INDEPENDENT AUDITOR'S REPORT

To the Members of Softdeal Pharmaceutical Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Ind AS financial statements of Softdeal Pharmaceutical Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015as amended, 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except, for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph i(vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) The provisions of section 197 read with Schedule V of the Act, the managerial remuneration are not applicable to the Company for the year ended March 31, 2025;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company

vi. Based on our examination which included test checks and except for the instances described in note 44(k) to the Ind AS financial statements, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software where audit trail has been enabled. Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 44(k) to the Ind AS financial statements.

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGG5101
Place of Signature: Mumbai
Date: May 20, 2025

Annexure 1 referred to in paragraph 1 of our report of even date under the heading "Report on other legal and regulatory requirements"

Re: Softdeal Pharmaceutical Private Limited (the "Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has not capitalized any intangible assets in the books of the company and accordingly, the requirement to report on clause 3(i)(a)(B) of the order is not applicable to the company.

(b) Property, Plant and Equipment have been physically verified by the management in accordance with a planned program of verifying them once in three years which is reasonable having regard to the size of the company and the nature of its assets.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company does not follow the revaluation model for subsequent measurement of its Property, Plant and Equipment (including Right of use assets) or intangible assets. Accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the requirement to report on clause 3(i)(e) of the Order is not applicable to the Company.

ii. (a) Inventory has been physically verified by management during the year. In our opinion, the frequency of verification by management is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect such inventories.

(b) The Company has not been sanctioned working capital limits in excess of INR five crores in aggregate from banks or financial institutions any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has provided loan to other parties (employees) as follows:

Particulars	Amount in INR Million
Aggregate amount provided during the year to -	
- Employees	0.7
Balance outstanding as at balance sheet date in respect of above cases	
- Employees	0.5

During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to any entity and hence not commented upon by us.

(b) The terms and conditions of the grant of all loans to companies or any other parties are not prejudicial to the Company's interest. The Company has not made investments, provided guarantees, given security or granted advances in nature of loans during the year and hence not commented upon by us.

(c) The Company has granted loans to employees where the schedule of repayment of principal and payment of interest has been stipulated, and the repayment or receipts are regular. The company has not granted any advances in nature of loan.

(d) There are no loans granted which are overdue for more than ninety days as at March 31, 2025. Accordingly, the requirement to report on clause 3(iii)(d) of the order is not applicable to the company.

(e) There were no loans granted to any parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. There were no advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties and hence not commented upon by us.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of applicable pharmaceutical products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities, where applicable, though there has been a slight delay in a few cases.According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has not surrendered or disclosed any transaction, previously not recorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

(e)/(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) & 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer/ further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section 12 of section 143 of the Companies Act, 2013 has been filed by us in Form ADT–4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government.

(c) As represented to us by management, there are no whistleblower complaints received by the company during the year. Accordingly, the requirement to report on clause 3(xi) (c) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on information and explanation provided by the management of the Company, the group does not have more than one Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year. Accordingly, the requirement to report on clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 39 to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 44(j) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 44(j) to the financial statements.

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGG5101
Place of Signature: Mumbai
Date: May 20, 2025

Annexure 2 To The Independent Auditor's Report Of Even Date On The Ind AS Financial Statements Of Softdeal Pharmaceutical Private Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Ind AS financial statements of Softdeal Pharmaceutical Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial controls with reference to Ind AS 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 Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGG5101
Place of Signature: Mumbai
Date: May 20, 2025

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2025

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3a &3b	27.1	15.7
(b) Deferred tax assets (Net)	4	2.7	3.7
(c) Income tax assets (Net)	5	-	34.2
(d) Other non-current assets	6	10.1	10.1
Total non-current assets		**39.9**	**63.7**
Current assets			
(a) Inventories	7	471.1	412.9
(b) Financial assets			
(i) Investments	8	678.2	355.1
(ii) Trade receivables	9	612.3	622.3
(iii) Cash and cash equivalents	10	33.9	32.7
(iv) Loans	11	0.5	0.3
(v) Other financial assets	12	1.0	1.0
(c) Other current assets	13	34.5	32.8
Total current assets		**1,831.5**	**1,457.1**
TOTAL ASSETS		**1,871.4**	**1,520.8**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	0.1	0.1
(b) Other equity	15	1,353.4	959.5
Total equity		**1,353.5**	**959.6**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	33	25.9	15.8
(b) Provisions	16	6.8	6.4
Total Non current liabilities		**32.7**	**22.2**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(I) Total outstanding dues of micro and small enterprises	31	16.6	20.3
(II) Total outstanding dues of creditors other than micro and small enterprises		368.1	343.7
(ii) Other financial liabilities	17	48.0	19.4
(iii) Lease liabilities	33	3.1	0.6
(b) Other current liabilities	18	4.8	6.5
(c) Current tax liabilities (Net)	19	36.5	-
(d) Provisions	20	8.1	148.5
Total current liabilities		**485.2**	**539.0**
TOTAL LIABILITIES		**517.9**	**561.2**
TOTAL EQUITY AND LIABILITIES		**1,871.4**	**1,520.8**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. : 324982E/E300003

per Amit Singh
Partner
Membership No. : 408869
Mumbai, May 20, 2025

For and on behalf of the Board of Directors of
SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED

Prince K. Elias
Director
DIN: 07292533
Mumbai, May 20, 2025

Rakeshchandra Jagdishprasad Sinha
Director
DIN: 07340998
Mumbai, May 20, 2025

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

₹ in Million

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
(I) Revenue from operations	21	2,298.5	1,559.5
(II) Other income	22	47.8	33.7
(III) Total income (I + II)		**2,346.3**	**1,593.2**
(IV) EXPENSES			
Cost of materials consumed	23	255.5	438.3
Purchase of stock-in-trade		1,130.0	1,026.9
Changes in inventories of finished goods work in progress and stock in trade	24	(42.0)	(347.7)
Employee benefits expense	25	113.6	107.4
Finance costs	26	5.5	1.2
Depreciation and amortisation expense	3a &3b	3.2	1.2
Other expenses	27	348.8	270.9
Total expenses (IV)		**1,814.6**	**1,498.2**
(V) PROFIT BEFORE TAX (III - IV)		**531.7**	**95.0**
(VI) TAX EXPENSE			
Current tax	28	135.3	32.3
Deferred tax	4	1.5	(6.5)
Total tax expense (VI)		136.8	25.8
(VII) PROFIT FOR THE YEAR (V - VI)		**394.9**	**69.2**
(VIII) OTHER COMPREHENSIVE INCOME			
A) Items that will not be reclassified to the profit or loss			
i. Gain / (loss) on remeasurement of the defined benefit plans		(1.4)	(0.4)
ii. Income tax on above		0.4	0.1
Total		**(1.0)**	**(0.3)**
(VIII) Total other comprehensive income (A+B)		**(1.0)**	**(0.3)**
(IX) TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+ VIII)		**393.9**	**68.9**
Earnings per equity share (face value per equity share - ₹ 10)	29		
Basic (in ₹)		39,487.2	6,920.3
Diluted (in ₹)		39,487.2	6,920.3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. : 324982E/E300003

per Amit Singh
Partner
Membership No. : 408869
Mumbai, May 20, 2025

For and on behalf of the Board of Directors of
SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED

Prince K. Elias
Director
DIN: 07292533
Mumbai, May 20, 2025

Rakeshchandra Jagdishprasad Sinha
Director
DIN: 07340998
Mumbai, May 20, 2025

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

₹ in Million

Particulars	Equity share capital ^	Other equity Reserve and surplus Retained earnings	Total
Balance as at March 31, 2023 (a)	0.1	890.6	890.7
Profit for the year	-	69.2	69.2
Other comprehensive income for the year, net of tax *		(0.3)	(0.3)
Total comprehensive Income for the year (b)	**-**	**68.9**	**68.9**
Balance as at March 31, 2024 (c) (a+b)	**0.1**	**959.5**	**959.6**
Profit for the year	-	394.9	394.9
Other comprehensive income for the year net of tax *		(1.0)	(1.0)
Total comprehensive Income for the year (d)	**-**	**393.9**	**393.9**
Balance as at March 31, 2025 (c+d)	**0.1**	**1,353.4**	**1,353.5**

* Represents remeasurements of the defined benefit plans
^ Refer Note 14 for movement of number of shares oustanding.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. : 324982E/E300003

per Amit Singh
Partner
Membership No. : 408869
Mumbai, May 20, 2025

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SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A) Cash flow from operating activities		
Profit before tax	531.7	95.0
Adjustments for:		
Interest income (March 31, 2024 ₹ 1,348/-)	(7.3)	(0.0)
Finance costs	5.5	1.2
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	(8.8)	(5.2)
Net (gain) / loss on sale of financial assets measured at fair value through profit or loss	(31.5)	(28.5)
Depreciation and amortisation expense	3.2	1.2
Operating Profit before working capital changes	492.8	63.7
Movements in working capital:		
(Increase) / decrease in inventories	(58.2)	(332.6)
(Increase) / decrease in trade receivables	16.1	202.0
(Increase) / decrease in other assets	(2.0)	(22.3)
Increase / (decrease) in trade payables	20.8	51.5
Increase / (decrease) in provisions	(141.8)	17.8
Increase / (decrease) in other liabilities	27.4	(2.2)
Cash generated from / (used in) operations	355.1	(22.1)
Net Income tax (paid) / refund received (including interest on refunds)	(67.1)	(102.5)
Net cash generated from / (used in) operating activities (A)	288.0	(124.6)
B) Cash flow from investing activities		
Purchase of investments	(1,432.3)	(375.2)
Proceeds from sale of investment	1,149.5	530.0
Net cash flow from / (used in) investing activities (B)	(282.8)	154.8
C) Cash flow from financing activities		
Repayment towards lease liabilities		
Holding Company	(1.8)	(0.3)
Fellow subsidiary	(0.3)	(0.3)
Interest Paid on lease liabilities		
Holding Company	(1.3)	(0.6)
Fellow subsidiary	(0.6)	(0.6)
Net cash flow from / (used in) financing activities (C)	(4.0)	(1.8)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1.2	28.4
Cash and cash equivalents at beginning of the year	32.7	4.3
Cash and cash equivalents at the end of the year	**33.9**	**32.7**

Cash and cash equivalents comprises of : (Refer Note 10) ₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	33.9	32.7
	33.9	**32.7**

For movement of lease liabilities, Refer Note 33
The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. : 324982E/E300003

For and on behalf of the Board of Directors of
SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED

per Amit Singh
Partner
Membership No. : 408869
Mumbai, May 20, 2025

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DIN: 07340998
Mumbai, May 20, 2025

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1. General Information

Softdeal Pharmaceutical Private Limited ("the Company") CIN U51900MH2006PTC159237 is a private limited company incorporated and domiciled in India, having it's registered office at Acme Plaza, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059, Maharashtra. The Company is incorporated under the provisions of Companies Act, as applicable in India. The Company is a wholly owned subsidiary of Sun Pharmaceutical Industries Ltd.The Company is engaged in the business of manufacturing, developing and marketing a wide range formulation.

The Financial statements were authorised for issue in accordance with a resolution of the directors on May 20, 2025.

