors of any significant findings and follow up there on.
- vii. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.

4. Related Party Transactions

- i. Approval or any subsequent modification of transactions of the Company with related parties.
- ii. To lay down the criteria for granting the omnibus approval in line with the policy on related party transactions.
- iii. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.

The Committee has full access to information and records of the Company and can seek information from any employee of the Company and may invite such executives, as it considers appropriate, to be present at the meetings of Committee. The Committee may access external professionals and obtain legal advice, if so required and secure attendance of outsiders with relevant expertise, if it considers necessary, in discharge of its functions.

In addition to the above, the Committee shall have such functions / role / powers as may be specified in the terms of reference of the Audit Committee under applicable laws or as required by any statute.

3. RISK MANAGEMENT COMMITTEE

The principal terms of reference of the Risk Management Committee as approved by the Board are as under:

- 1. Formulation of a detailed risk management policy and recommending the same to the Board 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 including cyber security risk 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 review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
- 6. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

During the year under review, two meetings of the Committee were held on 12th May, 2025 and 05th December, 2025.

The composition of the Committee as well as the particulars of attendance at the Committee meetings held during the year and other related details are given in the table below:

Name & Designation of Director ¹	Category	No. of meetings held during the tenure	No. of meetings attended
Nikhil Khattau, Chairman	ID	2	2
Nayantara Bali	ID	2	2
Sudhir Menon	CFO	2	2

- 1. Dr. Maurice Chagnaud ceased to be Member of the Committee due to completion of his term on the Board on 10th May, 2025.

4. SECURITIES TRANSFER AND STAKEHOLDERS RELATIONSHIP COMMITTEE

The Securities Transfer & Stakeholders Relationship Committee considers and oversees resolution of grievances of security holders and investors of the Company.

The composition of the Committee as well as the particulars of attendance at the Committee meetings held during the year on 16th May, 2025 and 05th January, 2026 and other related details are given in the table below:

Name & Designation of Director	Category	No. of meetings held during the tenure	No. of meetings attended
Ameera Shah, Chairperson	ID	2	2
Nikhil Khattau	ID	2	2
Aman Mehta	MD	2	2

The Committee passed various circular resolutions for issuance of duplicate share certificates and other routine matters. Chintan Trivedi, Company Secretary is designated as the Compliance Officer.

99.86% of the equity shares of the Company are held in dematerialised form.

Pursuant to Section 124 of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company had transferred 7,639 equity shares to the demat account of Investor Education and Protection Fund (IEPF) Authority during the year 2025-26. As on 31st March, 2026, 3,75,375 equity shares are lying with IEPF Authority.

During the year, the Company has received 45 (Forty Five) complaints from shareholders which were attended within a reasonable period of time. 1 (One) complaint was pending as on 31st March, 2026.

5. APPOINTMENT & REMUNERATION OF DIRECTORS

Nomination and Remuneration Committee

The Nomination and Remuneration Committee recommends the appointment of Directors and remuneration of such Directors other than Independent Directors. The level and structure of remuneration of senior management of the Company as per the Remuneration Policy is also overseen by this Committee.

During the year, two meetings of the Committee were held on 20th May, 2025 and 28th July, 2025.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name & Designation of Director	Category	No. of meetings held during the tenure	No. of meetings attended
Manish Choksi, Chairman	Lead Independent Director	2	2
Nayantara Bali	ID	2	2
Ameera Shah	ID	2	1

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, Nomination and Remuneration Committee has the following principal terms of reference:

- To evaluate and recommend the composition of the Board of Directors and sub-committees thereof.
- To identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

- To specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
- To evaluate the balance of skills, knowledge and experience on the Board for every appointment of an Independent Director 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 for appointment as Independent Directors, the Committee may use the services of an external agencies, if required; consider candidates from a wide range of backgrounds, having due regard to diversity; and consider the time commitments of the candidates.
- Devising a Policy on Board Diversity.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- To recommend a Policy to the Board relating to the remuneration for the Directors, KMP and other employees, for its approval.
- The Committee shall, while formulating the policy, ensure the following:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the CEO / MD / WTD / Manager (including CEO / Manager, not part of the board) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as KMP, other than board of directors by the Company.

- To recommend to the Board remuneration proposed to be paid, to Executive Directors, Non-executive Directors (other than Independent Directors), Whole-time Key Managerial Personnel and Senior Management, with proper justification for such remuneration.
- To seek information from management and have full access to the Company's records relevant to it's functioning in discharge of its obligations.
- To make recommendations to the Board on any matter within its purview, by passing appropriate resolutions.
- To note information on recruitment and remuneration of Senior Officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- To undertake related activities, functions and duties as the Board of Directors may from time to time, after deliberations, prescribe or as may be required to be undertaken in terms of any statutory or regulatory provisions.

On the recommendation of the Nomination and Remuneration Committee, the Board has, inter alia, approved the following evaluation criteria for the Independent Directors:

- Participation in Board in terms of adequacy (time & content);
- Contribution at meetings;
- Guidance / support to Management outside Board / Committee meetings;
- Fulfilment of functions;
- Independent views and judgement.

Lead Independent Director

In line with global best practices and evolving Corporate Governance standards, Manish Choksi, an Independent Director was appointed as the Lead Independent Director with effect from 13th February, 2026.

The roles and responsibilities of the Lead Independent Director are as follows:

- (i) Preside over all meetings of independent directors.
- (ii) Provide objective feedback of the independent directors as a group to the Board on various matters.
- (iii) Liaise between the Promoters, Chairman, Managing Director and independent directors on contentious matters for consensus building.
- (iv) Preside over meetings of the Board and shareholders when the Chairman and the Managing Director are not present, or where they are interested.
- (v) Help the Company in further strengthening the board effectiveness and governance practices, including suggestions on agenda items for Board / Committee meetings on behalf of the independent directors.
- (vi) Invitee in all board committee meetings.
- (vii) Take the lead role, along with Chairman in assessing the performance evaluation of the Board and that of Individual Directors.
- (viii) Perform such other duties as may be delegated by the Board from time to time.

Senior Management

Details of Senior Management Personnel(s) as on 31st March, 2026 are as follows:

Sr. No.	Name	Designation
1	Hasmukh Patel ¹	Chief Operating Officer
2	Amal Kelshikar	Executive Director (India Business)
3	Sunil Nadkarni	Executive Director (Product Development)
4	Sushil Jaiswal	Executive Director (Quality)
5	Geena Malhotra ²	Chief Technology Officer
6	Sudhir Menon	Executive Director (Finance) & CFO
7	Chintan Trivedi	Company Secretary

1. Redesignated to Chief Operating Officer with effect from 28th July, 2025.

2. Appointed w.e.f. 01st February, 2026.

During the year, Jinesh Shah, Chief Operating Officer has resigned and ceased to be SMP and Ashish Hajarnis Executive Director (Operations) ceased to be SMP on account of change in reporting structure w.e.f. 28th July, 2025.

Remuneration Policy, details of remuneration and other terms of appointment of Directors

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivise them to develop and implement strategy, thereby enhancing the business value and maintaining a high performance workforce. The policy ensures that the level and composition of remuneration of the Whole-time Directors / Executive Directors are optimum. Remuneration package for Executive Directors are designed with optimum combination of fixed component and / or performance linked pay reflecting the physical (quantitative and qualitative) and financial performance of the Company. The salient features of the Remuneration Policy forms a part of the Board's Report.

Appointment and Remuneration of Executive Chairman / Managing Director

The re-appointment and remuneration of Samir Mehta as Executive Chairman of the Company was decided by the Board and approved by the shareholders in its 51st AGM held on 23rd July, 2024 for a period of 5 (five) years effective

from 01st April, 2025 till 31st March, 2030. He being a director liable to retire by rotation at the forthcoming AGM and being eligible, has offered himself for re-appointment.

Aman Mehta was appointed as Managing Director of the Company for the period of 5 (five) years w.e.f. 01st August, 2025 by pre-closing his existing appointment as Whole time Director.

Remuneration of Non-Executive Directors including Independent Directors

- The shareholders at the AGM held on 23rd July, 2024 approved the payment of commission to the Non-Executive Directors (NEDs), in accordance with and upto the limit laid down under the provisions of the Companies Act, 2013 for the period of 5 (five) years commencing from 01st April, 2025 and authorised the Board of Directors or any Committee of the Board, specifically authorised for the purpose, to decide the actual amount of commission for each year. The commission is determined based on the participation of the directors in the meetings of the Board and / or Committees thereof, as well as on industry practice, performance of the Company and contribution by the Directors, etc. Further, the Board has approved the payment of sitting fees at the rate of ₹ 1 lakh per meeting to the IDs for each Board and Committee meeting attended by them.
- In case of absence or inadequacy of profits in any financial year, the NEDs shall be paid such remuneration as approved by the Board or its Committee authorised for the purpose, subject to such approval as may be necessary.
- The commission for any financial year shall be paid on its approval by the Board.

Details of remuneration of Directors for the year ended 31st March, 2026 are as under:

(₹ in lakhs)				
Name & Designation of Director ^{\$}	Salary & Perquisites	Commission ^{##}	Sitting Fees ⁺⁺	Total
Samir Mehta, Executive Chairman	0.40 ^{**}	3,600.00	Nil	3,600.40
Ameera Shah	Nil	47.00	14.00	61.00
Nayantara Bali	Nil	57.00	19.00	76.00
Manish Choksi	Nil	42.00	12.00	54.00
Nikhil Khattau	Nil	57.00	19.00	76.00
Jinal Mehta, Non-Executive Director	Nil	Nil	Nil	Nil
Aman Mehta, Managing Director	1,381.84 ^{***}	500.00	Nil	1,881.84
Total	1,382.24	4,303.00	64.00	5,749.24

Notes:

^{\$} The terms of appointment of Executive Chairman / Managing Director are governed by the resolutions of the shareholders and applicable rules of the Company.

[#] Includes house rent allowance, contribution to provident fund & value of perquisites provided.

^{##} Commission as approved by the Board pursuant to the shareholders' approval within the limit specified in the Companies Act, 2013.

⁺⁺ Sitting Fees as approved by the Board under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

^{**} In addition they are covered under group personal accident and group mediclaim policy as per Company's Rules.

There were no pecuniary relationships / transactions with the Independent Directors vis-à-vis the Company.

During the year, the Company and its subsidiaries has not provided any loans and advances in the nature of loans to any firms / companies in which directors are interested.

6. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility and Sustainability Committee, inter alia, to formulate Corporate Social Responsibility (CSR) Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy.

During the year, two meetings of the Committee were held on 20th May, 2025 and 07th November, 2025.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name & Designation of Director ¹	Category	No. of meetings held during the tenure	No. of meetings attended
Nayantara Bali, Chairperson	ID	2	2
Manish Choksi	Lead Independent Director	2	2
Nikhil Khattau ²	ID	2	2

Note:

1 Dr. Maurice Changaud ceased to be the Member of the Committee due to completion of his term on the Board on 10th May, 2025.

2 Nikhil Khattau was appointed as the Member of the Committee with effect from 06th May, 2025.

7. GENERAL BODY MEETINGS

Details of the AGM held during last three years are as under:

AGM	Date	Time	Venue	No. of special resolutions passed
50 th AGM	07 th August, 2023	09:30 AM	Meeting conducted through VC / OAVM	3
51 st AGM	23 rd July, 2024	09:30 AM		2
52 nd AGM	28 th July, 2025	09:30 AM		4

No postal ballot was conducted during the financial year 2025-26. At present there is no immediate proposal for passing any resolution through postal ballot.

8. DISCLOSURES

a. Legal Compliances

The Company follows a formal management policy and system of legal compliance and reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any.

There were no instances of material non-compliance and no penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

b. Code of Business Conduct

The Code of Business Conduct ("Code") lays down important corporate ethical practices that shape the Company's value system and business functions and represents cherished values of the Company. The Code provides guidance to employees in recognising and dealing with important ethical and legal issues and fosters a culture of honesty and accountability. The Code of Conduct includes Integrity, Gifts, Conflict of Interest, Legal compliance, Respect for people, Environmental commitment, Safety, Confidential & Proprietary Information, Financial Information, Company assets, Computer Network use & Security, Records maintenance and Management.

The Code adopted by the Company has been posted on the website of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The declaration by the Executive Chairman to that effect forms part of this report as Annexure 1.

c. Prevention of Insider Trading

The Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons ("Insider Trading Code") is aimed to prevent any insider trading and applicable to all the designated persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Insider Trading Code was amended with effect from 09th June, 2025 to harmonise with the amendments carried out by SEBI in the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"). The Company lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company. The Company has also adopted the Policy for determination of legitimate purposes which forms part of Fair Disclosure Code. The Fair Disclosure Code was amended on 20th May, 2025 to harmonise with the amendments carried out by SEBI in the Insider Trading Regulations. The Company conducted the quiz for the employees covered under the Designated Persons and also sends the advisory mails on regular basis to reinstate the basic understanding of the provisions of Insider Trading Code / Insider Trading Regulations.

The Audit Committee reviews cases of non-compliances, if any and the said non - compliances are promptly intimated to the Stock Exchanges in the prescribed format.

d. Related Party Transactions

Pursuant to Regulation 23 of the Listing Regulations and applicable provisions of the Companies Act, 2013, the Company has formulated Policy on Materiality of and dealing with Related Party Transactions ("Related Party Transactions Policy") for dealing with related party transactions. All the related party transactions are entered in compliance to the provisions of the law and the Related Party Transactions Policy. The Related Party Transactions Policy has been revised w.e.f. 20th May, 2025 and 13th February, 2026 to harmonize it with the amendments carried out under SEBI Regulations. A copy of the Related Party Transactions Policy for dealing with related party transactions is available on the website https://www.torrentpharma.com/docs/RPT_policy_2026.pdf

The Company has also formulated Policy on Determining Material Subsidiaries as required under Listing Regulations. A copy of this policy is available on the website https://www.torrentpharma.com/assets/Policy_for_Determination_of_Material_Subsiidiaries.pdf.

All the related party transactions are duly approved by Audit Committee / Board as required under the provisions of the Companies Act, 2013 and Listing Regulations as well as the Related Party Transactions Policy of the Company. During the year, the Company did not enter into any transaction with related parties which were material in nature as defined in the Listing Regulations. Please refer to Note 42 of Standalone Financial Statements, forming part of the Annual Report for details of the related party transactions during the year.

e. CEO / CFO Certification

The Executive Chairman and Chief Financial Officer (CFO) of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Executive Chairman and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

f. Reconciliation of Share Capital Audit

As required by SEBI, quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (collectively Depositories) and held in physical form, with the total issued and listed capital. The Certificate confirming the same is submitted to BSE Limited and the National Stock Exchange of India Limited on a quarterly basis and is also placed before the Board of Directors.

g. Certificate from Company Secretary in Practice regarding appointment and continuation of directors

The Company has obtained the Certificate from the Practising Company Secretary certifying that none of the directors of the Company are debarred or disqualified from being appointed or continuing as directors of Company by SEBI / MCA or any such authority.

h. Details of unclaimed shares as per Listing Regulations

In terms of Regulation 39(4) of the Listing Regulations, the Company reports the following details in respect of equity shares transferred from the "Torrent Pharmaceuticals Limited – Unclaimed Suspense Account" during the year and the balance in the same at the beginning and at the end of the year:

Particulars	Number of shareholders	Number of Equity shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year i.e. 01 st April, 2025	9	5,760
Number of shareholders who approached the Company / Registrars and Transfer Agents (RTA) for transfer of shares from unclaimed suspense account during the year ended 31 st March, 2026	-	-
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31 st March, 2026	-*	440
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year i.e. as on 31 st March, 2026	9	5,320

* There is no change in the number of shareholders whose shares have been transferred from Unclaimed Suspense Account to IEPF authority as the same shareholder continue to appear in the Unclaimed Suspense Account on account of Bonus Shares which are still lying in Unclaimed Suspense Account.

The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

i. Disclosure of certain types of agreements binding listed entities

No agreements have been entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

j. Whistle Blower Policy

The Company has institutionalised a Whistle Blower Policy since 2014 to create consistent value propositions to all stakeholders. The Code of Business Conduct ("the Code") lays down the important corporate ethical practices that shape the Company's business practices and represents the ever-cherished values of the Company. The Whistle Blower Policy aids in assuring all stakeholders that the Code is followed by one and all in the organisation. It provides a protected and confidential channel for employees and other stakeholders to report genuine concerns apart from unethical or improper conduct. This policy aligns with the corporate governance norms by promoting transparency and ethical conduct.

Employees are sensitised to practice highest level of honesty, integrity and ethical behaviour in all of its operations. Through this policy, the Company encourages employees, stakeholders, shareholders and directors to report any instance of unethical conduct, actual or suspected fraud or violations of the Company's Code that could adversely affect Company's operations, business performance and / or reputation.

In accordance with this Whistle Blower Policy, the Company conducts an impartial investigation when any of the above incidents are reported and appropriate action is taken to ensure required standards of professional and ethical conduct are met. Employees who report such incidents to the Company are suitably protected from victimisation and harassment. The investigation results are communicated appropriately and a written report of the results are drawn up. The Audit Committee (AC) reviews the operation of the Company's whistle blower mechanism on a quarterly basis. The Policy can be viewed on the Company's website at www.torrentpharma.com

The policy also sets out the reporting and investigation procedures to be followed. All protected disclosures must be reported using the contact information provided in the Policy, with the additional reporting of financial matters using the contact information of the Company's Chief Financial Officer (CFO). If the protected disclosures involve the CFO, CEO, or any other Director of the Company, the relevant disclosures must be made directly to the Chair of the AC. Phone calls, emails and letters can all be used as modes of communication to make protected disclosures.

No person has been denied access to the Chairman of the AC.

k. Commodity price risk and hedging activities

The Company purchases Active Pharmaceutical Ingredient (API) and other materials that are used in the manufacturing of drugs. The prices of raw material generally fluctuate in line with commodity cycles over short period of time.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company also has Risk Management framework to pro-actively mitigate the impact through measures like cost based price increases, cost reduction measures, portfolio rationalisation, renegotiating procurement contracts etc. Additionally, the Company also develops on an ongoing basis alternate supply sources for key products subject to economic justification. Most of these materials are sourced from the domestic market and therefore do not have significant foreign exchange fluctuation risks. The Company does not use any derivative contracts to hedge exposure to fluctuations in commodity prices.

l. Policy on Protection of Women against Sexual Harassment at Workplace

The Company has implemented a Policy on the Protection of Women against Sexual Harassment at Workplace. This policy reaffirms the Company's commitment to uphold the principles of gender sensitive culture and non-discriminatory practices and ensures a safe and harassment-free workplace for its women employees. This policy encourages women employees to pursue their careers without fear of prejudice, gender bias, sexual harassment and / or other implicit or explicit orientations. In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013, Complaints Resolution Committees are established at administrative units / offices for this purpose.

During the year, one complaint was received which was pending as on 31st March, 2026, however was closed after following the due process as stipulated under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

m. Details of material subsidiaries of the Company:

There were no material subsidiaries of the Company during the financial year.

n. Mandatory & Non-Mandatory Clauses

The Company has complied with all mandatory requirements laid down by Listing Regulations including those specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46.

The non-mandatory requirements complied with are disclosed below:

Audit Qualification: The Company's financial statements for the year 2025-26 do not contain any modified audit opinion.

Reporting of Internal Auditors: The Internal Auditors present their internal audit observations quarterly to the Audit Committee.

9. COMMUNICATION TO SHAREHOLDERS

During the year, audited quarterly and annual financial results on standalone basis and un-audited quarterly and audited annual financial results on a consolidated basis of the Company were submitted to the stock exchanges soon after the Board meeting approved these and were published in leading newspapers viz The Financial Express and The Indian Express in all editions of English language and The Financial Express in Gujarati language. These were also promptly placed on the Company's website www.torrentpharma.com. All official news release of relevance, quarterly / annual results and presentations made by the Company to investors / analysts were also made available on the Company's website. The Company sends soft copies of Annual Report to those shareholders whose e-mail ids are registered with the Depository Participants and / or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance" of the Ministry of Corporate Affairs.

10. GENERAL SHAREHOLDER INFORMATION

a. 53rd AGM

Date & Time	Tuesday, 23 rd June, 2026 at 09:30 AM
Venue	The Company is going to conduct the meeting through VC / OAVM pursuant to the MCA circular dated 5 th May, 2020 read with MCA circular dated 22 nd September, 2025 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

b. Tentative Financial Calendar for the year 2026-27

Financial year	01 st April to 31 st March,
First Quarter results	Fourth week of July, 2026
Half Yearly results	Third week of October, 2026
Third Quarter results	Third week of January, 2027
Results for year-end	Second week of May, 2027

c. Record date

29th May, 2026

d. Dividend payment date

The proposed dividend, if approved at the ensuing AGM will be distributed around 25th June, 2026.

e. Listing on Stock Exchanges and Security Codes

Name of Stock Exchange	Security Code
A. Equity shares	
BSE Limited, Mumbai (BSE) 0 1 st Floor, New Trading Ring, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	500420
National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G. Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	TORNTPHARM
B. Non-Convertible Debentures	
National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G. Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	
C. Commercial Papers	
National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G. Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	

The Company has paid the annual listing fees for the year 2026-27 to both the above stock exchanges.

f. Distribution of shareholding as at 31st March, 2026

By size of shareholding:

Category (Shares)	Mode of Holding	No. of Shares	% To Equity	No. of Holders	% To Holders
1 - 1,000	Electronic	42,00,644	1.24	81,624	95.15
	Physical	1,06,205	0.03	330	0.38
1,001 - 2,000	Electronic	29,47,015	0.87	1,948	2.27
	Physical	2,79,520	0.08	176	0.21
2,001 - 10,000	Electronic	41,59,878	1.23	941	1.10
	Physical	52,000	0.02	15	0.02
10,001 - 20,000	Electronic	27,61,055	0.82	193	0.22
	Physical	32,000	0.01	2	0.00
Above 20,000	Electronic	32,39,07,123	95.70	552	0.64
	Physical	--	--	--	--
Total	Electronic	33,79,75,715	99.86	85,258	99.39
	Physical	4,69,725	0.14	523	0.61
	Total	33,84,45,440	100.00	85,781	100.00

By category of shareholders:

Category	No. of Shares		Total Shares	% of Holding
	Electronic	Physical		
Promoter's Group	23,11,85,400	--	23,11,85,400	68.31
Mutual Fund	1,50,55,853	--	1,50,55,853	4.45
Bank, FIs, AIFs & Insurance Companies	68,35,294	--	68,35,294	2.02
Foreign Institutional Investors / NRIs	5,51,85,272	--	5,51,85,272	16.30
Bodies Corporate	10,96,223	4,600	11,00,823	0.32
Indian Public	1,56,97,316	4,65,125	1,61,62,441	4.78
Others	1,25,44,982	--	1,25,44,982	3.71
IEPF	3,75,375	--	3,75,375	0.11
Total	33,79,75,715	4,69,725	33,84,45,440	100.00

Top 10 Shareholders of the Company (other than Promoters and Promoter Group) as on 31st March, 2026

Name of Shareholders	No. of Shares	% of total shares
NPS Trust	84,42,033	2.49
HDFC	39,80,624	1.18
Polar Capital Funds Plc - Healthcare Opportunities Fund	23,01,929	0.68
Axis Mutual Fund	21,44,111	0.63
ICICI Prudential Life Insurance Company Limited	19,86,360	0.59
Employees Provident Fund Board	19,28,228	0.57
SBI Life Insurance Co. Ltd.	17,58,468	0.52
Kotak Funds - India Midcap Fund	16,40,000	0.48
Vanguard Total International Stock Index Fund	15,52,263	0.46
Franklin Templeton Investment Funds - Franklin India Fund	14,84,244	0.44

g. Dematerialisation of securities

The equity shares of the Company are traded compulsorily in the dematerialised segment of BSE Limited and National Stock Exchange of India Limited and are under rolling settlement. Approximately 99.86% of the shares have been dematerialised. Shares held by promoters are all in dematerialised form. The demat security (ISIN) code for the equity share is INE685A01028.

h. Share transfer system

SEBI vide its master circular no HO/38/13/(4)2026-MIRSD-POD//4298/2026 dated 06th February, 2026, has mandated that listed companies shall issue the securities in dematerialised form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition of shares. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website under the link at <https://www.torrentpharma.com/investors/share-holder/investor-services/>. The details of transmission, name change or name deletion approved by the delegates are noted by the Securities Transfer and Stakeholders Relationship Committee. The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited & Central Depository Services (India) Limited. The transfer of shares in electronic mode need not be approved by the Company

i. Request for Updation of PAN, KYC & Nomination details:

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC, Bank details and Nomination / Opt-out of Nomination details before getting any investor service request processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC or Bank details, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from 01st April, 2024.

Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC, Bank details and Nomination / Opt-out of Nomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to einward.ris@kfintech.com or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited at Selenium Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana - 500 032.

In accordance with the SEBI master circular no HO/38/13/(4)2026-MIRSD-POD//4298/2026 dated 06th February, 2026, the Company has sent intimations to those Members, holding shares in physical form, whose PAN, KYC, Bank details and / or Nomination details are not updated, requesting them to update the details. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the web link at <https://www.torrentpharma.com/investors/share-holder/investor-services/>

j. Credit Ratings

Details of all credit ratings obtained by the Company for its borrowings including debt instruments are as follows:

ICRA Ltd. has assigned credit rating of -

- [ICRA] AA+ (Stable) for banking facilities and non-convertible debentures.
- [ICRA] A1+ for commercial paper program of the Company.

India Ratings and Research Private Limited ("India Ratings") has assigned rating of -

- IND AA+ (Stable) for Non-convertible debentures and term loans.
- IND A1+ for commercial paper program of the Company.

During the year under review, India Ratings has assigned IND A1+ rating for Commercial Paper program of the Company.

There has been no change in the Credit ratings during the year.

k. Outstanding GDRs / ADRs / Warrants / any other convertible instruments

The Company does not have any outstanding instruments of the captioned type.

l. Registered Office

Avirat, Thaltej Shilaj Road, Ahmedabad – 380 059, Gujarat, India
Phone: + 91 79 26599000
Fax: + 91 79 26582100



m. Plant Locations

1. Village Indrad, Taluka Kadi, Dist. Mehsana (Gujarat)
2. Village Bhud, Baddi, Teh. Nalagarh, Dist. Solan (Himachal Pradesh)
3. 32 No. Middle Camp, NH-10, East District, Gangtok (Sikkim) – Unit I & Unit II
4. NH-10, Bagheykhola Village, Majhitar, Rangpo, East Sikkim (Sikkim) – Unit III
5. Plot No 810, Sector III, Industrial area, Pithampur, Dist - Dhar (Madhya Pradesh)
6. Plot No.77 & 78, J N Pharma City, Thanam Village, Parawada-Mandal, Vizag (Andhra Pradesh)
7. Plot No. Z104-106, Dahej SEZ Phase II, Taluka Vagra, Dist. Bharuch (Gujarat)
8. Bileshwarpura, Taluka Kalol, District Gandhinagar (Gujarat)

n. Project Site

1. Virochannagar, Ahmedabad-Viramgam Highway, Sanand, Ahmedabad (Gujarat)

o. Research & Development Facility

Village Bhat, Dist. Gandhinagar - 382 428 (Gujarat)

p. Compliance Officer

Chintan M. Trivedi
Company Secretary
Avirat, Thaltej Shilaj Road, Ahmedabad – 380 059, Gujarat, India
Phone: + 91 79 26599000 Fax: + 91 79 26582100
E-mail ID: chintantrivedi@torrentpharma.com

q. Investor Services

E-mail ID: investorservices@torrentpharma.com

r. Registrars & Transfer Agents (RTA)

KFIN Technologies Limited
Unit: Torrent Pharmaceuticals Limited
Selenium Tower-B, Plot No. 31 & 32, Financial District,
Nanakramguda, Hyderabad - 500 032, India
Toll free No / Whatsapp no: 18003094001 / +91 9100094099
Contact person: Dnyanesh Gharote
E-mail ID: einward.ris@kfintech.com

s. Debenture Trustee

IDBI TRUSTEESHIP SERVICES LIMITED
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai – 400001
Website: <http://www.idbitrustee.com>
E-mail ID: itsl@idbitrustee.com
Tel. No: + 91 22 4080 7000
Fax No: +91 22 6631 1776

For and on behalf of the Board of Directors

Ahmedabad
22nd May, 2026

Samir Mehta
Executive Chairman
DIN: 00061903

ANNEXURE 1 TO CORPORATE GOVERNANCE REPORT

To,
The Shareholders,

Affirmation of Compliance with Code of Business Conduct

I, Samir Mehta, Executive Chairman, declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Business Conduct for the period from 01st April, 2025 or the date of their joining the Company, whichever is later, to 31st March, 2026 from all Members of the Board and employees under Senior Management Cadre comprising CEO / Executive Directors (not a Member of the Board), Vice Presidents and General Managers.

Ahmedabad
22nd May, 2026

Samir Mehta
Executive Chairman
DIN: 00061903

Independent Auditor's Report

To the Members of

Torrent Pharmaceuticals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Torrent Pharmaceuticals Limited (the "Company") which comprise the standalone balance sheet as at March 31, 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor Report (Continued)

Impairment testing of goodwill

See Note 4.8.2, 9 and 10 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company tests goodwill for impairment annually, or more frequently when there is an indication that the cash generating units (CGUs) to which goodwill has been allocated may be impaired. We identified the annual impairment assessment of goodwill as a key audit matter because the assessment process is complex and judgmental by nature and is based on assumptions on: - projected future cash inflows; - expected growth rate and profitability; - discount rate; - perpetuity value based on long term growth rate.	Our audit procedures included the following: - Testing operating effectiveness of controls over determination of the recoverable amounts of cash generating units. Cash generating units for this purpose are those to which the goodwill is allocated; - Evaluating the model used in determining the recoverable value of the cash generating units; - Assessing the reasonableness of prior period cash flow forecasts of the Company by reference to actual performance to assess forecast accuracy; - Challenging the significant assumptions and judgements used in impairment analysis such as forecast revenue, margins, long term growth and discount rates in comparison to our understanding of economic conditions and knowledge of industry; - Performing sensitivity analysis of the key assumptions, such as future revenue growth rates, future gross margins, and the discount rate used in determining the recoverable value; - Evaluating the adequacy of disclosures, including disclosures of key assumptions, judgements and sensitivities.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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. 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

Independent Auditor Report (Continued)

judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either 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 judgment and maintain professional skepticism throughout the audit. We also:

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

Independent Auditor Report (Continued)

- 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report that:
 - 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.
 - 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.
 - The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors on April 01, 2026 and April 08, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

Independent Auditor Report (Continued)

- B. 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, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements - Refer Note 43 to the standalone financial statements.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 41 (ii) to the standalone financial statements.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d
 - (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 48 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 48 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. 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 during the year by the Company until the date of this audit report is in accordance with Section 123 of the Act. As stated in Note 54 to the financial statements, the Board of Directors of the Company have 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.
 - f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, which along with an access management tool as applicable, 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 the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, where the audit trail (edit log) functionality was enabled and operated during the previous year, the Company has preserved the audit trail in accordance with the statutory record-retention requirements.

Independent Auditor Report (Continued)

- C. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm’s Registration No.:101248W/W-100022

Sadashiv Shetty
Partner

Place: Ahmedabad
Date: May 22, 2026

Membership No.: 048648
ICAI UDIN:26048648BONAYF8130

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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 intangible assets.
 - (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or advance in the nature of loan, secured or unsecured to companies, firms, limited liability partnership or any other parties. The Company has made investments in companies, limited liability partnership and other parties, provided guarantees to companies and granted unsecured loans to other parties during the year, in respect of which the requisite information is as below. The Company has not made investments in firms and not granted loans, secured or unsecured to companies, firms or limited liability partnership during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantee as below:

		(₹ in crores)
Particulars	Guarantees	Loans
Aggregate amount during the year		
Subsidiaries*	757.23	-
Others (to employees)	-	5.17
Balance outstanding as at balance sheet date		
Subsidiaries*	993.87	-
Others (to employees)	-	7.95

*As per the Companies Act, 2013

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of
Torrent Pharmaceuticals Limited for the year ended March 31, 2026 (Continued)**

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided and the terms and conditions of the grant of loans and guarantees provided during the year are not prejudicial to the interest of the Company.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
 - (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or provided any security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the guarantees given and investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 01, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditor’s Report on the Standalone Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026 (Continued)

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in crores)	Amount paid under protest (₹ in crores)
The Central Excise Act, 1944	Cenvat Credit/ Input service tax/ demand of duty & penalty	CESTAT	2012-13, 2013-14, 2016-17 to June 2017	18.8	0.43
Finance Act, 1994	Demand of Service Tax/Interest/ Penalty	CESTAT	2013-14 to 2015-16	7.27	-
Finance Act, 1994	Demand of Service Tax/Interest/ Penalty	Supreme Court of India	2007-08 to June 2012	66.27	-
Finance Act, 1994	Demand of Service Tax/Interest/ Penalty	Commissioner of GST & Central Excise- Ahmedabad	July-2012 to Sept 2013 October-2013 to March-2015	13.14	-
The Central Goods & Service Tax Act, 2017	Input Tax Credit	CESTAT	FY 2017-18	0.83	0.02
The Central Goods & Service Tax Act, 2017	GST export refund	Commissioner (Appeals)-CGST	FY 2018-19 to FY 2023-24	73.64	4.13
Madhya Pradesh Entry Tax Act 1976	Entry Tax demand	Asst Commissioner of Commercial Tax, Madhya Pradesh	2015-16 and 2016-17	0.13	0.02
Madhya Pradesh VAT Act 2002	Demand of Tax	Asst Commissioner of Commercial Tax, Madhya Pradesh	2014-15, 2015-16 and 2016-17	0.04	0.01
Uttar Pradesh Trade Tax Act, 1948	Demand of Tax	Joint Commissioner, Commercial Tax, Uttar Pradesh	2003-04 and 2005-06	0.41	0.08
MGST/CGST Act 2017	Excess availment of Input tax credit	Deputy Commissioner of State tax	2021-22	0.32	0.02
TNGST/CGST Act 2017	Excess availment of Input tax credit	Deputy Commissioner of State tax	2007-08	0.18	0.01
TGST/CGST Act 2017	Demand of Tax	Asst Commissioner of State Tax	2017-18	0.44	-
KAGST/CGST Act 2017	Demand of Tax	Assistant Commissioner of Commercial Taxes	2017-18	1.86	-
BGST/CGST Act 2017	Demand of Tax	Assistant Commissioner of State tax	2020-21	1.14	0.06
MGST/CGST Act 2017	Demand of Tax	Assistant Commissioner of State tax	2020-21	0.04	-
UPGST/CGST Act 2017	Demand of Tax	Deputy Commissioner	2020-21	0.03	-

Annexure A to the Independent Auditor’s Report on the Standalone Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026 (Continued)

Name of the statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in crores)	Amount paid under protest (₹ in crores)
RGST/CGST Act 2017	Demand of Tax	Deputy Commissioner of State Tax	2018-19	1.89	0.08
PGST/CGST Act 2017	Demand of Tax	Joint Commissioner (Appeals) of State tax	2018-19	0.16	0.15
UPGST/CGST Act 2017	Demand of Tax	Joint Commissioner, Corporate Circle (II) State Tax	2017-18, 2018-19, 2020-21, 2021-22	7.18	0.33
DGST/CGST Act 2017	Demand of Tax	Sales Tax Officer - AVATO	2017-18, 2018-19 & 2019-20	2.94	0.13
ASGST/CGST Act 2017	Demand of Tax	Sales Tax Officer Class II/AVATO	2018-19	0.75	0.03
UKGST/CGST Act 2017	Demand of Tax	Superintendent of State Tax	2020-21	0.17	0.01
The Customs Act, 1962	Demand of Custom duty	CESTAT	2017-18	0.23	-
Income Tax Act, 1961	Income taxes and penalty	Commissioner of Income Tax (Appeals)	AY 2016-17, 2017-18 and 2023-24 2024-25	9.43	0.03
Income Tax Act, 1961	Income taxes	Assessment Unit, Income Tax Department	AY 2020-21	0.03	-
Employees' State Insurance Act, 1948	Contribution towards ESI	High Court, Gujarat	November 1991- March 2025	18.37	-

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026 (Continued)

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, 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

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026 (Continued)

- 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

Place: Ahmedabad
Date: May 22, 2026

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022
Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN:26048648BONAYF8130



Annexure B to the Independent Auditor’s Report on the standalone financial statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Torrent Pharmaceuticals Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company’s internal financial controls with reference to 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 financial statements include 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

Annexure B to the Independent Auditor’s Report on the standalone financial statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026 (Continued)

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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **BSR & Co. LLP**
Chartered Accountants
Firm’s Registration No.:101248W/W-100022

Sadashiv Shetty
Partner

Membership No.: 048648
ICAI UDIN:26048648BONAYF8130

Place: Ahmedabad
Date: May 22, 2026



STANDALONE BALANCE SHEET

as at March 31, 2026

	Notes	As at March 31, 2026	(₹ in crores) As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	6	3,156.48	2,974.78
Capital work-in-progress	6	384.32	365.59
Investment properties	7	13.10	-
Right-of-use assets	8	179.83	156.61
Goodwill	9	323.56	323.56
Other intangible assets	10	3,697.19	4,099.09
Intangible assets under development	10	35.57	36.25
Financial assets			
Investments	11	13,045.50	410.52
Loans	12	3.19	3.37
Other financial assets	13	10.54	17.09
		13,059.23	430.98
Other tax assets (net)		48.98	64.27
Other non-current assets	14	23.03	41.83
Total non-current assets		20,921.29	8,492.96
Current assets			
Inventories	15	1,526.23	1,560.83
Financial assets			
Investments	11	126.84	112.21
Trade receivables	16	2,641.05	2,170.79
Cash and cash equivalents	17	70.67	104.81
Bank balances other than cash and cash equivalents	18	12.31	4.93
Loans	12	4.76	4.22
Other financial assets	13	147.16	124.55
		3,002.79	2,521.51
Other current assets	14	362.02	266.46
Total current assets		4,891.04	4,348.80
Non-current assets held for sale	51	1.20	-
TOTAL ASSETS		25,813.53	12,841.76
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	169.23	169.23
Other equity	20	8,282.94	7,423.27
Total equity		8,452.17	7,592.50
Non-current liabilities			
Financial liabilities			
Borrowings	21	11,461.86	1,020.59
Lease liabilities	22	93.30	68.52
Other financial liabilities	26	85.57	13.80
		11,640.73	1,102.91
Provisions	23	368.17	337.78
Deferred tax liabilities (net)	24	763.63	828.48
Other non-current liabilities	27	-	0.46
Total non-current liabilities		12,772.53	2,269.63
Current liabilities			
Financial liabilities			
Borrowings	21	2,702.19	1,526.25
Lease liabilities	22	19.18	13.66
Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		111.03	23.13
Total outstanding dues of creditors other than micro enterprises and small enterprises		694.74	743.98
Other financial liabilities	26	716.87	290.84
		4,244.01	2,597.86
Other current liabilities	27	64.67	101.64
Provisions	23	218.54	207.49
Current tax liabilities (net)		61.61	72.64
Total current liabilities		4,588.83	2,979.63
TOTAL EQUITY AND LIABILITIES		25,813.53	12,841.76

The accompanying notes are an integral part of the Standalone financial statements.

In terms of our report attached

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Ahmedabad
May 22, 2026

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2026

	Notes	Year ended March 31, 2026	(₹ in crores) Year ended March 31, 2025
INCOME			
Revenue from operations	28	10,712.00	9,682.44
Other income	29	17.92	31.50
Total Income		10,729.92	9,713.94
EXPENSES			
Cost of materials consumed	30	1,567.44	1,517.51
Purchases of stock-in-trade		767.20	732.33
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	(22.28)	(9.04)
Employee benefits expense	32	1,879.40	1,636.45
Finance costs	33	340.96	213.40
Depreciation and amortisation expense	34	763.54	759.48
Other expenses	35	2,467.03	2,229.42
Total Expenses		7,763.29	7,079.55
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		2,966.63	2,634.39
Exceptional items	50	70.02	24.21
PROFIT BEFORE TAX		2,896.61	2,610.18
TAX EXPENSE	24		
Current tax		720.20	540.56
Deferred tax		(15.18)	181.56
		705.02	722.12
PROFIT FOR THE YEAR		2,191.59	1,888.06
Other comprehensive income (net of taxes)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(6.14)	(34.96)
Equity instruments through other comprehensive income		0.31	1.76
Income tax relating to items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		1.54	7.82
Equity instruments through other comprehensive income		0.01	(0.14)
Items that will be reclassified subsequently to profit or loss			
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge		(191.20)	(23.09)
Income tax relating to items that will be reclassified subsequently to profit or loss			
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge		48.12	7.32
		(147.36)	(41.29)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,044.23	1,846.77
Earnings per share (Face value per equity share of ₹ 5) (In ₹)			
Basic and diluted	37	64.75	55.79

The accompanying notes are an integral part of the Standalone financial statements.

In terms of our report attached

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Ahmedabad
May 22, 2026

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026



STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(A) Equity Share Capital

	₹ in crores	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	169.23	169.23
Changes during the year	-	-
Balance at the end of the year	169.23	169.23

(B) Other Equity

	Reserves and surplus				Other comprehensive income		Total
	Retained earnings	General reserve	Debenture redemption reserve	Capital reserve*	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	
Balance as at April 1, 2025	4,514.33	2,884.05	35.71	0.00	(5.08)	(5.74)	7,423.27
Profit for the year	2,191.59	-	-	-	-	-	2,191.59
Re-measurement gains/(losses) on defined benefit plans (net of tax)	(4.60)	-	-	-	-	-	(4.60)
Other comprehensive income for the year (net of tax)	-	-	-	-	0.32	(143.08)	(142.76)
Total Comprehensive Income for the year	6,701.32	2,884.05	35.71	0.00	(4.76)	(148.82)	9,467.50
Dividends**	(1,184.56)	-	-	-	-	-	(1,184.56)
Transfer from equity instruments through other comprehensive income	0.03	-	-	-	(0.03)	-	-
Transfer from debenture redemption reserve	-	35.71	(35.71)	-	-	-	-
Balance as at March 31, 2026	5,516.79	2,919.76	-	0.00	(4.79)	(148.82)	8,282.94
Balance as at April 1, 2024	3,736.39	2,848.33	71.43	0.00	(6.65)	10.03	6,659.53
Profit for the year	1,888.06	-	-	-	-	-	1,888.06
Re-measurement gains/(losses) on defined benefit plans (net of tax)	(27.14)	-	-	-	-	-	(27.14)
Other comprehensive income for the year (net of tax)	-	-	-	-	1.62	(15.77)	(14.15)
Total Comprehensive Income for the year	5,597.31	2,848.33	71.43	0.00	(5.03)	(5.74)	8,506.30
Dividends***	(1,083.03)	-	-	-	-	-	(1,083.03)
Transfer from equity instruments through other comprehensive income	0.05	-	-	-	(0.05)	-	-
Transfer from debenture redemption reserve	-	35.72	(35.72)	-	-	-	-
Balance as at March 31, 2025	4,514.33	2,884.05	35.71	0.00	(5.08)	(5.74)	7,423.27

* Represents value less than ₹ 50 Thousand

** Dividend includes 2024-25 final dividend of ₹ 6 per share and 2025-26 interim dividend of ₹ 29 per share.

*** Dividend includes 2023-24 final dividend of ₹ 6 per share and 2024-25 interim dividend of ₹ 26 per share.

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

Nature and Purpose of Reserves:

- (a) **Retained earnings:** Retained earnings are the profits earned till date, less any transfers to other reserves and dividends distributed.
- (b) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- (c) **Debenture redemption reserve:** The reserve represents amount required to be set aside out of profits in accordance with Companies Act, 2013 upto August 16, 2019.
- (d) **Capital reserve:** Capital reserve represents profit or loss on cancellation of own forfeited equity instruments.
- (e) **Equity instruments through other comprehensive income:** This represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when such assets are disposed off.
- (f) **Effective portion of cash flow hedges:** This represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of effective portion of cash flow hedges will be reclassified to statement of profit and loss only when the hedged items affect the statement of profit and loss.

The accompanying notes are an integral part of the Standalone financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026

Ahmedabad
May 22, 2026



STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,896.61	2,610.18
Adjustments for:		
Depreciation and amortisation expense	763.54	759.48
Allowance for expected credit loss (net)	0.85	2.02
Impairment of investment in subsidiaries	-	1.34
Unrealised foreign exchange loss/(gain) (net)	55.95	12.41
(Gain)/Loss on disposal of property, plant & equipment and other intangible assets (Including Non-current assets held for sale) (net)	(18.26)	(1.66)
Net gain on sale of current investments	(23.77)	(16.73)
Finance costs	340.96	213.40
Rent income	(0.42)	-
Interest income	(3.18)	(0.75)
Dividend income	(99.52)	(0.01)
	3,912.76	3,579.68
Movement in working capital:		
(Increase)/Decrease in Trade Receivables	(379.12)	(580.99)
(Increase)/Decrease in Loans and Other assets	(122.25)	(61.89)
(Increase)/Decrease in Inventories	34.60	4.76
Increase/(Decrease) in Trade Payables	31.77	1.96
Increase/(Decrease) in Liabilities and Provisions	(30.99)	121.09
CASH GENERATED FROM OPERATIONS	3,446.77	3,064.61
Income taxes paid (net of refunds)	(715.94)	(490.11)
NET CASH FROM OPERATING ACTIVITIES	2,730.83	2,574.50
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment and other intangible assets (including payment towards capital work-in-progress, intangible assets under development and capital advances)	(509.55)	(446.09)
Proceeds from disposal of property, plant & equipment and other intangible assets (Including advance received against non-current assets held for sale)	40.92	17.42
Payment for investment in subsidiaries	(12,621.96)	(77.82)
Payment for Non-current Investments	(12.79)	(10.00)
Proceeds from disposal of Investments	0.05	0.06
Proceeds from redemption of mutual funds (net)	9.14	45.48
Dividend received	99.52	0.01
Maturity of Fixed deposits (net)	1.26	0.03
Interest received	3.21	0.82
NET CASH USED IN INVESTING ACTIVITIES	(12,990.20)	(470.09)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	10,990.00	-
Repayment of long term borrowings	(672.14)	(529.18)
Proceeds from/(Repayment of) short term borrowings (net)	1,514.61	(258.75)
Repayment of lease liabilities	(26.30)	(9.35)
Dividend paid	(1,184.56)	(1,083.03)
Interest and other borrowing cost paid	(396.38)	(224.15)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	10,225.23	(2,104.46)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(34.14)	(0.05)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer note 17)	104.81	104.86
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer note 17)	70.67	104.81

Notes:

- (1) The above statement of Cash flows has been prepared under the "Indirect Method" as set out in the Ind AS 7 - Statement of Cash Flows.
- (2) The Company considers investing in liquid mutual fund as an important part of its cash management activities. In accordance with Ind AS 7, the same is presented as cash flows from investing activities. As at March 31, 2026 investment amount is ₹ 126.84 crores (As at March 31, 2025: ₹ 112.21 crores).

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(3) Changes in liabilities arising from financing activities:

	(₹ in crores)				
	As at April 1, 2025	Cash Flows (Net)	Non-cash changes		As at March 31, 2026
			Net Addition	Foreign currency translation	Other Adjustments
Long-term borrowings including current maturities (Refer note 21)	1,604.96	10,317.86	-	-	(228.46)
Short-term borrowings (Refer note 21)	941.88	1,514.61	-	-	13.20
Interest accrued but not due on borrowings (Refer note 26)	24.65	(396.38)	339.00	-	215.26
Lease liabilities (Non-Current and Current liabilities) (Refer note 22)	82.18	(26.30)	47.05	0.36	9.19
	2,653.67	11,409.79	386.05	0.36	9.19

	(₹ in crores)				
	As at April 1, 2024	Cash Flows (Net)	Non-cash changes		As at March 31, 2025
			Net Addition	Foreign currency translation	Other Adjustments
Long-term borrowings including current maturities (Refer note 21)	2,132.96	(529.18)	-	-	1.18
Short-term borrowings (Refer note 21)	1,200.00	(258.75)	-	-	0.63
Interest accrued but not due on borrowings (Refer note 26)	35.30	(224.15)	211.30	-	2.20
Lease liabilities (Non-Current and Current liabilities) (Refer note 22)	11.24	(9.35)	77.76	0.43	2.10
	3,379.50	(1,021.43)	289.06	0.43	6.11

The accompanying notes are an integral part of the Standalone financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Ahmedabad
May 22, 2026

Samir Mehta
Executive Chairman
DIN: 00061903

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026



NOTES forming part of the Standalone Financial Statements

1. Corporate information

Torrent Pharmaceuticals Limited ("the Company") is a public limited company incorporated and domiciled in India. The registered office of the Company is located at "Avirat", Thaltej Shilaj Road, Ahmedabad – 380059, Gujarat, India. The Company is engaged in manufacturing, developing and marketing of generic pharmaceutical formulations. The Company's research and development facility is located in the state of Gujarat, India and its manufacturing facilities are located in the states of Gujarat, Himachal Pradesh, Madhya Pradesh, Andhra Pradesh and Sikkim.

2 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

3 Basis of preparation of financial statements

3.1 Basis of preparation and presentation

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting except for the following material items which have been measured at fair value.

- Derivative financial instruments
- Investments in mutual funds, equity instruments and LLP
- Defined benefit plan – plan assets
- Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value measurement and/or disclosure purposes in the financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of asset.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

3.2 Functional and presentation currency

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in the nearest rupee crores.

NOTES forming part of the Standalone Financial Statements

3 Basis of preparation of financial statements (Continued)

3.3 Use of accounting estimates and judgements

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgements, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and if any future periods affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its standalone financial statements:

- **Property, plant and equipment (refer note 4.1)**

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically at each financial year-end, changes in estimates, if any, are accounted for as a change in accounting estimates.

- **Valuation of assets acquired as part of business combination (refer note 4.2.1)**

Ind AS 103 requires the identifiable assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and assets. The purchase price allocation valuations are conducted by independent valuer.

- **Useful lives of intangible assets (refer note 4.3)**

The Company reviews estimated useful life of amortisable intangible assets at the end of each reporting period and change in estimates if any are accounted for as change in accounting estimates.

- **Impairment of investments in subsidiaries (refer note 4.5.1)**

Investment in subsidiaries are measured at cost and tested for impairment annually. For impairment testing, management determines recoverable amount using cash flow projections. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins.

- **Valuation of inventories (refer note 4.7)**

The Company considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impacts the Company's business in determining the allowance for obsolete, non-saleable and slow-moving inventories. The Company considers the above factors and adjusts the inventory provision on a periodic basis to reflect its actual experience.

- **Impairment of intangible assets and goodwill (refer note 4.8.2)**

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated growth rates and weighted average cost of capital. Cash flow projections take into account past experience and represent management's best estimate about future developments.

- **Employee benefits (refer note 4.9 and 40)**

The accounting of employee defined benefit plans requires the Company to use assumptions. These assumptions include rate of increase in compensation levels, discount rates, expected rate of return on assets and attrition rates.

NOTES forming part of the Standalone Financial Statements

3.3 Use of accounting estimates and judgements (Continued)

- **Provisions & contingent liabilities (refer note 4.11 and 43)**

The Company exercises judgement in determining outcome of a particular matter is possible, probable or remote. The Company exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities.

- **Sales returns (refer note 4.12)**

The estimate for sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates. With respect to established products, the Company considers its historical experience of sales returns, market condition, estimated shelf life and specific contractual terms.

- **Provision for income tax and deferred tax assets (refer note 4.13)**

The Company exercises significant judgements in determining provision for income taxes, uncertain tax positions and to reassess the carrying amount of deferred tax assets at the end of the each reporting period.

4 Material accounting policies

4.1 Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of fixed assets comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying fixed assets is capitalized to respective assets when the time taken to put the assets to use is substantial.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of replacement of any property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Company and its cost can be measured reliably.

Capital work in progress which are not ready for intended use are carried at cost less impairment loss, if any.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or upgradation.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in the statement of profit and loss.

Freehold land is carried at historical cost and is not depreciated.

NOTES forming part of the Standalone Financial Statements

4.1 Property, plant and equipment (Continued)

Depreciation on property, plant and equipment is provided on the cost of the assets less their estimated residual value, using straight-line method over estimated useful life of the assets.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year-end and changes in estimates, if any are accounted for as a change in accounting estimates.

The estimated useful lives of property, plant and equipments are as under:

Type of property, plant and equipment	Useful life
Building other than factory buildings	58 years
Factory buildings	28 years
Plant and equipments	10 to 20 years
Laboratory equipments	5 to 20 years
Electrical equipments	10 to 20 years
Furniture & Fixtures	10 years
Office equipments	10 years
Wind power plant	25 years
Solar power plant	30 years
Computer equipments	3 years
Vehicles	10 years

Schedule II to the Companies Act, 2013 ("Schedule") prescribes the useful lives for various classes of tangible assets. For certain class of assets the Company uses different useful life based on the internal technical evaluation and historical usage of assets. Accordingly, for these assets, the useful lives estimated by the Company are different from those prescribed in the Schedule.

4.2 Business combinations and goodwill

4.2.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed in the statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

In case of bargain purchase where the fair value of identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised in other comprehensive income on the acquisition date and accumulate the same in equity as capital reserve after reassessing the fair values of the net identifiable assets and contingent liabilities.

If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected

NOTES forming part of the Standalone Financial Statements

4.2.1 Business combinations (Continued)

the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose. The financial statement of prior period is restated as if the business combination had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

4.2.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (CGUs) that is expected to benefit from the synergies of the combination. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

4.3 Intangible assets

Intangible assets such as marketing licenses, brands (including associated trademark rights), computer software, non-compete fees, and other product related intangibles acquired separately are measured at cost. This includes upfront and milestone payments for in-licensed products and other intangible assets. Intangible assets acquired under business combination are measured at fair value as of the date of business combination.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

Acquired research and development intangible assets that are under development are recognised as intangible assets under development. These assets are not amortised but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss.

Intangible assets are amortized over their respective estimated useful life using straight-line method. The estimated useful life of amortizable intangible assets is reviewed at the end of each reporting period and changes in estimates if any are accounted for as a change in accounting estimates.

The estimated useful lives of intangible assets are as mentioned below:

Type of intangible asset	Useful life
Computer softwares	3 to 5 years
Product licenses	Upto 15 years
Brands (including trademarks)	Upto 15 years
Non-compete fees	Upto 5 years
Drug master files	10 years

NOTES forming part of the Standalone Financial Statements

4 Material accounting policies (Continued)

4.4 Foreign currency transaction and translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

4.5 Financial instruments

4.5.1 Financial assets

(a) Classification of financial assets:

The Company classifies its financial assets in the following categories:

- those measured subsequently at fair value (either through other comprehensive income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(b) Initial measurement:

Financial assets (unless it is a trade receivable without a significant financing component) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

• Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

NOTES forming part of the Standalone Financial Statements

4.5.1 Financial assets (Continued)

- **Fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

(d) Derecognition of financial assets:

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has retained substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company has retained control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(e) Income recognition:

Dividend is accounted when the right to receive payment is established. Interest income is recognised in the statement of profit and loss as it accrues, using the effective interest method.

(f) Cash and cash equivalents:

Cash and cash equivalents consists of cash on hand, short term deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities/holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(g) Investments:

Investments in mutual funds are primarily held for the Company's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

The Company measures investment in subsidiaries at cost less provision for impairment, if any.

For equity instruments, not held for trading, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

NOTES forming part of the Standalone Financial Statements

4.5.1 Financial assets (Continued)

(h) Trade receivables:

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

4.5.2 Financial liabilities

The Company's financial liabilities include trade payables, loans and borrowing and derivative financial instruments.

(a) Classification:

All the Company's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

(b) Initial measurement:

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method. The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(d) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(e) Borrowings:

Borrowings are initially recorded at fair value net of transaction cost and subsequently measured at amortized costs using effective interest rate method. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

(f) Trade payables:

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

NOTES forming part of the Standalone Financial Statements

4.5 Financial instruments (Continued)

4.5.3 Derivative financial instruments and hedge accounting

The Company enters into derivative financial instruments to manage its foreign exchange rate risk. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and nature of hedged items.

Derivative financial instruments that hedges foreign currency risk associated with highly probable forecasted transactions are designated as cash flow hedges and measured at fair value. The effective portion of such hedges is recorded in cash flow hedge reserve, as a component of equity, and re-classified to the statement of profit and loss in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such hedges is recorded in the statement of profit and loss immediately.

Hedge effectiveness is tested both at the inception of the hedge relationship as well as on an ongoing basis. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting.

4.6 Leases – Company as lessee

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset the Company assesses whether contract involves the use of an identified asset, the Company has a right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and the Company has the right to direct the use of the asset.

At the inception date, right-of-use (ROU) asset is recognised at cost which includes present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of useful life of the asset or the lease term. When the Company has purchase option available under lease and cost of right-of-use assets reflects that purchase option will be exercised, right-of-use asset is depreciated over the useful life of underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is initially measured at the present value of future lease payments. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

Lease payments are discounted using the incremental borrowing rate or interest rate implicit in the lease, if the rate can be determined.

The Company has elected not to recognise ROU assets and lease liabilities for short term leases as well as low value assets and recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

NOTES forming part of the Standalone Financial Statements

4 Material accounting policies (Continued)

4.7 Inventories

Inventories are carried at the lower of cost and net realizable value.

The cost incurred in bringing the inventory to their existing location and conditions are determined as follows:

- Raw material and packing material - Purchase cost of materials on a moving average basis.
- Finished goods (manufactured) and work in progress - Cost of purchase, conversion cost and other costs on a weighted average cost method.
- Finished Goods (traded) - Purchase cost on a moving average basis.

The cost of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recovered by the Company from tax authorities), and transport, handling and other costs directly attributable to bringing the inventory to their existing location and conditions. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Net realizable 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 sales.

The Company considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor, which impact the Company's business, in determining the allowance for obsolete, non-saleable and slow moving inventories.

4.8 Impairment of assets

4.8.1 Financial assets

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires the Company to apply expected credit loss model for recognition and measurement of impairment loss. The Company uses a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The impairment loss is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.8.2 Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.



NOTES forming part of the Standalone Financial Statements

4.8.2 Non-financial assets (Continued)

Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Determination of recoverable amount of CGU requires the management to estimate the future cash flows expected to arise and a suitable discount rate in order to calculate the present value. An impairment loss recognised for goodwill is not reversed in subsequent periods.

4.9 Employee benefits

4.9.1 Short term employee benefits

Short term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in statement of profit and loss.

4.9.2 Long term employment benefits

Defined contribution plans:

Contributions to defined contribution plans (provident fund, superannuation and other social security schemes) are recognized as expense when employees have rendered services entitling them to such benefits.

Defined benefit plans:

The Company's net obligation in respect of an approved gratuity plan, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability/(asset) is recognized in the statement of profit and loss. Past service cost are immediately recognized in the statement of profit and loss. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Termination benefits:

Termination benefits are recognized as expense when the Company is committed without any possibility of withdrawal of an offer made to either terminate employment before the normal retirement date or as a result of an offer made to encourage voluntary retirement.

Compensated absences and earned leaves:

The Company's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

NOTES forming part of the Standalone Financial Statements

4 Material accounting policies (Continued)

4.10 Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions for receiving such grant have been and will be fulfilled.

Government grants related to asset are recognized as deferred income and charged to statement of profit and loss on a systematic basis over expected useful life of the related asset.

Government grants are recognized in statement of profit and loss on a systematic basis over the period in which Company recognizes as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses already incurred are recognised in statement of profit and loss in the period in which they become receivable.

When loans received from the government or related institutions with below-market interest rate, the benefit of below-market interest rate is treated as government grant measured as the difference between the proceeds received and the fair value of loan based on prevailing market interest rate.

4.11 Provisions, contingent liabilities and contingent assets

Provisions:

A provision is recognized when as a result of a past event, the Company has a present obligation whether legal or constructive that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. If the obligation is expected to be settled more than 12 months after the end of reporting date or has no definite settlement date, the provision is recorded as non-current liabilities after giving effect for time value of money, if material. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability:

The Company uses significant judgements to assess contingent liabilities. A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

4.12 Revenue recognition

Revenue is measured based on the transaction price adjusted for discounts and rebates, which is specified in the contract with customer. Revenue are net of estimated returns and taxes collected from customers.

Revenue from sale of goods is recognized when control is transferred to the customer and it is probable that consideration will be realised. Control of goods is transferred upon the shipment of the goods to the customer or when goods are made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.



NOTES forming part of the Standalone Financial Statements

4.12 Revenue recognition (Continued)

The consideration can be fixed or variable. Variable consideration is only recognised when it is highly probable that a significant reversal will not occur.

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

Export entitlements are recognised as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

4.13 Income taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The deferred tax arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognized.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. 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 income tax assets to be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

For units which enjoy tax holiday benefit, deferred tax assets and liabilities are recognized for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

4.14 Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares.

NOTES forming part of the Standalone Financial Statements

4 Material accounting policies (Continued)

4.15 Research and development

Revenue expenditure on research and development activities is recognised as expense in the separate heads of the statement of profit and loss in the period in which it is incurred.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

4.16 Borrowing cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

4.17 GST input credit

Goods and services tax (GST) input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services. The balance of GST input credit is reviewed at the end of each year and amount estimated to be un-utilizable is charged to the statement of profit and loss for the year.

4.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments.

4.19 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

4.20 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

4.21 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment properties. Investment property is measured initially at its cost, including related transaction costs and borrowing costs where applicable. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life between 5 to 58 years. The useful life has been determined based on internal technical evaluation by the company.



NOTES

forming part of the Standalone Financial Statements

4

Material accounting policies (Continued)

4.22

Exceptional items

An item of income or expense which by its size, nature, occurrence or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item in the Statement of Profit and Loss.

5

Recent accounting pronouncements

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 and August 13, 2025, notified Companies (Indian Accounting Standards) Amendment Rules, 2025 which amends certain accounting standards and are effective April 1, 2025;

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

The amendment specifies the exchange rate to use in reporting foreign currency transactions when exchangeability between two currencies is temporarily lacking.

Ind AS 1, Presentation of Financial Statements:

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Ind AS 7, Statement of Cash Flows and Ind AS 107 Financial Instruments:

The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

Ind AS 12, Income taxes – (International Tax Reform – Pillar Two Model Rules):

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

NOTES

forming part of the Standalone Financial Statements

6

Property, Plant and Equipment

	(₹ in crores)							
	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical equipments	Total
Gross carrying amount as at April 1, 2025	680.83	1,482.63	2,340.08	82.06	29.85	174.50	273.60	5,063.55
Additions	-	244.60	83.81	19.27	4.01	42.17	43.87	437.73
Disposals	-	-	(18.05)	(0.78)	(1.41)	(1.70)	(0.51)	(22.45)
Transfer to Investment properties (Refer note 7)	(0.09)	(14.45)	(0.64)	(3.85)	-	-	(1.58)	(20.61)
Non-current assets held for sale*	(20.52)	(0.17)	-	-	-	-	(0.00)	(20.69)
Gross carrying amount as at March 31, 2026	660.22	1,712.61	2,405.20	96.70	32.45	214.97	315.38	5,437.53
Accumulated depreciation as at April 1, 2025	-	346.25	1,409.64	50.64	12.66	129.07	140.51	2,088.77
Depreciation for the year	-	41.07	132.43	6.07	2.80	21.98	15.39	219.74
Disposals	-	-	(16.27)	(0.74)	(1.09)	(1.48)	(0.45)	(20.03)
Transfer to Investment properties (Refer note 7)	-	(4.55)	(0.43)	(1.61)	-	-	(0.81)	(7.40)
Non-current assets held for sale*	-	(0.03)	-	-	-	-	(0.00)	(0.03)
Accumulated depreciation as at March 31, 2026	-	382.74	1,525.37	54.36	14.37	149.57	154.64	2,281.05
Net carrying amount as at March 31, 2026	660.22	1,329.87	879.83	42.34	18.08	65.40	160.74	3,156.48
Capital work-in-progress								
Carrying amount as at April 1, 2025								365.59
Additions								457.29
Disposals/Capitalised								(438.56)
Carrying amount as at March 31, 2026								384.32
Gross carrying amount as at April 1, 2024	680.43	1,485.70	2,292.89	82.76	27.53	169.97	272.81	5,012.09
Additions	0.40	7.79	62.66	1.58	5.64	11.56	2.36	91.99
Disposals	-	(10.86)	(15.47)	(2.28)	(3.32)	(7.03)	(1.57)	(40.53)
Gross carrying amount as at March 31, 2025	680.83	1,482.63	2,340.08	82.06	29.85	174.50	273.60	5,063.55
Accumulated depreciation as at April 1, 2024	-	308.10	1,287.31	46.89	11.91	112.64	127.70	1,894.55
Depreciation for the year	-	40.58	133.66	5.46	2.74	22.47	14.09	219.00
Disposals	-	(2.43)	(11.33)	(1.71)	(1.99)	(6.04)	(1.28)	(24.78)
Accumulated depreciation as at March 31, 2025	-	346.25	1,409.64	50.64	12.66	129.07	140.51	2,088.77
Net carrying amount as at March 31, 2025	680.83	1,136.38	930.44	31.42	17.19	45.43	133.09	2,974.78
Capital work-in-progress								
Carrying amount as at April 1, 2024								203.94
Additions								256.33
Disposals/Capitalised								(94.68)
Carrying amount as at March 31, 2025								365.59

* Represents value less than ₹ 50 Thousand.

- (i)
- Certain property, plant and equipment hypothecated/mortgaged as security for borrowings as disclosed under note 21.



NOTES

forming part of the Standalone Financial Statements

6 Property, Plant and Equipment (Continued)

- (ii) Additions during the year includes revenue expenditure of ₹ 17.29 crores (previous year: ₹ 11.11 crores) other than borrowing cost incurred in the course of construction of property, plant and equipment during the year.
- (iii) ₹ 7.23 crores (previous year: ₹ 4.01 crores) of borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate of 6.35% (previous year: 7.50%).
- (iv) The amount of capital commitments is disclosed in note 43.
- (v) **Additions to research and development assets during the year are as under:**

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Buildings	0.23	0.80
Plant and equipments (including laboratory equipments)	31.41	8.87
Electrical equipments	0.23	0.58
Furniture and fixtures	0.97	0.92
Office equipments	2.15	0.73
Vehicles	0.92	0.50
Intangibles (softwares)	5.04	0.35
	40.95	12.75

- (vi) **Pro-rata cost of assets owned jointly with Torrent Power Limited, a fellow subsidiary are as under:**

	Proportion of holding	(₹ in crores)	
		As at March 31, 2026	As at March 31, 2025
Freehold Land	50%	23.79	23.79
Freehold Land	30%	35.69	35.69
Building	30%	0.65	0.65
		60.13	60.13

- (vii) **Capital work-in-progress ageing schedule:**

As at March 31, 2026	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Growth projects	159.44	74.55	35.39	9.68	279.06
Maintenance capex	83.83	6.26	2.14	13.03	105.26
Projects temporarily suspended	-	-	-	-	-
	243.27	80.81	37.53	22.71	384.32

NOTES

forming part of the Standalone Financial Statements

6 Property, Plant and Equipment (Continued)

As at March 31, 2025	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Growth projects	154.42	86.26	24.50	26.83	292.01
Maintenance capex	54.82	4.22	1.36	13.18	73.58
Projects temporarily suspended	-	-	-	-	-
	209.24	90.48	25.86	40.01	365.59

- (viii) For capital-work-in progress, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

7 Investment Properties

(₹ in crores)	
	Amount
Gross carrying amount as at April 1, 2025	-
Transfer from property, plant and equipment (Refer note 6)	20.61
Gross carrying amount as at March 31, 2026	20.61
Accumulated depreciation as at April 1, 2025	-
Transfer from property, plant and equipment (Refer note 6)	7.40
Depreciation for the year	0.11
Accumulated depreciation as at March 31, 2026	7.51
Net carrying amount as at March 31, 2026	13.10

(₹ in crores)	
	Amount
Gross carrying amount as at April 1, 2024	-
Transfer from property, plant and equipment	-
Gross carrying amount as at March 31, 2025	-
Accumulated depreciation as at April 1, 2024	-
Transfer from property, plant and equipment	-
Depreciation for the year	-
Accumulated depreciation as at March 31, 2025	-
Net carrying amount as at March 31, 2025	-

- (i) The fair value of investment properties as at March 31, 2026 is ₹ 73.17 crores which has been determined on the basis of valuation carried by independent valuer.
- (ii) Rental income pertains to investment properties recognised in profit or loss aggregates to ₹ 0.42 crores for the year ended March 31, 2026 (₹ Nil for the year ended March 31, 2025).



NOTES forming part of the Standalone Financial Statements

8 Right-Of-Use Assets

	₹ in crores				
	Land	Buildings	Vehicles	Computers	Total
Gross carrying amount as at April 1, 2025	84.37	11.66	79.84	3.64	179.51
Additions	-	1.71	45.34	-	47.05
Disposals/Adjustments	-	(0.15)	(2.58)	-	(2.73)
Gross carrying amount as at March 31, 2026	84.37	13.22	122.60	3.64	223.83
Accumulated depreciation as at April 1, 2025	11.45	6.30	3.96	1.19	22.90
Depreciation for the year	1.92	2.66	18.49	0.76	23.83
Disposals/Adjustments	-	(0.15)	(2.58)	-	(2.73)
Accumulated depreciation as at March 31, 2026	13.37	8.81	19.87	1.95	44.00
Net carrying amount as at March 31, 2026	71.00	4.41	102.73	1.69	179.83
Gross carrying amount as at April 1, 2024	84.37	11.63	2.57	3.30	101.87
Additions	-	0.15	77.27	0.34	77.76
Disposals/Adjustments	-	(0.12)	-	-	(0.12)
Gross carrying amount as at March 31, 2025	84.37	11.66	79.84	3.64	179.51
Accumulated depreciation as at April 1, 2024	9.53	3.78	0.64	0.49	14.44
Depreciation for the year	1.92	2.64	3.32	0.70	8.58
Disposals/Adjustments	-	(0.12)	-	-	(0.12)
Accumulated depreciation as at March 31, 2025	11.45	6.30	3.96	1.19	22.90
Net carrying amount as at March 31, 2025	72.92	5.36	75.88	2.45	156.61

- (i) Lease contracts entered by the Company majorly pertains for land, buildings, vehicles and computers taken on lease to conduct its business in the ordinary course.
- (ii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Company's operations.
- (iii) Lease liabilities, interest expense on lease liabilities and payment of lease liabilities are disclosed in note 22. Maturity profile of lease liabilities is disclosed in note 41: liquidity risk.

9 Goodwill

	₹ in crores	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	323.56	323.56
Balance at the end of the year	323.56	323.56

The Company tests goodwill for impairment annually or based on an indication. The Company provides for impairment if the carrying amount of cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount is determined based on "value in use" calculations which is calculated as the net present value of forecasted cash flows of CGU to which the goodwill is related.

NOTES forming part of the Standalone Financial Statements

9 Goodwill (Continued)

The carrying amount of goodwill has been allocated to CGUs as follows:

	₹ in crores	
	As at March 31, 2026	As at March 31, 2025
Acquired brands	288.94	288.94
Acquired facility with Drug Master files	34.62	34.62
	323.56	323.56

Key assumptions for CGUs with significant amount of goodwill are as follows:

- (a) Projected cash flows for five years based on financial budgets/forecasts. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.
- (b) Projected revenue growth rate is 9% to 18%.
- (c) Discount rate applied to projected cash flow is 11%.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

10 Other Intangible Assets

	₹ in crores				
	Acquired intangible assets				
	Computer softwares	Product licenses	Brands ⁽ⁱ⁾	Non-compete fees	Drug master files
Gross carrying amount as at April 1, 2025	186.73	121.39	7,370.10	31.10	25.03
Additions	14.41	87.50	16.05	-	-
Disposals	(0.89)	-	-	-	-
Gross carrying amount as at March 31, 2026	200.25	208.89	7,386.15	31.10	25.03
Accumulated amortisation as at April 1, 2025	168.89	112.57	3,317.00	15.34	21.46
Amortisation for the year	12.81	7.32	491.01	6.22	2.50
Disposals	(0.89)	-	-	-	-
Accumulated amortisation as at March 31, 2026	180.81	119.89	3,808.01	21.56	23.96
Net carrying amount as at March 31, 2026	19.44	89.00	3,578.14	9.54	1.07
Intangible assets under development					
Carrying amount as at April 1, 2025					
Additions					
Disposals/Capitalised					
Carrying amount as at March 31, 2026					



NOTES

forming part of the Standalone Financial Statements

10 Other Intangible Assets (Continued)

	Acquired intangible assets					Total
	Computer softwares	Product licenses	Brands ⁽ⁱ⁾	Non-compete fees	Drug master files	
Gross carrying amount as at April 1, 2024	177.64	117.22	7,211.30	31.10	25.03	7,562.29
Additions	10.64	4.17	158.80	-	-	173.61
Disposals	(1.55)	-	-	-	-	(1.55)
Gross carrying amount as at March 31, 2025	186.73	121.39	7,370.10	31.10	25.03	7,734.35
Accumulated amortisation as at April 1, 2024	152.07	91.30	2,833.45	9.12	18.96	3,104.90
Amortisation for the year	18.36	21.27	483.55	6.22	2.50	531.90
Disposals	(1.54)	-	-	-	-	(1.54)
Accumulated amortisation as at March 31, 2025	168.89	112.57	3,317.00	15.34	21.46	3,635.26
Net carrying amount as at March 31, 2025	17.84	8.82	4,053.10	15.76	3.57	4,099.09
Intangible assets under development						
Carrying amount as at April 1, 2024						22.29
Additions						184.88
Disposals/Capitalised						(170.92)
Carrying amount as at March 31, 2025						36.25

(i) Brands includes trademarks.

(ii) Material intangible assets in the Company's financial statement:

Description of intangible assets	Brands
Net Carrying amount	₹ 3,578.14 crores as at March 31, 2026 (₹ 4,053.10 crores as at March 31, 2025)
Remaining amortisation period	3 years to 15 years as at March 31, 2026 (4 years to 15 years as at March 31, 2025)

(iii) Intangible assets under development ageing schedule:

As at March 31, 2026	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	14.47	2.13	3.98	14.99	35.57
Projects temporarily suspended	-	-	-	-	-
	14.47	2.13	3.98	14.99	35.57

NOTES

forming part of the Standalone Financial Statements

10 Other Intangible Assets (Continued)

As at March 31, 2025	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	16.68	4.06	5.79	9.72	36.25
Projects temporarily suspended	-	-	-	-	-
	16.68	4.06	5.79	9.72	36.25

(iv) For intangible assets under development, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

11 Investments

	No. of shares	As at March 31, 2026	As at March 31, 2025
Non-current			
(Unquoted, except otherwise stated)			
At Cost			
Investments in subsidiaries			
Equity instruments of:			
Zao Torrent Pharma (Russia)	23,802	58.80	58.80
fully paid-up equity shares of Russian Roubles 100 each			
Less: Provision for impairment		(23.08)	(23.08)
		35.72	35.72
Torrent Do Brasil Ltda. (Brazil)	1,91,44,418	31.11	31.11
fully paid-up equity shares (Quotas) of Brazilian Reai 1 each			
Torrent Pharma Gmbh (Germany) : equity capital	-	23.37	23.37
Torrent Pharma Inc. (USA)	12,000	4.99	4.99
fully paid-up common Stock of USD 100 each			
Torrent Pharma Philippines, Inc. (Philippines)	1,92,732	4.75	4.75
fully paid-up equity shares of Philippines Pesos 200 each			
Laboratorios Torrent, S.A. De C.V. (Mexico)	74,740	27.99	27.99
fully paid-up equity shares of Mexican Pesos 1000 each			
Torrent Australasia Pty. Ltd. (Australia)	6,75,000	0.30	0.30
partly paid-up common stock of Australian Dollar (AUD) 1 each, AUD 0.1282 paid each			
Torrent Pharma (UK) Ltd (United Kingdom)	2,25,000	1.68	1.68
fully paid-up equity shares of Pound sterling 1 each			
Torrent Pharma (Thailand) Co., Ltd. (Thailand)	1,73,80,000	20.95	14.17
fully paid-up equity shares of Thai baht 5 each	(1,23,80,000)		
Laboratories Torrent (Malaysia) Sdn. Bhd. (Malaysia)	10,00,000	0.77	0.77
fully paid-up equity shares of Malaysian Ringgit 1 each			
TPL (Malta) Limited	2,99,99,999	282.61	212.98
fully paid-up equity share of 1 Euro each	(2,34,99,999)		



NOTES

forming part of the Standalone Financial Statements

11 Investments (Continued)

	No. of shares	As at March 31, 2026	As at March 31, 2025
(₹ in crores)			
Torrent International Lanka (Pvt) Ltd (Sri Lanka) (formerly known as Curatio International Lanka Pvt Ltd.)	2,37,48,798	9.15	9.15
fully paid-up equity shares of LKR 10 each			
Less: Provision for impairment		(9.15)	(9.15)
		-	-
Curatio Inc. (Philippines)	11,28,105	15.83	15.83
fully paid-up equity shares of PHP 100 each			
Less: Provision for impairment		(15.83)	(15.83)
		-	-
Farmacéutica Torrent Colombia SAS (Colombia)	4,29,00,000	9.12	9.12
fully paid-up equity shares of COP 100 each			
Torrent Pharmaceuticals Chile SpA (Chile)	9,00,000	8.25	-
fully paid-up equity shares of CLP 1000 each	(-)		
J. B. Chemicals and Pharmaceuticals Limited (Quoted)	7,83,57,892	12,537.30	-
fully paid-up equity shares of ₹ 1 each	(-)		
		12,988.91	366.95
At fair value through profit or loss			
Investment in others:			
Torrent Urja 27 Private Limited	15,83,868	1.58	-
fully paid-up Class A equity shares of ₹ 10 each	(-)		
At fair value through other comprehensive income			
Equity instruments of:			
Epigeneres Biotech Private Limited	158	3.08	3.08
fully paid-up equity shares of ₹ 10 each			
Shivalik Solid Waste Management Limited	20,000	0.02	0.02
fully paid-up equity shares of ₹ 10 each			
UNM Foundation	-	-	0.05
fully paid-up equity shares of ₹ 10 each	(50,000)		
Investment in Limited liability partnership (LLP):			
ABCD Technologies LLP	7.77%*	51.90	40.41
* Share of profit/loss and voting rights	(6.83%*)		
At amortised cost			
National savings certificates		0.01	0.01
		13,045.50	410.52

NOTES

forming part of the Standalone Financial Statements

11 Investments (Continued)

	No. of shares	As at March 31, 2026	As at March 31, 2025
(₹ in crores)			
Current			
(Quoted)			
At fair value through profit or loss			
Mutual funds		126.84	112.21
		126.84	112.21
		13,172.34	522.73
(i) Aggregate amount of unquoted investments		508.20	410.52
(ii) Aggregate amount of quoted investments		12,664.14	112.21
(iii) Aggregate market value of quoted investments		16,307.74	112.21
(iv) Aggregate amount of impairment in value of investments		48.06	48.06
(v) Ownership interest in all subsidiaries except J. B. Chemicals and Pharmaceuticals Limited is 100%			
(vi) Ownership interest in J. B. Chemicals and Pharmaceuticals Limited is 48.8%			
(vii) Number of shares in bracket represents shares held in previous year			

12 Loans

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Non-current		
Employee loans	3.19	3.37
	3.19	3.37
Current		
Employee loans	4.76	4.22
	4.76	4.22
	7.95	7.59

NOTES forming part of the Standalone Financial Statements

13 Other Financial Assets

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Non-current		
Security deposits	10.30	11.98
Derivative financial instruments	-	4.84
Fixed deposits (having remaining maturity of more than 12 months)	0.24	0.27
	10.54	17.09
Current		
Security deposits	0.39	0.57
Derivative financial instruments	-	4.46
Interest accrued on deposits	0.19	0.22
Production linked incentive benefit receivable	145.97	116.42
Fixed deposits (having remaining maturity of less than 12 months)	-	1.23
Other receivables (includes receivables from employees, receivables on derivative instrument, etc.)	0.61	1.65
	147.16	124.55
	157.70	141.64

14 Other Assets

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Non-current		
Capital advances	23.03	41.83
	23.03	41.83
Current		
Export benefits receivable	10.81	21.57
Claims receivable (indirect taxes and others)	35.59	45.13
Employee advances	9.80	10.78
Prepaid expenses	54.76	41.59
Indirect taxes recoverable	194.64	102.16
Advances to suppliers	40.76	45.23
Other receivables (includes gratuity plan assets (net), etc.)	15.66	-
	362.02	266.46
	385.05	308.29

NOTES forming part of the Standalone Financial Statements

15 Inventories

(At lower of cost and net realisable value)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Raw materials	569.14	626.09
Packing materials	63.26	63.19
Work-in-progress	162.31	167.19
Finished goods	515.46	495.13
Stock-in-trade	216.06	209.23
	1,526.23	1,560.83
(i) Amount of Goods in transit included in inventories above:		
Raw materials	3.22	9.70
Packing materials	0.86	0.73
Stock-in-trade	9.98	7.30

- (ii) The Company (reversed)/charged inventory write-down (net) of ₹ (9.50) crores and ₹ 9.51 crores in statement of profit and loss for the year ended March 31, 2026 and March 31, 2025 respectively.
- (iii) The Company writes down the value of inventories towards slow moving, non-moving and non-saleable inventory (expired/damaged) based on historical experience in respect of such items and any recent trends that may suggest realisable amount differing from historical amounts.
- (iv) Inventories are hypothecated as security for borrowings as disclosed under note 21.

16 Trade Receivables

(Unsecured)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
(a) Considered good	2,642.33	2,171.46
(b) Credit-impaired	8.46	8.22
Less: Allowance for expected credit loss	(9.74)	(8.89)
	2,641.05	2,170.79
(i) Trade receivables are non-interest bearing and are generally on credit period upto 180 days.		
(ii) Movement in allowance for expected credit loss:		
Balance at the beginning of the year	8.89	6.87
Provision made during the year (net) (Refer note 35)	0.85	2.02
Provision utilised during the year	-	-
Balance at the end of the year	9.74	8.89



NOTES

forming part of the Standalone Financial Statements

16 Trade Receivables (Continued)

(iii) Refer note 42 for information about trade receivables from related parties.

(iv) Trade receivable ageing schedule for the year ended as on March 31, 2026 and March 31, 2025.

(₹ in crores)							
As at March 31, 2026	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,162.30	473.66	4.97	1.40	-	-	2,642.33
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	0.50	0.36	0.86
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.16	0.08	4.83	0.39	2.14	7.60
Less: Allowance for expected credit loss							(9.74)
							2,641.05

(₹ in crores)							
As at March 31, 2025	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good*	1,806.58	363.49	0.57	0.67	0.00	0.15	2,171.46
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	0.50	0.27	0.77
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.55	4.36	0.42	0.15	1.97	7.45
Less: Allowance for expected credit loss							(8.89)
							2,170.79

* Represents value less than ₹ 50 Thousand

NOTES

forming part of the Standalone Financial Statements

17 Cash and Cash Equivalents

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Balances with banks	70.48	104.61
Cash on hand	0.19	0.20
	70.67	104.81

18 Bank Balances other than Cash and Cash Equivalents

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Earmarked balances with banks		
Unpaid dividend	5.84	4.93
Unspent CSR	6.47	-
Designated bank account*	0.00	-
	12.31	4.93

* Represents value less than ₹ 50 Thousand

19 Equity Share Capital

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Authorised		
42,00,00,000 (previous year 42,00,00,000) equity shares of ₹ 5 each	210.00	210.00
25,00,000 (previous year 25,00,000) preference shares of ₹ 100 each	25.00	25.00
	235.00	235.00
Issued		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹ 5 each	169.23	169.23
Subscribed and fully paid-up		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹ 5 each	169.23	169.23
	169.23	169.23

NOTES forming part of the Standalone Financial Statements

19 Equity Share Capital (Continued)

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	As at March 31, 2026		As at March 31, 2025	
	Numbers	₹ in crores	Numbers	₹ in crores
At the beginning of the year	33,84,45,440	169.23	33,84,45,440	169.23
At the end of the year	33,84,45,440	169.23	33,84,45,440	169.23

(ii) Torrent Investments Limited (formerly known as Torrent Investments Private Limited), the holding Company, holds 23,11,83,400 (previous year 23,11,83,400) equity shares of ₹ 5 each, equivalent to 68.31% (previous year 68.31%) of the total number of subscribed & paid up equity shares, which is the only shareholder holding more than 5% of total equity shares.

(iii) The Company has one class of equity shares having par value of ₹ 5 each. Each shareholder is eligible for one vote per share held. The final 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to shareholding.

(iv) Disclosure of shareholding of promoters:

Shares held by Promoters at the end of the Year		As at March 31, 2026		As at March 31, 2025		% change during the year
Sr. No.	Promoter's Name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Sudhir Uttamlal Mehta	400	0.00	400	0.00	-
2	Samir Uttamlal Mehta	400	0.00	400	0.00	-
3	Anita Sudhir Mehta	200	0.00	200	0.00	-
4	Sapna Samir Mehta	200	0.00	200	0.00	-
5	Jinal Sudhir Mehta	200	0.00	200	0.00	-
6	Varun Sudhir Mehta	200	0.00	200	0.00	-
7	Shaan Mehta	200	0.00	200	0.00	-
8	Aman Mehta	200	0.00	200	0.00	-
9	Torrent Investments Limited	23,11,83,400	68.31	23,11,83,400	68.31	-
Total		23,11,85,400	68.31	23,11,85,400	68.31	-

(v) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes 16,92,22,720 equity shares allotted as fully paid up bonus shares.

NOTES forming part of the Standalone Financial Statements

20 Other Equity

(Refer Standalone Statement of Changes in Equity for detailed movement in Other Equity)

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Reserves and Surplus		
Retained earnings	5,516.79	4,514.33
General reserve	2,919.76	2,884.05
Debenture redemption reserve	-	35.71
Capital reserve*	0.00	0.00
	8,436.55	7,434.09
Other comprehensive income		
Effective portion of cash flow hedges	(148.82)	(5.74)
Equity instruments through other comprehensive income	(4.79)	(5.08)
	(153.61)	(10.82)
	8,282.94	7,423.27

* Represents value less than ₹ 50 Thousand

21 Borrowings

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured non-convertible debentures	11,060.74	400.00
Secured term loans from banks	401.12	620.59
	11,461.86	1,020.59
Current		
Current maturities of long-term borrowings		
Secured non-convertible debentures	100.00	242.67
Secured term loans from banks	132.50	341.70
	232.50	584.37
Working capital loans		
Secured loans from banks	800.00	450.00
Unsecured loans from banks	250.00	-
Unsecured commercial papers	1,419.69	491.88
	2,469.69	941.88
	2,702.19	1,526.25
	14,164.05	2,546.84

NOTES

forming part of the Standalone Financial Statements

21 Borrowings (Continued)

(i) Term Loans from banks referred above to the extent of:

- (a) ₹ Nil (Previous year ₹ 170.83 crores). For previous year, these term loans were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Torrent House Office (Ahmedabad), all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the Company including its future line extensions.
- (b) ₹ Nil (Previous year ₹ 134.12 crores). For previous year, these term loans were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at Dahej (SEZ) in Gujarat (Manufacturing facility) as well as on certain identified trademarks of the company including its future line extensions.
- (c) ₹ 533.62 crores (Previous year ₹ 657.34 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Bhat (Research facility) as well as on certain identified trademarks of the company including its future line extensions. For Previous year, these term loans were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at villge Indrad (Manufacturing facility on identified land) and Bhat (Research facility) as well as on certain identified trademarks of the company including its future line extensions.