2. MATERIAL ACCOUNTING POLICIES :

2.1 Statement of compliance

The Company has prepared financial statements for the year ended March 31, 2025 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2024 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for:
(i) certain financial instruments that are measured at fair values at the end of each reporting period; (ii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below :

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are presented in ₹ and all values are rounded to the nearest million (₹ 000,000) upto one decimal, except when otherwise indicated.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 within 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.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

A. Current vs Non-current

Based on the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

B. 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.

C. Property, plant and equipment

Items of property, plant and equipment are stated in consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated.

Assets in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is recognised on the cost of assets (other than freehold land and Capital work-in-progress) less their residual values on straight-line method over their useful lives. Leasehold improvements are depreciated over period of the lease agreement or the useful life, whichever is shorter. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as follows:

Asset Category	No. of years
Vehicles	5-10
Office Equipment	2-5

D. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets except Trade Receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the date the Company commits to purchase or sell the financial assets.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

A debt instrument' is measured at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or FVTOCI, is classified at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all the changes recognised in the statement of profit or loss.

Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

· The contractual rights to receive cash flows from the asset have expired, or

· The Company has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In respect of other financial assets (eg: debt securities, deposits, bank balances etc), the Company generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and lease liabilities, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.
Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For instruments not held-for-trading financial liabilities designated as at FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. These gains/ loss are not subsequently transferred to profit or loss. All other changes in fair value of such liability are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the statment of profit or loss.

After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statment of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

E. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents

F. Inventories

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade, stores and spares and finished goods are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost of raw materials and packing materials, stock-in-trade, stores and spares includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition. Cost of work-in-progress and finished goods comprises direct material, direct labour , amortisation and depreciation of intangible / tangible assets and an appropriate proportion of other variable and fixed overhead expenditure.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

G. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Restructuring

A provision for restructuring is recognised when the Company has a detailed formal restructuring plan and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditure arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received from the contract.

Contingent liabilities and contingent assets

Contingent liability is disclosed for,

(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

H. Revenue

Sale of goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, since it is the primary obligor in all of its revenue arrangement, as it has pricing latitude and is exposed to inventory and credit risks. Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sales returns

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company’s estimate of expected sales returns. With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company’s business and markets. With respect to new products introduced by the Company, such products have historically been either extensions of an existing line of product where the Company has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company’s competitors.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Rendering of services

Revenue from services rendered is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

I. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

J. Employee benefits

Defined benefit plans

The Company operates a defined benefit gratuity plan which requires contribution to be made to a separately administered fund.

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the statement of profit and loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in the statement of profit and loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

Termination benefits

Termination benefits are recognised as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term and other long-term employee benefits

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value.

Defined contribution plans

The Company's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions. The Company does not have any obligation other than the contribution made.

K. Income tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is not recognised for the temporary differences that arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits and taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

The Company recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.
A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised except:

-When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

-In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.
Deferred tax liabilities are recognised for all taxable temporary differences, except:

-When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences

-In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

L. Exceptional items

Exceptional items refer to items of income or expense, including tax items, within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

2.3 Recent Accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has notified following amendments:

1. Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

2. Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information to enable understand the impact on the entity’s financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information. The company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 3 (a)
PROPERTY, PLANT AND EQUIPMENT

₹ in Million

Particulars	Vehicles	Office equipment	Total
At cost or deemed cost			
As at March 31, 2023	1.1	0.0	1.1
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2024	1.1	0.0	1.1
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2025	**1.1**	**0.0**	**1.1**
Accumulated depreciation and impairment			
As at March 31, 2023	0.2	0.0	0.2
Depreciation expense (Office equipment ₹ 7,297/-)	0.2	0.0	0.2
Disposals	-	-	-
As at March 31, 2024	0.4	0.0	0.4
Depreciation expense	0.2	-	0.2
Disposals	-	-	-
As at March 31, 2025	**0.6**	**0.0**	**0.6**
Carrying amount			
As at March 31, 2024	0.7	0.0	0.7
As at March 31, 2025	**0.5**	**0.0**	**0.5**

Footnotes
The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE :3 (b)
RIGHT OF USE ASSETS ₹ in Million

Particulars	Building
At cost	
As at March 31, 2023	18.0
Addition	-
Disposals	-
As at March 31, 2024	**18.0**
Addition	14.6
Disposals	-
As at March 31, 2025	**32.6**
Accumulated depreciation	
As at March 31, 2023	2.0
Depreciation expense	1.0
Disposals	-
As at March 31, 2024	**3.0**
Depreciation expense	3.0
Disposals	-
As at March 31, 2025	**6.0**
Carrying amount	
As at March 31, 2024	**15.0**
As at March 31, 2025	**26.6**

Footnote
For details of Ind AS 116 disclosure refer Note 33.

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 4
DEFERRED TAX ASSET/LIABILITY (NET)

₹ in Million

Particulars	Opening balance April 1, 2024	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance March 31, 2025
Deferred Tax Asset – [A]				
Provision for Employee Benefits- leave encashment & Gratuity	2.9	0.5	0.4	3.8
Lease Liability created under Ind As 116	4.1	3.2	-	7.3
Written down value of property, plant and equipment	0.0	0.1	-	0.1
Expenses that are allowed on payment basis	1.8	0.0	-	1.8
	8.8	3.8	0.4	13.0
Deferred Tax Liability – [B]				
Right-of-use assets	(3.8)	(2.9)	-	(6.7)
Financial assets measured at fair value through profit or loss	(1.3)	(2.3)	-	(3.6)
	(5.1)	(5.2)	-	(10.3)
Net Deferred Tax Asset/Liability [A-B]	**3.7**	**(1.4)**	**0.4**	**2.7**

DEFERRED TAX ASSET/LIABILITY (NET)

₹ in Million

Particulars	Opening balance April 1, 2023	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance March 31, 2024
Deferred Tax Asset – [A]				
Provision for Employee Benefits- leave encashment & Gratuity	1.8	1.0	0.1	2.9
Lease Liability created under Ind As 116	4.3	(0.2)	-	4.1
Written down value of property, plant and equipment (March 31, 2024 ₹ 30,254/-)	0.0	0.0	-	0.0
Expenses that are allowed on payment basis	1.6	0.2	-	1.8
	7.7	1.0	0.1	8.8
Deferred Tax Liability – [B]				
Right-of-use assets / Property, plant and Equipment	(4.0)	0.2	-	(3.8)
Financial assets measured at fair value through profit or loss	(6.6)	5.3	-	(1.3)
	(10.6)	5.5	-	(5.1)
Net Deferred Tax Asset/Liability [A-B]	**(2.9)**	**6.5**	**0.1**	**3.7**

NOTE : 5
INCOME TAX ASSETS (NET) (NON-CURRENT)

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax	-	34.2
[March 31,2024 Net of provisions ₹ 328.1 Million]	**-**	**34.2**

NOTE : 6
OTHER ASSETS (NON-CURRENT)

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances*	10.1	10.1
	10.1	**10.1**

*The Company is a party to an on-going litigation on the title of the land between the seller of the land and a third party, against which the advance has been paid. The Company is confident of the recoverability / settlement against this advance.

NOTE : 7
INVENTORIES

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Lower of cost and net realisable value		
Raw materials and packing materials	57.4	41.2
Work-in-progress	9.4	11.1
Finished goods	59.1	42.0
Goods in transit	-	14.5
Stock-in-trade	345.2	304.1
	471.1	**412.9**

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 8
INVESTMENTS (CURRENT)

₹ in Million

Particulars	As at March 31, 2025		As at March 31, 2024	
	Quantity	Amount	Quantity	Amount
Investments in mutual funds				
Unquoted (Fair value through profit or loss) *				
Baroda Bnp Paribas Liquid Fund - Direct Growth	226,770.6	678.2	127,504.4	355.1
	226,770.6	**678.2**	**127,504.4**	**355.1**

* Investments in mutual funds have been fair valued at closing net asset value (NAV).

NOTE : 9
TRADE RECEIVABLES

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good	612.3	622.3
	612.3	**622.3**

NOTE : 10
CASH AND CASH EQUIVALENTS

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	33.9	32.7
	33.9	**32.7**

There are no conditions or material restrictions in using the cash and cash equivalent.

NOTE : 11
LOANS (CURRENT)

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Loans to employees	0.5	0.3
	0.5	**0.3**

NOTE : 12
OTHER FINANCIAL ASSETS (CURRENT)

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits (unsecured, considered good)	1.0	1.0
	1.0	**1.0**

NOTE : 13
OTHER ASSETS (CURRENT)

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with government authorities *	24.9	19.9
Prepaid expenses	3.7	3.9
Advances for supply of goods and services		
Considered good	1.6	1.2
Other assets	4.3	7.8
* includes balances of Goods and Services tax	**34.5**	**32.8**

NOTE : 14
EQUITY SHARE CAPITAL

₹ in Million

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of shares	₹	No of shares	₹
Authorised share capital				
Equity shares of ₹ 10 each	10,000	0.1	10,000	0.1
	10,000	**0.1**	**10,000**	**0.1**
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	10,000	0.1	10,000	0.1
	10,000	**0.1**	**10,000**	**0.1**

(a) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of reporting period ₹ in Million

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of shares	₹	No of shares	₹
Opening balance	10,000	0.1	10,000	0.1
Closing balance	**10,000**	**0.1**	**10,000**	**0.1**

(b) Details of shareholders holding more than 5 percent equity shares / Promoter Shareholding in the Company are as follows

Particulars	As at March 31, 2025		As at March 31, 2024	
	No.	%	No.	%
Equity shares				
Sun Pharmaceutical Industries Ltd (Holding Company)	10,000	100%	10,000	100%

(c) Rights, preference and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Shares reserved for issue under options:

There are no shares reserved for issue under options.

(e) The Company has not issued any bonus shares / shares for consideration other than cash / brought back any shares during the period of five years immediately preceding the reporting date. Hence, disclosures regarding aggregate number of bonus shares issued for consideration other than cash is not applicable.

NOTE : 15

OTHER EQUITY ₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings	1,353.4	959.5
	1,353.4	**959.5**

Refer statement of changes in equity for detailed movement in other equity balance.

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

NOTE : 16

PROVISIONS (NON CURRENT) ₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits	6.8	6.4
	6.8	**6.4**

NOTE : 17

OTHER FINANCIAL LIABILITIES ₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Payable to Employee	9.6	16.1
Security deposits	38.4	3.3
	48.0	**19.4**

NOTE : 18

OTHER CURRENT LIABILITIES ₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory remittances	4.8	6.5
	4.8	**6.5**

NOTE : 19

CURRENT TAX LIABILITIES (NET) ₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Income Tax (Net) [March 31, 2025 Net of Advance tax ₹ 398.2 Million]	36.5	-
	36.5	**-**

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 20
PROVISIONS (CURRENT)

₹ in Million

Particulars	**As at March 31, 2025**	**As at March 31,2024**
Product return Provisions (Refer Note 38)	-	143.3
Employee benefits	8.1	5.2
	8.1	**148.5**

NOTE : 21
REVENUE FROM OPERATIONS

₹ in Million

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Revenue from contracts with customers (Refer Note 40)	2,298.5	1,559.5
Other operating revenues (March 31, 2025 ₹ 24,405)	0.0	-
	2,298.5	**1,559.5**