(ii) Non-convertible debentures referred above to the extent of :

- (a) ₹ Nil (Previous year ₹ 142.67 crores). For previous year, these Non-convertible debentures were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Torrent House Office (Ahmedabad), all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the Company including its future line extensions.
- (b) ₹ 400.00 crores (Previous year ₹ 500.00 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Bhat (Research facility) as well as on certain identified trademarks of the company including its future line extensions.
- (c) ₹ 10,760.74 crores (Prevoius year ₹ Nil) are secured by first ranking exclusive charge by way of hypothecation over the Designated Account Assets and the Specified Trademarks of the Company including its future line extensions.
- (iii) Secured working capital demand loans are secured by hypothecation of inventories and book debts.
- (iv) Term loans carry interest rate in the range of 5.84% to 7.83% (previous year: 7.42% to 8.40%), working capital loans carry interest rate in the range of 5.90% to 7.55% (previous year: 7.10% to 7.55%) and Non convertible debentures carry interest rate in the range of 7.15% to 9.31% (previous year: 8.33% to 9.31%).

NOTES

forming part of the Standalone Financial Statements

21 Borrowings (Continued)

(v) Maturity profile of term loans and non-convertible debentures including current maturities is as below:

									(₹ in crores)
	2026-27	2027-28	2028-29	2029-30	2030-31	Amortised cost adjustment	Total	Repayment Terms	
Term Loan	132.50	134.25	137.75	99.50	29.75	(0.13)	533.62	(a) ₹ 253.75 crores repayable in 18 quarterly Instalments	
								(b) ₹ 280.00 crores repayable in 14 quarterly Instalments	
Non-convertible debentures	100.00	2,100.00	2,590.00	3,100.00	3,500.00	(229.26)	11,160.74	(a) ₹ 400 crores repayable in 4 annual Instalments	
								(b) ₹ 10,990 crores repayable as below:	
								(i) ₹ 2,000 crores on maturity	
								(ii) ₹ 2,490 crores on maturity	
								(iii) ₹ 3,000 crores on maturity	
								(iv) ₹ 3,500 crores on maturity	
	232.50	2,234.25	2,727.75	3,199.50	3,529.75	(229.39)	11,694.36		

- (vi) The Company has been sanctioned working capital limits from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

22 Lease Liabilities

	As at March 31, 2026	As at March 31, 2025
Non-current		
Lease Liabilities	93.30	68.52
	93.30	68.52
Current		
Lease Liabilities	19.18	13.66
	19.18	13.66
	112.48	82.18



NOTES forming part of the Standalone Financial Statements

22 Lease Liabilities (Continued)

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Movement in Lease Liabilities:		
Balance at the beginning of the year	82.18	11.24
Addition	47.05	77.76
Interest expenses on lease liabilities (Refer note 33)	9.19	2.10
Repayment	(26.30)	(9.35)
Foreign currency translation adjustments	0.36	0.43
Balance at the end of the year	112.48	82.18

Amounts with respect to leases recognised in the statement of Profit and Loss and statement of Cash Flows:

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Amounts recognised in statement of Profit and Loss:		
Interest on lease liabilities (Refer note 33)	9.19	2.10
Depreciation of right-of-use assets (Refer note 34)	23.83	8.58
Expenses relating to short-term leases	7.27	14.13
Expenses relating to leases of low-value assets	0.39	0.38
Variable lease payments	7.38	10.04
Amounts recognised in statement of Cash Flows:		
In Financing activity		
Repayment of lease liabilities (Including Interest)	(26.30)	(9.35)
In Operating activity		
Payment of lease rentals	(15.04)	(24.55)

Maturity profile of the Company's lease liabilities based on contractual undiscounted payments:

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Less than 1 year	27.29	20.10
1 to 2 years	48.92	18.02
2 to 5 years	62.78	48.19
More than 5 years	0.28	17.68
	139.27	103.99

NOTES forming part of the Standalone Financial Statements

23 Provisions

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Provision for employee benefits		
Provision for compensated absences (Refer note (i))	129.36	142.93
Provision for sales returns (Refer note (ii))	238.81	194.85
	368.17	337.78
Current		
Provision for employee benefits		
Provision for gratuity (Refer note 40B)	-	3.70
Provision for compensated absences (Refer note (i))	24.88	25.10
Provision for sales returns (Refer note (ii))	193.66	178.69
	218.54	207.49
	586.71	545.27

(i) Provision for compensated absences:

All eligible employees are entitled for compensated absences (leaves) while in service and are also eligible for encashment of such compensated absences on separation due to death, retirement, superannuation or termination.

(ii) Provision for sales returns:

The Company, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. The provision for sales return is made on the basis of historical experience, market conditions and specific contractual terms. The timing of outflow will depend on the shelf life expiry and time taken by the customer to return the goods.

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	373.54	316.04
Provision made during the year	237.95	210.57
Provision utilised during the year	(179.02)	(153.07)
Balance at the end of the year	432.47	373.54
Non-current	238.81	194.85
Current	193.66	178.69
	432.47	373.54



NOTES forming part of the Standalone Financial Statements

24 Income Taxes

(a) Charge/(credit) recognised in the statement of profit and loss:

	Year ended March 31, 2026	Year ended March 31, 2025
(₹ in crores)		
Current tax:		
For current year	730.45	540.60
For prior years	(10.25)	(0.04)
	720.20	540.56
Deferred tax:		
For current year	(11.37)	185.45
For prior years	(3.81)	(3.89)
	(15.18)	181.56
	705.02	722.12

(b) Charge/(credit) recognised in statement of other comprehensive income:

	Year ended March 31, 2026	Year ended March 31, 2025
(₹ in crores)		
Current tax:		
Re-measurement of defined benefit plans	-	(6.11)
	-	(6.11)
Deferred tax:		
Re-measurement of defined benefit plans	(1.54)	(1.71)
Fair valuation of equity instruments	(0.01)	0.14
Effective portion on (losses)/gains on hedging instruments in a cash flow hedge (net)	(48.12)	(7.32)
	(49.67)	(8.89)
	(49.67)	(15.00)

(c) Reconciliation of Effective Tax Rate:

	Year ended March 31, 2026	Year ended March 31, 2025
(₹ in crores)		
Profit before income taxes	2,896.61	2,610.18
Enacted tax rate in India	25.17%	34.94%
Tax at statutory tax rate	729.02	912.09
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of deductions allowed under Income Tax	(27.05)	(113.16)
Effect of expenses not deductible in determining taxable profit	20.44	39.22
Effect of income taxed at special rates	(2.13)	2.88
Tax impact on future transition to new tax regime	-	(150.63)
Provision for tax adjustments	-	27.59
Tax adjustments of prior periods	(14.06)	(3.93)
Others (net)	(1.20)	8.05
Adjusted income tax expenses	705.02	722.11
Effective Tax Rate	24.34%	27.67%

In the previous year, the Company assessed that it would transition to the new tax regime under Section 115BAA starting FY 2025-26. Consequently, deferred tax balances expected to reverse in or after FY 2025-26 were remeasured, resulting in a net reversal of deferred tax liabilities of ₹ 150.63 crores for the year ended March 31, 2025.

NOTES forming part of the Standalone Financial Statements

24 Income Taxes (Continued)

(d) Deferred tax relates to:

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Deferred tax liabilities/(assets):		
Property, plant and equipment, goodwill and other intangible assets	876.56	895.27
Cash flow hedge reserve	(50.05)	(1.93)
Lease liabilities	(28.32)	(20.69)
Right-of-use assets	27.39	21.06
Provision for employee benefit expense	(38.81)	(41.70)
Valuation of inventories	(11.28)	(11.15)
Long term capital losses carried forward	0.01	(4.79)
Amortised cost adjustment on borrowings	59.41	-
Others	(71.28)	(7.59)
Deferred tax liabilities/(assets) (net)	763.63	828.48

(e) Movement of deferred tax liabilities/(assets) during the year:

Year ended March 31, 2026	Balance at the beginning of the year	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance at the end of the year
(₹ in crores)				
Deferred tax liabilities/(assets) in relation to:				
Property, plant and equipment, goodwill and other intangible assets	895.27	(18.71)	-	876.56
Cash flow hedge reserve	(1.93)	-	(48.12)	(50.05)
Lease liabilities	(20.69)	(7.63)	-	(28.32)
Right-of-use assets	21.06	6.33	-	27.39
Provision for employee benefit expense	(41.70)	4.43	(1.54)	(38.81)
Valuation of inventories	(11.15)	(0.13)	-	(11.28)
Long term capital losses carried forward	(4.79)	4.80	-	0.01
Amortised cost adjustment on borrowings	-	59.41	-	59.41
Others	(7.59)	(63.68)	(0.01)	(71.28)
Deferred tax liabilities/(assets) (net)	828.48	(15.18)	(49.67)	763.63



NOTES forming part of the Standalone Financial Statements

24 Income Taxes (Continued)

(₹ in crores)				
Year ended March 31, 2025	Balance at the beginning of the year	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance at the end of the year
Deferred tax liabilities/(assets) in relation to:				
Property, plant and equipment, goodwill and other intangible assets	1,059.31	(164.04)	-	895.27
Cash flow hedge reserve	5.39	-	(7.32)	(1.93)
Lease liabilities	2.40	(23.09)	-	(20.69)
Right-of-use assets	(3.51)	24.57	-	21.06
Provision for employee benefit expense	(46.69)	6.70	(1.71)	(41.70)
Valuation of inventories	(8.85)	(2.30)	-	(11.15)
MAT credit entitlement	(310.17)	310.17	-	-
Long term capital losses carried forward	(7.68)	2.89	-	(4.79)
Others	(34.39)	26.66	0.14	(7.59)
Deferred tax liabilities/(assets) (net)	655.81	181.56	(8.89)	828.48

25 Trade Payables

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (MSME)	111.03	23.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	694.74	743.98
	805.77	767.11

(i) Refer note 42 for information about trade payables to related parties.

(ii) Trade Payables ageing schedule for the year ended as on March 31, 2026 and March 31, 2025.

(₹ in crores)							
As at March 31, 2026	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	97.23	12.94	0.66	0.15	0.05	111.03
(ii) Others	199.79	392.55	101.07	0.99	0.06	0.28	694.74
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	199.79	489.78	114.01	1.65	0.21	0.33	805.77

(₹ in crores)							
As at March 31, 2025	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	21.69	1.34	0.10	-	0.00	23.13
(ii) Others	166.51	478.07	94.08	1.90	0.31	3.11	743.98
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	166.51	499.76	95.42	2.00	0.31	3.11	767.11

* Represents value less than ₹ 50 Thousand

NOTES forming part of the Standalone Financial Statements

25 Trade Payables (Continued)

(iii) Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
(a) The principal amount and the interest due thereon remaining unpaid to supplier at the end of year (including Creditors for capital goods)		
(i) Principal amount due to micro and small enterprise	134.53	31.75
(ii) Interest due on above	-	-
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the year	28.62	16.43
(ii) Interest actually paid under Section 16 of the MSMED Act	0.13	0.41
(c) Interest due and payable during the year, for all the delayed payments, as per the agreed terms	0.18	0.13
(d) Total interest accrued during the year and remaining unpaid	0.18	0.13
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company.

26 Other Financial Liabilities

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Non-Current		
Creditors for capital goods (Refer note 25(iii))	12.28	11.40
Security deposits	1.57	1.85
Derivative financial instruments	71.72	0.55
	85.57	13.80
Current		
Interest accrued but not due on borrowings	182.53	24.65
Creditors for capital goods (Refer note 25(iii))	69.26	31.30
Payables for employee benefits	158.38	136.54
Book overdraft	-	47.29
Derivative financial instruments	281.11	29.82
Unpaid dividend*	5.84	4.93
Other payables (includes unspent CSR obligation, etc.)	19.75	16.31
	716.87	290.84
	802.44	304.64

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.



NOTES forming part of the Standalone Financial Statements

27 Other Liabilities

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-Current		
Deferred government grant	-	0.46
	-	0.46
Current		
Payables to statutory and other authorities	53.91	93.55
Trade advances (Refer note (i))	4.54	1.94
Deferred government grant	0.46	0.50
Other advances	0.10	-
Other payables	5.66	5.65
	64.67	101.64
	64.67	102.10

- (i) The company has recognised revenue of ₹ 1.00 crores (Previous year ₹ 3.61 crores) from the amounts included under trade advances at the beginning of the year.

28 Revenue From Operations

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Contract with Customers	10,498.45	9,485.06
Other operating income		
Export benefits	40.11	40.92
Income from product registration dossiers	5.96	4.78
Compensation and settlement income	-	8.37
Government grant income	0.50	0.50
Production linked incentive income	146.56	116.45
Miscellaneous operating income	20.42	26.36
	213.55	197.38
	10,712.00	9,682.44
Reconciliation of revenue from operations with the contracted price:		
Contracted price	10,737.54	9,696.62
Adjustments:		
Discounts	(1.14)	(0.99)
Sales return	(237.95)	(210.57)
Revenue from Contract with Customers	10,498.45	9,485.06
Other operating income	213.55	197.38
Revenue from operations	10,712.00	9,682.44

NOTES forming part of the Standalone Financial Statements

28 Revenue From Operations (Continued)

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Revenue disaggregation by geography:		
India	7,723.60	6,787.70
Outside India:		
USA	913.08	929.65
Germany & Malta*	377.28	367.85
Brazil	606.20	516.97
Others	1,091.84	1,080.27
	10,712.00	9,682.44

Revenue from operations also includes contract manufacturing revenue of ₹ 626.65 crores and ₹ 486.14 crores for the year ended March 31, 2026 and March 31, 2025 respectively.

* It includes revenue from Malta for ₹ 1.74 crores for the year ended March 31, 2026.

29 Other Income

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest income	3.18	0.75
Net gain on sale of investments*	23.77	16.73
Net foreign exchange (loss)/gain (including hedging (loss)/gain)	(136.46)	2.38
Dividend income	99.52	0.01
Rent income	0.42	-
Gain/(Loss) on disposal of property, plant & equipment and other intangible assets (Including Non-current assets held for sale) (net)	18.26	1.66
Other non-operating income	9.23	9.97
	17.92	31.50

*Includes loss on fair valuation of ₹ 0.05 crores and ₹ 0.03 crores for the year ended March 31, 2026 and March 31, 2025 respectively.

30 Cost of Materials Consumed

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials	1,344.84	1,297.24
Packing materials	222.60	220.27
	1,567.44	1,517.51



NOTES forming part of the Standalone Financial Statements

31 Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening inventories:		
Finished goods	495.13	532.07
Work-in-progress	167.19	140.95
Stock-in-trade	209.23	189.49
	871.55	862.51
Less: Closing inventories:		
Finished goods	515.46	495.13
Work-in-progress	162.31	167.19
Stock-in-trade	216.06	209.23
	893.83	871.55
Changes in inventories	(22.28)	(9.04)

32 Employee Benefits Expense

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	1,634.69	1,448.56
Contribution to provident and other funds (Refer note 40A)	123.60	108.94
Gratuity expense (Refer note 40B)	74.00	29.74
Staff welfare expenses	47.11	49.21
	1,879.40	1,636.45

33 Finance Costs

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense	331.14	210.37
Interest expense on lease liabilities (Refer note 22)	9.19	2.10
Other borrowing cost	0.63	0.93
	340.96	213.40

34 Depreciation and Amortisation Expense

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant & equipment (Refer note 6)	219.74	219.00
Depreciation on investment properties (Refer note 7)	0.11	-
Depreciation on right-of-use assets (Refer note 8)	23.83	8.58
Amortisation of other intangible assets (Refer note 10)	519.86	531.90
	763.54	759.48

NOTES forming part of the Standalone Financial Statements

35 Other Expenses

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Selling, publicity and medical literature expenses	1,108.95	1,002.56
Power and fuel	138.74	134.25
Laboratory goods and testing expenses	141.35	121.75
Stores and spares consumed	135.41	108.59
Clinical research expense	40.78	27.37
Travelling, conveyance and vehicle expenses	164.38	158.43
Cost of outsourced manpower	92.27	80.43
Professional and legal fees	98.25	82.52
Allowance for expected credit loss (net) (Refer note 16)	0.85	2.02
Auditors remuneration and expenses (Refer note 38)	1.73	1.69
Commission to non-executive directors	2.03	2.51
Donation (Refer note 39)	28.98	47.37
Corporate social responsibility expenditure (Refer note 45)	42.00	34.00
General charges	471.31	425.93
	2,467.03	2,229.42

36 Research and Development Expenses

(a) Break-up of research and development expenses included in statement of profit and loss under below heads:

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Material cost - Exhibit batches	40.69	52.10
Employee Benefits Expense		
Salaries, wages and bonus	161.50	142.22
Contribution to provident and other funds	15.11	13.25
Gratuity cost	7.97	3.54
Staff welfare expenses	4.00	3.43
	188.58	162.44
Other expenses		
Power and fuel	8.27	8.51
Stores and spares consumed	41.52	36.90
Laboratory goods and testing expenses	100.27	90.95
Travelling, conveyance and vehicle expenses	4.63	6.59
Clinical research expense	39.23	25.72
General charges	39.73	35.32
	233.65	203.99
	462.92	418.53

NOTES forming part of the Standalone Financial Statements

36 Research and Development Expenses (Continued)

- (b) Depreciation and amortisation includes ₹ 23.32 crores (previous year ₹ 24.96 crores) pertaining to property, plant and equipments and other intangible assets used for research and development purposes.
- (c) Capital work-in-progress and advances for capital expenditure on research and development assets are as under:

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Capital work-in-progress	40.40	11.77
Advances for capital expenditure	-	0.25
	40.40	12.02

37 Earnings Per Share

		Year ended March 31, 2026	Year ended March 31, 2025
The basic and diluted earnings per share (EPS) are:			
Net profit for the year (a)	(₹ in crores)	2,191.59	1,888.06
Weighted average number of equity shares (b)	(Nos.)	33,84,45,440	33,84,45,440
EPS (basic and diluted) (a)/(b)	₹	64.75	55.79
Face value per equity share	₹	5.00	5.00

38 Auditors Remuneration

		(₹ in crores)	
		Year ended March 31, 2026	Year ended March 31, 2025
(a) As audit fees			
Statutory audit fees		1.22	1.15
(b) For other services		0.41	0.42
(c) For reimbursement of expenses		0.10	0.12
		1.73	1.69

39 Donation to Political Parties

		(₹ in crores)	
		Year ended March 31, 2026	Year ended March 31, 2025
Prudent Electoral Trust		17.50	33.50
		17.50	33.50

40 Employee Benefits

A Defined Contribution Plan

The Company's contribution to provident fund and superannuation fund aggregating to ₹ 122.76 crores (Previous year ₹ 107.91 crores) has been recognised in the statement of profit and loss under the head employee benefits expenses (Refer note 32).

NOTES forming part of the Standalone Financial Statements

40 Employee Benefits (Continued)

B Defined Benefit Plan

The accruing liability on account of retirement benefit plans (in the nature of defined benefits plan) is accounted as per Ind-AS 19 "Employee Benefits"

General description of the plan:

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan ('the Gratuity Plan') covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death and incapacitation while in employment, termination of employment. The level of benefits provided depends on the respective employees' tenure of employment and last drawn salary. The Company manages the plan through a trust. Trustees administer contributions made to the trust. The defined benefit plan exposes the company to actuarial risks such as interest rate risk, investment risk and salary risk.

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:		
Obligations at the beginning of the year	441.61	363.20
Current service cost	37.39	31.03
Past service cost	35.83	-
Interest cost	31.13	26.19
Actuarial loss/(gain)	(11.56)	43.63
Benefits paid directly by the employer	(1.92)	-
Benefits paid from the fund	(28.84)	(22.44)
Obligations at the end of the year	503.64	441.61
(b) Reconciliation of opening and closing balances of the fair value of plan assets:		
Plan assets at the beginning of the year, at fair value	437.91	377.00
Interest income	29.92	27.18
Return on plan assets, excluding interest income	(17.70)	8.67
Contributions	98.00	47.50
Benefits paid	(28.84)	(22.44)
Plan assets at the end of the year, at fair value	519.29	437.91
Actual return on plan assets	12.22	35.85
(c) Expense recognised in the statement of profit and loss for the year:		
Current service cost	37.39	31.03
Net interest on defined benefit liability	1.21	(0.99)
Past service cost	35.83	-
Net gratuity cost*	74.43	30.04

*₹ 0.43 crores (previous year ₹ 0.30 crores) capitalised as pre-operative expenses out of above amount



NOTES forming part of the Standalone Financial Statements

40 Employee Benefits (Continued)

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(d) Losses/(Gains) recognised in other comprehensive income for the year:		
Actuarial losses/(gains)	(11.56)	43.63
Return on plan assets, excluding interest income	17.70	(8.67)
	6.14	34.96
(e) Reconciliation of the present value of the defined benefit obligation and fair value of plan assets:		
Obligations at the end of the year	503.64	441.61
Plan assets at the end of the year, at fair value	(519.29)	(437.91)
Liability/(Asset) recognised in balance sheet	(15.65)	3.70
(f) Remeasurement of net defined benefit liability/(asset):		
Actuarial losses/(gains) from changes in demographic assumptions	-	8.20
Actuarial losses/(gains) from changes in financial assumptions	(22.54)	18.43
Experience adjustments	10.98	17.00
Remeasurement of defined benefit liability	(11.56)	43.63
Remeasurement of return on plan assets	17.70	(8.67)
	6.14	34.96
(g) Expected contribution for the next year	23.96	39.13
(h) Assumptions:		
	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	7.23%	6.65%
Salary escalation rate	10.00%	10.00%
(i) Weighted average duration of defined benefit obligation:		
	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average duration of defined benefit obligation	9 years	9 years

Future mortality rates are obtained from relevant table of Indian Assured Lives Mortality 2012-14 (Urban).

NOTES forming part of the Standalone Financial Statements

40 Employee Benefits (Continued)

(j) Sensitivity Analysis for each significant actuarial assumption:

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Impact of increase in discount rate by 1%	(35.14)	(31.99)
Impact of decrease in discount rate by 1%	39.98	36.55
Impact of increase in salary escalation rate by 1%	38.54	35.02
Impact of decrease in salary escalation rate by 1%	(34.60)	(31.34)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(k) Investment details of plan assets:

The plan assets are managed by Insurance Companies viz ICICI Prudential Life Insurance Company Limited and Life Insurance Corporation of India which have invested the funds substantially as under:

	As at March 31, 2026	As at March 31, 2025
Equity instruments	7.16%	8.67%
Corporate bonds	53.21%	39.67%
Government securities	31.53%	41.53%
Other investments and net current assets	8.10%	10.13%

(l) Maturity profile of the Benefit payments:

Maturity profile of projected benefits payable as at March 31, 2026 is as follows:

	(₹ in crores)
	Undiscounted values
Year 1	45.18
Year 2	39.54
Year 3	37.43
Year 4	40.35
Year 5	46.47
Years 6 to 10	223.99

(m) Asset-liability matching strategies:

The Company contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

NOTES forming part of the Standalone Financial Statements

41 Financial Instruments

(i) Financial assets and liabilities

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)

As at March 31, 2026	Carrying value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	70.67	-	-	-	-
Bank balances other than cash and cash equivalents	12.31	-	-	-	-
Trade receivables	2,641.05	-	-	-	-
Investments	0.01	-	-	-	-
Loans	7.95	-	-	-	-
Other financial assets	157.70	-	-	-	-
Fair value through other comprehensive income:					
Investment in equity instruments (Other than investment in subsidiaries)/LLP	55.00	-	-	55.00	55.00
Fair value through profit or loss:					
Investment in mutual funds	126.84	126.84	-	-	126.84
Investment in others*	1.58	-	-	1.58	1.58
	3,073.11	126.84	-	56.58	183.42
Financial liabilities:					
Amortised cost:					
Borrowings	14,164.05	-	-	-	-
Trade payables	805.77	-	-	-	-
Lease liabilities	112.48	-	-	-	-
Other financial liabilities	449.61	-	-	-	-
Derivative instruments:					
Designated as cash flow hedge	198.87	-	198.87	-	198.87
Fair value through profit and loss	153.96	-	153.96	-	153.96
	15,884.74	-	352.83	-	352.83

NOTES forming part of the Standalone Financial Statements

41 Financial Instruments (Continued)

(₹ in crores)

As at March 31, 2025	Carrying value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	104.81	-	-	-	-
Bank balances other than cash and cash equivalents	4.93	-	-	-	-
Trade receivables	2,170.79	-	-	-	-
Investments	0.01	-	-	-	-
Loans	7.59	-	-	-	-
Other financial assets	132.34	-	-	-	-
Fair value through other comprehensive income:					
Investment in equity instruments (Other than investment in subsidiaries)/LLP	43.56	-	-	43.56	43.56
Fair value through profit or loss:					
Investment in mutual funds	112.21	112.21	-	-	112.21
Derivative instruments:					
Designated as cash flow hedge	4.84	-	4.84	-	4.84
Fair value through profit and loss	4.46	-	4.46	-	4.46
	2,585.54	112.21	9.30	43.56	165.07
Financial liabilities:					
Amortised cost:					
Borrowings	2,546.84	-	-	-	-
Trade payables	767.11	-	-	-	-
Lease liabilities	82.18	-	-	-	-
Other financial liabilities	274.27	-	-	-	-
Derivative instruments:					
Designated as cash flow hedge	12.51	-	12.51	-	12.51
Fair value through profit and loss	17.86	-	17.86	-	17.86
	3,700.77	-	30.37	-	30.37

* The investment is for operational purposes and the company expects its refund on exit. The company estimates that the fair value of these investments are not materially different as compared to its cost.

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis:

Investment in mutual funds: The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which such units are redeemed.

Equity investments: Equity investments traded in an active market are determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the expected discounted cash flows from the underlying net assets or current market value of net assets.

Derivative instruments: For forward contracts, future cash flows are estimated based on forward exchange rates (from observable forward exchange rates/yield curves at the end of the reporting period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of respective counterparties.



NOTES

forming part of the Standalone Financial Statements

41 Financial Instruments (Continued)

Significant Techniques and Unobservable Inputs Used for Level 2/Level 3 Fair Valuation Measurement:

As at march 31, 2026	Valuation techniques	Significant Unobservable Inputs	Sensitivity of input to fair value measurement
Level 2			
Derivative financial instrument	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency	Not applicable	Not applicable
Level 3			
Investments (unquoted) (other than subsidiaries & associates)	Discounted cash flow method	Expected cash flows	Not applicable

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities is given below:

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Movement in level 3 valuations:		
Balance at the beginning of the year	43.56	31.79
Addition	12.79	10.00
Disposals	(0.05)	-
Fair value gains/(losses) recorded in other comprehensive income	0.28	1.77
Balance at the end of the year	56.58	43.56

(ii) Derivative financial instruments

Cash flow hedges:

Derivatives are taken to cover foreign exchange risk of highly probable forecasted sales transactions occurring in foreign currencies. The following are outstanding derivative contracts designated as cash flow hedges:

Nature of derivative contracts	Buy/Sell	Deal Currency	Cross Currency	Weighted average strike price/rate		Net position (Amount in crores)		Fair value gain/(loss) (₹ in crores)	
				March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Forward	Sell	USD	INR	91.53	87.45	34.85	32.95	(204.45)	(6.13)
Forward	Sell	EUR	USD	1.18	1.10	6.58	6.09	10.98	1.92
Forward	Sell	GBP	USD	1.33	1.27	0.84	0.89	1.10	(1.19)
Forward	Sell	MXN	USD	0.05	0.05	11.50	10.10	(3.01)	0.86
Forward	Sell	MYR	USD	0.24	0.22	3.46	3.77	(3.52)	(3.00)
Forward	Sell	THB	USD	0.03	0.03	1.60	1.50	0.03	(0.13)
								(198.87)	(7.67)
Less: Deferred tax								(50.05)	(1.93)
Effective portion of cash flow hedges reserve								(148.82)	(5.74)

NOTES

forming part of the Standalone Financial Statements

41 Financial Instruments (Continued)

Maturity profile of nominal value based on the remaining period as at the Balance Sheet date:

		(Amount in crores)			
Currency	Nature of Derivative contracts	March 31, 2026		March 31, 2025	
		Within 1 year	More than 1 year	Within 1 year	More than 1 year
USD	Forward	17.58	17.27	16.34	16.61
EUR	Forward	4.24	2.34	3.84	2.25
GBP	Forward	0.28	0.56	0.30	0.59
MXN	Forward	6.50	5.00	5.50	4.60
MYR	Forward	2.07	1.39	2.11	1.66
THB	Forward	0.63	0.97	0.74	0.76

The movement of cash flow hedges in other comprehensive income is as follows:

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	(5.74)	10.03
Losses/(Gains) reclassified to profit or loss	7.66	(15.43)
Deferred tax on losses/(gains) reclassified to profit or loss	(1.93)	5.39
Change in the fair value of effective portion of cash flow hedges	(198.86)	(7.66)
Deferred tax on change in the fair value of effective portion of cash flow hedges	50.05	1.93
Balance at the end of the year	(148.82)	(5.74)

During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to ₹ Nil (Previous year ₹ Nil).

Net foreign currency outstanding positions of recognised assets and liabilities are as under:

		(Amount in crores)		
Hedged item/nature of derivative contracts	Buy/Sell	Currency	Net Position under derivative contracts	
			March 31, 2026	March 31, 2025
1 Foreign currency trade payables				
Forward exchange contracts	Buy	USD	-	0.16
2 Foreign currency receivables				
Forward exchange contracts	Sell	USD	17.43	15.95
	Sell	EUR	2.34	1.63
	Sell	RUB	65.50	84.40
	Sell	GBP	0.49	0.56
	Sell	MXN	10.72	7.61
	Sell	MYR	0.71	1.50
	Sell	AUD	-	0.00*
	Sell	THB	1.11	0.97

* Represents value less than 50 Thousand.

NOTES forming part of the Standalone Financial Statements

41 Financial Instruments (Continued)

(iii) Financial risk management

The Company's activities are exposed to variety of financial risks. These risks include market risk (including foreign exchange risk and interest rate risks), credit risks and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk:

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates and underlying equity prices.

(a1) Foreign currency exchange rate risk:

The Company's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Since a major part of the Company's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Company's performance. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The major foreign currency exposures for the Company are denominated in USD & EURO. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The Company hedges all trade receivables and future cash flows upto a maximum of 24 months forward based on historical trends, budgets and monthly sales estimates. The foreign exchange forward contracts are denominated in the same currency as the highly probable forecast sales, therefore the hedge ratio is 1:1 based on management's current assessment. The Company enters into cross-currency swaps to hedge all foreign currency borrowings. Hedge effectiveness is assessed on a regular basis.

The following table sets forth information relating to foreign currency exposure from non-derivative financial instruments:

(₹ in crores)				
As at March 31, 2026	US Dollar	Euro	Others**	Total
Assets:				
Cash and cash equivalents	0.10	-	6.70	6.80
Trade receivables	1,650.30	267.08	220.26	2,137.64
Other assets	0.37	-	-	0.37
	1,650.77	267.08	226.96	2,144.81
Liabilities:				
Trade payables	94.28	4.78	3.50	102.56
Other liabilities	0.44	0.02	1.15	1.61
Lease liabilities	-	-	2.21	2.21
	94.72	4.80	6.86	106.38
Net assets/(liabilities)	1,556.05	262.28	220.10	2,038.43

NOTES forming part of the Standalone Financial Statements

41 Financial Instruments (Continued)

(₹ in crores)				
As at March 31, 2025	US Dollar	Euro	Others**	Total
Assets:				
Cash and cash equivalents*	0.00	-	4.49	4.49
Trade receivables	1,364.83	150.77	219.37	1,734.97
Other assets	11.05	2.02	6.22	19.29
	1,375.88	152.79	230.08	1,758.75
Liabilities:				
Trade payables	85.18	4.17	12.11	101.46
Other liabilities	0.10	0.10	1.15	1.35
Lease liabilities	-	-	3.19	3.19
	85.28	4.27	16.45	106.00
Net assets/(liabilities)	1,290.60	148.52	213.63	1,652.75

* Represents value less than ₹ 50 Thousand

**Others mainly includes currencies namely British Pound, Mexican Peso, Russian Rouble.

With respect to the Company's derivative financial instruments which are in the form of forward contracts, a 5% increase/decrease in relation to USD & EURO of each of the currencies underlying such contracts would have resulted in increase/decrease of ₹ 122.22 crores and ₹ 97.87 crores in the Company's pre-tax profit or loss and ₹ 197.22 crores and ₹ 166.08 crores in pre-tax cash flow hedge reserve from such contracts as at March 31, 2026 and March 31, 2025 respectively.

With respect to the Company's non-derivative financial instruments (as given above), a 5% increase/decrease in relation to USD & EURO on the underlying would have resulted in increase/decrease of ₹ 90.90 crores and ₹ 71.95 crores in the company's net profit for the year ended March 31, 2026 and March 31, 2025 respectively.

(a2) Interest rate risk:

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to fluctuations in interest rates in respect of foreign currency borrowings and rupee borrowings. The company manages its interest rate risk by closely monitoring the movements in the market interest rates.

As at March 31, 2026, the Company has outstanding rupee borrowings of ₹ 533.75 crores with variable rate of interest and ₹ 13,866.47 crores with fixed rate of interest.

Cash flow risk in respect of variable rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increase/(decrease) pre-tax profit or loss and pre-tax equity by ₹ 5.34 crores. This analysis assumes that all other variables remains constant and change occurs on reporting date. The year end balances are not representative of the average borrowings during the year.

Fair value risk in respect of fixed rate instruments:

The Company carries borrowings at amortised cost and hence, change in the interest rate at reporting date does not affect statement of profit and loss.

NOTES forming part of the Standalone Financial Statements

41 Financial Instruments (Continued)

(b) Credit risk:

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of the direct risk of default, the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses. Refer note 16 for movement in expected credit loss and trade receivables aging.

The Company does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable (excluding outstanding from subsidiaries) as at March 31, 2026 and March 31, 2025.

With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counter parties depending on their Composite Performance Rankings (CPR) published by CRISIL. Bank deposits are placed with banks with high credit rating. The Company's investment policy lays down guidelines with respect to exposure per counterparty, credit rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.

With respect to derivatives, the Company's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 3,196.66 crores and ₹ 2,582.19 crores as at March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity investments, and these financial assets are of good credit quality including those that are past due.

NOTES forming part of the Standalone Financial Statements

41 Financial Instruments (Continued)

(c) Liquidity risk:

Liquidity risk refers to 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 objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity.

Contractual maturities of significant financial liabilities are as below:

(₹ in crores)

As at March 31, 2026	Carrying Value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	805.77	805.77	-	-	-	805.77
Borrowings*	14,164.05	2,708.97	2,234.25	9,457.00	-	14,400.22
Other financial liabilities						
Derivative financial liabilities	352.83	281.11	71.72	-	-	352.83
Others	449.61	435.76	13.85	-	-	449.61
Lease liabilities	112.48	19.18	36.75	56.28	0.27	112.48
	15,884.74	4,250.79	2,356.57	9,513.28	0.27	16,120.91

*Excluding amortised cost adjustment of ₹ 236.17 crores.

(₹ in crores)

As at March 31, 2025	Carrying Value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	767.11	767.11	-	-	-	767.11
Borrowings*	2,546.84	1,527.01	301.38	689.63	29.75	2,547.77
Other financial liabilities						
Derivative financial liabilities	30.37	29.82	0.55	-	-	30.37
Others	274.27	261.02	13.25	-	-	274.27
Lease liabilities	82.18	13.66	12.69	39.05	16.78	82.18
	3,700.77	2,598.62	327.87	728.68	46.53	3,701.70

*Excluding amortised cost adjustment of ₹ 0.93 crores.

Refer Note 22 for Maturity profile of the Company's lease liabilities based on contractual undiscounted payments.

(iv) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximise shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company. The debt to equity ratio as at March 31, 2026 stands at 1.68 (Previous year 0.34).



NOTES

forming part of the Standalone Financial Statements

42 Related Party Disclosures

The disclosures pertaining to related parties and transactions therewith are set out in the table below:

(₹ in crores)

(a) Nature of Transactions	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Sale of finished goods	-	-	2,274.91	2,231.98	-	-	-	-	2,274.91	2,231.98
Torrent Pharma Inc.	-	-	890.83	897.13	-	-	-	-	890.83	897.13
Torrent Do Brasil Ltda.	-	-	596.32	508.18	-	-	-	-	596.32	508.18
Heumann Pharma GmbH & Co. Generica KG	-	-	336.37	317.09	-	-	-	-	336.37	317.09
Zao Torrent Pharma	-	-	107.16	140.56	-	-	-	-	107.16	140.56
Torrent Pharma Philippines, Inc.	-	-	142.25	102.90	-	-	-	-	142.25	102.90
Laboratories Torrent (Malaysia) Sdn. Bhd.	-	-	52.47	62.30	-	-	-	-	52.47	62.30
Laboratorios Torrent S.A. de C.V.	-	-	70.67	75.39	-	-	-	-	70.67	75.39
Torrent Pharma (UK) Ltd	-	-	38.85	79.25	-	-	-	-	38.85	79.25
Heunet Pharma GmbH	-	-	34.51	45.89	-	-	-	-	34.51	45.89
Torrent Pharmaceuticals Chile SpA	-	-	0.55	-	-	-	-	-	0.55	-
Torrent Pharma (Thailand) Co., Ltd.	-	-	4.93	3.29	-	-	-	-	4.93	3.29
Sale of raw material, Consumables etc. (net of returns)	-	-	1.78	0.25	-	-	-	-	1.78	0.25
Torrent Pharma Inc.	-	-	-	0.25	-	-	-	-	-	0.25
Heumann Pharma GmbH & Co. Generica KG	-	-	0.04	-	-	-	-	-	0.04	-
Torrent Pharma (Malta) Limited	-	-	1.74	-	-	-	-	-	1.74	-
Purchase of material, consumables etc. (net of returns)	-	-	2.36	-	-	-	-	-	2.36	-
J.B.Chemicals & Pharmaceuticals Limited*	-	-	2.36	-	-	-	-	-	2.36	-
Remuneration to key management personnel/ independent directors	-	-	-	-	57.49	42.82	-	-	57.49	42.82
Samir Mehta	-	-	-	-	36.00	30.00	-	-	36.00	30.00
Aman Mehta	-	-	-	-	18.82	7.57	-	-	18.82	7.57
Jinesh Shah	-	-	-	-	-	2.05	-	-	-	2.05
Independent Directors	-	-	-	-	2.67	3.20	-	-	2.67	3.20

NOTES

forming part of the Standalone Financial Statements

42 Related Party Disclosures (Continued)

(₹ in crores)

(a) Nature of Transactions	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Remuneration	-	-	-	-	-	-	0.95	0.66	0.95	0.66
Shaan Mehta	-	-	-	-	-	-	0.95	0.66	0.95	0.66
Contribution to gratuity/ superannuation trust	-	-	-	-	-	-	123.79	70.33	123.79	70.33
TPL Employees Group Gratuity Trust	-	-	-	-	-	-	98.00	47.50	98.00	47.50
TPL Employees Superannuation Trust	-	-	-	-	-	-	25.79	22.83	25.79	22.83
Lease rent paid	0.48	0.02	-	-	-	-	-	-	0.48	0.02
Torrent Investments Limited*	0.48	0.02	-	-	-	-	-	-	0.48	0.02
Lease rent income	-	-	-	-	-	-	0.42	-	0.42	-
Torrent Green Energy Private Limited*	-	-	-	-	-	-	0.42	-	0.42	-
Services received	-	-	0.83	1.15	-	-	-	-	0.83	1.15
Torrent Pharma GmbH	-	-	-	0.02	-	-	-	-	-	0.02
Heumann Pharma GmbH & Co. Generica KG	-	-	-	0.40	-	-	-	-	-	0.40
Torrent Australasia Pty. Ltd.	-	-	0.83	0.73	-	-	-	-	0.83	0.73
Donation	-	-	-	-	-	-	9.88	8.00	9.88	8.00
UNM Foundation	-	-	-	-	-	-	9.88	8.00	9.88	8.00
CSR expenditure	-	-	-	-	-	-	34.91	32.05	34.91	32.05
UNM Foundation	-	-	-	-	-	-	34.91	32.05	34.91	32.05
Expenses reimbursement	-	-	1.74	3.35	-	-	-	-	1.74	3.35
Torrent Pharma (Malta) Limited	-	-	0.27	-	-	-	-	-	0.27	-
Zao Torrent Pharma	-	-	0.55	0.63	-	-	-	-	0.55	0.63
Torrent Australasia Pty. Ltd.	-	-	0.69	1.61	-	-	-	-	0.69	1.61
Torrent Pharma (Thailand) Co., Ltd.	-	-	0.23	1.11	-	-	-	-	0.23	1.11
Purchase of property, plant and equipment	-	-	-	-	-	-	1.81	1.61	1.81	1.61
Torrent Electricals Limited*	-	-	-	-	-	-	1.81	1.61	1.81	1.61
Sale of property, plant and equipment	-	-	-	-	-	-	40.89	-	40.89	-
Torrent Electricals Limited	-	-	-	-	-	-	40.89	-	40.89	-



NOTES forming part of the Standalone Financial Statements

42 Related Party Disclosures (Continued)

(₹ in crores)

(a) Nature of Transactions	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Advance received against sale of property, plant and equipments	-	-	-	-	-	-	0.10	-	0.10	-
Torrent Electricals Limited	-	-	-	-	-	-	0.10	-	0.10	-
Equity contribution	-	-	84.67	77.80	-	-	1.58	-	86.25	77.80
Torrent Pharma (Thailand) Co., Ltd.	-	-	6.79	6.13	-	-	-	-	6.79	6.13
TPL (Malta) Limited	-	-	69.63	70.35	-	-	-	-	69.63	70.35
Torrent International Lanka (Pvt) Ltd	-	-	-	0.71	-	-	-	-	-	0.71
Curatio Inc.	-	-	-	0.61	-	-	-	-	-	0.61
Torrent Pharmaceuticals Chile SpA	-	-	8.25	-	-	-	-	-	8.25	-
Torrent Urja 27 Private Limited	-	-	-	-	-	-	1.58	-	1.58	-
Recovery of expenses	-	-	-	-	-	-	0.09	0.10	0.09	0.10
Torrent Green Energy Private Limited*	-	-	-	-	-	-	0.04	-	0.04	-
Torrent Diagnostics Limited*	-	-	-	-	-	-	0.05	0.10	0.05	0.10
Dividend received	-	-	99.51	-	-	-	-	-	99.51	-
J.B.Chemicals & Pharmaceuticals Limited	-	-	99.51	-	-	-	-	-	99.51	-
Disposal of Investment in Equity Shares of UNM Foundation	0.05	-	-	-	-	-	-	-	0.05	-
Torrent Investments Limited	0.05	-	-	-	-	-	-	-	0.05	-
Guarantee commission income	-	-	8.07	8.39	-	-	-	-	8.07	8.39
Torrent Pharma Inc.	-	-	7.66	8.01	-	-	-	-	7.66	8.01
Torrent Pharma Philippines, Inc.	-	-	0.41	0.38	-	-	-	-	0.41	0.38