NOTE : 22
OTHER INCOME

₹ in Million

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Net gain on sale of financial assets measured at fair value through profit or loss	31.5	28.5
Net gain arising on financial assets measured at fair value through profit or loss	8.8	5.2
Interest income on :		
Interest income Employee Loan (March 31, 2025 ₹ 17,672/-, March 31, 2024 ₹ 1,348/-)	0.0	0.0
Interest Income - Income Tax	1.2	-
Interest Income - Others	6.1	-
Sundry balances written back, net (March 31, 2025 ₹ 10,000/-, March 31, 2024 ₹ 1,960/-)	0.0	0.0
Insurance claims	0.2	-
	47.8	**33.7**

NOTE : 23
COST OF MATERIALS CONSUMED

₹ in Million

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Raw materials and packing materials		
Inventories at the beginning of the year	41.2	56.2
Purchases during the year	271.7	423.3
Inventories at the end of the year	(57.4)	(41.2)
	255.5	**438.3**

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 24
CHANGES IN INVENTORIES OF FINISHED GOODS WORK IN PROGRESS AND STOCK IN TRADE

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock:		
Finished Goods	56.5	12.4
Stock-in-Trade	304.1	1.0
Work-in-Progress	11.1	10.6
	371.7	24.0
Less:		
Closing Stock:		
Finished Goods	59.1	56.5
Stock-in-Trade	345.2	304.1
Work-in-Progress	9.4	11.1
	413.7	371.7
Changes In Inventories:		
Finished Goods	(2.6)	(44.1)
Stock-in-Trade	(41.1)	(303.1)
Work-in-Progress	1.7	(0.5)
	(42.0)	**(347.7)**

NOTE : 25
EMPLOYEE BENEFITS EXPENSE

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	106.2	97.9
Contribution to provident and other funds *	7.4	6.4
Staff welfare expense (March 31, 2025 ₹ 31,315/-)	0.0	3.1
	113.6	**107.4**

* includes gratuity expense of ₹ 2.3 Million (March 31, 2024 : 1.9 Million)

NOTE : 26
FINANCE COSTS

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expenses on :		
Interest expense others (includes interest on income tax)	3.6	-
Interest expense on lease liability	1.9	1.2
	5.5	**1.2**

NOTE : 27
OTHER EXPENSES

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Conversion and other manufacturing charges	29.2	23.6
Rates and taxes	3.4	11.7
Legal and professional fees	6.7	4.5
Payments to auditors		
For Audit	0.9	0.9
Reimbursement of expenses	0.1	0.1
Printing and stationery	0.5	0.9
Selling & Distribution	110.4	86.2
Communication	0.9	0.6
Travelling & conveyance	33.8	29.1
Rent	7.4	6.3
Freight outward	44.0	25.2
Repairs and maintenance	5.2	4.0
Insurance	3.8	2.2
Donations	8.1	6.4
Commission on sales	93.2	66.9
Net (gain) / loss on foreign currency transactions	-	0.1
Miscellaneous expenses	1.2	2.3
	348.8	**270.9**

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 28
TAX RECONCILIATION

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Reconciliation of tax expense		
Profit before tax	531.7	95.0
Income tax rate (%) applicable to the Company #	25.168%	25.168%
Income tax calculated at income tax rate	133.8	23.9
Effect of expenses that are not deductible	3.0	1.9
Income tax expense recognised in statement of profit and loss	**136.8**	**25.8**

The Company has elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

NOTE : 29
EARNINGS PER SHARE

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributed to Equity Share holders (`₹ in Million)	394.9	69.2
Weighted average number of shares used in computing basic and diluted earnings per share (of ₹ 10/- each)	10,000.0	10,000.0
Earnings Per Share – Basic & Diluted ₹	39,487.2	6,920.3

NOTE : 30
CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	21.6	21.6

There are no outstanding contingent liabilities, For lease related commitments refer Note 33.

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 31
TRADE PAYABLES
(A) DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount remaining unpaid to any supplier as at the end of the accounting year	16.6	20.3
	16.6	20.3

There are no amounts of interest paid / due / payable during the year / previous year / succeeding year. Also, there is no amount of interest accrued and remaining unpaid at the end of current accounting year / previous accounting year.

(B) TRADE PAYABLE AGEING

₹ in Million

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Outstanding dues of micro and small enterprises	16.6	-	-	-	-	16.6
Outstanding dues of other than micro and small enterprises	342.7	24.9	0.5	0.0	-	368.1
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of other than micro and small enterprises	-	-	-	-	-	-
	359.3	24.9	0.5	0.0	-	384.7

March 31, 2025 - 2-3 Years ₹ 25,531

₹ in Million

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
Outstanding dues of micro and small enterprises	20.3		-	-	-	20.3
Outstanding dues of other than micro and small enterprises	321.5	20.9	1.3	-	-	343.7
Disputed dues of micro and small enterprises (March 31, 2024 ₹15,731)	-	0.0	0.0	-	-	0.0
Disputed dues of other than micro and small enterprises	-	-	-	-	-	-
	341.8	20.9	1.3	-	-	364.0

NOTE : 32
EMPLOYEE BENEFITS

Defined contribution plan

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund and other Funds which cover all regular employees. While both the employees and the Company make predetermined contributions to the Provident Fund, contribution to the Family Pension Fund and other Statutory Funds are made only by the Company. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans is as follows:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Provident Fund and Family Pension Fund	4.7	4.3

Defined benefit plan

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for Gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company reviews the level of funding in gratuity fund. The Company decides its contribution based on the results of its annual review. The Company aims to keep annual contributions relatively stable at a level such that the fund assets meets the requirements of gratuity payments in short to medium term.

Risks

These plans typically expose the Company to actuarial risks such as:

(a) Interest Rate risk:-

The plan exposes the Company to the risk of fall in interest rates . A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will result in an increase in the value of the liability (as shown in financial statements).

(b) Liquidity Risk:

This is the risk that the Company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

(c) Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability

(d) Investment Risk :

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Other long term benefit plan

Actuarial valuation for compensated absences is done as at the year end and the provision is made as per Company policy with corresponding charge to the Statement of Profit and Loss amounting to ₹ 3.7 Million (March 2024 ₹ 2.5 Million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined as at the year end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long term employee benefit plans are recognised in the Profit and Loss.

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity(Funded)	Gratuity(Funded)
Expense recognised in the statement of profit and loss (Refer Note 25)		
Current service cost	2.1	1.8
Interest cost	1.3	1.1
Expected return on plan assets	(1.1)	(1.0)
Expense recognised in the statement of profit and loss	2.3	1.9
Remeasurement of defined benefit obligation recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	1.6	0.4
Actuarial gain on plan assets	(0.2)	-
Expense /(Income) recognised in other comprehensive income	1.4	0.4

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity(Funded)	Gratuity(Funded)
Reconciliation of defined-benefit obligations		
Obligation as at the beginning of the year	18.1	14.8
Current service cost	2.1	1.8
Interest cost	1.3	1.1
Actuarial gains on obligations		
- due to change in demographic assumptions (March 31, 2024 : ₹ 12,271/-)	0.3	0.0
- due to change in financial assumptions	0.5	1.0
- due to experience	0.8	(0.6)
Obligation as at the year end	23.1	18.1

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity(Funded)	Gratuity(Funded)
Reconciliation of plan assets		
Plan assets as at the beginning of the year	15.5	13.5
Investment Income	1.1	1.0
Employer's contribution during the year	2.1	1.0
Return on plan assets, excluding amount recognised in net interest expense (March 31, 2024 : ₹ 3,177/-)	0.2	(0.0)
Plan assets as at the year end	18.9	15.5

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity(Funded)	Gratuity(Funded)
Reconciliation of liability/(asset) recognised in the Balance sheet		
Present value of commitments (as per actuarial valuation)	23.1	18.1
Fair value of plan assets	18.9	15.5
Net liability recognised in the financial statement	4.2	2.6

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity(Funded)	Gratuity(Funded)
Assumption		
Discount rate	6.60%	7.15%
Expected return on plan assets	6.60%	7.15%
Expected rate of salary increase	11.20% / 10.54%	11.25% / 10.54%
Interest rate guarantee	N.A.	N.A.
Mortality	100% of Indian Assured Lives Mortality 2012-14	100% of Indian Assured Lives Mortality 2012-14
Attrition / Withdrawal rate (per annum) Field / Non Field Employees,	11.30% / 12.20%	12.26% / 14.00%
Retirement Age (years)	60 Years	60 Years

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity(Funded)	Gratuity(Funded)
Sensitivity analysis:		
The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period,while holding all other assumptions constant.		
Impact on defined benefit obligation		
Delta effect of +1% change in discount rate	(1.1)	(0.9)
Delta effect of -1% change in discount rate	1.2	0.9
Delta effect of +1% change in salary escalation rate	1.1	0.9
Delta effect of -1% change in salary escalation rate	(1.0)	(0.8)
Delta effect of +1% change in rate of employee turnover	0.3	(0.2)
Delta effect of -1% change in rate of employee turnover	(0.3)	0.2
Maturity analysis of projected benefit obligation		
1st year	10.5	2.7
2nd year	1.3	6.2
3rd year	1.3	3.3
4th year	1.3	1.0
5th year	1.3	1.0
More than 5 years	19.1	14.0
The major categories of plan assets - 100% Funds managed by Insurer	18.9	15.5
The contribution expected to be made by the Company for gratuity, during financial year ending March 31, 2025 is ₹ 6.3 Million (Previous year ₹ 4.8 Million)		

NOTE : 33
LEASES

In accordance with IND AS 116 , the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Management has exercised judgement in determining whether extension and termination options are reasonably certain to be exercised. Expenses relating to short-term leases and low-value assets for the year ended March 31, 2025 is ₹ 9.1 Million (March 31, 2024 ₹ 6.3 Million)

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:		
Not later than one year	5.2	1.8
Later than one year and not later than five years	19.6	7.1
Later than five years	16.2	18.2
	41.0	**27.1**

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Movement of lease liabilities		
Opening balance	16.4	17.0
Additions	14.6	-
Interest on lease liabilities	2.0	1.2
Payment towards lease liabilities	(4.0)	(1.8)
Closing balance	**29.0**	**16.4**

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 34
CATEGORIES OF FINANCIAL INSTRUMENTS

₹ in Million

Particulars	**As at March 31, 2025**		
	Fair value through profit or loss	**Fair value through other comprehensive income**	**Amortised cost**
Financial assets			
Mutual fund	678.2	-	-
Trade receivables	-	-	612.3
Cash and cash equivalents	-	-	33.9
Security deposits	-	-	1.0
Loans to employees	-	-	0.5
Total	**678.2**	**-**	**647.7**
Financial liabilities			
Lease Liabilities	-	-	29.0
Payable to Employee	-	-	9.6
Security deposits	-	-	38.4
Trade payables	-	-	384.7
Total	**-**	**-**	**461.7**

Particulars	**As at March 31, 2024**		
	Fair value through profit or loss	**Fair value through other comprehensive income**	**Amortised cost**
Financial assets			
Mutual fund	355.1	-	-
Trade receivables	-	-	622.3
Cash and cash equivalents	-	-	32.7
Security deposits	-	-	1.0
Loans to employees	-	-	0.3
Total	**355.1**	**-**	**656.3**
Financial liabilities			
Lease Liabilities	-	-	16.4
Payable to Employee	-	-	16.1
Security deposits	-	-	3.3
Trade payables	-	-	364.0
Total	**-**	**-**	**399.8**

NOTE : 35
FAIR VALUE HIERARCHY

₹ in Million

Particulars	**As at March 31, 2025**		
	Level 1	**Level 2**	**Level 3**
Financial Asset measured at fair value on a recurring basis at the end of each reporting period			
Investment in Mutual funds	678.2	-	-

Particulars	**As at March 31, 2024**		
	Level 1	**Level 2**	**Level 3**
Financial Asset measured at fair value on a recurring basis at the end of each reporting period			
Investment in Mutual funds	355.1	-	-

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 within Level 1, that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

There were no transfers between Level 1 and 2 in the periods.