*Excluding Goods and Services Tax

NOTES forming part of the Standalone Financial Statements

42 Related Party Disclosures (Continued)

(₹ in crores)

(b) Balances at the end of the year	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Trade receivables	-	-	1,987.97	1,578.68	-	-	0.50	-	1,988.47	1,578.68
Torrent Pharma Inc.	-	-	974.71	865.64	-	-	-	-	974.71	865.64
Torrent Do Brasil Ltda.	-	-	483.29	337.22	-	-	-	-	483.29	337.22
Torrent Pharma Philippines, Inc.	-	-	98.26	55.05	-	-	-	-	98.26	55.05
Heumann Pharma GmbH & Co. Generica KG	-	-	198.84	98.04	-	-	-	-	198.84	98.04
Heunet Pharma GmbH	-	-	11.87	7.96	-	-	-	-	11.87	7.96
Zao Torrent Pharma	-	-	82.05	89.44	-	-	-	-	82.05	89.44
Laboratorios Torrent S.A. de C.V.	-	-	56.06	31.94	-	-	-	-	56.06	31.94
Laboratorios Torrent (Malaysia) Sdn. Bhd.	-	-	16.67	28.83	-	-	-	-	16.67	28.83
Torrent Pharma (UK) Ltd.	-	-	61.82	62.11	-	-	-	-	61.82	62.11
Torrent Pharma (Thailand) Co., Ltd.	-	-	3.41	2.45	-	-	-	-	3.41	2.45
Torrent Pharma (Malta) Limited	-	-	0.43	-	-	-	-	-	0.43	-
Torrent Pharmaceuticals Chile SpA	-	-	0.56	-	-	-	-	-	0.56	-
Torrent Green Energy Private Limited	-	-	-	-	-	-	0.50	-	0.50	-
Capital advances received	-	-	-	-	-	-	0.10	-	0.10	-
Torrent Electricals Limited	-	-	-	-	-	-	0.10	-	0.10	-
Investments in equities	-	-	499.67	415.01	-	-	1.58	0.05	501.25	415.06
Torrent Pharma GmbH	-	-	23.37	23.37	-	-	-	-	23.37	23.37
Torrent Do Brasil Ltda.	-	-	31.11	31.11	-	-	-	-	31.11	31.11
Laboratorios Torrent S.A. de C.V.	-	-	27.99	27.99	-	-	-	-	27.99	27.99
Zao Torrent Pharma ⁽¹⁾	-	-	58.80	58.80	-	-	-	-	58.80	58.80
UNM Foundation	-	-	-	-	-	-	-	0.05	-	0.05
Torrent Urja 27 Private Limited	-	-	-	-	-	-	1.58	-	1.58	-
Torrent International Lanka (Pvt) Ltd ⁽²⁾	-	-	9.15	9.15	-	-	-	-	9.15	9.15
Curatio Inc. ⁽²⁾	-	-	15.83	15.83	-	-	-	-	15.83	15.83
Torrent Pharma Inc.	-	-	4.99	4.99	-	-	-	-	4.99	4.99
Torrent Pharma Philippines, Inc.	-	-	4.75	4.75	-	-	-	-	4.75	4.75



NOTES

forming part of the Standalone Financial Statements

42 Related Party Disclosures (Continued)

(₹ in crores)

(b) Balances at the end of the year	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Torrent Pharma (Thailand) Co., Ltd.	-	-	20.95	14.17	-	-	-	-	20.95	14.17
Torrent Pharma (UK) Ltd.	-	-	1.68	1.68	-	-	-	-	1.68	1.68
TPL (Malta) Limited	-	-	282.61	212.98	-	-	-	-	282.61	212.98
Farmaceutica Torrent Colombia SAS	-	-	9.12	9.12	-	-	-	-	9.12	9.12
Torrent Australasia Pty. Ltd.	-	-	0.30	0.30	-	-	-	-	0.30	0.30
Torrent Pharmaceuticals Chile SpA	-	-	8.25	-	-	-	-	-	8.25	-
Laboratories Torrent (Malaysia) Sdn. Bhd.	-	-	0.77	0.77	-	-	-	-	0.77	0.77
Trade payables	-	0.02	3.45	3.64	-	-	-	-	3.45	3.66
Torrent Pharma GmbH	-	-	-	0.02	-	-	-	-	-	0.02
Zao Torrent Pharma	-	-	0.35	3.18	-	-	-	-	0.35	3.18
J.B.Chemicals & Pharmaceuticals Limited	-	-	2.77	-	-	-	-	-	2.77	-
Heumann Pharma GmbH & Co. Generica KG	-	-	-	0.40	-	-	-	-	-	0.40
Torrent Pharma (Malta) Limited	-	-	0.27	-	-	-	-	-	0.27	-
Torrent Investments Limited	-	0.02	-	-	-	-	-	-	-	0.02
Torrent Australasia Pty. Ltd.	-	-	0.06	0.04	-	-	-	-	0.06	0.04
Other payables	-	-	-	-	42.66	32.04	-	-	42.66	32.04
Samir Mehta	-	-	-	-	36.00	30.00	-	-	36.00	30.00
Aman Mehta	-	-	-	-	5.00	-	-	-	5.00	-
Independent Directors	-	-	-	-	1.66	2.04	-	-	1.66	2.04
Advances to group gratuity trust	-	-	-	-	-	-	0.05	0.05	0.05	0.05
TPL Employees Group Gratuity Trust	-	-	-	-	-	-	0.05	0.05	0.05	0.05
Commitments for Uncalled liability on shares	-	-	3.84	11.24	-	-	-	-	3.84	11.24
Torrent Australasia Pty. Ltd.	-	-	3.84	3.15	-	-	-	-	3.84	3.15
Torrent Pharmaceuticals Chile SpA	-	-	-	8.09	-	-	-	-	-	8.09

NOTES

forming part of the Standalone Financial Statements

42 Related Party Disclosures (Continued)

(₹ in crores)

(b) Balances at the end of the year	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Commitments for Investment	-	-	-	-	-	-	6.34	-	6.34	-
Torrent Urja 27 Private Limited	-	-	-	-	-	-	6.34	-	6.34	-
Guarantees given⁽³⁾	-	-	993.87	898.60	-	-	-	-	993.87	898.60
Torrent Pharma Inc.	-	-	956.01	864.37	-	-	-	-	956.01	864.37
Torrent Pharma Philippines, Inc.	-	-	37.86	34.23	-	-	-	-	37.86	34.23

- (1)Provision for impairment in value of investment of ₹ 23.08 crores (Previous year ₹ 23.08 crores).
- (2)Investment in equity is fully provided for impairment amounting to ₹ 24.98 crores (Previous year ₹ 24.98 crores).
- (3)Net Guarantees given/(withdrawal) (including exchange rate variation) for 2025-26 ₹ 95.27 crores (Previous Year ₹ 23.17 crores) in respect of subsidiaries.

Transactions with related parties do not include transactions with Torrent Power Limited (fellow subsidiary), being a public utility engaged in distribution of electricity. Transactions entered with Torrent Power Limited are in nature of purchase of electricity and other related transactions and the tariff charges are determined by an independent regulatory authority.

Name of related parties having transactions and/or balances:

1	Holding Company	Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)
2	Subsidiaries and step down subsidiaries	Zao Torrent Pharma Torrent Pharma GmbH Torrent Do Brasil Ltda. Torrent Pharma Inc. Torrent Pharma Philippines, Inc. Heumann Pharma GmbH & Co. Generica KG Torrent Australasia Pty. Ltd. Laboratorios Torrent, S.A. De C.V. Heunet Pharma GmbH Torrent Pharma (Thailand) Co., Ltd. Torrent Pharma (UK) Ltd Laboratories Torrent (Malaysia) Sdn. Bhd. TPL (Malta) Limited Torrent Pharma (Malta) Limited Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka Pvt Ltd) (Under liquidation) Curatio Inc. (Under liquidation) Farmaceutica Torrent Colombia SAS Torrent Pharmaceuticals Chile SpA (with effect from September 25, 2024) J.B.Chemicals & Pharmaceuticals Limited (with effect from January 21, 2026)



NOTES

forming part of the Standalone Financial Statements

42 Related Party Disclosures (Continued)

3	Key Management Personnel/ Independent Directors	Samir Mehta	
		Aman Mehta	
		Jinesh Shah (ceased to be a director with effect from July 23, 2024)	
		Ameera Shah	
		Dr. Maurice Chagnaud (ceased to be a director with effect from May 10, 2025)	
		Manish Choksi	
		Nikhil Khattau	
4	Other related parties	Nayantara Bali	
		Name of other related party	Relation with other related party
		Shaan Mehta	Close family member of Key Management Personnel
		TPL Employees Group Gratuity Trust	Post-employment benefit trust
		TPL Employees Superannuation Trust	Post-employment benefit trust
		UNM Foundation	Associate Company (upto March 30, 2026) Fellow Subsidiary (from March 31, 2026)
		Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited)	Fellow Subsidiary
		Torrent Gas Limited (Formerly known as Torrent Gas Private Limited)	Fellow Subsidiary
		Torrent Diagnostics Limited (Formerly known as Torrent Diagnostics Private Limited)	Fellow Subsidiary
		Torrent Urja 27 Private Limited	Step-down subsidiary of Holding company
		Torrent Green Energy Private Limited	Step-down subsidiary of Holding company

Terms and conditions of transactions with related parties:

All related party transactions entered during the year were in ordinary course of the business and are on an arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

(c) Remuneration to Key Management Personnel/Independent Directors:

	₹ in crores	
	Year ended March 31, 2026	Year ended March 31, 2025
Short-term employee benefits**	56.98	42.47
Post employment benefits	0.51	0.35
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
	57.49	42.82

**Includes remuneration to independent directors amounting to ₹ 2.67 crores (Previous year ₹ 3.20 crores)

Post employment benefits comprises of Gratuity and leave encashment provisions derived based on expenses recognised in statement of profit and loss that is attributable to Key management personnel (KMP). Such benefits are payable at the time of cessation of the employment and hence is not added to the payable balances of the KMPs.

NOTES

forming part of the Standalone Financial Statements

43 Commitments and Contingencies

	₹ in crores	
	As at March 31, 2026	As at March 31, 2025
Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	204.69	309.46
(b) Uncalled liability on partly paid shares of Torrent Australasia Pty Ltd., a wholly owned subsidiary. (Australian Dollar (AUD) 0.06 crores (previous year AUD 0.06 crores))	3.84	3.15
(c) Uncalled liability on shares of Torrent Pharmaceuticals Chile SpA, a wholly owned subsidiary (Nil) (previous year Chilean Pesos (CLP) 90 crores))	-	8.09
(d) Class A equity shares of Torrent Urja 27 Private Limited (63,35,472 shares of ₹ 10 each) (previous year Nil)	6.34	-
	214.87	320.70
Contingent liabilities:		
(a) Claims against the Company not acknowledged as debts:		
Disputed demand of Income tax	64.98	1.24
Disputed Employee state insurance contribution liability under E.S.I. Act, 1948	18.37	17.53
Disputed demand of Goods and Services tax/excise duty	202.18	118.73
Disputed demand of local sales tax and C.S.T.	0.20	0.24
Disputed demand of stamp duty and registration charges	3.43	3.43
Disputed cases at labour court/industrial court	4.27	6.89
Disputed demand of Customs Duty	25.02	1.37
Disputed Bonus liability under Payment of Bonus (Amendment) Act, 2015	0.25	0.25
	318.70	149.68

In most of the cases, the relevant authorities have raised demand or disallowed tax claims. The Company has preferred appeals and the outcome are awaited.

Against the claims not acknowledged as debts, the Company has paid ₹ 8.75 crores (previous year ₹ 4.47 crores). The expected outflow will be determined at the time of final outcome of the concerned matters. No amount is expected to be reimbursed.

(b) The Company and/or its subsidiaries ('Torrent') are involved in certain legal proceedings, including product liability matters wherein there are two Multi-District Litigations ('MDL') pending against Torrent and other manufacturers for Valsartan and Losartan and other commercial matters, that arise from time to time in the ordinary course of business. It is difficult to ascertain the financial effect, if any, of such proceedings that will result from its ultimate disposition due to involvement of complex issues with substantial uncertainties and without any precedents. Additionally, many factors like stage of the proceedings, overall length and extent of discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; uncertainty in timing of litigation and any other factors that may have an implication on the ultimate outcome of the ongoing litigations. The Company assesses likely outcome based on internal assessment as well as considers views of legal counsel representing the Company. Moreover, Company carries product liability insurance policy of amount which it believes to be sufficient for its needs.



NOTES

forming part of the Standalone Financial Statements

43 Commitments and Contingencies (Continued)

- (c) In view of amendment in Section 37(1) of Income Tax Act, 1961 introduced in Finance Act, 2022, it is possible that the Company may get involved in the litigation on allowability of certain expenses in relation to the years for which assessment proceedings have not commenced. It is difficult to ascertain the financial effects from such future proceedings, if any, that will result in to its ultimate disposition. The Company assesses likely outcome based on internal assessment as well as considers views of external consultants representing the Company.

Other Guarantees:

Guarantees of ₹ 993.87 crores and ₹ 898.60 crores are outstanding as at March 31, 2026 and March 31, 2025 respectively, which were issued to third parties on behalf of wholly owned subsidiaries for contractual obligations.

44 Segment Reporting

The Company has only one reportable segment namely 'Generic Formulation Business'. In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

45 Corporate Social Responsibility (CSR) Expenditure

(₹ in crores)

	Year ended March 31, 2026			Year ended March 31, 2025		
(a) Gross amount required to be spent by the Company	41.38			33.31		
(b) Amount approved by the Board to be spent during the year	42.00			34.00		
(c) Amount spent during the year on:	Paid in cash	Yet to be paid in cash	Total	Paid in cash	Yet to be paid in cash	Total
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) Purposes other than (i) above	36.79	1.04	37.83	23.04	0.18	23.22
	36.79	1.04	37.83	23.04	0.18	23.22
(d) Shortfall at the end of the year	4.17			10.78		
(e) Total of previous year shortfall	6.47			-		
(f) Reason for shortfall	As per note (1)			As per note (1)		
(g) Contribution to section 8 companies, which are related parties, included in (c) above, in relation to CSR expenditure	34.91			32.05		
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA			NA		
(i) Nature of CSR activities	Community Healthcare, Sanitation & Hygiene, Education and Knowledge Enhancement, Social Care and Concern					

NOTES

forming part of the Standalone Financial Statements

45 Corporate Social Responsibility (CSR) Expenditure (Continued)

- Notes:
- (1) Unspent amount as at March 31, 2026 of ₹ 4.17 crores (March 31, 2025 ₹ 10.78 crores) has been transferred to special bank account specified under section 135 (6) of the Companies Act, 2013 for ongoing projects within stipulated timelines.

(2) Out of unspent amount of ₹ 10.78 crores as at March 31, 2025 deposited in special bank account (as per note (1)), ₹ 4.31 crores has been spent during FY: 2025-26 for ongoing projects.

(3) Refer note 42 for information about contribution to related parties towards CSR expenditures.

46 Relationship with Struck off Companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956:

(₹ in crores)

Name of struck off company (Nature of transactions with struck off company)	Relationship with struck off company	Year ended March 31, 2026	Year ended March 31, 2025
Best Value Hotels Private Limited* (Services availed)	Not related	0.00	0.00
Manilal Patel Private Limited* (Subscription to equity shares)	Not related	0.00	0.00

* Represents value less than ₹ 50 Thousand

47 Registration of Charges

All the charges created or satisfied during the current year and previous year were registered with Registrar of Companies within statutory period.

- 48 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries) other than in the ordinary course of business with its subsidiary companies. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 49 Pursuant to the definitive agreement executed on June 29, 2025 between the Company, Tau Investment Holdings Pte. Ltd. and J.B. Chemicals & Pharmaceuticals Limited ("JB Pharma") to acquire controlling stake in JB Pharma, share purchase agreement between the Company and certain employees of JB pharma to acquire 2.41% equity share capital dated July 3, 2025, after obtaining requisite regulatory approvals and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SAST Regulations"), the Company has acquired equity shares of JB Pharma on a fully diluted basis, as detailed below
- (a) The Company acquired 1,317 fully paid-up equity shares of JB Pharma at a cash consideration of ₹ 1,639.18 per fully paid equity share aggregating to ₹ 0.22 crores on December 5, 2025 pursuant to an open offer in accordance with the SAST Regulations.

(b) The Company acquired a controlling stake representing 46.39% of the fully paid up equity share capital of JB Pharma from Tau Investment Holdings Pte. Ltd. at a cash consideration of ₹ 1,600 per fully paid equity share aggregating to ₹ 11,917 crores on January 21, 2026.



NOTES

forming part of the Standalone Financial Statements

49 (Continued)

- (c) The Company further acquired 37,82,566 and 92,490 equity shares of JB Pharma from certain employees on January 23, 2026 and February 3, 2026 respectively, aggregating 2.41% of the fully paid up equity share capital at a cash consideration of ₹ 1,600 per fully paid up equity share aggregating to ₹ 620 crores.

Consequent to the acquisition of the controlling stake, the Company has obtained control over JB Pharma with effect from January 21, 2026.

The Scheme of amalgamation of JB Pharma into the Company has been filed with the National Company Law Tribunal ('NCLT'), Ahmedabad Bench. The effect of merger has not been given in these financial statements for the year ended March 31, 2026.

Expenses incurred till March 31, 2026 in association with JB Pharma's acquisition has been charged to statement of Profit and Loss as mentioned in note 50.

50 Exceptional items

For the year ended March 31, 2026:

Exceptional items for the year ended March 31, 2026, pertain to regulatory and statutory fees, along with other related costs, associated with JB Pharma's acquisition as mentioned in Note 49 above.

For the year ended March 31, 2025:

The exceptional item relates to a demand raised by the National Pharmaceutical Pricing Authority (NPPA) in 2017 concerning alleged overcharging, which was under judicial consideration before the Hon'ble Gujarat High Court. During the year, the Company submitted detailed representations, which were favourably considered by the NPPA. As a result, the Company's legal exposure was substantially reduced. Following the issuance of a revised demand by the NPPA, the Company opted to settle the litigation and bring the matter to a definitive close.

51 Non-current assets held for sale

During the year ended, considering that there is no alternate use in the foreseeable future, the Company had classified the land and building with carrying value of ₹ 20.66 crores as non-current assets held for sale out of which the land and building with carrying value of ₹ 19.46 crores has been disposed off and gain of ₹ 19.94 crores is recognised in the statement of profit and loss. The sale of remaining part of land is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

- 52 The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes viz the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Codes"). The Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The Company has assessed the incremental impact of these changes based on currently available information and in accordance with guidance from the Institute of Chartered Accountants of India. The impact is not material and has been recognised in the standalone financial statements for the year ended March 31, 2026. Once the Government notifies the Central/State Rules on all aspects of the Codes, the Company will reassess any impact on employee benefit measurements and apply the appropriate accounting treatment.

NOTES

forming part of the Standalone Financial Statements

53 Analytical ratios for the year ended March 31, 2026 and March 31, 2025.

Sr. No	Ratios	Note	Year ended March 31, 206	Year ended March 31, 2025	Variance
(a)	Current ratio: Current assets/Current liabilities	(1)	1.07	1.46	-27.0%
(b)	Debt equity ratio: Total debt/Net worth Total debt: Long term borrowings (including current maturities of long term borrowings) + Short term borrowings Net worth: Equity share capital + Other equity	(1)	1.68	0.34	399.6%
(c)	Debt service coverage ratio: (Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt and lease) / (Interest on debt and lease + Principal repayments of long term debt including lease payment)	(1)	3.22	4.08	-21.0%
(d)	Return on equity ratio: Net profit after taxes/ Average shareholder's equity		0.27	0.26	4.3%
(e)	Inventory turnover ratio: Net sales/Average Inventories		6.80	6.07	12.1%
(f)	Trade receivables turnover ratio: Net sales/ Average trade receivables		4.36	5.07	-13.9%
(g)	Trade payables turnover ratio: Net sales/ Average trade payables		13.35	12.42	7.4%
(h)	Net capital turnover ratio: Net Sales/Working Capital	(1)	34.75	6.93	401.5%
(i)	Net profit ratio: Net Profit/Net Sales		20.9%	19.9%	4.9%
(j)	Return on capital employed: Earning before interest and taxes/Capital Employed	(2)	16.1%	30.7%	-47.7%
(k)	Return on investment: Income from mutual fund/Average investment		6.04%	7.64%	-20.9%

Notes: (1) Variance in ratio is on account of additional borrowing taken in relation to acquire controlling stake in J.B. Chemicals & Pharmaceuticals Limited.

(2) Decrease in return on capital employed is on account of additional borrowing taken in relation to acquire controlling stake in J.B. Chemicals & Pharmaceuticals Limited.

54 Proposed dividend

The Board of Directors of the Company, in its meeting held on May 22, 2026, has proposed a final dividend of ₹ 9 per equity share for the financial year ended March 31, 2026. The proposal is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 304.60 crores..

- 55 The financial statements for the year ended March 31, 2026 were approved for issue by the Board of Directors on May 22, 2026.

In terms of our report attached

For and on behalf of the Board of Directors

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026

Ahmedabad
May 22, 2026

Independent Auditor's Report

To the Members of
Torrent Pharmaceuticals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Torrent Pharmaceuticals Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including 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 reports of the other auditors on separate/consolidated financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor Report (Continued)

Business combination – Purchase price allocation for acquisition of J. B. Chemicals & Pharmaceuticals Limited

See Note 4.3.1, 9 and 42 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
During the current financial year, the Holding Company acquired a controlling stake in J. B. Chemicals & Pharmaceuticals Limited ("JBCPL") through the acquisition of equity shares from Tau Investment Holdings Pte. Ltd. (the "Promoter Seller") on January 21, 2026, certain employees of JBCPL, and pursuant to an open offer as required under SEBI regulations. The Group has accounted for this acquisition in accordance with Ind AS 103 - Business Combinations with effect from acquisition date, i.e., January 21, 2026. This process necessitates the application of the Purchase Price allocation (PPA) method, which involves attributing the purchase consideration to the identifiable assets acquired and liabilities assumed based on the fair value assessments. The purchase price allocation has been performed by an independent valuer and requires the management and the Board of Directors to make various estimates and assumptions. Considering the magnitude of the business combination, estimates and assumptions required in fair value assessment for the acquisition undertaken by the Holding Company, we considered the business combination, and particularly the purchase price allocation as a key audit matter in our audit.	Our procedures included the following: - Read the share purchase agreement, other underlying documents and regulatory orders to obtain an understanding of the acquisition and the key terms and conditions; - Evaluated the design, implementation, and operating effectiveness of the relevant internal controls over accounting for business combination; - Evaluated the competence, capabilities, and objectivity of the independent valuer appointed by management. - Along with our valuation specialist, evaluated the reasonableness of methodology and key assumptions used by management and the independent valuer to measure the assets and liabilities at their fair values; - Assessed the adequacy and appropriateness of accounting and disclosures made in accordance with Ind AS 103 Business Combinations.

Impairment testing of goodwill

See Note 4.9.2, 9 and 10 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group tests goodwill for impairment annually, or more frequently when there is an indication that the cash generating units (CGUs) to which goodwill has been allocated may be impaired. We identified the annual impairment assessment of goodwill as a key audit matter because the assessment process is complex and judgemental by nature and is based on assumptions on: - projected future cash flows - expected growth rate and profitability; - discount rate; - perpetuity value based on long term growth rate	Our procedures included the following: - Testing operating effectiveness of controls over determination of the recoverable amounts of cash generating units. Cash generating units for this purpose are those to which the goodwill is allocated; - Evaluating the model used in determining the recoverable value of the cash generating units; - Assessing the reasonableness of prior period cash flow forecasts of the Group by reference to actual performance to assess forecast accuracy; - Challenging the significant assumptions and judgements used in impairment analysis such as forecast revenue margins, long term growth and discount rates in comparison to our understanding of economic conditions and knowledge of industry; - Performing sensitivity analysis of the key assumptions, such as future revenue growth rates, future gross margins, and the discount rate used in determining the recoverable value. - Evaluating the adequacy of disclosures, including disclosures of key assumptions, judgements and sensitivities.

Independent Auditor Report (Continued)

The key audit matter	How the matter was addressed in our audit
----------------------	---

- On a test check, we reviewed the contracts/sales orders, as applicable, to assess the terms of sale and ensured that they were recorded in the accounting period in which the control in the goods was transferred to the customer and other revenue recognition criteria as specified under Ind AS 115 'Revenue from contracts with customers' were met.
- We made enquiries of the management and obtained written representations as to whether there exist any side agreements or unusual arrangements which may impact revenue recognition.
- We also checked subsequent sales returns to determine whether the initial recognition of revenue was appropriate.

Information Other than the Financial Statements and Auditor's Report Thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows 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. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

326

Independent Auditor Report (Continued)

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company 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 responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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.

Independent Auditor Report (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

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

Other Matters

- We did not audit the financial statements of 22 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 10,027.48 crores as at March 31, 2026, total revenues (before consolidation adjustments) of Rs. 4,357.42 crores and net cash inflows (before consolidation adjustments) amounting to Rs. 298.34 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Group's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Group's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Group and audited by us.

Our opinion 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 report of the other auditors.

Independent Auditor Report (Continued)

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate / consolidated financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company on April 01, 2026 and April 08, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its one subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its one subsidiary which is incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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, 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 auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
 - a. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2026 on the consolidated financial position of the Group. Refer Note 43 to the consolidated financial statements.
 - b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 39 (ii) to the consolidated financial statements in respect of such items as it relates to the Group.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its one subsidiary company incorporated in India during the year ended March 31, 2026.

Independent Auditor Report (Continued)

- d. (i) The respective management of the Holding Company and its one 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 company that, to the best of its knowledge and belief, as disclosed in the Note 48 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 one subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or one subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The respective management of the Holding Company and its one 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 company that, to the best of its knowledge and belief, as disclosed in the Note 48 to the consolidated financial statements, no funds have been received by the Holding Company or one subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or one subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Holding Company and one subsidiary incorporated in India 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 and one subsidiary incorporated in India during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in note 49 to the consolidated financial statements, the respective Board of Directors of the Holding Company and one subsidiary Company incorporated in India have 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.
- f. Based on our examination which included test checks and that performed by the respective auditors of one subsidiary company incorporated in India whose financial statements have been audited under the Act, the Holding Company and its one subsidiary company have used an accounting softwares for maintaining its books of account, which along with an access management tool as applicable, 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 the our audit, we and respective auditors of one such subsidiary company did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company and above referred subsidiary as per the statutory requirements for record retention.



In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of one subsidiary company incorporated in India which was not audited by us, the remuneration paid/payable during the current year by the Holding Company and its one subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its one subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Sadashiv Shetty
Partner

Place: Ahmedabad
Date: May 22, 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

Place: Ahmedabad
Date: May 22, 2026

Sadashiv Shetty
Partner

Membership No.: 048648
ICAI UDIN:26048648PFNLBB3585



Annexure B to the Independent Auditor’s Report on the consolidated financial statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Torrent Pharmaceuticals Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to financial statements of one subsidiary company, as was audited by the other auditors, the Holding Company and such company incorporated in India which is its subsidiary company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the one subsidiary company 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 financial statements.

Annexure B to the Independent Auditor’s Report on the consolidated financial statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2026 (Continued)

Meaning of Internal Financial Controls with Reference to Financial Statements

A company’s internal financial controls with reference to 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 financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **BSR & Co. LLP**
Chartered Accountants
Firm’s Registration No.:101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN:26048648PFNLBB3585

Place: Ahmedabad
Date: May 22, 2026



CONSOLIDATED BALANCE SHEET

as at March 31, 2026

			(₹ in crores)
	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	6	4,246.77	3,209.24
Capital work-in-progress	6	457.49	567.26
Investment properties	7	13.10	-
Right-of-use assets	8	661.76	246.41
Goodwill	9	3,989.62	338.88
Other intangible assets	10	24,279.93	4,152.37
Intangible assets under development	10	183.63	110.88
Financial assets			
Investments	11	82.62	43.57
Loans	12	3.40	3.37
Other financial assets	13	44.39	32.86
		130.41	79.80
Other tax assets (net)		226.99	226.35
Deferred tax assets (net)	24	698.27	594.15
Other non-current assets	14	30.90	41.83
Total non-current assets		34,918.87	9,367.17
Current assets			
Inventories	15	3,138.19	2,541.25
Financial assets			
Investments	11	865.74	112.21
Trade receivables	16	3,030.86	1,866.45
Cash and cash equivalents	17	1,117.20	573.48
Bank balances other than cash and cash equivalents	18	48.00	5.98
Loans	12	5.30	4.22
Other financial assets	13	557.60	182.85
		5,624.70	2,745.19
Other current assets	14	629.00	336.13
Total current assets		9,391.89	5,622.57
Non-current assets held for sale	46	1.20	-
TOTAL ASSETS		44,311.96	14,989.74
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	169.23	169.23
Other equity	20	8,219.20	7,421.46
Equity attributable to owners of the company		8,388.43	7,590.69
Non-controlling interests	45	9,196.40	-
Total equity		17,584.83	7,590.69
Non-current liabilities			
Financial liabilities			
Borrowings	21	11,651.17	1,191.75
Lease liabilities	22	190.07	145.86
Other financial liabilities	26	85.57	13.80
		11,926.81	1,351.41
Provisions	23	764.55	501.27
Deferred tax liabilities (net)	24	5,670.04	828.72
Other non-current liabilities	27	22.40	0.46
Total non-current liabilities		18,383.80	2,681.86
Current liabilities			
Financial liabilities			
Borrowings	21	3,147.07	1,834.34
Lease liabilities	22	37.19	30.37
Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		162.52	23.13
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,195.09	1,796.89
Other financial liabilities	26	2,005.54	392.62
		7,547.41	4,077.35
Other current liabilities	27	176.25	136.14
Provisions	23	498.79	408.13
Current tax liabilities (net)		120.88	95.57
Total current liabilities		8,343.33	4,717.19
TOTAL EQUITY AND LIABILITIES		44,311.96	14,989.74

The accompanying notes are an integral part of the Consolidated financial statements

In terms of our report attached

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Ahmedabad
May 22, 2026

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2026

			(₹ in crores)
	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	28	13,979.73	11,516.09
Other income	29	(93.58)	23.27
Total Income		13,886.15	11,539.36
EXPENSES			
Cost of materials consumed	30	1,757.55	1,520.32
Purchases of stock-in-trade		1,619.22	1,530.50
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	11.40	(274.92)
Employee benefits expense	32	2,670.85	2,203.37
Finance cost	33	385.07	252.31
Depreciation and amortisation expense	34	1,118.87	794.93
Other expenses	35	3,362.25	2,815.83
Total Expenses		10,925.21	8,842.34
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		2,960.94	2,697.02
Exceptional items	40	88.75	24.21
PROFIT BEFORE TAX		2,872.19	2,672.81
TAX EXPENSE			
	24		
Current tax		844.27	619.01
Deferred tax		(110.26)	142.55
		734.01	761.56
PROFIT FOR THE YEAR		2,138.18	1,911.25
Other comprehensive income (net of taxes)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement (losses)/gains on defined benefit plans		0.28	(30.39)
Equity instruments through other comprehensive income		0.31	1.76
Income tax relating to items that will not be reclassified subsequently to profit or loss			
Re-measurement (losses)/gains on defined benefit plans		(0.33)	6.27
Equity instruments through other comprehensive income		0.01	(0.14)
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of financial statements of foreign operations		(37.59)	(55.41)
Effective portion on (losses)/gains on hedging instruments in a cash flow hedge		(190.80)	(23.09)
Income tax relating to items that will be reclassified subsequently to profit or loss			
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge		48.02	7.32
OTHER COMPREHENSIVE INCOME FOR THE YEAR		(180.10)	(93.68)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,958.08	1,817.57
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		2,163.37	1,911.25
Non-controlling interests		(25.19)	-
		2,138.18	1,911.25
OTHER COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		(181.07)	(93.68)
Non-controlling interests		0.97	-
		(180.10)	(93.68)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		1,982.30	1,817.57
Non-controlling interests		(24.22)	-
		1,958.08	1,817.57
Earnings per share (Face value per equity share of ₹ 5) (In ₹)			
Basic and diluted	36	63.92	56.47

The accompanying notes are an integral part of the Consolidated financial statements

In terms of our report attached

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Ahmedabad
May 22, 2026

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(A) Equity Share Capital

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	169.23	169.23
Changes during the year	-	-
Balance at the end of the year	169.23	169.23

(B) Other Equity

(₹ in crores)

	Reserves and surplus				Other comprehensive income			Attributable to the owners of the Company	Non-controlling interests	Total
	Retained earnings	General reserve	Debenture redemption reserve	Capital reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Foreign currency translation reserve			
Balance as at April 1, 2025	4,746.55	2,884.13	35.71	5.56	(5.08)	(5.74)	(239.67)	7,421.46	-	7,421.46
Profit/(loss) for the year	2,163.37	-	-	-	-	-	-	2,163.37	(25.19)	2,138.18
Re-measurement (losses)/gains on defined benefit plans (net of tax)	(1.33)	-	-	-	-	-	-	(1.33)	1.28	(0.05)
Other comprehensive income for the year (net of tax)	-	-	-	-	0.32	(142.93)	(37.13)	(179.74)	(0.31)	(180.05)
Total comprehensive income for the year	2,162.04	-	-	-	0.32	(142.93)	(37.13)	1,982.30	(24.22)	1,958.08
NCI arising from acquisition of subsidiary (Refer note 42)	-	-	-	-	-	-	-	-	9,325.00	9,325.00
Dividends*	(1,184.56)	-	-	-	-	-	-	(1,184.56)	-	(1,184.56)
Dividend from subsidiary	-	-	-	-	-	-	-	-	(104.38)	(104.38)
Transfer to retained earnings from equity instrument through other comprehensive income	0.03	-	-	-	(0.03)	-	-	-	-	-
Transfer from debenture redemption reserve	-	35.71	(35.71)	-	-	-	-	-	-	-
Balance as at March 31, 2026	5,724.06	2,919.84	-	5.56	(4.79)	(148.67)	(276.80)	8,219.20	9,196.40	17,415.60
Balance as at April 1, 2024	3,942.40	2,848.41	71.43	5.56	(6.65)	10.03	(184.26)	6,686.92	-	6,686.92
Profit for the year	1,911.25	-	-	-	-	-	-	1,911.25	-	1,911.25
Re-measurement (losses)/gains on defined benefit plans (net of tax)	(24.12)	-	-	-	-	-	-	(24.12)	-	(24.12)
Other comprehensive income for the year (net of tax)	-	-	-	-	1.62	(15.77)	(55.41)	(69.56)	-	(69.56)
Total comprehensive income for the year	1,887.13	-	-	-	1.62	(15.77)	(55.41)	1,817.57	-	1,817.57
Dividends**	(1,083.03)	-	-	-	-	-	-	(1,083.03)	-	(1,083.03)
Transfer to retained earnings from equity instrument through other comprehensive income	0.05	-	-	-	(0.05)	-	-	-	-	-
Transfer from debenture redemption reserve	-	35.72	(35.72)	-	-	-	-	-	-	-
Balance as at March 31, 2025	4,746.55	2,884.13	35.71	5.56	(5.08)	(5.74)	(239.67)	7,421.46	-	7,421.46

* Dividends include 2024-25 final dividend of ₹ 6 per share and 2025-26 interim dividend of ₹ 29 per share.

** Dividends include 2023-24 final dividend of ₹ 6 per share and 2024-25 interim dividend of ₹ 26 per share.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

Nature and Purpose of Reserves:

- (a) **Retained earnings:** Retained earnings are the profits earned till date, less any transfers to other reserves and dividends distributed.
- (b) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- (c) **Debenture redemption reserve:** The reserve represents amount required to be set aside out of profits in accordance with Companies Act, 2013 upto August 16, 2019.
- (d) **Capital reserve:** Capital reserve represents profit or loss on cancellation of own forfeited equity instruments and excess of fair value of net assets acquired over the consideration transferred.
- (e) **Equity instruments through other comprehensive income:** This represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when such assets are disposed off.
- (f) **Effective portion of cash flow hedges:** This represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of effective portion of cash flow hedges will be reclassified to statement of profit and loss only when the hedged items affect the statement of profit and loss.
- (g) **Foreign currency translation reserve:** This reserve represents exchange differences arising on account of conversion of foreign operations to parent company's functional currency.

The accompanying notes are an integral part of the Consolidated financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty

Partner
Membership No.: 048648

Ahmedabad
May 22, 2026

Sudhir Menon

Executive Director (Finance)
& Chief Financial Officer

Samir Mehta

Executive Chairman
DIN: 00061903

Chintan Trivedi

Company Secretary

Ahmedabad
May 22, 2026



CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,872.19	2,672.81
Adjustments for:		
Depreciation and amortisation expense	1,118.87	794.93
Allowance for expected credit loss (net)	5.54	1.77
Unrealised foreign exchange gain (net)	(119.89)	(14.70)
Gain on disposal of property, plant & equipment and other intangible assets (Including non-current assets held for sale) (net)	(17.66)	(1.34)
Gain on sale of current investments (net)	(31.67)	(16.73)
Rent Income	(0.42)	-
Finance costs	385.07	252.31
Interest income	(38.43)	(20.19)
	4,173.60	3,668.86
Movement in working capital:		
(Increase)/Decrease in Trade receivables	(253.94)	17.17
(Increase)/Decrease in Loans and other assets	(108.64)	(51.97)
(Increase)/Decrease in Inventories	34.38	(262.18)
Increase/(Decrease) in Trade payables	164.10	(277.73)
Increase/(Decrease) in Liabilities and provisions	(177.87)	93.78
CASH GENERATED FROM OPERATIONS	3,831.63	3,187.93
Income taxes paid (net of refunds)	(808.92)	(602.82)
NET CASH FROM OPERATING ACTIVITIES	3,022.71	2,585.11
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiaries (net of cash acquired) (Refer note 42)	(12,314.95)	-
Purchase of property, plant and equipment and other intangible assets (including payment towards capital work-in-progress, intangible asset under development and capital advances)	(677.39)	(611.87)
Proceeds from disposal of property, plant & equipment and other intangible assets (Including advance received against non-current assets held for sale)	40.95	17.77
Proceeds from disposal of Investments	0.05	0.06
Payment for non-current Investments	(12.79)	(10.00)
Proceeds from redemption of mutual funds (net)	210.13	45.48
Maturity of/ (Investments in) fixed deposits (net)	5.45	(1.75)
Interest received	36.14	20.26
NET CASH USED IN INVESTING ACTIVITIES	(12,712.41)	(540.05)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	10,990.00	-
Repayment of long-term borrowings	(672.14)	(529.18)
Proceeds from/(repayment of) short term borrowings (net)	1,604.05	(396.32)
Repayment of lease liabilities	(54.91)	(27.24)
Dividend paid	(1,288.94)	(1,083.03)
Interest and other borrowing cost paid	(427.46)	(262.22)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	10,150.60	(2,297.99)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	460.90	(252.93)
Effect of exchange rate changes on foreign currency cash and cash equivalents	82.82	(8.73)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR (Refer note 17)	573.48	835.14
CASH AND CASH EQUIVALENTS AT THE END OF YEAR (Refer note 17)	1,117.20	573.48

Notes:

- (1) The above statement of Cash flows has been prepared under the "Indirect Method" as set out in the Ind AS 7 - Statement of Cash Flows.
- (2) The Group considers investing in liquid mutual fund as an important part of its cash management activities. In accordance with Ind AS 7, the same is presented as cash flows from investing activities. As at March 31, 2026 investment amount is ₹ 865.74 crores (As at March 31, 2025: ₹ 112.21 crores).

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(3) Changes in liabilities arising from financing activities:

	(₹ in crores)					
	As at April 1, 2025	On account of business combination (Refer note 42)	Cash Flows (Net)	Net Addition	Foreign currency translation	Other Adjustments
Long-term borrowings including current maturities (Refer note 21)	1,776.12	-	10,317.86	-	18.15	(228.46)
Short-term borrowings (Refer note 21)	1,249.97	4.71	1,604.05	-	42.64	13.20
Interest accrued but not due (Refer note 26)	25.14	-	(427.46)	362.95	0.06	222.49
Lease liabilities (Non-Current and Current liabilities) (Refer note 22)	176.23	33.07	(54.91)	58.39	19.09	(4.61)
	3,227.46	37.78	11,439.54	421.34	79.94	2.62

	(₹ in crores)				
	As at April 1, 2024	Cashflows (net)	Net Addition	Foreign currency translation	Other Adjustments
Long-term borrowings including current maturities(Refer note 21)	2,299.71	(529.18)	-	4.41	1.18
Short-term borrowings (Refer note 21)	1,637.71	(396.32)	-	7.95	0.63
Interest accrued but not due on borrowings(Refer note 26)	38.17	(262.22)	247.04	(0.05)	2.20
Lease liabilities (Non-Current and Current liabilities) (Refer note 22)	84.52	(27.24)	117.27	(3.49)	5.17
	4,060.11	(1,214.96)	364.31	8.82	9.18

The accompanying notes are an integral part of the Consolidated financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026

Ahmedabad
May 22, 2026



NOTES

forming part of the Consolidated Financial Statements

1 Group information

The consolidated financial statements comprise the financial statements of Torrent Pharmaceuticals Limited ('the Parent' or 'the Company') and its subsidiaries (including step-down subsidiaries) (collectively referred to as 'the Group') for the year ended March 31, 2026. Torrent Pharmaceuticals Limited, is a public limited company incorporated and domiciled in India. The registered office of the Company is located at "Avirat", Thaltej Shilaj Road, Ahmedabad – 380 059, Gujarat, India. The Company's shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Group is engaged in the business of developing, manufacturing, and marketing of generic pharmaceutical formulations. The Group has manufacturing locations spread across India with trading and other incidental activities extended to the global markets.

Information on the Group's structure is as follows;

Entity	Country of Incorporation	Effective ownership	
		As at March 31, 2026	As at March 31, 2025
Subsidiaries (held directly)			
Zao Torrent Pharma	Russia	100%	100%
Torrent Do Brasil Ltda.	Brazil	100%	100%
Torrent Pharma GmbH (TPG)	Germany	100%	100%
Torrent Pharma Inc.	USA	100%	100%
Torrent Pharma Philippines Inc.	Philippines	100%	100%
Laboratories Torrent, S.A. De C.V.	Mexico	100%	100%
Torrent Australasia Pty Ltd	Australia	100%	100%
Torrent Pharma (Thailand) Co., Ltd.	Thailand	100%	100%
TPL (Malta) Limited	Malta	100%	100%
Torrent Pharma (UK) Ltd	United Kingdom	100%	100%
Laboratorios Torrent (Malaysia) SDN.BHD.	Malaysia	100%	100%
Curatio Inc. (under liquidation)	Philippines	100%	100%
Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka Pvt Ltd) (Under liquidation)	Sri Lanka	100%	100%
Farmacéutica Torrent Colombia SAS	Colombia	100%	100%
Torrent Pharmaceuticals Chile SpA	Chile	100%	100%
J. B. Chemicals & Pharmaceuticals Limited *	India	48.80%	-
Subsidiaries (held indirectly)			
Torrent Pharma (Malta) Limited	Malta	100%	100%
Heumann Pharma GmbH & Co. Generica KG	Germany	100%	100%
Heunet Pharma GmbH	Germany	100%	100%
OOO Unique Pharmaceutical Laboratories*	Russia	48.80%	-
Unique Pharmaceutical Laboratoires FZE*	United Arab Emirates	48.80%	-
Biotech Laboratories (Pty.) Ltd*	South Africa	48.80%	-
JBCPL Philippines Inc*	Philippines	48.80%	-

* Subsidiary w.e.f. January 21, 2026

NOTES

forming part of the Consolidated Financial Statements

2 Statement of compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

3 Basis of preparation of consolidated financial statements

3.1 Basis of preparation and presentation

The consolidated financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting except for the following material items which have been measured at fair value.

- Derivative financial instruments
- Investments in mutual funds, equity instruments and LLP
- Defined benefit plan – plan assets
- Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell
- Asset and liabilities assumed as part of business combination

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of asset.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

3.2 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Parent Company. All the amounts are stated in the nearest rupee crores.

3.3 Use of accounting estimates and judgements

The preparation of consolidated financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgements, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Actual results may differ from these estimates.



NOTES forming part of the Consolidated Financial Statements

3.3 Use of accounting estimates and judgements (Continued)

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and if any future periods affected.

The Group uses the following critical accounting judgements, estimates and assumptions in preparation of its consolidated financial statements:

Property, plant and equipment (refer note 4.2)

The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically at each financial year-end, changes in estimates, if any, are accounted for as a change in accounting estimates.

Valuation of assets acquired as part of business combination and contingent consideration (refer note 4.3.1)

Ind AS 103 requires the identifiable assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and assets. The purchase price allocation valuations are conducted by independent valuer.

Useful lives of intangible assets (refer note 4.4)

The group reviews estimated useful life of amortisable intangible assets at the end of each reporting period and change in estimates if any are accounted for as a change in an accounting estimates.

Valuation of inventories (refer note 4.8)

The Group considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impacts the Group's business in determining the allowance for obsolete, non-saleable and slow moving inventories. The Group considers the above factors and adjusts the inventory provision on a periodic basis to reflect its actual experience.

Impairment of intangible assets and goodwill (refer note 4.9.2)

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated growth rates and weighted average cost of capital. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Employee benefits (refer note 4.10 and 37)

The accounting of employee defined benefit plans requires the Group to use assumptions. These assumptions include rate of increase in compensation levels, discount rates, expected rate of return on assets and attrition rates.

Provisions & contingent liabilities (refer note 4.12 and 43)

The Group exercises judgement in determining outcome of a particular matter is possible, probable or remote. The Group exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities.

Sales returns, rebates, chargeback and medicaid (refer note 4.13)

The estimate for sales returns is determined primarily by the Group's historical experience in the markets in which the Group operates. With respect to established products, the Group considers its historical experience of sales returns, market condition, estimated shelf life and specific contractual terms. Chargeback, rebates and medicaid payments are variable consideration that is recognised and recorded based on historical experience, market conditions and specific contractual terms.

NOTES forming part of the Consolidated Financial Statements

3.3 Use of accounting estimates and judgements (Continued)

Provision for income tax and deferred tax assets (refer note 4.14)

The group exercises significant judgements in determining provision for income taxes, uncertain tax positions and to reassess the carrying amount of deferred tax assets at the end of the each reporting period.

4 Material accounting policies

4.1 Basis of consolidation

The Company consolidates all entities which it controls. Control is established when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

4.2 Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of fixed assets comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying fixed assets is capitalized to respective assets when the time taken to put the assets to use is substantial.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of replacement of any property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Group and its cost can be measured reliably.

Capital work in progress which are not ready for intended use are carried at cost less impairment loss, if any.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or upgradation.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in the statement of profit and loss.

NOTES forming part of the Consolidated Financial Statements

4.2 Property, plant and equipment (Continued)

Freehold land is carried at historical cost and is not depreciated.

Depreciation on property, plant and equipment is provided on the cost of the assets less their estimated residual value, using straight-line method over estimated useful life of the assets.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year-end and changes in estimates, if any are accounted for as a change in accounting estimates.

The estimated useful lives of property, plant and equipments are as under:

Type of property, plant and equipment	Useful life
Buildings other than factory buildings	15 to 60 years
Factory buildings	3 to 30 years
Plant and equipments	3 to 25 years
Laboratory equipments	5 to 20 years
Electrical equipments	5 to 20 years
Furniture and fixtures	3 to 10 years
Office equipments	2 to 10 years
Wind power plant	25 years
Solar power plant	30 years
Computer equipments	2 to 5 years
Vehicles	5 to 10 years

Schedule II to the Companies Act, 2013 ("Schedule") prescribes the useful lives for various classes of tangible assets. For certain class of assets the Group uses different useful life based on the internal technical evaluation and historical usage of assets. Accordingly, for these assets, the useful lives estimated by the Group are different from those prescribed in the Schedule.

4.3 Business combinations and goodwill

4.3.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed in the statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

In case of bargain purchase where the fair value of identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised in other comprehensive income on the acquisition date and accumulate the same in equity as capital reserve after reassessing the fair values of the net identifiable assets and contingent liabilities.

If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and

NOTES forming part of the Consolidated Financial Statements

4.3.1 Business combinations (Continued)

circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose. The financial statement of prior period is restated as if the business combination had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

4.3.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGUs) that is expected to benefit from the synergies of the combination. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

4.4 Intangible assets

Intangible assets such as marketing licenses, brands (including associated trademark rights), computer software, non-compete fees, and other product related intangibles acquired separately are measured at cost. This includes upfront and milestone payments for in-licensed products and other intangible assets. Intangible assets acquired under business combination are measured at fair value as of the date of business combination.

Acquired research and development intangible assets that are under development are recognised as intangible assets under development. These assets are not amortised but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss.

Intangible assets are amortized over their respective estimated useful life using straight-line method.

The estimated useful life of amortizable intangible assets are reviewed at the end of each reporting period and changes in estimates if any are accounted for as a change in accounting estimates.

NOTES forming part of the Consolidated Financial Statements

4.4 Intangible assets (Continued)

The estimated useful lives of intangible assets are as mentioned below:

Type of intangible asset	Useful life
Computer softwares	3 to 5 years
Product licenses	Upto 15 years
Brands (including trademarks)	Upto 15 years
Non-compete fees	Upto 5 years
Drug master files	10 years
Customer relationships	10 years

4.5 Foreign currency transaction, translation and foreign operations

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

Foreign operations

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Statement of profit and loss has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

4.6 Financial instruments

4.6.1 Financial assets

(a) Classification of financial assets:

The Group classifies its financial assets in the following categories:

- those measured subsequently at fair value (either through other comprehensive income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(b) Initial measurement:

Financial assets (unless it is a trade receivable without a significant financing component) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

- **Amortised Cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

NOTES forming part of the Consolidated Financial Statements

4.6.1 Financial assets (Continued)

- Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

(d) Derecognition of financial assets:

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset

When the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has retained substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Group has not retained control over the financial asset. Where the Group has retained control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(e) Income recognition:

Dividend is accounted when the right to receive payment is established. Interest income is recognised in the statement of profit and loss as it accrues, using the effective interest method.

(f) Cash and cash equivalents:

Cash and cash equivalents consists of cash on hand, short term deposits and highly liquid investments, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities/holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.



NOTES

forming part of the Consolidated Financial Statements

4.6.1 Financial assets (Continued)

(g) Investments:

Investments in mutual funds are primarily held for the Group's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

For equity instruments, not held for trading, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

(h) Trade receivables:

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

4.6.2 Financial liabilities

The Group's financial liabilities include trade payables, loans and borrowing and derivative financial instruments.

(a) Classification:

All the Group's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

(b) Initial measurement:

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method. The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(d) Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or waived off or have expired. An exchange between the Group and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(e) Borrowings:

Borrowings are initially recorded at fair value net of transaction cost and subsequently measured at amortized costs using effective interest rate method. Transaction costs are charged to statement of profit and loss as finance cost over the term of borrowing.

NOTES

forming part of the Consolidated Financial Statements

4.6.2 Financial liabilities (Continued)

(f) Trade payables:

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

4.6.3 Derivative financial instruments and hedge accounting

The Group enters into derivative financial instruments to manage its foreign exchange rate risk. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and nature of hedged items.

Derivative financial instruments that hedges foreign currency risk associated with highly probable forecasted transactions are designated as cash flow hedges and measured at fair value. The effective portion of such hedges is recorded in cash flow hedge reserve, as a component of equity, and re-classified to the statement of profit and loss in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such hedges is recorded in the statement of profit and loss immediately.

Hedge effectiveness is tested both at the inception of the hedge relationship as well as on an ongoing basis. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting.

4.7 Leases – Group as lessee

At inception of a contract, the Group assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset the Group assesses whether contract involves the use of an identified asset, the Group has a right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and the Group has the right to direct the use of the asset.

At the inception date, right-of-use(ROU) asset is recognised at cost which includes present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of useful life of the asset or the lease term. When the Group has purchase option available under lease and cost of right-of-use assets reflects that purchase option will be exercised, right-of-use asset is depreciated over the useful life of underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is initially measured at the present value of future lease payments. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

Lease payments are discounted using the incremental borrowing rate or interest rate implicit in the lease, if the rate can be determined.

The Group has elected not to recognise ROU assets and lease liabilities for short term leases as well as low value assets and recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

NOTES forming part of the Consolidated Financial Statements

4 Material accounting policies (Continued)

4.8 Inventories

Inventories are carried at the lower of cost and net realizable value.

The cost incurred in bringing the inventory to their existing location and conditions are determined as follows:

- Raw material and packing material - Purchase cost of materials on a moving average basis.
- Finished goods (manufactured) and work in progress - Cost of purchase, conversion cost and other costs on a weighted average cost method.
- Finished goods (traded) - Purchase cost on a moving average basis.

The cost of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recovered by the Group from tax authorities), and transport, handling and other costs directly attributable to bringing the inventory to their existing location and conditions. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Net realizable 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 sales.

The Group considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor, which impact the Group's business, in determining the allowance for obsolete, non-saleable and slow moving inventories.

4.9 Impairment of assets

4.9.1 Financial assets

At each balance sheet date, the Group assesses whether a financial asset is to be impaired. Ind AS 109 requires the Group to apply expected credit loss model for recognition and measurement of impairment loss. The Group has uses a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The impairment loss is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.9.2 Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

NOTES forming part of the Consolidated Financial Statements

4.9.2 Non-financial assets (Continued)

Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Determination of recoverable amount of CGU requires the management to estimate the future cash flows expected to arise and a suitable discount rate in order to calculate the present value. An impairment loss recognised for goodwill is not reversed in subsequent periods. An impairment loss recognised for goodwill is not reversed in subsequent periods.

4.10 Employee benefits

4.10.1 Short term employee benefits

Short term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in statement of profit and loss.

4.10.2 Long term employment benefits

Defined contribution plans:

Contributions to defined contribution plans (provident fund, superannuation and other social security schemes) are recognized as expense when employees have rendered services entitling them to such benefits.

Defined benefit plans:

The Group's net obligation in respect of defined benefit plans (gratuity, pension and other retirement benefit plans) is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability/(asset) is recognized in the statement of profit and loss. Past service cost are immediately recognized in the statement of profit and loss. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Termination benefits:

Termination benefits are recognized as expense when the Group is committed without any possibility of withdrawal of an offer made to either terminate employment before the normal retirement date or as a result of an offer made to encourage voluntary retirement.

Compensated absences and earned leaves:

The Group's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Group measures the expected cost of accumulating compensated absences as the additional amount that the Group expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet if the entity does not have an



NOTES forming part of the Consolidated Financial Statements

4.10.2 Long term employment benefits (Continued)

unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Subsidiary: Unique Pharmaceutical Laboratoires FZE

Staff End-of-Service Benefits:

Provision is made for end-of-service benefits payable to the non-UAE employees at the reporting date, in accordance with the local labour laws.

4.11 Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions for receiving such grant have been and will be fulfilled.

Government grants related to asset are recognized as deferred income and charged to statement of profit and loss on a systematic basis over expected useful life of the related asset.

Government grants are recognized in statement of profit and loss on a systematic basis over the period in which Group recognizes as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses already incurred are recognised in statement of profit and loss in the period in which they become receivable.

When loans received from the government or related institutions with below-market interest rate, the benefit of below-market interest rate is treated as government grant measured as the difference between the proceeds received and the fair value of loan based on prevailing market interest rate.

4.12 Provisions, contingent liabilities and contingent assets

Provisions:

A provision is recognized when as a result of a past event, the Group has a present obligation whether legal or constructive that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. If the obligation is expected to be settled more than 12 months after the end of reporting date or has no definite settlement date, the provision is recorded as non-current liabilities after giving effect for time value of money, if material. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability:

The Group uses significant judgements to assess contingent liabilities. A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

NOTES forming part of the Consolidated Financial Statements

4 Material accounting policies (Continued)

4.13 Revenue recognition

Revenue is measured based on the transaction price adjusted for chargeback, discounts and rebates, which is specified in the contract with customer. Revenue are net of estimated returns, medicaid payments and taxes collected from customers.

Revenue from sale of goods is recognized when control is transferred to the customer and it is probable that consideration will be realised. Control of goods is transferred upon the shipment of the goods to the customer or when goods are made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

The consideration can be fixed or variable. Variable consideration is only recognised when it is highly probable that a significant reversal will not occur.

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

A chargeback is a claim made by the wholesaler for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the company. Chargeback, rebates, returns and medicaid payments are variable consideration that is recognised and recorded based on historical experience, market conditions and specific contractual terms. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices historical trends, past experience and projected market conditions.

Export entitlements are recognised as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Revenue from product development services is recognised upon by reference to the stage of completion or on the achievement of agreed milestones and the amount of revenue can be measured reliably.

4.14 Income taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The deferred tax arising from the initial



NOTES forming part of the Consolidated Financial Statements

4.14 Income taxes (Continued)

recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognized.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. 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 income tax assets to be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

For units which enjoy tax holiday benefit, deferred tax assets and liabilities are recognized for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Any deferred tax asset or liability arising from deductible or taxable temporary differences in respect of unrealized inter-company profit or loss on inventories held by the Group in different tax jurisdictions is recognised using the tax rate of jurisdiction in which such inventories are held.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the applicable tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Deferred income taxes are not provided on the undistributed retained earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future or will be distributed in such a way that permits offsetting of dividend receipts from subsidiaries against its dividend payments while computing its taxable dividend income.

4.15 Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares.

4.16 Research and development

Revenue expenditure on research and development activities is recognised as expense in the separate heads of the statement of profit and loss in the period in which it is incurred.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development and to use and sell the asset.

4.17 Borrowing cost

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

NOTES forming part of the Consolidated Financial Statements

4 Material accounting policies (Continued)

4.18 GST input credit

Goods and services tax (GST) input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services. The balance of GST input credit is reviewed at the end of each year and amount estimated to be un-utilizable is charged to the statement of profit and loss for the year.

4.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Group is responsible for allocating resources and assessing performance of the operating segments.

4.20 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

4.21 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

4.22 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment properties. Investment property is measured initially at its cost, including related transaction costs and borrowing costs where applicable. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life between 5 to 58 years. The useful life has been determined based on internal technical evaluation by the Group.

4.23 Exceptional items

An item of income or expense which by its size, nature, occurrence or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item in the Consolidated Statement of Profit and Loss.

5 Recent accounting pronouncements

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 and August 13, 2025, notified Companies (Indian Accounting Standards) Amendment Rules, 2025 which amends certain accounting standards and are effective April 1, 2025;

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

The amendment specifies the exchange rate to use in reporting foreign currency transactions when exchangeability between two currencies is temporarily lacking.

NOTES forming part of the Consolidated Financial Statements

5 Recent accounting pronouncements (Continued)

Ind AS 1, Presentation of Financial Statements:

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Ind AS 7, Statement of Cash Flows and Ind AS 107 Financial Instruments:

The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

Ind AS 12, Income taxes – (International Tax Reform – Pillar Two Model Rules):

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

NOTES forming part of the Consolidated Financial Statements

6 Property, plant and equipment

								(₹ in crores)
	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical equipments	Total
Gross carrying amount as at April 1, 2025	680.82	1,578.52	2,444.20	121.04	30.75	200.16	298.94	5,354.43
Additions	-	255.90	98.27	19.77	4.20	48.34	49.17	475.65
Addition on account of business combination (Refer note 42)	58.60	328.20	351.77	14.76	5.56	14.52	52.97	826.38
Disposals	-	-	(19.29)	(0.94)	(1.41)	(1.80)	(0.95)	(24.39)
Non-current assets held for sale (Refer note 46)*	(20.52)	(0.17)	-	-	-	-	(0.00)	(20.69)
Transfer to Investment properties (Refer note 7)	(0.09)	(14.45)	(0.64)	(3.85)	-	-	(1.58)	(20.61)
Foreign currency translation adjustments	-	18.36	19.93	6.74	0.09	5.17	5.81	56.10
Gross carrying amount as at March 31, 2026	718.81	2,166.36	2,894.24	157.52	39.19	266.39	404.36	6,646.87
Accumulated depreciation as at April 1, 2025	-	348.06	1,427.53	63.21	12.77	143.83	149.79	2,145.19
Depreciation for the year	-	48.71	161.89	10.74	3.13	27.55	19.99	272.01
Disposals	-	-	(17.50)	(0.89)	(1.09)	(1.56)	(0.70)	(21.74)
Non-current assets held for sale (Refer note 46)*	-	(0.03)	-	-	-	-	(0.00)	(0.03)
Transfer to Investment properties (refer note 7)	-	(4.55)	(0.43)	(1.61)	-	-	(0.81)	(7.40)
Foreign currency translation adjustments	-	0.61	4.14	2.16	0.04	2.82	2.30	12.07
Accumulated depreciation as at March 31, 2026	-	392.80	1,575.63	73.61	14.85	172.64	170.57	2,400.10
Net carrying amount as at March 31, 2026	718.81	1,773.56	1,318.61	83.91	24.34	93.75	233.79	4,246.77
*Represents value less than ₹ 50 Thousand.								
Capital work-in-progress								
Carrying amount as at April 1, 2025								367.26
Additions								468.09
Addition on account of business combination (Refer note 42)								62.31
Disposals/Capitalised								(441.50)
Foreign currency translation adjustments								1.33
Carrying amount as at March 31, 2026								457.49



NOTES

forming part of the Consolidated Financial Statements

6 Property, plant and equipment (Continued)

	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical equipments	Total
(₹ in crores)								
Gross carrying amount as at April 1, 2024	680.42	1,490.97	2,316.43	100.03	27.99	187.72	284.61	5,088.17
Additions	0.40	100.70	144.54	23.16	6.43	21.45	17.32	314.00
Disposals	-	(13.31)	(15.64)	(2.29)	(3.69)	(8.33)	(1.57)	(44.83)
Foreign currency translation adjustments	-	0.16	(1.13)	0.14	0.02	(0.68)	(1.42)	(2.91)
Gross carrying amount as at March 31, 2025	680.82	1,578.52	2,444.20	121.04	30.75	200.16	298.94	5,354.43
Accumulated depreciation as at April 1, 2024	-	311.34	1,303.73	58.24	12.09	126.99	136.38	1,948.77
Depreciation for the year	-	41.86	136.33	7.04	2.82	24.30	15.63	227.98
Disposals	-	(4.88)	(11.50)	(2.12)	(2.14)	(6.94)	(1.28)	(28.86)
Foreign currency translation adjustments*	-	(0.26)	(1.03)	0.05	0.00	(0.52)	(0.94)	(2.70)
Accumulated depreciation as at March 31, 2025	-	348.06	1,427.53	63.21	12.77	143.83	149.79	2,145.19
Net carrying amount as at March 31, 2025	680.82	1,230.46	1,016.67	57.83	17.98	56.33	149.15	3,209.24
*Represents value less than ₹ 50 Thousand.								
Capital work-in-progress								
Carrying amount as at April 1, 2024								280.80
Additions during the year								372.87
Disposals/Capitalised								(287.58)
Foreign currency translation adjustments								1.17
Carrying amount as at March 31, 2025								367.26

- (i) Certain property, plant and equipment hypothecated/mortgaged as security for borrowings as disclosed under note 21.
- (ii) Additions during the year include revenue expenditure of ₹ 17.29 crores (previous year: ₹ 22.87 crores) other than borrowing cost incurred in the course of construction of property, plant and equipment during the year.
- (iii) ₹ 7.23 crores (previous year: ₹ 4.01 crores) of borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate of 6.35% (previous year: 7.50%).
- (iv) The amount of capital commitments is disclosed in note 43.
- (v) **Pro-rata cost of assets owned jointly with Torrent Power Limited, a fellow subsidiary are as under:**

	Proportion of holding	As at March 31, 2026	As at March 31, 2025
(₹ in crores)			
Freehold Land	50%	23.79	23.79
Freehold Land	30%	35.69	35.69
Building	30%	0.65	0.65
		60.13	60.13

NOTES

forming part of the Consolidated Financial Statements

6 Property, plant and equipment (Continued)

(vi) Ageing Schedule of Capital work-in-progress

	Amount in Capital work-in-progress for a period of				(₹ in crores)
As at March 31, 2026	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress					
Growth projects	215.63	79.22	35.69	9.68	340.22
Maintenance capex	95.51	6.59	2.14	13.03	117.27
Projects temporarily suspended	-	-	-	-	-
	311.14	85.81	37.83	22.71	457.49

					(₹ in crores)
As at March 31, 2025	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Growth projects	154.42	86.26	24.50	26.83	292.01
Maintenance capex	56.49	4.22	1.36	13.18	75.25
Projects temporarily suspended	-	-	-	-	-
	210.91	90.48	25.86	40.01	367.26

- (vii) For capital-work-in progress, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

7 Investment Properties

	(₹ in crores)
	Amount
Gross carrying amount as at April 1, 2025	-
Transfer from property, plant and equipment (Refer note 6)	20.61
Gross carrying amount as at March 31, 2026	20.61
Accumulated depreciation as at April 1, 2025	-
Transfer from property, plant and equipment (Refer note 6)	7.40
Depreciation for the year	0.11
Accumulated depreciation as at March 31, 2026	7.51
Net carrying amount as at March 31, 2026	13.10

	(₹ in crores)
	Amount
Gross carrying amount as at April 1, 2024	-
Transfer from property, plant and equipment	-
Gross carrying amount as at March 31, 2025	-
Accumulated depreciation as at April 1, 2024	-
Transfer from property, plant and equipment	-
Depreciation for the year	-
Accumulated depreciation as at March 31, 2025	-
Net carrying amount as at March 31, 2025	-

- (i) The fair value of investment properties as at March 31, 2026 is ₹ 73.17 crores which has been determined on the basis of valuation carried by independent valuer.
- (ii) Rental income pertains to investment properties recognised in profit or loss aggregates to ₹ 0.42 crores for the year ended March 31, 2026 (₹ Nil for the year ended March 31, 2025).



NOTES

forming part of the Consolidated Financial Statements

8 Right-of-use assets

	(₹ in crores)				
	Land	Buildings	Vehicles	Computers	Total
Gross carrying amount as at April 1, 2025	99.68	143.20	94.02	3.64	340.54
Additions	9.86	11.57	46.82	-	68.25
Addition on account of business combination (Refer note 42)	370.60	28.03	4.73	-	403.36
Disposals/Adjustments	-	(26.86)	(5.80)	-	(32.66)
Foreign currency translation adjustments	2.77	24.58	3.46	-	30.81
Gross carrying amount as at March 31, 2026	482.91	180.52	143.23	3.64	810.30
Accumulated depreciation as at April 1, 2025	12.55	70.36	10.02	1.20	94.13
Depreciation for the year	3.37	19.99	23.02	0.76	47.14
Disposals/Adjustments	-	(2.05)	(3.88)	-	(5.93)
Foreign currency translation adjustments	0.22	11.26	1.72	-	13.20
Accumulated depreciation as at March 31, 2026	16.14	99.56	30.88	1.96	148.54
Net carrying amount as at March 31, 2026	466.77	80.96	112.35	1.68	661.76
Gross carrying amount as at April 1, 2024	99.33	120.16	17.59	3.30	240.38
Additions	-	34.43	82.50	0.34	117.27
Disposals/Adjustments	-	(5.58)	(3.84)	-	(9.42)
Foreign currency translation adjustments	0.35	(5.81)	(2.23)	-	(7.69)
Gross carrying amount as at March 31, 2025	99.68	143.20	94.02	3.64	340.54
Accumulated depreciation as at April 1, 2024	10.27	63.84	8.20	0.50	82.81
Depreciation for the year	2.26	14.81	6.75	0.70	24.52
Disposals/Adjustments	-	(5.48)	(3.84)	-	(9.32)
Foreign currency translation adjustments	0.02	(2.81)	(1.09)	-	(3.88)
Accumulated depreciation as at March 31, 2025	12.55	70.36	10.02	1.20	94.13
Net carrying amount as at March 31, 2025	87.13	72.84	84.00	2.44	246.41

- (i) Lease contracts entered by the Group majorly pertains for land, buildings, vehicles and computers taken on lease to conduct its business in the ordinary course.
- (ii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Group's operations.
- (iii) Lease liabilities, interest expense on lease liabilities and payment of lease liabilities are disclosed in note 22. Maturity profile of lease liabilities is disclosed in note 39: Liquidity risk.

NOTES

forming part of the Consolidated Financial Statements

9 Goodwill

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	338.88	338.03
Add: Goodwill arising on business combination during the year (Refer note 42)	3,648.42	-
Foreign currency translation	2.32	0.85
Balance at the end of the year	3,989.62	338.88

The Group tests goodwill for impairment annually or based on an indication. The Group provides for impairment if the carrying amount of cash generation unit(CGU) exceeds its recoverable amount. The recoverable amount is determined based on "value in use" calculations which is calculated as the net present value of forecasted cash flows of CGU to which the goodwill is related.

The carrying amount of goodwill has been allocated to CGUs as follows:

	(₹ in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Acquired brands	3,771.12	286.99
Acquired facility with Drug Master Files	34.62	34.62
Acquired product licenses	19.59	17.27
Acquired customer relationship	164.29	-
	3,989.62	338.88

Key assumptions for CGUs with significant amount of goodwill are as follows:

- a) Projected cash flows for five years based on financial budgets/forecasts. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.
- b) Discount rate applied to projected cash flow is 11%.
- C) Projected revenue growth rate is 5% to 18%.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.



NOTES

forming part of the Consolidated Financial Statements

10 Other intangible assets

	(₹ in crores)					
	Acquired intangible assets					
	Computer softwares	Customer Relationships	Product licenses	Brands ⁽ⁱ⁾	Non-compete fees	Drug master files
Gross carrying amount as at April 1, 2025	209.64	-	370.44	7,370.10	31.10	26.21
Additions	15.23	-	121.58	16.05	-	-
Addition on account of business combination (Refer note 42)	1.78	940.14	133.99	19,626.88	60.40	-
Disposals	(0.89)	-	(0.89)	-	-	-
Foreign currency translation adjustments	3.76	-	32.88	-	-	0.26
Gross carrying amount as at March 31, 2026	229.52	940.14	658.00	27,013.03	91.50	26.47
Accumulated amortisation as at April 1, 2025	184.97	-	316.37	3,317.00	15.33	21.45
Amortisation for the year	14.51	18.03	27.17	728.04	9.19	2.50
Disposals	(0.89)	-	(0.49)	-	-	-
Foreign currency translation adjustments	2.56	-	22.98	-	-	0.01
Accumulated amortisation as at March 31, 2026	201.15	18.03	366.03	4,045.04	24.52	23.96
Net carrying amount as at March 31, 2026	28.37	922.11	291.97	22,967.99	66.98	2.51
Intangible assets under development						
Carrying amount as at April 1, 2025						110.88
Additions						192.72
Addition on account of business combination (Refer note 42)						1.29
Disposals/Capitalised						(137.59)
Impairment during the year						(0.17)
Foreign currency translation adjustments						16.50
Carrying amount as at March 31, 2026						183.63
Gross carrying amount as at April 1, 2024	198.27	-	350.97	7,211.30	31.10	26.35
Additions	15.98	-	16.68	158.80	-	-
Disposals	(4.53)	-	(1.91)	-	-	-
Foreign currency translation adjustments	(0.08)	-	4.70	-	-	(0.14)
Gross carrying amount as at March 31, 2025	209.64	-	370.44	7,370.10	31.10	26.21
Accumulated amortisation and impairment as at April 1, 2024	168.58	-	284.78	2,833.45	9.11	18.96
Amortisation for the year	20.93	-	29.51	483.55	6.22	2.50
Disposals	(4.52)	-	(1.46)	-	-	-
Foreign currency translation adjustments	(0.02)	-	3.54	-	-	(0.01)
Accumulated amortisation as at March 31, 2025	184.97	-	316.37	3,317.00	15.33	21.45
Net carrying amount as at March 31, 2025	24.67	-	54.07	4,053.10	15.77	4.76
Intangible assets under development						
Carrying amount as at April 1, 2024						79.71
Additions						211.15
Disposals/Capitalised						(179.48)
Foreign currency translation adjustments						(0.50)
Carrying amount as at March 31, 2025						110.88

(i) Brands includes trademarks.

NOTES

forming part of the Consolidated Financial Statements

10 Other intangible assets (Continued)

(ii) Material intangible assets in the Group's financial statement:

Description of intangible assets	Brands
Net Carrying amount	₹ 22,967.99 crores as at March 31, 2026 (₹ 4,053.10 crores as at March 31, 2025)
Remaining amortisation period	3 years to 15 years as at March 31, 2026 (4 years to 15 years as at March 31, 2025)

(iii) Ageing Schedule of Intangible assets under development:

As at March 31, 2026	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	95.97	20.52	16.36	50.78	183.63
Projects temporarily suspended	-	-	-	-	-
	95.97	20.52	16.36	50.78	183.63

As at March 31, 2025	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	35.35	21.36	36.42	17.75	110.88
Projects temporarily suspended	-	-	-	-	-
	35.35	21.36	36.42	17.75	110.88

(iv) For intangible assets under development, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

11 Investments

	No. of shares	As at March 31, 2026	As at March 31, 2025
Non-current (Unquoted)			
At fair value through other comprehensive income			
Equity Instruments of:			
Epigeneres Biotech Private Limited	158	3.08	3.08
fully paid-up equity shares of ₹ 10 each			
Shivalik Solid Waste Management Limited	20,000	0.02	0.02
fully paid-up equity shares of ₹ 10 each			
UNM Foundation	-	-	0.05
fully paid-up equity shares of ₹ 10 each	(50,000)		



NOTES forming part of the Consolidated Financial Statements

11 Investments (Continued)

	No. of shares	As at March 31, 2026	(₹ in crores) As at March 31, 2025
Investment in Limited liability partnership (LLP):			
ABCD Technologies LLP	7.77% *	51.90	40.41
* Share of profit/loss and voting rights	(6.83% *)		
At amortised cost			
National savings certificates		0.01	0.01
At fair value through profit or loss			
Equity Instruments of:			
BEIL Infrastructure Limited**	3,866	0.00	-
fully paid-up equity shares of ₹ 10 each	(-)		
Narmada Clean Tech.	6,12,032	0.61	-
fully paid-up equity shares of ₹ 10 each	(-)		
Enviro Technology Limited	20,000	0.47	-
fully paid-up equity shares of ₹ 10 each	(-)		
Panoli Enviro Technology Limited	60,000	0.06	-
fully paid-up equity shares of ₹ 10 each	(-)		
Ankleshwar Research & Analytical Infrastructure Limited	50,000	0.04	-
fully paid-up equity shares of ₹ 10 each	(-)		
Asian Heart Institute & Research Centre Private Limited	20,00,000	24.85	-
fully paid-up equity shares of ₹ 10 each	(-)		
Investment in others:			
Torrent Urja 27 Private Limited	15,83,868	1.58	-
fully paid-up Class A equity shares of ₹ 10 each	(-)		
		82.62	43.57
Current			
(Quoted)			
At fair value through profit or loss			
Mutual funds		865.74	112.21
		865.74	112.21
		948.36	155.78
(i) Aggregate amount of unquoted investments		82.62	43.57
(ii) Aggregate amount of quoted investments		865.74	112.21
(iii) Aggregate market value of quoted investments		865.74	112.21
(iv) Number of shares in bracket represents shares held in previous year			

**Represents value less than ₹ 50 Thousand.

NOTES forming part of the Consolidated Financial Statements

12 Loans

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
Non-current		
Employee loans	3.40	3.37
	3.40	3.37
Current		
Employee loans	5.30	4.22
	5.30	4.22
	8.70	7.59

13 Other financial assets

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits	22.84	22.74
Derivative financial instruments	-	4.84
Fixed deposits (having remaining maturity of more than 12 months)	16.79	1.00
Other receivables	4.76	4.28
	44.39	32.86
Current		
Security deposits	5.96	1.07
Derivative financial instruments	1.50	5.30
Interest accrued on deposits	24.99	0.22
Production linked incentive benefit receivable	145.97	116.42
Fixed deposits (having remaining maturity of less than 12 months)	339.53	1.23
Other receivables (includes receivables on derivative instrument, discount receivables from vendors, etc.)	39.65	58.61
	557.60	182.85
	601.99	215.71



NOTES forming part of the Consolidated Financial Statements

14 Other assets
(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Non-current		
Capital advances	28.10	41.83
Prepaid expenses	0.28	-
Other receivables (includes gratuity plan assets (net), etc.)	2.52	-
	30.90	41.83
Current		
Export benefits receivable	10.81	21.57
Claims receivable (indirect tax/others)	66.07	57.64
Employee advances	11.57	11.87
Prepaid expenses	98.13	63.11
Indirect taxes recoverable	343.81	122.09
Advances to suppliers	81.46	59.10
Other receivables (includes gratuity plan assets (net), etc.)	17.15	0.75
	629.00	336.13
	659.90	377.96

15 Inventories
(At lower of cost and net realisable value)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Raw materials	843.29	628.24
Packing materials	112.65	63.19
Work-in-progress	188.23	167.19
Finished goods	1,250.58	1,104.76
Stock-in-trade	741.98	577.87
Others	1.46	-
	3,138.19	2,541.25
(i) Amount of Goods in transit included in inventories above:		
Raw materials	3.63	9.70
Packing materials	0.88	0.73
Stock-in-trade	34.46	51.37
Finished goods	37.15	-

- (ii) The Group charged inventory write-down (net) of ₹ 25.25 crores and ₹ 28.98 crores in consolidated statement of profit and loss for the year ended March 31, 2026 and March 31, 2025 respectively.
- (iii) The Group writes down the value of inventories towards slow moving, non moving and non saleable inventory (expired/damaged) based on historical experience in respect of such items and any recent trends that may suggest realisable amount could differ from historical amounts.
- (iv) Inventories are hypothecated as security for borrowings as disclosed under note 21.

NOTES forming part of the Consolidated Financial Statements

16 Trade Receivables
(Unsecured)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
(a) Considered good	3,073.56	1,867.10
(b) Credit-impaired	15.99	11.59
Allowance for expected credit loss	(58.69)	(12.24)
	3,030.86	1,866.45
(i) Trade receivables are non-interest bearing and are generally on credit period upto 180 days.		
(ii) Movements in allowance for expected credit loss:		
Balance at the beginning of the year	12.24	11.21
Addition on account of business combination (Refer note 42)	40.87	-
Provision made/(reversed) during the year (net) (Refer note 35)	5.54	1.77
Provision utilised during the year	-	-
Foreign currency translation	0.04	(0.74)
Balance at the end of the year	58.69	12.24

(iii) Trade Receivables ageing schedule for the year ended as on March 31, 2026 and March 31, 2025

As at March 31, 2026	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,583.85	410.70	37.95	22.04	10.94	8.08	3,073.56
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	4.15	0.64	0.24	0.51	0.36	5.90
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.16	0.08	5.72	0.89	3.24	10.09
Allowance for expected credit loss							(58.69)
							3,030.86



NOTES

forming part of the Consolidated Financial Statements

16 Trade Receivables (Continued)

(₹ in crores)							
As at March 31, 2025	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,730.14	131.51	3.90	1.55	-	-	1,867.10
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	0.28	0.39	0.64	0.50	0.27	2.08
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.55	5.09	0.83	0.91	2.13	9.51
Allowance for expected credit loss							(12.24)
							1,866.45

17 Cash and cash equivalents

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Balances with banks	441.38	341.42
Cash on hand	0.63	0.54
Fixed deposit with original maturity of less than 3 months	675.19	231.52
	1,117.20	573.48

18 Bank balances other than cash and cash equivalents

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Earmarked balances with banks		
Unpaid dividend	8.79	4.93
Unspent CSR	6.47	-
Designated bank account*	0.00	-
Fixed deposit with original maturity of more than 3 months and less than 12 months	32.74	1.05
	48.00	5.98

*Represents vlue less than ₹ 50 Thousand.

NOTES

forming part of the Consolidated Financial Statements

19 Equity share capital

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Authorised		
42,00,00,000 (previous year 42,00,00,000) equity shares of ₹ 5 each	210.00	210.00
25,00,000 (previous year 25,00,000) preference shares of ₹ 100 each	25.00	25.00
	235.00	235.00
Issued		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹ 5 each	169.23	169.23
Subscribed and fully paid-up		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹ 5 each	169.23	169.23
	169.23	169.23

- (i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	As at March 31, 2026		As at March 31, 2025	
	Numbers	(₹ in crores)	Numbers	(₹ in crores)
At the beginning of the year	33,84,45,440	169.23	33,84,45,440	169.23
At the end of the year	33,84,45,440	169.23	33,84,45,440	169.23

- (ii) Torrent Investments Limited (formerly known as Torrent Investments Private Limited), the holding Company, holds 23,11,83,400 (previous year 23,11,83,400) equity shares of ₹ 5 each, equivalent to 68.31% (previous year 68.31%) of the total number of subscribed & paid up equity shares, which is the only shareholder holding more than 5 % of total equity shares.
- (iii) The Company has one class of equity shares having par value of ₹ 5 each. Each shareholder is eligible for one vote per share held. The final 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to shareholding.
- (iv) Disclosure of shareholding of promoters

Shares held by Promoters at the end of the Year		As at March 31, 2026		As at March 31, 2025		% change during the year
Sr. No.	Promoter's Name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Sudhir Uttamlal Mehta	400	0.00	400	0.00	-
2	Samir Uttamlal Mehta	400	0.00	400	0.00	-
3	Anita Sudhir Mehta	200	0.00	200	0.00	-
4	Sapna Samir Mehta	200	0.00	200	0.00	-
5	Jinal Sudhir Mehta	200	0.00	200	0.00	-
6	Varun Sudhir Mehta	200	0.00	200	0.00	-
7	Shaan Mehta	200	0.00	200	0.00	-
8	Aman Mehta	200	0.00	200	0.00	-
9	Torrent Investments Limited	23,11,83,400	68.31	23,11,83,400	68.31	-
Total		23,11,85,400	68.31	23,11,85,400	68.31	-

- (v) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes 16,92,22,720 equity shares allotted as fully paid up bonus shares.



NOTES forming part of the Consolidated Financial Statements

20 Other Equity

(Refer Consolidated Statement of Changes in Equity for detailed movement in Other Equity)

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Reserves and Surplus		
Retained earnings	5,724.06	4,746.55
General reserve	2,919.84	2,884.13
Debenture redemption reserve	-	35.71
Capital reserve	5.56	5.56
	8,649.46	7,671.95
Other comprehensive income		
Equity instruments through other comprehensive income	(4.79)	(5.08)
Effective portion of cash flow hedges	(148.67)	(5.74)
Foreign currency translation reserve	(276.80)	(239.67)
	(430.26)	(250.49)
	8,219.20	7,421.46

21 Borrowings

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured non-convertible debentures	11,060.74	400.00
Secured term loans from banks	590.43	791.75
	11,651.17	1,191.75
Current		
Current maturities of long-term borrowings		
Secured non-convertible debentures	100.00	242.67
Secured term loans from banks	132.50	341.70
	232.50	584.37
Working capital loans		
Secured loans from banks	800.00	450.00
Unsecured loans from banks	694.88	308.09
Unsecured commercial papers	1,419.69	491.88
	2,914.57	1,249.97
	3,147.07	1,834.34
	14,798.24	3,026.09

NOTES forming part of the Consolidated Financial Statements

21 Borrowings (Continued)

- (i) Term Loans from banks referred above to the extent of:
- (a) ₹ Nil (Previous year ₹ 170.83 crores). For previous year, these term loans were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Torrent House Office (Ahmedabad), all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the Company including its future line extensions.
 - (b) ₹ Nil (Previous year ₹ 134.12 crores). For previous year, these term loans were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at Dahej (SEZ) in Gujarat (Manufacturing facility) as well as on certain identified trademarks of the company including its future line extensions.
 - (c) ₹ 533.62 crores (Previous year ₹ 657.34 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Bhat (Research facility) as well as on certain identified trademarks of the company including its future line extensions. For Previous year, these term loans were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land) and Bhat (Research facility) as well as on certain identified trademarks of the company including its future line extensions.
 - (d) ₹ 189.31 (previous year ₹ 171.16 crores) from bank is secured by hypothecation of inventories and book debts of US subsidiary.
- (ii) Non-convertible debentures referred above to the extent of :
- (a) ₹ Nil (Previous year ₹ 142.67 crores). For previous year, these Non-convertible debentures were secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Torrent House Office (Ahmedabad), all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the Company including its future line extensions.
 - (b) ₹ 400.00 crores (Previous year ₹ 500.00 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Bhat (Research facility) as well as on certain identified trademarks of the company including its future line extensions.
 - (c) ₹ 10,760.74 crores (Previous year ₹ Nil) are secured by first ranking exclusive charge by way of hypothecation over the Designated Account Assets and the Specified Trademarks of the Company including its future line extensions.
- (iii) Secured working capital demand loans are secured by hypothecation of inventories and book debts of parent company.
- (iv) Term loans carry interest rate in the range of 5.59 % to 7.83 % (Previous year: 5.79 % to 8.40 %) and working capital loans carry interest rate in the range of 5.46% to 7.55% (Previous year: 5.88% to 7.55%) Non-convertible debentures carry interest rate in the range of 7.15 % to 9.31% (Previous year: 8.33 % to 9.31%).



NOTES

forming part of the Consolidated Financial Statements

21 Borrowings (Continued)

(v) Maturity profile of term loans and non convertible debentures, including current maturities is as below:

(₹ in crores)								
	2026-27	2027-28	2028-29	2029-30	2030-31	Amortised cost adjustment	Total	Repayment Terms
Term Loan	132.50	323.56	137.75	99.50	29.75	(0.13)	722.93	(a) ₹ 253.75 crores repayable in 18 quarterly Instalments (b) ₹ 280.00 crores repayable in 14 quarterly Instalments (c) ₹ 189.31 crores repayable in January, 2028
Non-convertible debentures	100.00	2,100.00	2,590.00	3,100.00	3,500.00	(229.26)	11,160.74	(a) ₹ 400 crores repayable in 4 annual Instalments (b) ₹ 10,990 crores repayable as below: (i) ₹ 2,000 crores on maturity (ii) ₹ 2,490 crores on maturity (iii) ₹ 3,000 crores on maturity (iv) ₹ 3,500 crores on maturity
	232.50	2,423.56	2,727.75	3,199.50	3,529.75	(229.39)	11,883.67	

(vi) The Group has been sanctioned working capital limits from banks majorly on the basis of security of current assets. The quarterly returns or statements filed with such banks wherever applicable are in agreement with the books of accounts of the company.