The management considers that the carrying amount of financial assets and financial liabilities carried at amortised cost approximates their fair value.

NOTE : 36
RELATED PARTY DISCLOSURES AS PER ANNEXURE "A"

NOTE : 37
FINANCIAL RISK MANAGEMENT
The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Investments
The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any significant losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Trade receivables
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 from various customers.

TRADE RECEIVABLE AGEING

₹ in Million

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) Undisputed Trade receivables –considered good	254.0	299.7	58.6	-	-	-	612.3
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
Total	**254.0**	**299.7**	**58.6**	**-**	**-**	**-**	**612.3**

₹ in Million

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
(i) Undisputed Trade receivables –considered good	332.0	289.9	*0.0	0.4	-	-	622.3
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
Total	**332.0**	**289.9**	**0.0**	**0.4**	**-**	**-**	**622.3**

* ₹ 3745.43
Trade receivables from parties are non-interest bearing and are generally on terms of 1 to 60 days.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.
The table below provides details regarding the contractual maturities of significant financial liabilities :

₹ in Million

Particulars	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2025
Non derivative				
Trade payable	384.2	0.5	-	384.7
Lease liabilities	3.1	7.4	18.5	29.0
Other financial liabilities	48.0	-	-	48.0
	435.3	**7.9**	**18.5**	**461.7**

₹ in Million

Particulars	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2024
Non derivative				
Trade payable	364.0	-	-	364.0
Lease liabilities	0.6	1.4	14.4	16.4
Other financial liabilities	19.4	-	-	19.4
	384.0	**1.4**	**14.4**	**399.8**

Market risk
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and operating activities in foreign currencies. However, the Company has not entered into foreign exchange transactions and does not have any investments or borrowings on floating rate of interest. Hence, the Company has minimal exposure in the risk of market rate and prices.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However, the Company has minimal exposure to the risk of changes in market interest rates. As at the balance sheet date, the Company has not entered into any derivatives contracts.

Commodity rate risk
Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of pharmaceutical products. As of March 31, 2025 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 38
In respect of any present obligation as a result of past event that could lead to a probable outflow of resources, provisions has been made, which would be required to settle the obligation. The said provisions are made as per the best estimate of the management and disclosure as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets" has been given below :

Particulars	As at * March 31, 2025	As at * March 31, 2024
At the commencement of the year	143.4	128.9
Add: Provision for the year	-	74.2
Less: Utilisation / settlement / reversal/actualized.	143.4	59.8
At the end of the year	-	**143.4**

* Provision is related to Product and sales return

NOTE : 39
FINANCIAL RATIOS

Ratios and Formulae	Remarks	As at March 31, 2025	As at March 31, 2024	Variance (in %)
a) Current ratio = (Current assets) / (Current liabilities)	Change due to increase in Current Investments	3.8	2.7	40%
b) Debt equity ratio = (Long-term borrowings + Short-term borrowings and lease liabilities) / (Total equity) [March 31,2025 - 0.02 & March 31,2024 - 0.02]	-	0.0	0.0	0%
c) Debt service coverage ratio = {Profit/(loss) after tax but before finance costs, depreciation and amortisation and exceptional items} / (Finance costs + Short-term borrowings + Short term Lease liabilities)	-	46.9	39.0	20%
d) Return on equity ratio (%) = (Net profit/(loss) after tax / Equity share capital)	Change due to increase in profit	394872.1%	69202.7%	470.3%
e) Inventory turnover ratio = (Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress) / (Average inventory)	Change due to increase in Average inventory	3.0	4.5	-32.4%
f) Trade receivables turnover ratio in no. of days = (Average trade receivables * no. of days) / (Revenue from contracts with customers)	Change due to increase in revenue and decrease in Average trade receivables	98.0	145.6	-32.7%
g) Trade payable turnover ratio in no. of days = (Average trade payable * no. of days) / (Purchases during the year)	-	120.9	120.2	0.6%
h) Net capital turnover ratio = (Revenue from contracts with customers) / {Current assets - current liabilities)	-	1.7	1.7	0.5%
i) Net profit ratio (%) = {Net profit/(loss) after tax} / (Total revenue from operations)	Change due to increase in revenue from operation	17.2%	4.4%	287.0%
j) Return on capital employed (%) = {Net Profit/(loss) after tax} / (Total assets - Total liability - intangible assets - intangible assets under development - Goodwill + Long term borrowings + Short term borrowings + Lease liabilities)	Change due to increase in profits	28.6%	7.1%	302.7%
k) Return on investment = (Income generated from FVTPL Investment) / Weighted average FVTPL investment	-	7.8%	8.1%	-3.9%

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 40
REVENUE FROM CONTRACTS WITH CUSTOMERS

The reconciling items of revenue recognised in the statement of profit and loss with the contracted price are as follows ₹ in Million

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price, net of returns	2,373.6	1,913.1
Less :		
Provision for sales return	(143.4)	14.5
Rebates, discounts and price reduction	218.5	339.1
	2,298.5	**1,559.5**

₹ in Million

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract balances		
Trade receivables	612.3	622.3
	612.3	**622.3**

Contract balances of Trade receivables and Contract liabilities as on April 01, 2023 were ₹ 824.3 Million and ₹ Nil respectively.

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of goods and services are transferred to customer based on the contractual term. Payment term with customer vary depending upon the contractual terms of each contract.