22 Lease Liabilities

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Non-current		
Lease Liabilities	190.07	145.86
	190.07	145.86
Current		
Lease Liabilities	37.19	30.37
	37.19	30.37
	227.26	176.23

NOTES

forming part of the Consolidated Financial Statements

22 Lease Liabilities (Continued)

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Movement in lease liabilities		
Balance at the beginning of the year	176.23	84.52
Addition	58.39	117.27
Addition on account of business combination (Refer note 42)	33.07	-
Interest expenses on lease liabilities (Refer note 33)	22.12	5.27
Repayment	(54.91)	(27.24)
Disposals/Adjustments	(26.73)	(0.10)
Foreign currency translation	19.09	(3.49)
Balance at the end of the year	227.26	176.23

Amounts with respect to leases recognised in the Statement of Profit and Loss and Statement of Cash Flows:

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Amounts recognised in Statement of Profit and Loss		
Interest expenses on lease liabilities (Refer note 33)	22.12	5.27
Depreciation on right-of-use assets (Refer note 34)	47.14	24.24
Expenses relating to short-term leases	11.21	20.46
Expenses relating to leases of low-value assets	0.89	1.05
Variable lease payments	48.33	45.96
Amounts recognised in Statement of Cash Flows		
In Financing activity		
Repayment of lease liabilities (Including Interest)	(54.91)	(27.24)
In Operating activity		
Payment of lease rentals	(60.43)	(67.47)

Maturity profile of the Group's lease liabilities based on contractual undiscounted payments:

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
Less than 1 year	53.36	38.50
1 to 2 years	47.65	36.13
2 to 5 years	151.92	89.86
More than 5 years	57.28	84.24
	310.21	248.73



NOTES

forming part of the Consolidated Financial Statements

23 Provisions

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Non-Current		
Provision for employee benefits		
Provision for post-retirement benefits (Refer note 37B)	93.63	81.32
Provision for compensated absences (Refer note (i))	158.34	142.93
	251.97	224.25
Provision for sales returns (Refer note (ii))	305.48	257.98
Provision for expenses (Refer note (iii))	24.78	19.04
Provision for other matters (Refer note (vi))	182.32	-
	764.55	501.27
Current		
Provision for employee benefits		
Provision for post-retirement benefits (Refer note 37B)	4.15	7.20
Provision for compensated absences (Refer note (i))	34.53	25.56
	38.68	32.76
Provision for sales returns (Refer note (ii))	344.48	264.15
Provision for expenses (Refer note (iii))	-	2.07
Provision for failure to supply (Refer note (iv))	78.96	87.68
Provision for medicaid (Refer note (v))	36.67	21.47
	498.79	408.13
	1,263.34	909.40

(i) Provision for compensated absences:

All eligible employees are entitled for compensated absences (leaves) while in service and are also eligible for encashment of such compensated absences on separation due to death, retirement, superannuation or termination.

NOTES

forming part of the Consolidated Financial Statements

23 Provisions (Continued)

(ii) Provision for sales returns:

The Group, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms. The timing of outflow will depend on the shelf life expiry and time taken by the customer to return the goods.

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	522.13	472.51
Provision made during the year	406.31	363.47
Addition on account of business combination (Refer note 42)	54.15	-
Provision utilised during the year	(351.89)	(313.99)
Foreign currency translation	19.26	0.14
Balance at the end of the year	649.96	522.13
Non-current	305.48	257.98
Current	344.48	264.15
	649.96	522.13

(iii) Provision for expenses:

(a) Non-current:

Provision for expenses includes estimated amount of liability pertaining to administrative and judicial proceedings disputed with past employees pending at various labour courts in Brazil. The timing of the outflow will depend on the final outcome of the litigations.

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	19.04	17.32
Additional provision (net of reversal)	5.76	6.35
Utilisation during the year	(4.32)	(2.74)
Foreign currency translation	4.30	(1.89)
Balance at the end of the year	24.78	19.04

(b) Current:

Provision for expenses includes estimated amount of liability pertaining to certain contractual obligations and product recall expenses.

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	2.07	2.02
Utilisation during the year	(2.14)	-
Foreign currency translation	0.07	0.05
Balance at the end of the year	-	2.07



NOTES forming part of the Consolidated Financial Statements

23 Provisions (Continued)

(iv) Provision for failure to supply:

The Group has a contractual obligation to pay compensation against failure to supply in certain cases. Provisions are estimated based on evaluation of likely claims on short supplies by the Group. These claims are expected to be settled in the next financial year.

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Balance at the beginning of the year	87.68	110.66
Addition during the year	31.62	11.63
Reversal during the year	(46.62)	(17.68)
Utilisation during the year	(8.14)	(20.45)
Foreign currency translation	14.42	3.52
Balance at the end of the year	78.96	87.68

(v) Provision for medicaid:

Pharmaceutical manufacturers whose products are covered by the Medicaid program of the USA are required to provide rebate to each state a percentage of the average manufacturer's price for the products dispensed. Medicaid rebates are estimated based on historical trends of rebates paid. These claims are expected to be settled in the next financial year.

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Balance at the beginning of the year	21.47	18.09
Additional provision (net of reversal)	30.41	20.65
Utilization during the year	(18.34)	(17.78)
Foreign currency translation	3.13	0.51
Balance at the end of the year	36.67	21.47

(vi) Provision for other matters:

The provision comprises of regulatory litigation matters recognized pursuant to business combination.

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Balance at the beginning of the year	-	-
Addition on account of business combination (Refer note 42)	182.32	-
Balance at the end of the year	182.32	-

NOTES forming part of the Consolidated Financial Statements

24 Income Taxes

	Year ended March 31, 2026	Year ended March 31, 2025
(₹ in crores)		
(a) Charge/(credit) recognised in the statement of profit and loss:		
Current tax:		
For current year	851.60	618.45
For prior years	(7.33)	0.56
	844.27	619.01
Deferred tax:		
For current year	(106.45)	146.44
For prior years	(3.81)	(3.89)
	(110.26)	142.55
	734.01	761.56
(b) Charge/(credit) recognised in statement of other comprehensive income:		
Current tax:		
Re-measurement of defined benefit plans	-	(6.11)
	-	(6.11)
Deferred tax:		
Re-measurement of defined benefit plans	0.33	(0.16)
Fair valuation of equity instruments	(0.01)	0.14
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge (net)	(48.02)	(7.32)
	(47.70)	(7.34)
	(47.70)	(13.45)
(c) Reconciliation of Effective Tax Rate:		
Profit before income taxes	2,872.19	2,672.81
Enacted tax rate in India	25.17%	34.94%
Tax at statutory tax rate	722.87	933.99
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of deductions allowed under Income Tax	(1.98)	(113.16)
Recognition of previously unrecognised deferred tax asset (net)	2.30	-
Tax impact on future transition to new tax regime	-	(150.63)
Provision for tax adjustments	-	27.59
Effect of expenses not deductible in determining taxable profit	32.92	48.74
Foreign exchange difference	(39.97)	7.38
Effect of difference between Indian tax rate and foreign tax rate	2.47	(0.01)
Tax adjustments of prior periods	(11.14)	(3.68)
Effect of income taxed at special rates	(2.11)	2.88
Effect of change in tax rate in subsidiary	(1.46)	-
Others (net)	30.11	8.46
Adjusted income tax expenses	734.01	761.56
Effective Tax Rate	25.56%	28.49%

In the previous year, the Parent Company assessed that it would transition to the new tax regime under Section 115BAA starting FY 2025-26. Consequently, deferred tax balances expected to reverse in or after FY 2025-26 were remeasured, resulting in a net reversal of deferred tax liabilities of ₹ 150.63 crores for the year ended March 31, 2025

NOTES forming part of the Consolidated Financial Statements

24 Income Taxes (Continued)

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
(d) Deferred tax relates to:		
Deferred tax liabilities/(assets):		
Property, plant and equipment, goodwill and other intangible assets	5,718.22	892.08
Right-of-use assets	116.51	26.46
Cash flow hedge reserve	(50.05)	(1.93)
Amortised cost adjustment on borrowings	59.41	-
Provision for employee benefit expense	(77.25)	(65.07)
Valuation of inventories	(75.80)	(62.47)
Provision for expenses	(164.82)	(114.88)
Provision for chargebacks	(75.44)	(56.35)
Tax losses of subsidiaries & interest expense carry forwards	(280.25)	(255.44)
MAT Credit entitlement	(2.40)	(0.33)
Unrealised profit in inventory	(131.59)	(92.57)
Lease liabilities	(29.50)	(29.39)
Others	(35.27)	(5.54)
Deferred tax liabilities/(assets) (net)	4,971.77	234.57

The deferred tax assets and liabilities are offset, where the Group has a legally enforceable right to offset current tax assets and liabilities, and are presented in balance sheet as follows:

	As at March 31, 2026	As at March 31, 2025
(₹ in crores)		
Deferred tax liabilities	5,670.04	828.72
Deferred tax assets	698.27	594.15
	4,971.77	234.57

Amount of ₹ 280.25 crores (previous year ₹ 255.44 crores) pertains to deferred tax asset created on tax losses of subsidiaries (including interest expense carry forwards). The Group, based on future taxable income generation projections, expects to realise the same in future periods.

In assessing the realization of deferred tax assets, management considers that ultimate realization of deferred tax depends on the generation of future taxable income during the period in which deferred tax assets become deductible. Based on the trend of historical taxable income and projection for future taxable income over the period in which the deferred tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. Accordingly, amount of deferred tax assets are considered realizable.

NOTES forming part of the Consolidated Financial Statements

24 Income Taxes (Continued)

(e) Movement of deferred tax liabilities/(assets) during the year:

Year ended March 31, 2026	Balance at the beginning of the year	On account of business combination (Refer note 42)	Recognised in statement of profit and loss	Recognised in other comprehensive income	Foreign exchange difference	Balance at the end of the year
(₹ in crores)						
Deferred tax liabilities/(assets) in relation to:						
Property, plant and equipment, goodwill and other intangible assets	892.08	4,899.99	(73.95)	-	0.10	5,718.22
Cash flow hedge reserve	(1.93)	-	(0.10)	(48.02)	-	(50.05)
Right-of-use Assets	26.46	91.91	(3.30)	-	1.44	116.51
Provision for employee benefit expense	(65.07)	(12.07)	3.87	0.33	(4.31)	(77.25)
Valuation of inventories	(62.47)	-	(4.39)	-	(8.94)	(75.80)
Provision for expenses	(114.88)	-	(28.22)	-	(21.72)	(164.82)
Provision for chargebacks	(56.35)	-	(12.46)	-	(6.63)	(75.44)
Tax losses of subsidiaries & interest expense carry forwards	(255.44)	(4.00)	3.91	-	(24.72)	(280.25)
MAT credit entitlement	(0.33)	-	(2.04)	-	(0.03)	(2.40)
Unrealised profit in Inventory	(92.57)	-	(39.02)	-	-	(131.59)
Amortised cost adjustment on borrowings	-	-	59.41	-	-	59.41
Lease liabilities	(29.39)	-	1.69	-	(1.80)	(29.50)
Others	(5.54)	(13.04)	(15.66)	(0.01)	(1.02)	(35.27)
Deferred tax liabilities/(assets) (net)	234.57	4,962.79	(110.26)	(47.70)	(67.63)	4,971.77

Year ended March 31, 2025	Balance at the beginning of the year	Recognised in statement of profit and loss	Recognised in other comprehensive income	Foreign exchange difference	Balance at the end of the year
(₹ in crores)					
Deferred tax liabilities/(assets) in relation to:					
Property, plant and equipment, goodwill and other intangible assets	1,055.08	(162.89)	-	(0.11)	892.08
Cash flow hedge reserve	5.39	-	(7.32)	-	(1.93)
Right-of-use Assets	(3.51)	29.95	-	0.02	26.46
Provision for employee benefit expense	(69.99)	2.96	(0.16)	2.12	(65.07)
Valuation of inventories	(102.86)	39.23	-	1.16	(62.47)
Provision for expenses	(137.40)	20.50	-	2.02	(114.88)
Provision for chargebacks	(76.00)	21.61	-	(1.96)	(56.35)
Tax losses of subsidiaries & interest expense carry forwards	(184.02)	(66.35)	-	(5.07)	(255.44)
MAT credit entitlement	(310.18)	309.86	-	(0.01)	(0.33)
Unrealised profit in Inventory	(66.54)	(26.03)	-	-	(92.57)
Lease liabilities	(0.80)	(28.50)	-	(0.09)	(29.39)
Others	(8.25)	2.21	0.14	0.36	(5.54)
Deferred tax liabilities/(assets) (net)	100.92	142.55	(7.34)	(1.56)	234.57

NOTES forming part of the Consolidated Financial Statements

25 Trade payables

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (MSME)	162.52	23.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,195.09	1,796.89
	2,357.61	1,820.02

- (i) Refer Note 41 for information about trade payables to related parties.
- (ii) Trade Payables ageing schedule for the year ended as on March 31, 2026 and March 31, 2025

As at March 31, 2026	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	147.94	13.72	0.66	0.15	0.05	162.52
(ii) Others	1,053.35	880.38	259.79	1.16	0.07	0.34	2,195.09
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	1,053.35	1,028.32	273.51	1.82	0.22	0.39	2,357.61

As at March 31, 2025	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	21.69	1.34	0.10	-	0.00	23.13
(ii) Others	935.89	681.54	170.27	6.28	1.04	1.87	1,796.89
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	935.89	703.23	171.61	6.38	1.04	1.87	1,820.02

*Represents value less than ₹ 50 Thousand.

26 Other financial liabilities

	As at March 31, 2026	As at March 31, 2025
Non-Current		
Creditors for capital goods	12.28	11.40
Security deposits	1.57	1.85
Derivative financial instruments	71.72	0.55
	85.57	13.80

NOTES forming part of the Consolidated Financial Statements

26 Other financial liabilities (Continued)

	As at March 31, 2026	As at March 31, 2025
Current		
Interest accrued but not due on borrowings	183.18	25.14
Creditors for capital goods	1,172.87	47.26
Payables for employee benefits	304.76	207.87
Unpaid dividend*	8.79	4.93
Book overdraft	-	47.29
Derivative financial instruments	306.87	41.55
Other payables (includes unspent CSR obligation, etc.)	29.07	18.58
	2,005.54	392.62
	2,091.11	406.42

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

27 Other liabilities

	As at March 31, 2026	As at March 31, 2025
Non-Current		
Deferred Government grant	22.40	0.46
	22.40	0.46
Current		
Trade advances (Refer note (i))	27.28	1.94
Payables to statutory and other authorities	142.30	128.05
Deferred Government grant	0.91	0.50
Other advances	0.10	-
Other payables	5.66	5.65
	176.25	136.14
	198.65	136.60

- (i) The group has recognised revenue of ₹ 1.00 crores (Previous year ₹ 3.61 crores) from the amounts included under trade advances at the beginning of the year.



NOTES forming part of the Consolidated Financial Statements

28 Revenue from operations

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contract with customers	13,752.99	11,317.25
Other operating income		
Export benefits	44.49	40.92
Income from product registration dossiers	5.96	4.78
Compensation and settlement income	-	8.37
Government grant income	1.04	0.50
Production linked incentive income	146.56	116.45
Miscellaneous operating income	28.69	27.82
	226.74	198.84
	13,979.73	11,516.09
Reconciliation of revenue from operations with the contracted price:		
Contracted price	19,484.37	16,675.63
Adjustments:		
Chargeback, rebates and discounts	(5,294.66)	(4,974.26)
Sales return	(406.31)	(363.47)
Others	(30.41)	(20.65)
Sales	13,752.99	11,317.25
Add: Other operating income	226.74	198.84
Revenue from operations	13,979.73	11,516.09

Revenue disaggregation by geography has been included in segment reporting (Refer note 38).

Revenue from operations also includes contract manufacturing revenue of ₹ 710.86 crores and ₹ 486.14 crores for the year ended March 31, 2026 and March 31, 2025 respectively.

29 Other income

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest income	38.43	20.19
Net gain on sale of investments*	30.94	16.73
Net foreign exchange gain/(loss) (including hedging gain/(loss))	(183.43)	(16.61)
Gain on disposal of property, plant & equipment and other intangible assets (Including non-current assets held for sale) (net)	17.66	1.34
Other non-operating income	2.82	1.62
	(93.58)	23.27

*Includes gain/(loss) on fair valuation of ₹ 1.86 crores and ₹ (0.03) crores for the year ended March 31, 2026 and March 31, 2025 respectively.

NOTES forming part of the Consolidated Financial Statements

30 Cost of materials consumed

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials	1,493.33	1,300.05
Packing materials	264.22	220.27
	1,757.55	1,520.32

31 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening inventories:		
Finished goods	1,104.76	980.84
Work-in-progress	167.19	140.95
Stock-in-trade	577.87	453.11
	1,849.82	1,574.90
Add: On account of business combination (Refer note 42)		
Finished goods	137.76	-
Work-in-progress	42.02	-
Stock-in-trade	162.59	-
	342.37	-
Less: Closing inventories:		
Finished goods	1,250.58	1,104.76
Work-in-progress	188.23	167.19
Stock-in-trade	741.98	577.87
	2,180.79	1,849.82
Changes in inventories	11.40	(274.92)

32 Employee benefits expense

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	2,281.25	1,898.43
Contribution to provident and other funds (Refer note 37A)	219.14	186.31
Gratuity and other retirement benefit cost (Refer note 37B)	83.42	37.36
Staff welfare expenses	87.04	81.27
	2,670.85	2,203.37



NOTES forming part of the Consolidated Financial Statements

33 Finance costs

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense	362.57	246.11
Interest expenses on lease liabilities (Refer note 22)	22.12	5.27
Other borrowing cost	0.38	0.93
	385.07	252.31

34 Depreciation and amortisation expense

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, plant and equipment (Refer note 6)	272.01	227.98
Amortisation of other intangible assets (Refer note 10)	799.44	542.71
Depreciation on right-of-use assets (Refer note 8)	47.14	24.24
Depreciation on investment properties (Refer note 7)	0.11	-
Impairment of other intangible assets and intangible assets under development (Refer note 10)	0.17	-
	1,118.87	794.93

35 Other expenses

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Selling, publicity and medical literature expenses	1,490.90	1,260.67
Laboratory goods and testing expenses	161.76	128.51
Power and fuel	160.83	137.34
Travelling, conveyance and vehicle expenses	251.25	219.87
Clinical research expense	44.95	30.42
Stores and spares consumed	136.94	108.59
Professional and legal fees	204.09	134.51
Cost of outsourced manpower	135.80	106.50
Allowance for expected credit loss (net) (Refer note 16)	5.54	1.77
Auditors remuneration and expenses	6.45	5.47
Commission to non-executive directors	2.03	2.51
Donation	29.06	47.43
Corporate social responsibility expenditure	42.03	34.00
General charges	690.62	598.24
	3,362.25	2,815.83

NOTES forming part of the Consolidated Financial Statements

36 Earnings per share

		Year ended March 31, 2026	Year ended March 31, 2025
The basic and diluted earnings per share (EPS) are:			
Net profit for the year attributable to owners of the company (a)	(₹ in crores)	2,163.37	1,911.25
Weighted average number of equity shares (b)	(Nos.)	33,84,45,440	33,84,45,440
EPS (basic and diluted) (a)/(b)	₹	63.92	56.47
Face value per equity share	₹	5.00	5.00

37 Employee Benefits

A Defined Contribution Plan

Group's contribution to various funds and schemes aggregating to ₹ 132.36 crores (Previous year ₹ 107.91 crores) has been recognised in the consolidated statement of profit and loss under the head employee benefits expenses (Refer note 32).

B Defined Benefit Plan

The accruing liability on account of retirement benefit plans (in the nature of defined benefits plan) is accounted as per Ind-AS 19 "Employee Benefits".

General description of major plans:

- (i) **Gratuity:** In accordance with Indian law, the Parent Company and one indian subsidiary (JB Pharma) operates a scheme of gratuity which is a defined benefit plan("the Gratuity Plan") covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death and incapacitation while in employment, termination of employment. The level of benefits provided depends on the respective employees' tenure of employment and last drawn salary. The Parent Company manages their plan through a trust. Trustees administer contributions made to the trust. The defined benefit plan exposes the Group to actuarial risks such as interest rate risk, investment risk and salary risk.
- (ii) **Pension:** The liability in respect of employees pension benefits in Germany accrues and gets discharged as per the terms and conditions of pension scheme called "Monsanto Pension Plan 2000". It is a defined benefit plan (the pension plan) which provides pension benefits to eligible employees post retirement.
- (iii) **Retirement Benefit Plan:** Philippines subsidiary has a non-contributory defined benefit retirement plan covering all of its regular employees. The benefits are based on respective employee's salary and the tenure of employment.
- (iv) **Retirement Benefit and Seniority Premium Plan:** The liability in respect of the retirement benefit and seniority premium in Mexico accrues and gets discharged as per the terms and conditions of Mexican federal labour laws. It is a defined benefit plan which provides benefits to eligible employees post retirement/termination.



NOTES forming part of the Consolidated Financial Statements

37 Employee Benefits (Continued)

	Year ended March 31, 2026				Year ended March 31, 2025			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:								
Obligations at the beginning of the year	441.61	70.06	9.79	4.97	363.20	73.26	8.44	5.32
Addition on account of business combination (Refer note 42)	94.71	-	-	-	-	-	-	-
Current service cost	39.01	0.27	1.05	2.00	31.03	0.24	0.88	2.86
Past service cost	35.83	-	-	-	-	-	-	-
Interest cost	32.21	3.05	0.62	0.52	26.19	2.64	0.52	0.40
Actuarial (gains)/losses	(15.80)	(3.76)	0.05	0.62	43.63	(4.72)	(0.15)	0.30
Benefits paid directly by the employer	(1.92)	(3.75)	(1.18)	(1.23)	-	(3.14)	-	(3.04)
Benefits paid from the fund	(30.37)	-	-	-	(22.44)	-	-	-
Foreign currency translation	-	12.58	0.43	1.30	-	1.78	0.10	(0.87)
Obligations at the end of the year	595.28	78.45	10.76	8.18	441.61	70.06	9.79	4.97
(b) Reconciliation of opening and closing balances of the fair value of plan assets:								
Plan assets at the beginning of the year, at fair value	437.91	-	-	-	377.00	-	-	-
Addition on account of business combination (Refer note 42)	70.72	-	-	-	-	-	-	-
Interest income	30.81	-	-	-	27.18	-	-	-
Return on plan assets, excluding interest income	(18.61)	-	-	-	8.67	-	-	-
Contributions	123.00	-	-	-	47.50	-	-	-
Benefits paid	(30.37)	-	-	-	(22.44)	-	-	-
Plan assets at the end of the year, at fair value	613.46	-	-	-	437.91	-	-	-
Actual return on plan assets	12.20	-	-	-	35.85	-	-	-
(c) Expense recognised in the consolidated statement of profit and loss for the year:								
Current service cost	39.01	0.27	1.05	2.00	31.03	0.24	0.88	2.86
Net Interest on defined benefit liability	1.40	3.05	0.62	0.52	(0.99)	2.64	0.52	0.40
Past service cost	35.83	-	-	-	-	-	-	-
Net gratuity and other retirement benefit cost *	76.24	3.32	1.67	2.52	30.04	2.88	1.40	3.26
* ₹ 0.43 crores (previous year ₹ 0.30 crores) capitalised as pre-operative expenses out of above amount.								
(d) (Gains)/losses recognised in other comprehensive income for the year:								
Actuarial (gains)/losses	(15.80)	(3.76)	0.05	0.62	43.63	(4.72)	(0.15)	0.30
Return on plan assets, excluding interest income	18.61	-	-	-	(8.67)	-	-	-
	2.81	(3.76)	0.05	0.62	34.96	(4.72)	(0.15)	0.30

NOTES forming part of the Consolidated Financial Statements

37 Employee Benefits (Continued)

	Year ended March 31, 2026				Year ended March 31, 2025			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
(e) Reconciliation of the present value of the defined benefit obligation and fair value of plan assets:								
Obligations at the end of the year	595.28	78.45	10.76	8.18	441.61	70.06	9.79	4.97
Plan assets at the end of the year, at fair value	(613.46)	-	-	-	(437.91)	-	-	-
(Asset)/Liability recognised in balance sheet	(18.18)	78.45	10.76	8.18	3.70	70.06	9.79	4.97
(f) Remeasurement of net defined benefit liability/(asset):								
Actuarial (gains)/losses from changes in demographic assumptions	-	-	-	-	8.20	-	-	-
Actuarial (gains)/losses from changes in financial assumptions	(24.27)	(2.97)	-	0.26	18.43	(3.05)	-	(0.03)
Experience adjustments	8.47	(0.79)	0.05	0.36	17.00	(1.67)	(0.15)	0.33
Remeasurement of defined benefit liability	(15.80)	(3.76)	0.05	0.62	43.63	(4.72)	(0.15)	0.30
Remeasurement of return on plan assets	18.61	-	-	-	(8.67)	-	-	-
Total	2.81	(3.76)	0.05	0.62	34.96	(4.72)	(0.15)	0.30
(g) Expected contribution/outflow for the next year	55.14	4.15	0.09	1.33	39.13	3.50	0.04	0.84
(h) Assumptions:	Year ended March 31, 2026				Year ended March 31, 2025			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
	7.16% - 7.23%	4.34%	6.25%	9.00%	6.65%	4.01%	6.25%	9.75%
	7% - 10%	2.50%	6.00%	4.50%	10.00%	2.50%	6.00%	4.50%
(i) Weighted average duration of defined benefit obligation:	Year ended March 31, 2026				Year ended March 31, 2025			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
	9 Years	11.8 Years	10.2 Years	5.41 Years	9 Years	12.4 Years	9.57 Years	5.55 Years
	Weighted average duration of defined benefit obligation							

For gratuity plan, future mortality rates are obtained from relevant table of Indian Assured Lives Mortality 2012-14 (Urban).

NOTES forming part of the Consolidated Financial Statements

37 Employee Benefits (Continued)

(j) Sensitivity Analysis for each significant actuarial assumption:

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Year ended March 31, 2026				Year ended March 31, 2025			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
Impact of increase in discount rate by 1 %	(41.32)	(8.08)	(0.96)	(0.39)	(31.99)	(7.57)	(0.82)	(0.24)
Impact of decrease in discount rate by 1 %	47.08	9.74	1.12	0.43	36.55	9.20	0.96	0.27
Impact of increase in salary escalation rate by 1 %	45.54	0.21	1.11	0.35	35.02	0.20	0.95	0.23
Impact of decrease in salary escalation rate by 1 %	(40.81)	(0.20)	(0.97)	(0.33)	(31.34)	(0.19)	(0.83)	(0.21)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(k) Defined Benefit Plans: Staff End-of-Service Benefits

The subsidiary company (Unique Pharmaceutical Laboratories FZE) made provision for the year of ₹ 0.07 crores in respect of staff end-of-service benefits, and has accumulated liability in respect of staff end-of-service benefits of ₹ 0.39 crores as on March 31, 2026, assuming that all the employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on actuarial basis, as salary inflation and discount rate are likely to have approximately equal and opposite effect.

(l) Investment details of plan assets (Gratuity):

The plan assets of the group are managed by Insurance Companies viz Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited.The parent company's substantial funds are invested as under:

	As at March 31, 2026	As at March 31, 2025
Equity instruments	7.16%	8.67%
Corporate bonds	53.21%	39.67%
Government securities	31.53%	41.53%
Other investments and net current assets	8.10%	10.13%

NOTES forming part of the Consolidated Financial Statements

37 Employee Benefits (Continued)

(m) Maturity profile of the Benefit payments:

Maturity profile of projected benefits payable as at March 31, 2026 is as follows:

	Undiscounted values			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
Year 1	55.14	4.15	0.09	1.33
Year 2	46.02	4.46	0.37	1.47
Year 3	47.03	4.57	2.07	1.60
Year 4	50.74	4.66	0.87	1.76
Year 5	54.39	4.86	0.23	1.91
Years 6 to 10	261.75	26.42	6.42	11.65

(n) Asset-liability matching strategies:

In respect of gratuity plan, the Group contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

38 Segment reporting

Operating segment are components of the Group whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Generic Formulation Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

Entity - wide disclosures:

(i) Revenues from external customers (including other operating income):

	Year ended March 31, 2026	Year ended March 31, 2025
India	8,161.35	6,787.70
Outside India:		
USA	1,362.65	1,099.80
Germany & Malta	1,248.70	1,139.40
Brazil	1,362.42	1,100.33
Others	1,844.61	1,388.86
Total	13,979.73	11,516.09

Revenue from external customers is allocated based on the location of the customer.



NOTES

forming part of the Consolidated Financial Statements

38 Segment reporting (Continued)

(ii) Non-current assets:

(₹ in crores)		
	As at March 31, 2026	As at March 31, 2025
India	33,096.65	7,992.28
Outside India		
USA	88.62	39.14
Germany & Malta*	330.47	273.02
Brazil	147.47	89.50
Others	197.47	72.93
Total	33,860.68	8,466.87

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets, capital work-in-progress, intangible assets under development and capital advances. It is allocated based on the geographic location of the respective assets.

*Non current assets as at March 31, 2026 includes Germany ₹ 85.03 crores (previous year: ₹ 66.37 crores) and Malta ₹ 245.44 crores (previous year: ₹ 206.65 crores).

(iii) Major customers:

The Group has no external customer which accounts for more than 10% of the Group's total revenue for the year ended March 31, 2026 and March 31, 2025.

39 Financial instruments

(i) Financial assets and liabilities

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)					
As at March 31, 2026	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	1,117.20	-	-	-	-
Bank balances other than cash and cash equivalents	48.00	-	-	-	-
Trade receivables	3,030.86	-	-	-	-
Investments	0.01	-	-	-	-
Loans	8.70	-	-	-	-
Other financial assets	600.49	-	-	-	-

NOTES

forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

(₹ in crores)					
As at March 31, 2026	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Fair value through other comprehensive income:					
Investment in equity instruments/LLP	55.00	-	-	55.00	55.00
Fair value through profit or loss:					
Investment in mutual funds	865.74	865.74	-	-	865.74
Investment in equity instruments	26.03	-	-	26.03	26.03
Investment in others*	1.58	-	-	1.58	1.58
Derivative instruments:					
Fair value through profit and loss	1.50	-	1.50	-	1.50
	5,755.11	865.74	1.50	82.61	949.85
Financial liabilities:					
Amortised cost:					
Borrowings	14,798.24	-	-	-	-
Trade payables	2,357.61	-	-	-	-
Other financial liabilities	1,712.52	-	-	-	-
Lease liabilities	227.26	-	-	-	-
Derivative instruments:					
Designated as cash flow hedge	199.01	-	199.01	-	199.01
Fair value through profit and loss	179.58	-	179.58	-	179.58
	19,474.22	-	378.59	-	378.59

(₹ in crores)					
As at March 31, 2025	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	573.48	-	-	-	-
Bank balances other than cash and cash equivalents	5.98	-	-	-	-
Trade receivables	1,866.45	-	-	-	-
Investments	0.01	-	-	-	-
Loans	7.59	-	-	-	-
Other financial assets	205.57	-	-	-	-
Fair value through other comprehensive income:					
Investment in equity instruments/LLP	43.56	-	-	43.56	43.56
Fair value through profit or loss:					
Investment in mutual funds	112.21	112.21	-	-	112.21



NOTES

forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

(₹ in crores)					
As at March 31, 2025	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Derivative instruments:					
Designated as cash flow hedge	4.84	-	4.84	-	4.84
Fair value through profit and loss	5.30	-	5.30	-	5.30
	2,824.99	112.21	10.14	43.56	165.91
Financial liabilities:					
Amortised cost:					
Borrowings	3,026.09	-	-	-	-
Trade payables	1,820.02	-	-	-	-
Other financial liabilities	364.32	-	-	-	-
Lease liabilities	176.23				
Derivative instruments:					
Designated as cash flow hedge	12.51	-	12.51	-	12.51
Fair value through profit and loss	29.59	-	29.59	-	29.59
	5,428.76	-	42.10	-	42.10

* The investment is for operation purposes and the company expects its refund on exit. The company estimates that the fair value of these investments are not materially different as compared to its cost.

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis:

Investment in mutual funds: The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments: Equity investments traded in an active market determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the expected discounted cash flows from the underlying net assets or current market value of net assets.

Derivative instruments: For forward contracts, future cash flows are estimated based on forward exchange rates (from observable forward exchange rates/yield curves at the end of the reporting period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of respective counterparties.

Significant Techniques and Unobservable Inputs Used for Level 2/Level 3 Fair Valuation Measurement:

As at march 31, 2026	Valuation techniques	Significant Unobservable Inputs	Sensitivity of input to fair value measurement
Level 2			
Derivative financial instrument	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable
Level 3			
Investments (unquoted) (other than subsidiaries & associates)	Discounted cash flow method/fair valuation from independent valuer	Expected cash flows	Not applicable

NOTES

forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

Reconciliation of Level 3 fair value measurements of financial asset and financial liabilities is given below:

	Year ended	
	March 31, 2026	March 31, 2025
Movement in Level 3 valuations:		
Balance at the beginning of the year	43.56	31.79
Addition	12.79	10.00
Addition on account of business combination (Refer note 42)	25.31	-
Disposals	(0.05)	-
Fair value gain/(loss) recorded in profit and loss and other comprehensive income	1.00	1.77
Balance at the end of the year	82.61	43.56

(ii) Derivative financial instruments

Cash flow hedges:

Derivatives are taken to cover foreign exchange risk of highly probable forecasted sales transactions occurring in foreign currencies. The following are outstanding derivative contracts designated as cash flow hedges:

Nature of derivative contracts	Buy/Sell	Deal Currency	Cross Currency	Weighted average strike price/rate		Net position (Amount in crores)		Fair value gain/(loss) (₹ in crores)	
				March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Forward	Sell	USD	INR	91.53	87.45	34.85	32.95	(204.45)	(6.13)
Forward	Sell	EUR	USD	1.18	1.10	6.58	6.09	10.99	1.92
Forward	Sell	GBP	USD	1.33	1.27	0.84	0.89	1.10	(1.19)
Forward	Sell	MXN	USD	0.05	0.05	11.50	10.10	(3.00)	0.86
Forward	Sell	MYR	USD	0.24	0.22	3.46	3.77	(3.52)	(3.00)
Forward	Sell	THB	USD	0.03	0.03	1.60	1.50	0.03	(0.13)
Forward	Sell	ZAR	USD	0.06	-	0.03	-	0.19	-
								(198.66)	(7.67)
Less: Deferred tax								(49.99)	(1.93)
Effective portion of cash flow hedges reserve								(148.67)	(5.74)

Maturity profile of nominal value based on the remaining period as at the Balance Sheet date:

Currency	Nature of Derivative contracts	March 31, 2026		March 31, 2025	
		Within 1 Year	More than 1 year	Within 1 Year	More than 1 year
USD	Forward	17.58	17.27	16.34	16.61
EUR	Forward	4.24	2.34	3.84	2.25
GBP	Forward	0.28	0.56	0.30	0.59
MXN	Forward	6.50	5.00	5.50	4.60
MYR	Forward	2.07	1.39	2.11	1.66
THB	Forward	0.63	0.97	0.74	0.76
ZAR	Forward	0.03	-	-	-

NOTES forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

The movement of cash flow hedges in other comprehensive income is as follows:

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	(5.74)	10.03
Losses/(gains) transferred to profit or loss	7.66	(15.43)
Deferred tax on (gains)/losses reclassified to profit or loss	(1.93)	5.39
Change in the fair value of effective portion of cash flow hedges	(198.66)	(7.66)
Deferred tax on change in the fair value of effective portion of cash flow hedges	50.00	1.93
Balance at the end of the year	(148.67)	(5.74)

During the year, ineffective portion of cash flow hedges recognised in the consolidated statement of profit and loss amounted to ₹ Nil (Previous year ₹ Nil).

(iii) Financial risk management

The Group's activities are exposed to variety of financial risks. These risks include market risk (including foreign exchange risk and interest rate risks), credit risks and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk:

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates and underlying equity prices.

(a1) Foreign currency exchange rate risk:

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Since a major part of the Group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Group's performance. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The major foreign currency exposures for the Group are denominated in USD & EURO. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The Group hedges trade receivables and future cash flows upto a maximum of 24 months forward based on historical trends, budgets and monthly sales estimates. The foreign exchange forward contracts are denominated in the same currency as the highly probable forecast sales, therefore the hedge ratio is 1:1 based on management's current assessment. Hedge effectiveness is assessed on a regular basis.

NOTES forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

The following table sets forth information relating to foreign currency exposure from non-derivative financial instruments:

	(₹ in crores)			
As at March 31, 2026	US Dollar	Euro	Others*	Total
Assets:				
Cash and cash equivalents	95.08	452.07	480.57	1,027.72
Trade receivables	899.51	439.67	987.23	2,326.41
Other assets	13.81	28.87	12.82	55.50
	1,008.40	920.61	1,480.62	3,409.63
Liabilities:				
Borrowings	634.19			634.19
Trade payables	261.55	987.12	156.99	1,405.66
Other liabilities	36.82	35.22	65.59	137.63
Lease liabilities	8.51	18.70	87.05	114.26
Total	941.07	1,041.04	309.63	2,291.74
Net assets/(liabilities)	67.33	(120.43)	1,170.99	1,117.89

	(₹ in crores)			
As at March 31, 2025	US Dollar	Euro	Others*	Total
Assets:				
Cash and cash equivalents	37.71	179.08	256.38	473.17
Trade receivables	507.74	295.47	627.45	1,430.66
Other assets	19.61	55.41	19.38	94.40
	565.06	529.96	903.21	1,998.23
Liabilities:				
Borrowings	479.25	-	-	479.25
Trade payables	155.55	902.40	96.38	1,154.33
Other liabilities	13.62	36.70	52.82	103.14
Lease liabilities	9.08	19.08	69.08	97.24
Total	657.50	958.18	218.28	1,833.96
Net assets/(liabilities)	(92.44)	(428.22)	684.93	164.27

*Others mainly includes currencies namely British Pound, Mexican Peso, Russian Rouble.

With respect to the Group's derivative financial instruments which is in the form of forward contracts, a 5% increase/decrease in relation to USD & EURO of each of the currencies underlying such contracts would have resulted in increase/decrease of ₹ 124.92 crores and ₹ 87.19 crores in the Group's pre-tax profit or loss and ₹ 197.08 crores and ₹ 166.08 crores in pre-tax cash flow hedge reserve from such contracts as at March 31, 2026 and March 31, 2025 respectively.

With respect to the parent company's non-derivative financial instruments, a 5% increase/decrease in relation to USD & EURO on the underlying would have resulted in increase/decrease of ₹ 90.90 crores and ₹ 71.95 crores in the Group's net profit for the year ended March 31, 2026 and March 31, 2025 respectively.

With respect to the subsidiary's non-derivative financial instruments, a 5% increase/decrease in relation to the underlying currency would have resulted in increase/decrease of ₹ 27.04 crores and ₹ 31.78 crores in the Group's foreign currency translation reserve as at March 31, 2026 and March 31, 2025 respectively.

NOTES forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

(a2) Interest rate risk :

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group is exposed to fluctuations in interest rates in respect of foreign currency borrowings and rupee borrowings. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

As at March 31, 2026, the Group has outstanding rupee borrowings of ₹ 533.75 crores and foreign currency borrowings of ₹ 634.19 crores (USD 67 Mn) with variable rate of interest and ₹ 13,866.47 crores with fixed rate of interest.

Cash flow risk in respect of variable rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increase/(decrease) pre-tax profit or loss and pre-tax equity by ₹ 11.68 crore. This analysis assumes that all other variables remains constant and change occurs on reporting date. The year end balances are not representative of the average borrowings during the year.

Fair value risk in respect of fixed rate instruments:

The Company carries borrowings at amortised cost and hence, change in the interest rate at reporting date does not affect statement of profit or loss.

(b) Credit risk:

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consist of trade receivables, investments and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses. Please refer note 16 for movement in expected credit loss and trade receivables aging.

The Group does not have significant concentration of credit risk related to trade receivables. There is no customer with outstanding balances of more than 10% of outstanding accounts receivable as at March 31, 2026 and 1 customer (a distributor based in Latin America) with outstanding balances of more than 10% of outstanding accounts receivable as at March 31, 2025.

With respect to investments, the Group limits its exposure to credit risk by generally investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. Bank deposits are placed with banks with high credit rating. The Group's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Group therefore considers credit risks on such investments and bank deposits to be negligible.

NOTES forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

With respect to derivatives, the Group's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 5,310.63 crores and ₹ 2,821.30 crores as at March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity investments and such financial assets are of good credit quality including those that are past due.

(c) Liquidity risk:

Liquidity risk refers to 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 objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity.

Contractual maturities of significant financial liabilities are as below:

(₹ in crores)

As at March 31, 2026	Carrying Value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	2,357.61	2,357.61	-	-	-	2,357.61
Borrowings*	14,798.24	3,153.85	2,423.56	9,457.00	-	15,034.41
Other financial Liabilities						
Derivative financial liabilities	378.59	306.87	71.72	-	-	378.59
Others	1,712.52	1,698.67	13.85	-	-	1,712.52
Lease liabilities	227.26	37.19	33.15	93.42	63.50	227.26
	19,474.22	7,554.19	2,542.28	9,550.42	63.50	19,710.39

*Excluding amortised cost adjustment of ₹ 236.17 crores.

(₹ in crores)

As at March 31, 2025	Carrying Value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	1,820.02	1,820.02	-	-	-	1,820.02
Borrowings*	3,026.09	1,835.10	301.38	860.79	29.75	3,027.02
Other financial liabilities						
Derivative financial liabilities	42.10	41.55	0.55	-	-	42.10
Others	364.32	351.07	13.25	-	-	364.32
Lease liabilities	176.23	30.37	27.33	66.51	52.02	176.23
	5,428.76	4,078.11	342.51	927.30	81.77	5,429.69

*Excluding amortised cost adjustment of ₹ 0.93 crores

Refer Note 22 for Maturity profile of the Group's lease liabilities based on contractual undiscounted payments.



NOTES

forming part of the Consolidated Financial Statements

39 Financial instruments (Continued)

(iv) Capital management

The capital structure of the Group consists of equity, debt, cash and cash equivalents. The Group's objective for capital management is to maintain the capital structure which will support the Group's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Group. The debt to equity ratio as at March 31, 2026 is 1.76 times (As at March 31, 2025 0.40 times).

40 Exceptional items

- (i) The exceptional item for the year ended March 31, 2026 includes ₹ 70.02 crores of regulatory and statutory fees, along with other related costs, associated with JB Pharma's acquisition as mentioned in Note 42 and severance compensation of ₹ 18.72 crores incurred on account of restructuring of the JB Pharma's distribution network.
- (ii) The exceptional item for the year ended March 31, 2025, relates to a demand raised by the National Pharmaceutical Pricing Authority (NPPA) in 2017 concerning alleged overcharging, which was under judicial consideration before the Hon'ble Gujarat High Court. During the previous year, the parent company submitted detailed representations, which were favourably considered by the NPPA. As a result, the parent company's legal exposure was substantially reduced. Following the issuance of a revised demand by the NPPA, the parent company opted to settle the litigation and bring the matter to a definitive close.

41 Related Party Disclosures

The disclosures pertaining to related parties and transactions therewith are set out in the table below:

			Key Management Personnel/ Independent Directors				(₹ in crores)	
	Holding Company				Other related parties		Total	
(a) Nature of Transactions	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Remuneration to key management personnel/independent directors	-	-	57.49	42.82	-	-	57.49	42.82
Samir Mehta	-	-	36.00	30.00	-	-	36.00	30.00
Aman Mehta	-	-	18.82	7.57	-	-	18.82	7.57
Jinesh Shah	-	-	-	2.05	-	-	-	2.05
Independent Directors	-	-	2.67	3.20	-	-	2.67	3.20
Remuneration	-	-	-	-	0.95	0.66	0.95	0.66
Shaan Mehta	-	-	-	-	0.95	0.66	0.95	0.66
Contribution to gratuity/ superannuation trust	-	-	-	-	123.79	70.33	123.79	70.33
TPL Employees Group Gratuity Trust	-	-	-	-	98.00	47.50	98.00	47.50
TPL Employees Superannuation Trust	-	-	-	-	25.79	22.83	25.79	22.83
Lease rent paid	0.48	0.02	-	-	-	-	0.48	0.02
Torrent Investments Limited*	0.48	0.02	-	-	-	-	0.48	0.02
Lease rent income	-	-	-	-	0.42	-	0.42	-
Torrent Green Energy Private Limited*	-	-	-	-	0.42	-	0.42	-
Donation	-	-	-	-	9.88	8.00	9.88	8.00
UNM Foundation	-	-	-	-	9.88	8.00	9.88	8.00

NOTES

forming part of the Consolidated Financial Statements

41 Related Party Disclosures (Continued)

(₹ in crores)								
	Holding Company		Key Management Personnel/ Independent Directors		Other related parties		Total	
(a) Nature of Transactions	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
CSR Expenditure	-	-	-	-	34.91	32.05	34.91	32.05
UNM Foundation	-	-	-	-	34.91	32.05	34.91	32.05
Purchase of property, plant and equipment	-	-	-	-	1.81	1.61	1.81	1.61
Torrent Electricals Limited*	-	-	-	-	1.81	1.61	1.81	1.61
Sale of property, plant and equipment	-	-	-	-	40.89	-	40.89	-
Torrent Electricals Limited	-	-	-	-	40.89	-	40.89	-
Recovery of expenses	-	-	-	-	0.09	0.10	0.09	0.10
Torrent Green Energy Private Limited*	-	-	-	-	0.04	-	0.04	-
Torrent Diagnostics Limited*	-	-	-	-	0.05	0.10	0.05	0.10
Disposal of Investment in Equity Shares of UNM Foundation	0.05	-	-	-	-	-	0.05	-
Torrent Investments Limited	0.05	-	-	-	-	-	0.05	-
Advance received against sale of property, plant and equipments	-	-	-	-	0.10	-	0.10	-
Torrent Electricals Limited	-	-	-	-	0.10	-	0.10	-
Equity contribution	-	-	-	-	1.58	-	1.58	-
Torrent Urja 27 Private Limited	-	-	-	-	1.58	-	1.58	-

*Excluding Goods and Services Tax

(₹ in crores)								
(b) Balances at the end of the year	Holding Company		Key Management Personnel/ Independent Directors		Other related parties		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Trade receivables	-	-	-	-	0.50	-	0.50	-
Torrent Green Energy Private Limited	-	-	-	-	0.50	-	0.50	-
Capital advances received	-	-	-	-	0.10	-	0.10	-
Torrent Electricals Limited	-	-	-	-	0.10	-	0.10	-
Investment in equities	-	-	-	-	1.58	0.05	1.58	0.05
Torrent Urja 27 Private Limited	-	-	-	-	1.58	-	1.58	-
UNM Foundation	-	-	-	-	-	0.05	-	0.05
Trade payables	-	0.02	-	-	-	-	-	0.02
Torrent Investments Limited	-	0.02	-	-	-	-	-	0.02
Other payables	-	-	42.66	32.04	-	-	42.66	32.04
Samir Mehta	-	-	36.00	30.00	-	-	36.00	30.00
Aman Mehta	-	-	5.00	-	-	-	5.00	-
Independent Directors	-	-	1.66	2.04	-	-	1.66	2.04
Advances to group gratuity trust	-	-	-	-	0.05	0.05	0.05	0.05
TPL Employees Group Gratuity Trust	-	-	-	-	0.05	0.05	0.05	0.05
Commitments for Investment	-	-	-	-	6.34	-	6.34	-
Torrent Urja 27 Private Limited	-	-	-	-	6.34	-	6.34	-

Transactions with related parties do not include transactions with Torrent Power Limited (fellow subsidiary), being a public utility engaged in distribution of electricity. Transactions entered with Torrent Power Limited are in nature of purchase of electricity and other related transactions and the tariff charges are determined by an independent regulatory authority.

NOTES forming part of the Consolidated Financial Statements

41 Related Party Disclosures (Continued)

Names of related parties having transactions and/or balances:

1	Holding Company	Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)	
2	Key Management Personnel/ Independent Directors	Samir Mehta	
		Aman Mehta	
		Jinesh Shah (ceased to be a director with effect from July 23, 2024)	
		Ameera Shah	
		Dr. Maurice Chagnaud (ceased to be a director with effect from May 10, 2025)	
		Manish Choksi	
3	Other related parties	Nikhil Khattau	
		Nayantara Bali	
		Name of other related party	Relation with other related party
		Shaan Mehta	Close family member of Key Management Personnel
		TPL Employees Group Gratuity Trust	Post-employment benefit trust
		TPL Employees Superannuation Trust	Post-employment benefit trust
		UNM Foundation	Associate Company (upto March 30, 2026) Fellow Subsidiary (from March 31, 2026)
		Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited)	Fellow Subsidiary
		Torrent Gas Limited (Formerly known as Torrent Gas Private Limited)	Fellow Subsidiary
		Torrent Diagnostics Limited (Formerly known as Torrent Diagnostics Private Limited)	Fellow Subsidiary
		Torrent Urja 27 Private Limited	Step-down subsidiary of Holding company
		Torrent Green Energy Private Limited	Step-down subsidiary of Holding company

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and are on an arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

(c) Remuneration to Key Management Personnel/Independent Directors:

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Short term employee benefits**	56.98	42.47
Post employment benefits	0.51	0.35
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
	57.49	42.82

**Includes remuneration to independent directors amounting to ₹ 2.67 crores (Previous year ₹ 3.20 crores)

Post employment benefits comprises of Gratuity and leave encashment provisions derived based on expenses recognised in statement of profit and loss that is attributable to Key management personnel (KMP). Such benefits are payable at the time of cessation of the employment and hence is not added to the payable balances of the KMPs.

NOTES forming part of the Consolidated Financial Statements

42. Acquisition of J.B. Chemicals and Pharmaceuticals Limited

During the year, the Parent Company acquired controlling stake of J. B. Chemicals & Pharmaceuticals Limited ('JBCPL' or 'JB Pharma').

On June 29, 2025 and July 3, 2025, the Parent Company entered into share purchase agreements with Tau Investment Holdings Pte. Ltd. (promoters of JBCPL) and Select employees of JBCPL to acquire 46.39% and 2.41% of equity share capital, on fully diluted basis, respectively. Upon execution of Share Purchase Agreements, the Parent Company also triggered a mandatory open offer to the public shareholders of JBCPL in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SAST Regulations").

On December 5, 2025, the Parent Company acquired 1,317 fully paid-up equity shares of JBCPL at a price of ₹ 1,639.18/- per share from public shareholders pursuant to an open offer in accordance with the SAST Regulations.

On January 21, 2026, the Parent Company acquired a controlling stake representing 46.39% of the equity share capital of JBCPL from Tau Investment Holdings Pte. Ltd. for a cash consideration of ₹ 11,917 crores.

On January 23, 2026 and February 3, 2026, the Parent Company further acquired 37,82,566 and 92,490 equity shares of JBCPL on fully diluted basis from certain employees of the JBCPL for an agreegate cash consideration of ₹ 620 crores.

Pursuant to these share acquisition, the Parent Company's aggregate shareholding stands at 7,83,57,892 (48.80%) equity shares of JBCPL on a fully diluted basis and JBCPL became subsidiary of the Parent Company in accordance with Ind AS 110 Consolidated Financial Statements. Since Subsidiary's Subsidiary is also a subsidiary, 4 wholly owned Subsidiaries of JBCPL have also become Subsidiaries of the Parent Company.

The Scheme of amalgamation of JB Pharma into the Parent Company has been filed with the National Company Law Tribunal ('NCLT'), Ahmedabad Bench. Pursuant to the Scheme being effective, the Parent Company will issue 51 (Fifty one) fully paid-up equity shares of the Parent Company having face value of ₹ 5 each for every 100 fully paid-up equity share of ₹ 1 each of the JBCPL.

This business combination will provide access to a fast growing India market, with leading brands in the chronic segment, and entry into therapeutic areas like ophthalmology and the CDMO business.

A The Fair Value of identifiable assets acquired, and liabilities assumed as on the acquisition date:

	(₹ in crores) As at January 21, 2026
Property, plant and equipment	826.38
Right-of-use assets	403.36
Capital work-in-progress	62.31
Intangible assets	71.95
Brands (including trademarks)	19,626.86
Customer relationship	940.14
Product licenses	124.24
Intangible assets under development	1.29
Other non-current financial assets	45.92
Deferred Tax Asset	6.65
Other non-current Assets	5.63
Current tax assets (net)	20.47
Investments - current	932.72
Inventories	631.32
Trade receivables	822.25
Cash and cash equivalents	222.32
Bank balances other than cash and cash equivalents	35.22
Other current financial assets	382.72



NOTES forming part of the Consolidated Financial Statements

42. Acquisition of J.B. Chemicals and Pharmaceuticals Limited (Continued)

	(₹ in crores)
	As at January 21, 2026
Other current assets	179.13
Total Assets acquired (a)	25,340.88
Lease liabilities	33.07
Provisions	209.59
Deferred tax liabilities (net)	4,969.44
Other non-current liabilities	2.30
Trade payables	366.60
Borrowings -Current	4.71
Other current financial liabilities	1,214.80
Other current liabilities	229.03
Provisions - current	87.67
Current tax liabilities (net)	9.79
Total Liabilities assumed (b)	7,127.00
Total Fair Value of the Net Assets [A] (a - b)	18,213.88

B Goodwill arising on acquisition has been determined as follows:

	(₹ in crores)
	As at January 21, 2026
Purchase Consideration (Note 1)	12,537.05
Add: Fair Value of existing investment on the date of acquisition (Note 2)	0.25
Add: Non controlling Interest (Note 3)	9,325.00
Total [i]	21,862.30
Fair Value of Net Assets acquired [ii]	18,213.88
Goodwill [i-ii]* (non-deductible for tax purpose)	3,648.42
*Goodwill represents value of acquisition synergies	
Note 1 - Details of Consideration paid	
Purchase consideration paid to Tau Investments Pte. Ltd.	11,917.04
Purchase consideration paid to Select Employees	620.01
Total	12,537.05
Note 2 - Remeasurement of previously held interest in JBCPL	
Fair Value of previously held interest	0.25
Less: Cost of acquisition on December 5, 2025	(0.22)
Gain recognised in OCI upon acquisition of controlling stake	0.03
Note 3 - Non controlling interest	
No. of shares held by NCI	8,22,00,814
Total Net assets acquired	18,213.88
Proportionate share in the Fair value of identifies assets acquired and liabilities assumed	9,325.00

C Measurement of fair values:

Fair value of identifiable tangible and intangible assets acquired has been determined by an independent valuer. Fair value of other assets, including receivables, has been considered same as the carrying value of these assets as of the acquisition date in the books of JBCPL.

D Contingent Liabilities:

The Group has assumed all the contingent liabilities of JBCPL amounting to ₹ 47.72 crores.

NOTES forming part of the Consolidated Financial Statements

42. Acquisition of J.B. Chemicals and Pharmaceuticals Limited (Continued)

E Acquisition related cost:

Acquisition cost amounting to ₹ 70.02 crores has been charged to the Consolidated Statement of Profit and Loss as exceptional item.

F Impact of acquisition on the financial statements:

The consolidated revenue of JBCPL from January 21, 2026 to March 31, 2026 is ₹ 775.40 crores with Consolidated Profit before tax of ₹ 191.87 crores.

Assuming the business combination had occurred from the beginning of reporting period i.e. April 1, 2025, the consolidated pro-forma revenue of the Group would be ₹ 17,352 crores with profit before tax of ₹ 2,570 crores, net of amortisation and depreciation on fair value of identified assets arising out of business combination.

G Purchase consideration - cash outflow

	(₹ in crores)
	As at January 21, 2026
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	12,537.27
Less: balances acquired - Cash & Bank balances	222.32
Net outflow of cash - investing activities	12,314.95

43 Commitments and contingencies

	As at March 31, 2026	As at March 31, 2025
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	221.49	309.46
Class A equity shares of Torrent Urja 27 Private Limited (63,35,472 shares of ₹ 10 each) (previous year Nil)	6.34	-
	227.83	309.46
Contingent liabilities:		
(a) Claims against the Group not acknowledged as debts:		
Disputed demand of Income tax	82.67	1.24
Disputed employee state insurance contribution liability under E.S.I. Act, 1948	18.37	17.53
Disputed demand of Goods and Services Tax/Excise duty	228.16	118.73
Disputed demand of local sales tax and C.S.T	0.24	0.24
Disputed demand of stamp duty and registration charges	3.43	3.43
Disputed cases at labour court/industrial court	18.30	13.33
Disputed bonus liability under Payment of Bonus (Amendment) Act, 2015	0.25	0.25
Disputed demand of Customs Duty	27.83	1.37
	379.25	156.12

In most of the cases above, the relevant authorities have raised a demand or disallowed/deducted the relevant taxes. The Group has preferred an appeal and the outcome is awaited.

Against the claims not acknowledged as debts, the parent company has paid ₹ 12.13 crores (previous year ₹ 4.47 crores). The expected outflow will be determined at the time of final outcome in respect of the concerned matter. No amount is expected to be reimbursed.

(b) The Parent Company and/or its subsidiaries ('the Company' or 'Torrent') are involved in certain legal proceedings, including product liability matters wherein there are two Multi-District Litigations ("MDL") pending against Torrent and other manufacturers for Valsartan and Losartan, and other commercial matters, that arise

NOTES forming part of the Consolidated Financial Statements

43 Commitments and contingencies (Continued)

from time to time in the ordinary course of business. It is difficult to ascertain the financial effect, if any, of such proceedings that will result from its ultimate disposition due to involvement of complex issues with substantial uncertainties and without any precedents. Additionally, many factors like stage of the proceedings, overall length and extent of discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; uncertainty in timing of litigation and any other factors that may have an implication on the ultimate outcome of the ongoing litigations. The Company assesses likely outcome based on internal assessment as well as considers views of legal counsel representing the Company. Moreover, Company carries product liability insurance policy of amount which it believes to be sufficient for its needs.

- (c) In view of amendment in Section 37(1) of Income Tax Act, 1961 introduced in Finance Act, 2022, it is possible that the parent company may get involved in the litigation on allowability of certain expenses in relation to the years for which assessment proceedings have not commenced. It is difficult to ascertain the financial effects from such future proceedings, if any, that will result in to its ultimate disposition. The parent company assesses likely outcome based on internal assessment as well as considers views of external consultants representing the parent company.

44 Relationship with struckoff companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956:

(₹ in crores)			
Name of struck off company (Nature of transactions with struck off company)	Relationship with struck off company	As at March 31, 2026	As at March 31, 2025
Best Value Hotels Private Limited* (Services availed)	Not related	0.00	0.00
Manilal Patel Private Limited* (Subscription to equity shares)	Not related	0.00	0.00

*Represents value less than ₹ 50 Thousand.

45 Financial information of subsidiaries that have material non-controlling interests is provided below:

i) Proportion of equity interest held by non-controlling interests

Name	Country of Incorporation	% of Equity interest
J. B. Chemicals and Pharmaceuticals Limited	India	51.20%

ii) The summarized financial information of consolidated balancesheet is provided below

(₹ in crores)	
	As at March 31, 2026
Non-controlling interests	9,196.40
(₹ in crores)	
	As at March 31, 2026
Non-Current Assets (excluding goodwill)	21,853.76
Current Assets	2,909.37
Non-Current Liabilities	5,122.56
Current Liabilities	1,678.85

NOTES forming part of the Consolidated Financial Statements

45 Financial information of subsidiaries that have material non-controlling interests is provided below: (Continued)

iii) Summarised statement of profit and loss

(₹ in crores)	
	January 21, 2026 to March 31, 2026
Revenue	775.40
Profit/(Loss) for the period	(49.19)
Total comprehensive income	(47.30)
Total comprehensive income attributable to non-controlling interests	(24.22)

iv) Summarised cash flow statement

(₹ in crores)	
	January 21, 2026 to March 31, 2026
Net Cash used in Operating Activities	(95.85)
Net Cash from Investing Activities	197.60
Net Cash used in Financing Activities	(114.34)
Net decrease in cash and cash equivalents	(12.59)

The financial figures mentioned above are before inter-company eliminations and for the period January 21, 2026 to March 31, 2026.

46 Non-current assets held for sale

During the year ended, considering that there is no alternate use in the foreseeable future, the Company had classified the land and building with carrying value of ₹ 20.66 crores as non-current assets held for sale out of which the land and building with carrying value of ₹ 19.46 crores has been disposed off and gain of ₹ 19.94 crores is recognised in the statement of profit and loss. The sale of remaining part of land is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

- 47 The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes viz the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Codes"). The Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The incremental impact of these changes, assessed by the Group, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India, is not material and has been recognised in the consolidated financial statement for the year ended March 31, 2026. Once Central/State Rules are notified by the Government on all aspects of the Codes, the Group will evaluate impact, if any, on the measurement of employee benefits and would provide appropriate accounting treatment.

- 48 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Group has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



NOTES forming part of the Consolidated Financial Statements

49 Proposed dividend

The Board of Directors of Holding Company, in its meeting held on May 22, 2026, has proposed a final dividend of ₹ 9 per equity share for the financial year ended March 31, 2026. The proposal is subject to the approval of the shareholders of the Holding Company at the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 304.60 crores.

50 The consolidated financial statements for the year ended March 31, 2026 were approved for issue by the Board of Directors on May 22, 2026.

51 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(a) As at and for the year ended March 31, 2026

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in crores	As % of consolidated profit or loss	₹ in crores	As % of consolidated other comprehensive income	₹ in crores	As % of consolidated total comprehensive income	₹ in crores
Parent								
Torrent Pharmaceuticals Limited	100.76%	8,452.17	101.30%	2,191.59	81.38%	(147.36)	103.12%	2,044.23
Subsidiaries								
Foreign								
Zao Torrent Pharma	1.30%	111.09	1.27%	27.37	(2.09%)	3.78	1.57%	31.15
Torrent Do Brasil Ltda.	6.27%	526.31	4.38%	95.20	(17.07%)	30.90	6.36%	126.10
Torrent Pharma Gmbh	1.58%	132.43	(0.20%)	(4.31)	(9.18%)	16.63	0.62%	12.32
Torrent Pharma Inc.	(8.28%)	(694.89)	5.15%	111.41	58.77%	(106.41)	0.25%	5.00
Torrent Pharma Philippines Inc.	0.81%	67.71	(0.56%)	(12.10)	(0.78%)	1.41	(0.54%)	(10.69)
Laboratorios Torrent, S.A. De C.V.	1.02%	85.57	0.51%	11.04	(4.66%)	8.43	0.98%	19.47
Torrent Australasia Pty Ltd	0.01%	0.56	0.00%	0.03	(0.06%)	0.11	0.01%	0.14
Torrent Pharma (UK) Ltd	(0.81%)	(68.29)	(0.43%)	(9.38)	9.94%	(17.99)	(1.38%)	(27.37)
Torrent Pharma (Thailand) Co., Ltd.	0.04%	2.87	(0.34%)	(7.55)	(0.19%)	0.34	(0.36%)	(7.21)
Laboratories Torrent (Malaysia) SDN.BHD.	0.31%	26.17	0.35%	7.66	(0.34%)	0.62	0.42%	8.28
TPL (Malta) Ltd.	3.36%	282.15	(0.01%)	(0.13)	(0.01%)	0.01	(0.01%)	(0.12)
Heumann Pharma Gmbh & Co. Generica KG	3.85%	322.12	(0.29%)	(6.36)	6.16%	(11.15)	(0.88%)	(17.51)
Heunet Pharma Gmbh	1.40%	117.62	1.02%	22.13	(4.05%)	7.33	1.49%	29.46
Torrent Pharma (Malta) Ltd.	2.82%	236.43	(2.01%)	(43.53)	(16.52%)	29.92	(0.69%)	(13.61)
Curatio Inc.	0.02%	1.32	(0.02%)	(0.53)	(0.04%)	0.08	(0.02%)	(0.45)
Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka (Private) Ltd)	0.00%	0.31	0.01%	-	(0.01%)	0.01	0.00%	0.01
Farmaceutica Torrent Colombia SAS	0.01%	1.23	(0.20%)	(4.25)	(0.35%)	0.64	(0.18%)	(3.61)
Torrent Pharmaceuticals Chile SpA	0.07%	5.85	(0.14%)	(3.10)	(0.39%)	0.70	(0.12%)	(2.40)
J. B. Chemicals and Pharmaceuticals Limited	48.13%	4,037.71	6.19%	133.96	18.93%	(34.28)	5.03%	99.68
OOO Unique Pharmaceutical Laboratories	0.51%	42.63	0.04%	0.94	(14.98%)	27.13	1.42%	28.07
Unique Pharmaceutical Laboratories FZE	1.03%	86.00	(0.06%)	(1.32)	(6.10%)	11.05	0.49%	9.73
Biotech Laboratories (Pty.) Ltd.	2.35%	197.34	0.26%	5.65	1.70%	(3.07)	0.13%	2.58
JBCPL Philippines Inc.	0.00%	(0.32)	(0.01%)	(0.31)	(0.84%)	1.52	0.06%	1.21
Consolidation adjustments	(66.56%)	(5,583.66)	(16.21%)	(350.74)	0.78%	(1.42)	(17.77%)	(352.16)
Subtotal	100.00%	8,388.43	100.00%	2,163.37	100.00%	(181.07)	100.00%	1,982.30
Non-controlling interests in all subsidiaries		9,196.40		(25.19)		0.97		(24.22)
Total		17,584.83		2,138.18		(180.10)		1,958.08

NOTES forming part of the Consolidated Financial Statements

51 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (Continued)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in crores	As % of consolidated profit or loss	₹ in crores	As % of consolidated other comprehensive income	₹ in crores	As % of consolidated total comprehensive income	₹ in crores
Parent								
Torrent Pharmaceuticals Limited	100.02%	7,592.50	98.79%	1,888.06	44.08%	(41.29)	101.61%	1,846.77
Subsidiaries								
Foreign								
Zao Torrent Pharma	1.06%	79.96	0.66%	12.52	(6.73%)	6.30	1.04%	18.82
Torrent Do Brasil Ltda.	5.27%	400.23	0.82%	15.71	30.11%	(28.21)	(0.69%)	(12.50)
Torrent Pharma Gmbh	1.58%	120.11	(0.13%)	(2.41)	(2.01%)	1.88	(0.03%)	(0.53)
Torrent Pharma Inc.	(9.22%)	(699.88)	2.56%	48.91	25.23%	(23.63)	1.39%	25.28
Torrent Pharma Philippines Inc.	1.03%	78.36	(0.70%)	(13.35)	(0.86%)	0.81	(0.69%)	(12.54)
Laboratorios Torrent, S.A. De C.V.	0.87%	66.12	(1.07%)	(20.38)	8.84%	(8.28)	(1.58%)	(28.66)
Torrent Australasia Pty Ltd	0.01%	0.42	0.00%	0.08	0.01%	(0.01)	0.00%	0.07
Torrent Pharma (UK) Ltd	(0.54%)	(40.91)	0.20%	3.86	6.00%	(5.62)	(0.10%)	(1.76)
Torrent Pharma (Thailand) Co., Ltd.	0.05%	3.29	(0.31%)	(6.03)	(0.16%)	0.15	(0.32%)	(5.88)
Laboratories Torrent (Malaysia) SDN.BHD.	0.24%	17.87	(0.06%)	(1.16)	(0.81%)	0.76	(0.02%)	(0.40)
TPL (Malta) Ltd.	2.80%	212.65	(0.01%)	(0.11)	-	-	(0.01%)	(0.11)
Heumann Pharma Gmbh & Co. Generica KG	4.48%	339.59	3.30%	63.07	(1.25%)	1.17	3.53%	64.24
Heunet Pharma Gmbh	1.16%	88.15	1.19%	22.75	(1.12%)	1.05	1.31%	23.80
Torrent Pharma (Malta) Ltd.	2.39%	181.48	(1.18%)	(22.64)	(1.87%)	1.75	(1.15%)	(20.89)
Curatio Inc.	0.02%	1.77	(0.07%)	(1.33)	-	-	(0.07%)	(1.33)
Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka (Private) Ltd)	0.00%	0.31	0.00%	(0.10)	0.04%	(0.04)	(0.01%)	(0.14)
Farmaceutica Torrent Colombia SAS	0.06%	4.86	(0.18%)	(3.42)	0.50%	(0.47)	(0.21%)	(3.89)
Torrent Pharmaceuticals Chile SpA	-	-	-	-	-	-	-	-
Non-controlling interests in all subsidiaries	-	-	-	-	-	-	-	-
Consolidation adjustments	(11.28%)	(856.19)	(3.81%)	(72.78)	-	-	(4.00%)	(72.78)
Total	100.00%	7,590.69	100.00%	1,911.25	100.00%	(93.68)	100.00%	1,817.57

Note: Net assets and share in profit or loss for the parent company and subsidiaries are as per the standalone financial statements of the respective entities.

In terms of our report attached

For and on behalf of the Board of Directors

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Ahmedabad
May 22, 2026

Ahmedabad
May 22, 2026

(A) Form AOC-1 : Statement containing salient features of the financial statement of subsidiaries / joint ventures pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014:

Part “A”: Subsidiaries

Sr. No.	Name of the subsidiary	Date of acquisition	% of Shareholding	Reporting currency	As at March 31, 2026				For the year ended March 31, 2026				Proposed Dividend		
					Exchange Rate	Share capital	Res & surplus	Total assets	Total liabilities	Investments	Turnover*	Profit before taxation*		Provision for taxation*	Profit after taxation*
1	Zao Torrent Pharma	Not Applicable	100%	Ruble	1.1643	0.28	112.37	199.60	86.95	-	1,75.03	21.23	5.37	15.86	-
2	Torrent Do Brasil Ltda.	May 31, 2001	100%	Reals	18.1351	34.72	461.97	1,315.88	819.19	-	1,327.16	77.25	37.11	40.14	-
3	Torrent Pharma GmbH	Not Applicable	100%	Euro	109.0064	0.27	164.55	175.86	11.04	-	0.06	(0.73)	2.78	(3.51)	-
4	Torrent Pharma Inc.	Not Applicable	100%	USD	94.6543	11.36	(688.33)	1,434.01	2,110.98	-	1,292.67	120.43	30.04	90.39	-
5	Torrent Pharma Philippines Inc.	Not Applicable	100%	PHP	1.5578	6.00	62.80	222.22	153.42	-	235.86	(15.90)	(2.70)	(13.20)	-
6	Laboratorios Torrent, S.A. De C.V.	Not Applicable	100%	Mxn\$	5.2286	39.08	47.60	193.98	107.30	-	216.10	5.23	0.56	4.67	-
7	Torrent Australasia Pty Ltd	Not Applicable	100%	Au\$	65.3013	0.57	-	0.80	0.23	-	0.82	0.05	-	0.05	-
8	Torrent Pharma (Thailand) Co. Ltd.	Not Applicable	100%	THB	2.8902	25.12	(22.23)	7.26	4.37	-	8.55	(7.67)	-	(7.67)	-
9	Torrent Pharma (UK) Ltd	Not Applicable	100%	GBP	125.6347	2.83	(88.20)	152.44	237.81	-	155.60	(20.09)	-	(20.09)	-
10	Laboratorios Torrent (Malaysia) SdnBHD.	Not Applicable	100%	MVR	23.3628	2.34	24.47	45.07	18.26	-	90.68	6.08	1.34	4.74	-
11	Heumann Pharma GmbH & Co. Generica KG	July 3, 2005	100%	Euro	109.0064	0.12	315.82	1,645.13	1,329.19	-	1,109.52	(51.16)	12.00	(63.16)	-
12	Heunet Pharma GmbH	Not Applicable	100%	Euro	109.0064	0.27	116.62	312.12	195.23	-	160.45	20.59	6.62	13.97	-
13	TPL (Malta) Limited	Not Applicable	100%	Euro	109.0064	327.02	(0.63)	326.47	0.08	325.38	-	(0.14)	-	(0.14)	-
14	Torrent Pharma (Malta) Ltd	Not Applicable	100%	Euro	109.0064	325.38	(88.95)	301.38	64.95	-	28.45	(44.75)	-	(44.75)	-
15	Curatio Inc.	October 14, 2022	100%	PHP	1.5578	17.57	(16.26)	1.31	-	-	-	(0.52)	-	(0.52)	-
16	Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka (Private) Ltd)	October 14, 2022	100%	LKR	0.3003	7.13	(6.82)	0.31	-	-	-	(0.01)	-	(0.01)	-
17	Farmaceutica Torrent Colombia SAS	Not Applicable	100%	COP	0.0258	11.07	(9.84)	1.92	0.69	-	0.01	(4.28)	-	(4.28)	-
18	Torrent Pharmaceuticals Chile SpA	Not Applicable	100%	CLP	0.1021	9.19	(3.32)	6.43	0.56	-	-	(3.08)	-	(3.08)	-
19	JB Chemicals and Pharmaceuticals Limited**	January 21, 2026	48.80%	INR	1.0000	16.06	4,021.65	4,823.50	785.79	-	712.74	180.39	46.42	133.97	1,49.32
20	OOO Unique Pharmaceutical Laboratories**	January 21, 2026	48.80%	Ruble	1.1643	42.53	(0.05)	76.61	34.13	-	26.34	1.23	0.36	0.87	-
21	Unique Pharmaceutical Laboratories FZE**	January 21, 2026	48.80%	AED	25.7694	139.50	(17.63)	137.95	16.08	129.49	-	(1.28)	-	(1.28)	-
22	JB CPL Philippines Inc.**	January 21, 2026	48.80%	PHP	1.5578	1.87	(2.18)	1.28	1.59	-	-	(0.33)	-	(0.33)	-
23	Biotech Laboratories (Pty) Ltd.**	January 21, 2026	48.80%	ZAR	5.5834	15.41	182.19	229.26	31.66	-	56.34	6.87	1.65	5.22	-

Notes:

- i. Torrent Australasia Pty Ltd, Farmaceutica Torrent Colombia SAS and Torrent Pharmaceuticals Chile SpA are yet to commence their operations.
- ii. Curatio Inc. and Torrent International Lanka (Pvt) Ltd are under liquidation.
- iii. Entities listed at Sr. No.19 to 23 are under the control of Torrent Pharmaceuticals Limited as per Ind AS 110 "Consolidated Financial Statements". Accordingly, these entities are consolidated as subsidiaries.

* Converted using average exchange rates prevailing during the year.

** Figures are for the period from acquisition date (i.e. January 21, 2026) to March 31, 2026.

(A) Form AOC-1 : Statement containing salient features of the financial statement of subsidiaries / joint ventures pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014: (Continued)

Part “B”: Associates and Joint Ventures

Sr. No.	Name of Associates or Joint Venture	Date of acquisition	Latest Audited Balance Sheet Date	Shares of Associate or Joint Venture held by the company			Description of how there is significant influence	Reason why the Joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
				No. of shares	Amount of investment	Extend of Holding %				Considered in Consolidation	Not considered in Consolidation
1	UNM Foundation	Not Applicable					Refer note below				

Note: UNM Foundation (UNM) is a company incorporated under Section 8 of the Companies Act, 2013 and this company is prohibited to give any right over its profits to the members. In view of restrictions on Section 8 companies, the parent Company’s proportionate share in UNM has not been considered in consolidated financial statement. The entire investemnt in equity shares of UNM Foundation has been disposed off on March 30, 2026.

In accordance with Section 136 of the Companies Act, 2013, the annual audited accounts of each of the subsidiaries shall be made available to the shareholders of the Company seeking such information at any point in time. Further, in accordance with the aforementioned section, the audited financial statements, including the Consolidated Financial Statement and related information of the Company and audited accounts of each of its subsidiaries, are available on our website : www.torrentpharma.com. These documents will also be available for inspection at our registered office during normal business hours (10:00 AM to 6:00 PM) on working days, except Saturdays, Sundays and public holidays upto and including the date of Annual General Meeting of the Company.

For and on behalf of the Board of Directors

Sudhir Menon

Executive Director (Finance)
& Chief Financial Officer

Samir Mehta

Executive Chairman
DIN: 00061903

Chintan Trivedi

Company Secretary

Ahmedabad

May 22, 2026



FIVE YEAR FINANCIAL HIGHLIGHTS

(₹ in crores except as stated otherwise))

CONSOLIDATED	2025-26	2024-25	2023-24	2022-23	2021-22
SALES, PROFIT & DIVIDEND					
Revenue	13,980	11,516	10,728	9,620	8,508
Operating EBITDA	4,559	3,721	3,368	2,842	2,431
EBIT	3,440	2,926	2,559	2,135	1,769
Profit before exceptional items and tax (PBT)	2,961	2,697	2,264	1,847	1,711
Profit after tax (PAT)	2,138	1,911	1,656	1,245	777
Attributable to Owners of the company	2,163	1,911	1,656	1,245	777
Attributable to Non-controlling interests	(25)	-	-	-	-
Dividend for the year	1,286	1,083	948	745	812
Total dividend per share (₹)	38.00	32.00	28.00	22.00	48.00
Special dividend per share (₹)	-	-	-	-	15.00
Normal dividend (interim dividend and proposed final dividend) per share (₹)	38.00	32.00	28.00	22.00	33.00
FINANCIAL POSITION					
Equity share capital	169	169	169	169	85
Other equity	8,219	7,421	6,687	6,029	5,868
Long term borrowings	11,884	1,776	2,300	3,532	3,095
Capital employed	20,272	9,366	9,156	9,730	9,048
Gross block	41,067	14,519	13,845	13,577	11,358
Net block	33,832	8,425	8,499	8,887	7,052
Net current assets	1,049	905	186	(134)	750
RETURN					
On revenue (PBT) %	21%	23%	21%	19%	20%
On capital employed (EBIT) %	17%*	31%*	28%*	22%	19%*
On shareholder's fund (PAT) %	26%*	25%*	23%*	20%	18%*
Earnings per share (₹)**	63.92	56.47	48.94	36.79	22.96
Earnings per share before exceptional item net of tax (₹)**	65.90	56.99	46.88	36.79	34.28

*Adjusted for exceptional items

** Adjusted for 2021-22 on account of bonus shares issued during the year 2022-23

Independent Practitioner's assurance report on identified non-financial information included in Integrated Annual Report of Torrent Pharmaceuticals Limited and its wholly owned subsidiaries for the financial year ended 31st March, 2026

To
 The Board of Directors
Torrent Pharmaceuticals Limited
 Ahmedabad, Gujarat, India

1. We have been engaged to perform an assurance engagement for Torrent Pharmaceuticals Limited ('the Holding Company') and its wholly owned subsidiaries as listed in paragraph 3 below (the Holding Company and its wholly owned subsidiaries together referred to as 'the Group') vide our engagement letter dated 12th February, 2026, to provide reasonable assurance on the non-financial information pertaining to GRI 302-1 and 3, GRI 303 – 3, 4 and 5, GRI 305 – 1 and 2, GRI 306 – 3, 4 and 5 and GRI 403 - 9 ("Subject Matter 1") and limited assurance on the identified non-financial information, other than subject matter 1 ("Subject Matter 2") included in the Integrated Annual Report of the Group for the financial year ended 31st March, 2026 (Subject Matter 1 and Subject Matter 2 together referred as "Identified Sustainability Information") prepared by management of the Holding Company with reference to the Criteria stated below. This assurance engagement has been carried out by a multi-disciplinary team including assurance practitioners and engineers.

Identified Sustainability Information

2. The Identified Sustainability Information is summarised as below:
 - a) The Subject Matter 1 for the financial year ended 31st March, 2026 included in Integrated Annual Report is summarised below:

Series	Material Issue	GRI	Key Performance Indicator
GRI – 300 Environment	302 – Energy (2016)	302-1	Energy consumption within the organization
		302-3	Energy intensity
		303-3	Water withdrawal
	303 – Water and Effluents (2018)	303-4	Water discharge
		303-5	Water Consumption
		305-1	Direct (Scope 1) GHG emissions
	305 – Emissions (2016)	305-2	Energy indirect (Scope 2) GHG emissions
		306-3	Waste generated
	306 – Waste (2020)	306-4	Waste diverted from disposal
		306-5	Waste directed to disposal
GRI – 400 Social	403 - Occupational Health and Safety (2018)	403-9	Work related injuries

- b) The Subject Matter 2 for the financial year ended 31st March, 2026 included in Integrated Annual Report is summarised below:

Series	Material Issue	GRI	Key Performance Indicator
GRI 2	General Disclosure (2021)	2 – 7	Employees
		2-8	Workers who are not employees
		2 – 9	Governance structure and composition
GRI – 300 Environment	302 – Energy (2016)	302-4	Reduction of energy consumption
	305 – Emissions (2016)	305-5	Reduction of GHG emissions
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
GRI – 400 Social	401 – Employment (2016)	401-1	New employee hires and employee turnover (age and gender)
		401-3	Parental Leave
	404 - Training and Education (2016)	404 - 1	Average hours of training per year per employee
	405 – Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees (age and gender)
	413 – Local Communities (2016)	413 – 1	Operations with local community engagement, impact assessments, and development programmes

3. The boundary of the report covers the Holding Company's operations in India, Vietnam and Russia and its wholly owned subsidiaries as mentioned below:
- Torrent Pharma Inc, USA
 - Torrent Do Brasil Ltda, Brazil
 - Heumann Pharma GmbH & Co. Generica KG, Germany
 - Heunet Pharma GmbH, Germany
 - Torrent Pharma GmbH, Germany
 - Torrent Pharma Philippines Inc., Philippines
 - Zao Torrent Pharma, Russia
 - Torrent Pharma (UK) Ltd., United Kingdom
 - Laboratorios Torrent, S.A. de C.V., Mexico
 - Laboratorios Torrent Malaysia Sdn. Bhd., Malaysia
 - Torrent Australasia Pty. Ltd, Australia
 - Torrent Pharma (Thailand) Co., Ltd., Thailand
 - TPL (Malta) Limited, Republic of Malta
 - Torrent Pharma (Malta) Limited, Republic of Malta
 - Curatio Inc., Philippines
 - Torrent International Lanka (Pvt) Limited, Sri Lanka
 - Farmacéutica Torrent Colombia SAS, Colombia
 - Torrent Pharmaceuticals Chile SpA, Chile

4. Our assurance engagement is with respect to the Identified Sustainability Information for the reporting boundary as mentioned above for financial year ended 31st March, 2026 only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the Integrated Annual Report, therefore, do not express any opinion/conclusion thereon.

Criteria

5. The Holding Company has prepared the Identified Sustainability Information included in the Integrated Annual Report based on the principles of the International Integrated Reporting Framework published by the International Integrated Reporting Council ('IIRC') of the Value Reporting Foundation with reference to Global Reporting Initiative ('GRI') Sustainability Reporting Standards ('the GRI Standards') issued by Global Sustainability Standards Board (GSSB) (hereinafter referred to as 'Criteria').

Management's Responsibilities

6. The Holding Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information with reference to the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the Integrated Annual Report and the measurement of the Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

7. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Practitioner's Independence and Quality Control

8. We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code') issued by the International Ethics Standards Board for Accountants ('IESBA'), which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality and professional behaviour and we have the required competencies and experience to conduct this assurance engagement.
9. Our firm applies International Standards on Quality Management ('ISQM') 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

10. Our responsibility is to express a reasonable assurance in the form of an opinion on the Subject Matter 1 and express a limited assurance in the form of a conclusion on the Subject Matter 2, based on the procedures we have performed and evidence we have obtained.
11. We conducted our reasonable assurance engagement and limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ('ISAE 3000 (Revised)') issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Subject Matter 1 is prepared, in all material respects, with reference to the Criteria and limited assurance about whether anything has come to our attention that causes to believe that the Subject Matter 2 is not prepared in all material respects with respect to the Criteria.

12. A reasonable assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of the Holding Company's use of the Criteria as the basis for the preparation of the Subject Matter 1, assessing the risks of material misstatement of the Subject Matter 1 whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Subject Matter 1.
13. A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of the Holding Company's use of the Criteria as the basis for the preparation of the Subject Matter 2, identifying areas where material misstatement is likely to arise in the Subject Matter 2 whether due to fraud or error, designing and performing procedures to address identified risk areas as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter 2.
14. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.
15. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.
16. Given the circumstances of the engagement, in performing the procedures listed above, our work procedures included the following:
 - Physical site visit at the corporate office and R&D centre at Ahmedabad and site visit at Indrad, Gujarat for data and document verification.
 - Interviewing senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.
 - Reviewing the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Group to support relevant performance disclosures within our scope.
 - Evaluating the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.
 - Selecting key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
 - Re-performing calculations to check accuracy of claims,
 - Reviewing data from independent sources, wherever available,
 - Reviewing data, information about sustainability performance indicators and statements in the report.
 - Reviewing and verifying information/ data as per the GRI and IIRC framework;
 - Reviewing accuracy, transparency and completeness of the information/ data provided;
17. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion on Subject Matter 1.
18. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter 2 have been prepared, in all material respects, with reference to the Criteria.

Exclusions

19. Our assurance engagement scope excludes the following and therefore we do not express an opinion/a conclusion on the same:
 - Any disclosure other than those mentioned in the Identified Sustainability Information section above
 - Operations of the Group other than those mentioned in paragraph 2 and 3 above on Scope of Assurance
 - Data and information outside the defined reporting period
 - Data related to Group's financial performance, strategy and other related linkages expressed in the Integrated Annual Report.
 - The Group's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Group and assertions related to Intellectual Property Rights and other competitive issues.
 - Mapping of the Report with reporting frameworks other than those mentioned in Criteria above.
 - While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
 - The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Opinion

20. Based on the procedures we have performed and the evidence we have obtained, the Subject Matter 1 included in the Integrated Annual Report for the financial year ended 31st March, 2026 is prepared, in all material respects, with reference to the Criteria.

Conclusion

21. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Subject Matter 2 contained in the Integrated Annual Report for the financial year ended 31st March, 2026, is not prepared, in all material respects, with reference to the Criteria.

Restriction on use

22. Our assurance report has been prepared and addressed to the Board of Directors of the Holding Company at the request of the Holding Company solely, to assist the Group in reporting on the Group's sustainability performance and activities. Accordingly, the assurance report may not be suitable for any other purpose and should not be used by any other party other than the Board of Directors of the Holding Company without our prior written consent. Further, we do not accept or assume any duty of care or liability for any other purpose or to any other party to whom the assurance report is shown or into whose hands it may come without our prior consent in writing.