NOTE : 41
CAPITAL MANAGEMENT

The Company's capital management objectives are:
- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents and bank balances as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.
For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent.

NOTE : 42
SEGMENT
The Company has only one reportable segment namely 'Pharmaceuticals' as per Ind AS 108 on Segment Reporting.

NOTE : 43
The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. Certain sections of these Codes came into effect on May 03, 2023. However, the final rules / interpretation have not been issued. The Company will assess the impact of these Codes and give effect in the standalone financial statements when the Rules/Schemes thereunder are notified.

NOTE : 44
OTHER NOTES

a. No proceeding have been initiated or pending against the Company under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.

b. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

c. The Company has not traded or invested in crypto currency or virtual currency during the financial year

d. The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

e. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

f. The Company has not been sanctioned working capital limits in excess of Rs. five crore in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets.

g. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

h. 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

i. No funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

J. Corporate social responsibility (CSR)
As per section 135 of the Companies Act, 2013, the Company is required to spend at least 2% of its average net profits for the immediately preceding three financial years on corporate social responsibility activities. The CSR Committee of the Company monitors the CSR activities and the projects are undertaken in pursuance of the Company's CSR Policy and the Annual Action Plan. Company's Annual Action Plan for the financial year 2023-24 covered CSR activities in the areas - Health, Education, Rural Development, Water and Sanitation, Environment Conservation, Promotions of Sports Training.

₹ in Million

Particulars	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
(a) Amount required to be spent by the company during the year	8.1	7.7
(b) Amount of expenditure incurred	7.8	8.3
(c) Set-off of excess spent of previous years, if any	0.3	-
(d) Shortfall / (surplus) at the end of the year	-	(0.6)
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA
(g) Details of related party transactions (as per Ind AS 24)	-	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

As at March 31, 2025, amount available for set off in subsequent years is ₹ 0.4 Million pertaining to year 2023-24.

K. Audit Trail –
The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that in respect of a software the audit trail feature for certain changes made using privileged/ administrative access rights was enabled during the year. Further no instance of audit trail feature being tampered with was noted in respect of accounting software where the audit trail has been enabled. Additionally, in respect of the financial year 2023-24 the Company has preserved the requirements of recording audit trail to the extent it was enabled and recorded in respect of that year.

L. During the year, the Company has not revalued its property, plant and equipment (including right-of-use assets).

NOTE : 45
USE OF ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes: Revenue [Refer Note 2(2.2)(h)] and Income Tax [Refer Note 2(2.2)(k)]

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. : 324982E/E300003

per Amit Singh
Partner
Membership No. : 408869
Mumbai, May 20, 2025

For and on behalf of the Board of Directors of
SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED

Prince K. Elias
Director
DIN: 07292533
Mumbai, May 20, 2025

Rakeshchandra Jagdishprasad Sinha
Director
DIN: 07340998
Mumbai, May 20, 2025

SOFTDEAL PHARMACEUTICAL PRIVATE LIMITED **ANNEXURE "A"**

DISCLOSURE PURSUANT TO IND AS 24 'RELATED PARTY DISCLOSURES :

(I) Names of related parties and description of their relationships

1 Holding Company
Sun Pharmaceutical Industries Limited

2 Fellow Subsidiaries
Sun Pharma Distributors Limited
Sun Pharma Laboratories Limited

3 Key Management Personnel (KMP)

Name	Designation	
Mr. Chandrakant K. Agrawal (upto January 30, 2024)	Non executive Director	DIN No. : 02525499
Mr. Rakeshchandra J. Sinha	Non executive Director	DIN No. : 07340998
Mr. Kedar Nath Senapati	Non executive Director	DIN No. : 09352943
Mr. Prince Kalarickal Elias (w.e.f January 29, 2024)	Additional Director	DIN No. : 07292533

(II) Detail of related party transactions

₹ in Million

Type of Transaction	Period Ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers, net of returns	**3.4**	**366.1**
Holding Company	1.3	1.8
Fellow Subsidiaries	2.1	364.3
Purchase of goods	**1.1**	**3.5**
Holding Company	0.9	1.5
Fellow Subsidiaries	0.2	2.0
Reimbursement of expenses paid	**11.6**	**8.1**
Holding Company	6.6	7.0
Fellow Subsidiaries	5.0	1.1
Receiving of service	**36.8**	**31.2**
Holding Company	11.9	9.7
Fellow Subsidiaries	24.9	21.5
Rent expense / payment towards lease liabilities	**4.3**	**1.9**
Holding Company	3.4	1.0
Fellow Subsidiaries	0.9	0.9

Balance outstanding as at the end of the period

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Payables	**25.8**	**18.6**
Holding Company	13.4	13.9
Fellow Subsidiaries	12.4	4.7
Receivables	**137.5**	**27.0**
Fellow Subsidiaries	137.5	27.0
Lease liabilities	**29.0**	**16.4**
Holding Company	21.1	8.2
Fellow Subsidiaries	7.9	8.2

Transactions with related parties are made on arm’s length basis. Outstanding trade balances at the period-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Revenue from contracts with customers, net of returns
The transactions are made to related parties on the same terms as applicable to third parties in an arm’s length transaction and in the ordinary course of business. The Company mutually negotiates and agrees sales price, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties, who purchase goods and services of the Company.

Purchase of goods
Purchases are made from related parties on the same terms as applicable to third parties in an arm’s length transaction and in the ordinary course of business. The Company mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party and similar purchase transactions entered into by the Company with the other non-related parties.

Receiving of service
The service received are mainly in nature of conversion charges and other fees. The Company mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to the services to non-related parties entered into by the counter-party and similar services received by the Company from other non-related parties.

As per Holding Company RPT disclosure policy, there are no material related party transactions during the year ended March 31, 2025.