Grant Thornton Bharat LLP

Abhishek Tripathi
Partner

Place: Noida
Date: 28 May 2026



GRI INDEX

Statement of use	Torrent Pharmaceuticals Limited has reported the information cited in this GRI content index for the period 1 st April, 2025 to 31 st March, 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	
		SECTION / SUB-SECTION	PAGE
GRI 2: General Disclosures 2021	2-1 Organizational details	About Torrent Pharma	6, Inside Cover
	2-2 Entities included in the organization's sustainability reporting	Reporting Scope and Boundary	1
	2-3 Reporting period, frequency and contact point	Reporting Period, Feedback	1
	2-4 Restatements of information	Restatements of Information	1
	2-5 External assurance	Assurance	1, 4 13
	2-6 Activities, value chain and other business relationships	Our Business and Offerings	12-19, 92-93
	2-7 Employees	Social – Our People	69
	2-8 Workers who are not employees	Social – Our People	69
	2-9 Governance structure and composition	Governance Framework	94-97
	2-10 Nomination and selection of the highest governance body	Appointment & remuneration of directors	224
	2-11 Chair of the highest governance body	Report on Corporate Governance	219
	2-12 Role of the highest governance body in overseeing the management of impacts	Report on Corporate Governance	220-228
	2-13 Delegation of responsibility for managing impacts	Report on Corporate Governance	220-228
	2-14 Role of the highest governance body in sustainability reporting	Our Communities	81
	2-15 Conflicts of interest	BRSR P1 E6, Report on Corporate Governance	177, 221
	2-16 Communication of critical concerns	Report on Corporate Governance	232
	2-17 Collective knowledge of the highest governance body	Report on Corporate Governance	196-198
	2-18 Evaluation of the performance of the highest governance body	Appointment & Remuneration Of Directors	226
	2-19 Remuneration policies	Appointment & Remuneration of Directors	226
	2-20 Process to determine remuneration	Appointment & Remuneration of Directors	226
	2-21 Annual total compensation ratio	Annexure B to the Board's Report	126
	2-22 Statement on sustainable development strategy	Managing director's message	22
	2-23 Policy commitments	Policies and Governance Procedures, BRSR: Section B -	96, 172
	2-24 Embedding policy commitments	Policies and Governance Procedures, BRSR: Section B	96, 172

GRI STANDARD	DISCLOSURE	LOCATION	
		SECTION / SUB-SECTION	PAGE
	2-25 Processes to remediate negative impacts	Internal Controls and Policies for Maintaining Vigil	222
	2-26 Mechanisms for seeking advice and raising concerns	BRSR P9 E1	208
	2-27 Compliance with laws and regulations	BRSR P1 E2	176
	2-28 Membership associations	BRSR P7 E1	205
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, BRSR P4 E2	28-31, 189
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double Materiality Assessment	32
	3-2 List of material topics	Our Materiality Matrix	33
	3-3 Management of material topics	Material Topics	34-35
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Climate Action, Energy and Emissions Management	59
	102-2 Climate change adaptation plan	Climate Action, Energy and Emissions Management	59-63
	102-4 GHG emissions reduction targets and progress	Environmental Stewardship	58-63
	102-5 Scope 1 GHG emissions	Scope 1 Emissions – Direct Output from Assets we Own or Control	60
	102-6 Scope 2 GHG emissions	Scope 2 Emissions – Indirect Output from Purchased Electricity	61
	102-7 Scope 3 GHG emissions	GHG Emission (Scope 3 emissions)	62
	102-8 GHG emissions intensity	BRSR P6E 7, GHG Emission (Scope 3 Emissions)	199, 62
GRI 103: Energy 2025	103-1 Energy policies and commitments	Energy Mix	61
	103-2 Energy consumption and self-generation within the organisation	Energy Mix	61
	103-4 Energy intensity	BRSR P6E 1, Energy Mix	196, 61
	103-5 Reduction in energy consumption	Energy conservation initiatives	61
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Performance	41
	201-3 Defined benefit plan obligations and other retirement plans	BRSR P3E2	183
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	BRSR P1E5	177
	205-2 Communication and training about anti-corruption policies and procedures	BRSR P1E4	177
	205-3 Confirmed incidents of corruption and actions taken	BRSR P1E5	177
GRI 301: Materials 2016	301-2 Recycled input materials used	BRSR P2 L3	181
	301-3 Reclaimed products and their packaging materials	BRSR P2 E3	180



GRI STANDARD	DISCLOSURE	LOCATION	
		SECTION / SUB-SECTION	PAGE
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, BRSR P6 E3	66, 197
	303-2 Management of water discharge-related impacts	Water Management, BRSR P6 E4	66, 198
	303-3 Water withdrawal	Water Stewardship Metrics BRSR P6 E3	67, 197
	303-4 Water discharge	Zero Liquid Discharge, BRSR P6 E3	67, 197
	303-5 Water consumption	Water Stewardship Metrics, BRSR P6 E3	67, 197
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Other than GHG Air Emissions, BRSR P3 E10, 12 & 15 - 186	63, 187
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, BRSR P6 E9	64, 200
	306-2 Management of significant waste-related impacts	Waste Reduction and Diversion, BRSR P6 E10	65, 202
	306-3 Waste generated	Hazardous Waste Profile, BRSR P6 E9	65, 200
	306-4 Waste diverted from disposal	Waste Management	64
	306-5 Waste directed to disposal	Waste Management	64
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee Snapshot	69
	401-3 Parental leave	Parental Leave	74
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety Initiatives, BRSR P3 E10, 12	78, 186
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety Initiatives, BRSR P3 E10, 11, 15	78, 186, 187
	403-3 Occupational health services	Occupational Health and Safety Initiatives	78
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety Initiatives, BRSR P3 E10, 12 & 15	78, 186, 187
	403-5 Worker training on occupational health and safety	Occupational Health and Safety Initiatives	78, 185
	403-6 Promotion of worker health	Occupational Health and Safety Initiatives, BRSR P3 E10, 12 & 15	78, 186, 187
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety Initiatives, BRSR P3 E10, 12 & 15	78, 186, 187
	403-8 Workers covered by an occupational health and safety management system	Occupational Health & Safety Initiatives, BRSR P3 E8(b)	79, 185
	403-9 Work-related injuries	Occupational Health & Safety Initiatives, BRSR P3 E11	79, 186
	403-10 Work-related ill health	Occupational Health & Safety Initiatives, BRSR P3 E11	79, 186

GRI STANDARD	DISCLOSURE	LOCATION	
		SECTION / SUB-SECTION	PAGE
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Skills and Capabilities	71
	404-2 Programs for upgrading employee skills and transition assistance programmes	Skills and Capabilities	71
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Equal Opportunities and Inclusive Workplace	75
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	BRSR P5 E 6, 10, Human Rights,	194-196
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	BRSR P5 E 6, 10, Human Rights, BRSR P5 E6, 10 & L4	194-196
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	BRSR P5 E1	192
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Our Communities	80-91
	413-2 Operations with significant actual and potential negative impacts on local communities	BRSR Section A 26	165
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	BRSR P9 E3	211
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	BRSR P9 E3	211
	417-2 Incidents of non-compliance concerning product and service information and labeling	BRSR P9 E3	211
	417-3 Incidents of non-compliance concerning marketing communications	BRSR P9 E3	211

© GRI 2026
Version 1.3 (January 2026)



ABBREVIATIONS

Abb	Descriptions
AAP	Annual Action Plan
AD	Anti-Diabetes
ADA	American Diabetes Association
ADHD	Attention Deficit Hyperactivity Disorder
AGES	Austrian Agency for Health and Food Safety GmbH
AGM	Annual General Meeting
AGM-Sales	Associate General Manager - Sales
AHU	Air Handling Unit
AI	Artificial Intelligence
AIOCD	All India Organisation of Chemists and Druggists
ANDA	Abbreviated New Drug Application
ANSM	The National Security Agency of Medicines and Health Products
ANVISA	Agencia Nacional de Vigilancia Sanitaria
API	Active Pharmaceutical Ingredient
ATFD	Agitated Thin Film Dryer
BAU	Business as Usual
BE	Bioequivalence
BGx	Branded Generics
BOD	Board of Directors
CAGR	Compound Annual Growth Rate
CAPA	Corrective Action and Preventive Action
CFR	Code of Federal Regulations
cGMP	Current Good Manufacturing Practice
CHC	Consumer Health Care
CII	Confederation of Indian Industry
CIS	Commonwealth of Independent States
CME	Continuous Medical Education
CNS	Central Nervous System
CO2	Carbon Dioxide
COSO	Committee of Sponsoring Organisations
CRO	Chief Risk Officer
CSR	Corporate Social Responsibility
CSRS	Corporate Social Responsibility and Sustainability
CV	Cardiovascular
DCGI	Drug Controller General of India
DG	Diesel Generator
DKMA	Danish Medicines Agency
DMA	Double Materiality Assessment
DMF	Drug Master File
DoE	Designs of Experiments
DPCO	Drug Price Control Order
DPP4	Dipeptidyl Peptidase 4
DPS	Dividend per Share
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation

Abb	Descriptions
e-BMR	Electronic Batch Manufacturing Record
e-BPR	Electronic Batch Packaging Record
EHS	Environment, Health, and Safety
EPR	Extended Producer Responsibility
EPS	Earning Per Share
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESG	Environment, Social and Governance
ETP	Effluent Treatment Plant
EU	European Union
EV	Electric Vehicle
FCF	Free Cash Flows
FDC	Fixed Dosage Combinations
FICCI	Federation of Indian Chambers of Commerce and Industry
FRP	Fiber-Reinforced Plastic
GCCI	Gujarat Chamber of Commerce and Industry
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GI	Gastro-Intestinal
GJ	Gigajoules
GLP	Good Laboratory Practices
GMP	Good Manufacturing Practices
GRI	Global Reporting Initiative
GWP	Global Warming Potential
Gx	Generics
HCP	Healthcare Professional
HMI	Human-Machine Interface
HP-API	Highly Potent Active Pharmaceutical Ingredient
HR	Human Resources
HSD	High-Speed Diesel
HSE	Health, Safety and Environment
HVAC	Heating Ventilation and Air Conditioning
IDMA	Indian Drug Manufacturing Association
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IoT	Internet of Things
IP	Intellectual Property
IPA	Indian Pharmaceutical Alliance
IPM	India Pharma Market
IR	Integrated Report
ISO	International Organisation for Standardisation
IT	Information Technology
KPI	Key Performance Indicators
KVA	Kilovolt-amperes
KWH	Kilowatt-Hour
LATAM	Latin America



Abb	Descriptions
LDO	Light Diesel Oil
LFI	Learnings from Incidents
LSHS	Low Sulphur Heavy Stock
LTIFR	Lost Time Injury Frequency Rate
MAT	Minimum Alternate Tax
MBs	Mother Brands
MEE	Multiple Effect Evaporator
MES	Manufacturing Execution Systems
MIS	Management Information System
Mn	Million
MT	Metric Ton
MW	Mega Watt
NABH	National Accreditation Board for Hospitals & Healthcare Providers
NABL	National Accreditation Board for Testing and Calibration Laboratories
NDDS	Novel Drug Delivery System
NF	Nano Filtration
NGRBC	National Guidelines on Responsible Business Conduct
NICU	Neonatal Intensive Care Unit
NLEM	National List of Essential Medicines
NOx	Nitrogen Oxides
NPRA	National Pharmaceutical Regulatory Agency, Malaysia
NSE	National Stock Exchange
OECD	Organisation for Economic Co-operation and Development
OP. EBITDA	Operating Earnings before Interest, Taxes, Depreciation and Amortisation
OPD	Outpatient Department
OSD	Oral Solid Dosage
OT	Operation Theatre
OTC	Over the Counter
PAGE	Foundation for Pharmaceutical Academy for Global Excellence
PAN	Presence Across Nation
PAT	Profit After Tax
PBM	Pharmacy Business Management
PCPM	Per Capita Per Month
PDE	Permitted Daily Exposure Limits
PHARMEXCIL	Pharmaceutical Export Promotion Council
PHCs	Paediatric Health Centres
PICU	Paediatric Intensive Care Unit
PLC	Programmable Logic Controller
POS	Point of Sale
POSH	Prevention of Sexual Harassment
PPHCs	Primary Paediatric Health Centres
PPI	Proton Pump Inhibitors
PPP	Public-Private Partnership
PV	Pharmacovigilance
PVC	Polyvinyl chloride
QbD	Quality by Design

Abb	Descriptions
QC	Quality Control
QMS	Quality Management System
QR	Quick Response
R&D	Research & Development
RCM	Risk Management Committee
REACH	Reach EAch CHild
RMC	Risk Management Committee
RO	Reverse Osmosis
ROCE	Return on Capital Employed
ROE	Return on Equity
ROW	Rest of the World
RPT	Related Party Transactions
RWE	Real World Evidence
SAP	Systems Applications and Products
SCADA	Supervisory Control And Data Acquisition
SKU	Stock Keeping Unit
SMARC	Strategic Marketing Solutions & Research Centre
SME	Subject Matter Experts
SMS	Short Message Service
SOP	Standard Operating Procedures
SOx	Sulphur Oxides
STP	Sewage Treatment Plant
tCO ₂	Tonnes of Carbon Dioxide Equivalent
TGA	Therapeutic Goods Administration
TJ	Terajoules
TSDF	Treatment, Storage, and Disposal Facility
TTC	Threshold of Toxicological Concern
UAE	United Arab Emirates
UK	United Kingdom
UN SDG	United Nations Sustainable Development Goals
UNGP	United Nations Guiding Principles
US	The United States
USFDA	United States Food and Drug Administration
VMN	Vitamins Minerals Nutrients
WHO	World Health Organisation
ZLD	Zero Liquid Discharge
ZWTL	Zero Waste to Landfill



NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF TORRENT PHARMACEUTICALS LIMITED will be held on Tuesday, 23rd June, 2026 at 09:30 AM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Financial Statements as at 31st March, 2026 including the Audited Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated Financial Statements as at 31st March, 2026 including the Audited Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss for the year ended on that date and reports of the Auditors thereon.
3. To confirm the payment of interim dividend on equity shares already paid during the financial year ended 31st March, 2026 and to declare final dividend on equity shares for the said financial year.

The Board of Directors at its meeting held on 13th February, 2026 had declared the interim dividend of ₹ 29.00 per equity share of fully paid up face value of ₹ 5.00 each and in its meeting held on 22nd May, 2026 recommended final dividend of ₹ 9.00 per equity share of fully paid up face value of ₹ 5.00 each for the financial year ended 31st March, 2026.

4. To appoint a Director in place of Samir Mehta (holding DIN: 00061903), Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE Company FOR THE YEAR 2026-27

"RESOLVED THAT pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) ("the Act") and the approval by the Board of Directors at their meeting dated 22nd May, 2026, the consent of the Company be and is hereby accorded for ratification of the below remuneration to M/s. Kirit Mehta & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2026-27:

₹ 18,00,000/- plus out of pocket expenses & GST as applicable to conduct the audit of the cost accounting records for all the manufacturing facilities of the Company."

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

ISSUANCE OF EQUITY SHARES INCLUDING CONVERTIBLE BONDS / DEBENTURES

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder, Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listing Agreements entered into by the Company with the stock exchanges where equity shares of the Company of face value of ₹ 5 each are listed, enabling provisions of the Memorandum and Articles of Association of the Company and any statutory modification(s), re-enactment(s) or amendments to the above mentioned laws, regulations, rules and schemes and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India ("SEBI"), Government of India ("GOI"), Reserve Bank of India ("RBI"), Ministry of Corporate Affairs, Regional Director, Registrar of Companies ("RoC") and all other appropriate and / or competent authorities or bodies whether in India or abroad to the extent applicable and subject to such conditions and modifications, as may be prescribed by

any of them in granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred as "Board" which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded to create, issue, offer and allot in one or more tranches, to investors whether Indian or Foreign, including Foreign Institutions, Qualified Institutional Buyers ("QIB"), Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds, Trusts, Stabilising agents or otherwise or any combination thereof, whether or not such investors are shareholders, promoters, directors or associates of the Company, through issue of Equity Shares and / or Fully Convertible Debentures and / or Partly Convertible Debentures and / or Optionally Convertible Debentures and / or other securities convertible into equity shares at the option of the Company ("Securities") representing either Equity Shares or a combination of any other Securities through one or more public or private offering in domestic and / or one or more international market(s), with or without green shoe option, or a Qualified Institutional Placement ("QIP") in accordance with Chapter VI of the SEBI Regulations, as the Board may deem appropriate, in terms of SEBI Regulations or by one or more combination of the above or otherwise and at such time or times in one or more tranches, at such price or prices, at market price or at a discount or premium to market price in terms of applicable regulations, to any eligible investors, including residents and / or non-residents and / or qualified institutional buyers and / or institutions / banks and / or incorporated bodies and / or individuals and / or trustees and / or stabilising agents or otherwise, whether or not such investors are members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations ("Investors"), for an amount not exceeding ₹ 5000 Crores (Rupees Five Thousand Crores), inclusive of such premium as may be fixed on such Securities at such a time or times, as the Board may determine, where necessary in consultation with the Lead Managers, Merchant Bankers, Underwriters, Guarantors, Financial and / or Legal Advisors, Depositories, Registrars and other agencies and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed, so as to enable to list on any stock exchanges in India and / or on any of the overseas stock exchanges, wherever required and as may be permissible and the number and / or price of Securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring."

"RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the pricing shall be determined in compliance with principles and provisions set out in the Regulation 176 of Chapter VI of the SEBI Regulations and the Board may offer a discount of not more than 5% (five per cent) on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations, the Securities shall be allotted as fully paid-up (where the tenure of any convertible or exchangeable Securities shall not exceed 60 (sixty) months from the date of allotment) or such other period as may be permitted under said SEBI Regulations."

"RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the relevant date for the purpose of the pricing of the Equity Shares shall be the date of meeting in which the Board or a duly authorised Committee thereof decides to open the issue or such other date as may be prescribed under applicable laws, and in the event that convertible securities (as defined under the SEBI Regulations) are issued to QIBs under Chapter VI of the SEBI Regulations, the relevant date for the purpose of pricing of such convertible securities, shall be the date of the meeting in which the Board or a duly authorised Committee thereof decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares or such other date as may be prescribed under applicable laws."

"RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalisation and approval of the offer documents, private placement offer letter, determining the form, proportion and manner of the issue, including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, premium amount on issue / conversion / exercise / redemption, rate of interest, redemption period, fixing record date, listings on one or more stock exchanges in India, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration,



expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit."

"RESOLVED FURTHER THAT the Securities to be created, issued, allotted and offered in terms of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall be issued in dematerialised form."

"RESOLVED FURTHER THAT the Equity Shares so issued shall in all respects rank pari passu with the existing Equity Shares of the Company and shall be listed with the stock exchanges where the Company's existing equity shares are listed."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering and all such Equity Shares shall rank pari passu with the existing Equity Shares in all respects."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts / agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognised stock exchange(s), to affix common seal of the Company on any arrangements, contracts / agreements, memorandum, documents, etc. as may be required."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised in consultation with the merchant banker(s), advisors and / or other intermediaries as may be appointed in relation to the issue of Securities, to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalisation of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilisation of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to any of the aforesaid or otherwise in relation to the issue of Securities."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any officer of the Company."

Registered Office:
Avirat
Thaltej Shilaj Road,
Ahmedabad – 380 059, Gujarat, India
(CIN: L24230GJ1972PLC002126)
Phone: + 91 79 26599000
Fax: + 91 79 26582100
Website: www.torrentpharma.com
Email Id: investorservices@torrentpharma.com

Ahmedabad
22nd May, 2026

By Order of the Board of Directors
For Torrent Pharmaceuticals Limited

Chintan M. Trivedi
Company Secretary

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated 05th May, 2020 read with circular nos. 14/2020 and 17/2020 dated 08th April, 2020 and 13th April, 2020 respectively (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. MCA had vide circular no. 03/2025 dated 22nd September, 2025 has allowed the Companies to conduct their AGMs in accordance with the requirement provided in this Circular. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The detailed procedure for participation in the meeting through VC / OAVM is as per Note no. 27 and is also available at the Company's website www.torrentpharma.com.
2. Pursuant to MCA Circular no. 14/2020 dated 08th April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint Authorised Representatives by uploading a duly certified copy of the board resolution authorising their representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.
3. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. All the members of the Company are encouraged to attend and vote at the AGM through VC / OAVM.
5. The Explanatory Statement pursuant to Section 102(1) and (2) of the Act in respect of Item no. 4 and Special Business i.e. Item No. 5 and 6 is annexed hereto.
6. The Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in the electronic mode upto the date of AGM and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send the e-mail to investorservices@torrentpharma.com.
7. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Central Depository Services (India) Limited ("CDSL") in respect of the business to be transacted at AGM. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL. Members of the Company holding shares as on the cut-off date i.e. 16th June, 2026, may cast their vote either by remote e-voting or e-voting system as on date of AGM. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

The information with respect to voting process and other instructions regarding e-voting are detailed in Note no. 25.
8. In compliance with the MCA Circulars and Listing Regulations, Notice of the AGM along with the Integrated Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / DPs. Further, a letter providing a weblink for accessing the Notice of the AGM and Integrated Annual Report will be sent to those shareholders who have not registered their email addresses.

Any Member desirous of obtaining physical copy of the Notice of the AGM along with the Integrated Annual Report may send a request to the Company at investorservices@torrentpharma.com mentioning their name, demat account number / folio number, email id and mobile number.

Members may note that the Notice of 53rd AGM and the Integrated Annual Report of the Company for the year ended 31st March, 2026 have been uploaded on the Company's website www.torrentpharma.com and may be accessed by the members and will also be available on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of CDSL at www.evotingindia.com.

9. Rajesh Parekh, Partner, RPAP & Co., Practicing Company Secretary (Membership No. A8073) and failing him Aishwarya Parekh, Partner, RPAP & Co., Practicing Company Secretary (Membership No. F13318) has been appointed as the scrutinizer to scrutinize the remote e-voting and e-voting process on the date of AGM in a fair and transparent manner.
10. The Scrutinizer shall submit a consolidated Scrutinizer's Report (votes casted during the AGM and votes casted through remote e-voting) of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting. The result declared along with the consolidated Scrutinizer's Report shall be simultaneously placed on the Company's website www.torrentpharma.com and on the website of CDSL and communicated to the BSE Limited and National Stock Exchange of India Limited.
11. The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of sufficient votes.
12. Members seeking any information or clarification on the accounts or any other matter to be placed at AGM are requested to send written queries to the Company on investorservices@torrentpharma.com at least 10 days before the date of the meeting to enable the management to respond appropriately.
13. The final dividend on equity shares, if declared at the AGM, will be paid around 25th June, 2026 to those members whose name appear on the Company's Register of Members or List of Beneficial Owners as received from the National Securities Depository Limited or Central Depository Services (India) Limited on 29th May, 2026 i.e. the Record date fixed for this purpose.
14. The Company is required to deduct income tax from dividend paid to the Members at prescribed rates in the Income Tax Act, 2025 ("the IT Act"). For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments thereof. In general, Members are requested to complete and/or update their Residential Status, Permanent Account Number ("PAN") and Category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form, with the Company / its RTA.

 A Resident individual member with PAN and who is not liable to pay Income Tax can submit a yearly declaration in Form no. 121, to avail the benefit of non-deduction of tax at source by uploading documents on the link: <https://ris.kfintech.com/form15/> on or before 08th June, 2026. Members are requested to note that, inter-alia in case the PAN duly linked with Aadhar is not registered or declarations with requisite information are not provided, the tax will be deducted at higher rate of 20%.

 Non-resident members can avail beneficial rates under tax treaty between India and their Country of residence, subject to providing necessary documents. i.e. self attested copy of PAN Card (if available), No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 41 or any other documents which may be required to avail the tax treaty benefits by uploading documents on the link : <https://ris.kfintech.com/form15/> on or before 08th June, 2026.

 No communication / documents on the tax determination / deduction for the purpose of final dividend shall be considered after 08th June, 2026. For the detailed process, please click here: https://www.torrentpharma.com/docs/TDS_on_Dividend_Email_to_shareholders_Final_2025_26.pdf
15. Regulation 40 of the Listing Regulations, as amended, mandates that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.

 Further SEBI vide its master circular no HO/38/13/(4)2026-MIRSD-POD//4298/2026 dated 06th February, 2026, has mandated that listed companies shall issue the securities in dematerialized form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition of shares.

Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduce the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

16. The Company has sent intimation to all such Members who have not claimed their dividend for 7 consecutive years. All such Members are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to the demat Account of IEPF Authority and no claim shall lay against the Company. The Members thereafter need to claim their shares from IEPF Authority by filing IEPF Form-5 and by following such procedures as prescribed therein.

During the year 2025-26, the Company has transferred 7,639 equity shares to the demat account of IEPF Authority.

Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company has uploaded the information in respect of the unclaimed dividends as on 31st March, 2025 on its website www.torrentpharma.com and also on the website of the Investor Education and Protection Fund www.iepf.gov.in.

17. In accordance with the provisions of Section 72 of the Act and SEBI circulars, the facility for nomination is available for the members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are available on the Company's website at <https://www.torrentpharma.com/investors/share-holder/investor-services/>.

Members are requested to submit the said details to their respective DPs, in case the shares are held by them in dematerialised form and to the Company / RTA in case the shares are held by them in physical form.

18. As required in terms of Secretarial Standard - 2 and Listing Regulations, the information (including profile and expertise in specific functional areas) pertaining to Director recommended for reappointment in the AGM has been provided in the explanatory statement to the Notice.
19. SEBI has mandated the submission of PAN (duly linked with Aadhar), KYC details and nomination by holders of physical securities vide master circular no HO/38/13/(4)2026-MIRSD-POD//4298/2026 dated 06th February, 2026. Members are requested to submit their PAN, KYC and nomination details to the Company's RTA. The forms for updating the same are available at <https://www.torrentpharma.com/investors/share-holder/investor-services/>

Members holding shares in electronic form are requested to submit their PAN to their depository participant(s).

20. In terms of Listing Regulations, the Company is required to use only electronic mode for payment of dividends. Hence, members are encouraged to utilise the Electronic Clearing System (ECS) for receiving dividends by registering their bank account details with the Company. Members holding shares in dematerialized mode are requested to register complete bank account details with the Depository Participants and members holding shares in physical mode are requested to send a duly signed request letter to RTA mentioning the name, Folio no, bank details, self-attested copy of PAN Card and original cancelled cheque leaf along with Form ISR-1. In case of absence of name of the first shareholder on the original cancelled cheque, bank attested copy of first page of the bank passbook / statement of accounts in original along with Original cancelled cheque. Format of the Form ISR-1 and other required details are available on the website of the Company at the link <https://www.torrentpharma.com/investors/share-holder/investor-services/>

Effective 01st April, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Contact Details (iii) Mobile Number (iv) Bank Account Details and (v) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final dividend, subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios.

- Further, SEBI has introduced the ODR Portal to streamline and strengthen the existing dispute resolution mechanism in the Indian Securities Market. With introduction of this mechanism, there will be enhanced degree of regulatory supervision of SEBI over disputes between aggrieved parties. The ODR order is binding on the parties involved in the dispute.
21. Process for those Members whose email ids are not registered with the Depositories or the Company for obtaining login credentials for e-voting:
- Members holding shares in physical form may request for the same along with providing necessary details like Folio No., Name of Member, self attested scan copy of PAN Card and Aadhar Card by email to investorservices@torrentpharma.com
 - Members holding shares in demat form may request for the same along with providing Demat account details (CDSL-16 digit beneficiary ID or NSDL - 8 character DPID + 8 character Client ID), Name of Member, client master or copy of Consolidated Account statement, self attested scan copy of PAN Card and Aadhar Card by email to investorservices@torrentpharma.com
22. Process for updation of email ids / mobile no of the members whose email ids / mobile no. are not registered with the Company or Depositories:
- Members holding shares in physical form - Update your email id and mobile no by providing Form ISR-1 and ISR-2 available on the website of the Company / RTA.
 - Members holding shares in demat form – Update your email id & mobile no. with your respective Depository Participant (DP); for individual members holding shares in demat form, updation of email id & mobile no. is mandatory for e-voting and joining virtual meetings through depositories.
23. Since the AGM will be held through VC / OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to the Notice.
24. The toll free number regarding any query / assistance for participation in the AGM through VC / OAVM is 1800 21 09911.
25. Voting process and instruction regarding remote e-voting:

Section A: Voting Process:

Members should follow the following steps to cast their votes electronically:

Login method for e-voting and joining virtual meeting for individual members holding shares in demat form:

- i Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020, under Regulation 44 of the Listing Regulations, Listed Companies are required to provide remote e-voting facility to its members, in respect of all members' resolutions.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.
- In order to increase the efficiency of the voting process, all the demat account holders have been enabled for e-voting by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs.
- ii Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, login method for e-Voting and joining virtual meetings for Individual members holding shares in Demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with CDSL	1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on Login icon and My Easi New (Token) Tab.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are 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 . Click on login & My Easi New (Token) Tab and then click on registration option.
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from the e-Voting link available on www.cdslindia.com . 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 e-Voting is in progress and will also be able to directly access the system of all e-voting service providers.
Individual Members holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com . Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ . 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. 8 character DPID followed by 8 character Client ID), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual members (holding shares in demat mode) login through their Depository Participants	4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN, Verification code and generate OTP. Enter the OTP received on registered email id / mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.	

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

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at Toll free No. 1800 21 09911.
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022-48867000 and 022-24997000

Login method for e-voting and joining virtual meeting for members other than individual members holding shares in demat form & members holding in physical mode:

Step 1: Open the web browser during the voting period and log on to the e-voting website www.evotingindia.com.

Step 2: Click on "Shareholders" to cast your vote(s).

Step 3: Please enter User ID

- (i) For account holders in CDSL: Your 16 digits beneficiary ID.
- (ii) For account holders in NSDL: Your 8 Character DP ID followed by 8 Character Client ID.
- (iii) Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step 4: Enter the Image Verification as displayed and Click on "Login".

Step 5: If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used. If you have forgotten the password, then enter the User ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.

Step 6: Follow the steps given below if you are first time user:

- (i) holding shares in physical form
- (ii) holding shares in demat form other than individual

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The sequence number is printed in the covering e-mail. Members who have not registered their email address may obtain the sequence number from the Company by following the process defined in Note No. 21
DOB	Enter the Date of Birth ("DOB") as recorded in your demat account or in the Company records in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio no. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository or Company, please enter the DP ID and Client ID / folio number in the Dividend Bank details field as mentioned in Step 3.

Step 7: After entering these details appropriately, click on "SUBMIT" tab.

Step 8: Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Step 9: For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step 10: Click on the EVSN for the TORRENT PHARMACEUTICALS LIMITED on which you choose to vote.

Step 11: On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Step 12: Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

Step 13: After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Step 14: Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

Section B: Other instructions regarding remote e-voting:

- i. The voting period shall begin on 19th June, 2026 from 09:00 A.M. and end on 22nd June, 2026 at 05:00 P.M. During this period Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. 16th June, 2026, may cast their vote electronically. Thereafter the e-voting module shall be disabled.
- ii. Non – Individual Members and Custodians (i.e. other than Individuals, HUF, NRI etc.) are additionally required to note and follow the instructions mentioned below:
 - They are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- iii. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to upload the following in PDF Format in the system for the scrutinizer to verify the same:
 - a) Copy of Board resolution (where institution itself is voting)
 - b) Power of Attorney issued in favour of the Custodian as well as the Board resolution of the Custodian.

Alternatively, Non-Individual members are required to send the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorised signatories who are authorised to vote, to the scrutinizer at the e-mail id rpap@csrajeshparekh.in, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- iv. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
- v. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com, under help section or contact Mr. Rakesh Dalvi, Assistant Vice President, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mills Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai – 400013 or write an email to helpdesk.evoting@cdslindia.com or call Toll free No-1800 21 09911 during working hours on all working days.

26. Voting process and instruction regarding e-voting at AGM are as under:
- a. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - b. Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available in the AGM.
 - c. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
27. Instruction for members for attending the AGM through VC / OAVM are as under:
- a. The link for VC / OAVM to attend the AGM will be available where the EVSN of the Company will be displayed after successful login as per instruction mentioned above for remote e-voting.
 - b. Members are encouraged to join the Meeting through Laptops / IPads for better experience. 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.
 - c. For ease of conduct, Members who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request atleast 10 days prior to the date of meeting mentioning their name, demat account number / folio number, email id, mobile number at investorservices@torrentpharma.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries mentioning their name, demat account number / folio number, email id, mobile number at investorservices@torrentpharma.com. These queries will be replied to by the Company suitably by email.
 - d. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting. Further the shareholders will be required to allow the camera for participation in the meeting as speaker.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND 102(2) OF THE COMPANIES ACT, 2013

Item No. 4

Pursuant to Section 152 (6) of the Companies Act, 2013, Samir Mehta retires by rotation at this AGM and being eligible, is proposed for re-appointment. He was last re-appointed on retirement by rotation as Director on 07th August, 2023. Samir Mehta has expressed his intention to act as a Director, if reappointed.

Samir Mehta, 62 is the Chairman of the Torrent Group, which currently has a revenue of ₹ 50,000 Crores and Group combined valuation at approximately ₹ 3,00,000 Crores.

Under his leadership, Torrent Pharma has taken several strategic initiatives, which include acquisitions, entry into new therapies and geographies, large investments in product development infrastructure and capabilities and building state-of-the-art manufacturing facilities, thus establishing Torrent Pharma as one of India's largest and most respected Pharma majors. His emphasis on professional organisational design, flawless execution and operational efficiencies has built the Company into a strong and globally competitive generics player.

Samir Mehta also played an instrumental role in the Group's entry and growth in the Power sector. Torrent Power, the Group's power generation, transmission and distribution Company, has systematically improved its performance on all efficiency parameters and now ranks amongst the best run power utilities in the Country. His emphasis on efficiency and reliability has led the Company to achieve exemplary operational capabilities; this, combined with a strong customer orientation has set new benchmarks in the sector, earning it many accolades.

In order to expand its business presence, the Torrent Group entered the emerging City Gas Distribution sector under his watch, by participating in bidding rounds for new areas and acquiring existing CGD entities. In a short span of time, Torrent Gas has developed robust infrastructure across 17 Geographies, comprising 34 Districts, 7 States and 1 Union Territory.

Much before the current emphasis on CSR, he always held a strong belief that corporate growth has true meaning only if the fruits of this growth are used for the benefit of society at large. Beyond conducting businesses in an environmentally and socially responsible manner, Samir Mehta wanted to drive the Group's CSR investments into areas that result in social empowerment and upliftment. Four impact areas were identified for this purpose: Community Health, Education, Ecology and Art and Culture. The UNM Foundation (named after Shri U.N. Mehta, founder of the Torrent Group) was established in order to carry forward these initiatives on a full-time basis, in a professional and dedicated manner. Specific, under-served segments within these four areas were identified and interventions were tailored to create meaningful change for the better.

Today, these initiatives have grown into full-fledged institutions and programmes. Noteworthy among them are:

Community Health: the U N Mehta Institute of Cardiology and Research Centre; Sankalan, a recently launched neuro-rehabilitation centre; REACH (Reach EAch CHild), which addresses paediatric anaemia, malnutrition and other clinical challenges through grassroots interventions and well-equipped PPHCs (Paediatric Primary Healthcare Centres) and the UNM Children Hospital.

Education: Shiksha Setu and Shardashish, which focus on learning enhancement and educational infrastructure support.

Ecology: Pratiti, which works towards the restoration and maintenance of urban green commons such as public parks and lakes.

Art and Culture: Abhivyakti, a creative ecosystem that provides curatorial and financial support to performing and visual artists selected through an open call, along with an opportunity to showcase their work at an annual public event.

With a blend of fine business acumen, entrepreneurial optimism, innovative ideas, social consciousness and a contemporary outlook, Samir Mehta has had a strong positive impact on the working culture within the Torrent Group. The Group is now known as much for its employee-centric and humane approach as it is known for its achievements in business.

Companies (other than Torrent Pharmaceuticals Limited) in which Mr. Mehta holds directorship and committee membership:

Sr No	Directorship in Companies	Name of Committees
1.	Torrent Power Limited	Committee of Directors – Chairman
2.	Torrent Investments Limited	- Corporate Social Responsibility Committee – Chairman - Nomination & Remuneration Committee – Member - Stakeholders Relationship Committee – Member - Committee of Directors – Chairman - Audit Committee - Member
3.	UNM Foundation	-

He has not resigned as director from any listed entity in past 3 years.

Mr. Mehta holds 400 Equity Shares of your Company. Mr. Mehta, a B-School graduate, is on the Board of your Company from 20th August, 1986. He has attended all 6 (six) Board meetings held during the year. He is father of Aman Mehta, Managing Director. He will be paid the remuneration in accordance with the Resolution no. 7 of the 51st AGM Notice dated 24th May, 2024. For the details pertaining to remuneration drawn during the year 2025-26, please refer to the Corporate Governance Report forming part of the Annual Report.

Except Samir Mehta himself, Aman Mehta, relative of Samir Mehta and their relatives, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 4 of the Notice.

The Board commends this resolution for your approval.



Item No. 5

Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) ("the Act"), requires the Board to appoint an individual, who is a Cost Accountant or a firm of Cost Accountants in practice, as Cost Auditor on the recommendations of the Audit committee, which shall also recommend their remuneration and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the members.

The Board of Directors at its meeting held on 22nd May, 2026, on recommendation of the Audit Committee, approved the appointment of M/s. Kirit Mehta & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2026-27 at a fees of ₹ 18,00,000/- plus out of pocket expenses and GST (Previous Year - ₹ 10,00,000/- plus out of pocket expenses and GST) as applicable for conducting the audit of the cost accounting records of all the manufacturing facilities of the Company. The increase in remuneration is on account of the expanded scope of the cost audit arising from the addition of manufacturing facilities of J. B. Chemicals & Pharmaceuticals Limited, which are expected to be part of the Company pursuant to the anticipated merger and the inclusion of one additional manufacturing facility of the Company during the financial year 2026-27.

The resolution contained in Item no. 5 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2026-27.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 5 of the Notice.

The Board commends this resolution for your approval.

Item No. 6

The Company has been pursuing, both organic process and inorganic opportunities, for its growth. Further, there is ongoing requirement of working capital and capex for upgradation / expansion of Company's existing manufacturing facilities and ongoing projects. The generation of internal funds may not be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place for meeting the fund requirements of its organic and inorganic growth, capital expenditure, long term working capital, refinancing the existing borrowings and also such other corporate purposes as may be permitted under the applicable laws and as may be specified in the appropriate approvals. This would also help the Company to take quick and effective action to capitalize on the opportunities, primarily those relating to inorganic growth, as and when available.

The requirement of funds is proposed to be met from both equity and debt from issuance of appropriate securities. Prudence would require the funding to be structured with an appropriate mix of equity and debt to meet with the objective of optimisation of the cost as well as conservative financial management.

Purpose / objects of the fund raise: In order to meet the additional fund requirements of the Company for the aforesaid purposes and pursuant to Section 62(1)(c) of the Companies Act, 2013 ("the Act") and rules made thereunder, as amended in case the Company proposes to issue equity shares to any persons other than existing Members, whether or not such persons are Members, approval of Members through a Special resolution is required.

Basis or Justification of Price in case of issue of Qualified Institutions Placement ("QIP"): The pricing of the Securities shall be determined by the Board in accordance with the regulations on pricing of securities prescribed under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations"). The "Relevant Date" for this purpose, will be the date when the Board or a duly authorised Committee thereof decides to open the issue, if Equity Shares are issued, or, in case of issuance of convertible securities, the date of the meeting in which the Board decides to open the issue of the convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares as provided under Chapter VI of the SEBI Regulations. The resolution enables the Board to offer such discount not exceeding 5% on the price calculated for the QIP or such other discount as may be permitted under applicable law on the price determined pursuant to the SEBI Regulations.

The Board of Directors, accordingly, at their meeting held on 22nd May, 2026 has recommended to the Members to give their consent through special resolution to the Board of Directors or any Committee of the Board to raise funds through issuance of Equity Shares and / or Convertible Debentures or any equity linked instrument/s ("Securities") as may be appropriate to persons who may or may not be the existing shareholders through private placement and / or Qualified

Institutional Placement and / or any other permitted modes at a price to be determined as per the SEBI Regulations or as per other applicable rules and regulations, upto an amount not exceeding ₹ 5000 Crores (Rupees Five Thousand Crores) under Section 62 read with Section 179 of the Act, as amended or other applicable laws. While no specific instrument or instruments of Securities has been identified at this stage, the Board may opt for an appropriate instrument in the best interest of the Company. Such issue shall be subject to the provisions of the Act, as amended and rules made there under from time to time, Articles of Association of the Company, SEBI Regulations and other applicable laws.

Pursuant to Sections 42 and 62 of the Act, as amended read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a Company offering or making an invitation to subscribe aforesaid Securities is required to obtain prior approval of the Members by way of the special resolution. If approved by Members, QIP issue shall be completed within 365 days from the date of passing of special resolution and in case of issue by way other than QIP, provisions as applicable to the proposed issue shall be applicable. Equity Shares, proposed to be issued, shall in all respects rank pari passu with the existing equity shares of the Company.

In view of the above, it is proposed to seek approval from the Members of the Company to offer, create, issue and allot above Securities, in one or more tranches, to investors inter alia through QIP by way of private placement or otherwise and to authorise the Board of Directors (including any Committee thereof authorised for the purpose) to do all such acts, deeds and things on the matter. The Board may offer a discount of not more than 5% on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations.

The resolution contained in Item no. 6 of the accompanying Notice, accordingly, seek members' approval through Special resolution for raising funds as above through issue of Securities in one or more tranches and authorising the Board of Directors (including any Committee thereof authorised for the purpose) of the Company to complete all the formalities in connection with the issue of Securities.

The Company has not allotted any Securities on a preferential basis in the previous year.

Directors / Key Managerial Personnel of the Company / their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding in the Company.

The Board commends this resolution for your approval.

Registered Office:
Avirat
Thaltej Shilaj Road,
Ahmedabad – 380 059, Gujarat, India
(CIN: L24230GJ1972PLC002126)
Phone: + 91 79 26599000
Fax: + 91 79 26582100
Website: www.torrentpharma.com
Email Id: investorservices@torrentpharma.com

By Order of the Board of Directors
For Torrent Pharmaceuticals Limited

Chintan M. Trivedi
Company Secretary

Ahmedabad
22nd May, 2026

NOTES

[illegible]

CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Samir Mehta
Executive Chairman
2. Ameera Shah
3. Nayantara Bali
4. Manish Choksi
5. Nikhil Khattau
6. Aman Mehta
Managing Director
7. Jinal Mehta
Non-Executive Non-Independent Director

AUDIT COMMITTEE

1. Nikhil Khattau
Chairman
2. Ameera Shah
3. Nayantara Bali
4. Manish Choksi

SECURITIES TRANSFER AND STAKEHOLDERS RELATIONSHIP COMMITTEE

1. Ameera Shah
Chairperson
2. Nikhil Khattau
3. Aman Mehta

NOMINATION AND REMUNERATION COMMITTEE

1. Manish Choksi
Chairman
2. Ameera Shah
3. Nayantara Bali

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

1. Nayantara Bali
Chairperson
2. Manish Choksi
3. Nikhil Khattau

RISK MANAGEMENT COMMITTEE

1. Nikhil Khattau
Chairman
2. Nayantara Bali
3. Sudhir Menon

EXECUTIVE DIRECTOR (FINANCE) & CFO

Sudhir Menon

COMPANY SECRETARY

Chintan M. Trivedi

STATUTORY AUDITORS

B S R & Co. LLP
Chartered Accountants

REGISTERED OFFICE

Avirat,
Thaltej Shilaj Road,
Ahmedabad – 380 059,
Gujarat, India
Phone: + 91 79 26599000
Fax: + 91 79 26582100

CORPORATE IDENTITY NUMBER

L24230GJ1972PLC002126

WEBSITE

www.torrentpharma.com

INVESTOR SERVICES EMAIL ID

investorservices@torrentpharma.com

REGISTRAR & TRANSFER AGENT

KFIN Technologies Limited
Unit: Torrent Pharmaceuticals Limited
Selenium Tower-B,
Plot No. 31 & 32, Financial District,
Nanakramguda,
Hyderabad – 500 032
Toll free No: 18003094001
Whatsapp no: +91 9100094099
Email Id: inward.ris@kfintech.com



TORRENT PHARMACEUTICALS LIMITED

CIN:L24230GJ1972PLC002126

"Avirat", Thaltej Shilaj Road,

Ahmedabad – 380059, Gujarat, India

Phone: +91 79-26599000, Website: www.torrentpharma.com,

Email: investorservices@torrentpharma.com