

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Sun Pharmaceutical Medicare Limited

### **Report on the Audit of the Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Sun Pharmaceutical Medicare 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid 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 loss 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 Board 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 Ind AS 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 Ind AS 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, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Ind AS 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 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 are not applicable to be 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30 to the Ind AS financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There 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, and read with note 46(e) to the Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, and read with note 46(f) to the Ind AS financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

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- vi. Based on our examination which included test checks and except for the instances described in note 46(j) 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 46(j) 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: 25408869BMNXGH3625  
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: Sun Pharmaceutical Medicare 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 maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties are held in the name of 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), the details of which are as follows:

Particulars	Amount in INR Million
Aggregate amount provided during the year to -	
- Employees	18.0
Balance outstanding as at balance sheet date in respect of above cases	
- Employees	10.3

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 any investments or provided guarantees, given security or granted advances in nature of loans during the year.

- (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 amounts 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) According to the records of the company the dues of goods and services tax, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amount (INR million)*	Period to which it pertains	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty and Penalty	271.7	FY 2009-10 to FY 2016-17	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
The Central Excise Act, 1944	Excise Duty and Penalty	4.4	FY 2002-04	Hon'ble High Court of Gujarat

Name of the Statute	Nature of dues	Amount (INR million)*	Period to which it pertains	Forum where the dispute is pending
Central Goods & Services Tax Act, 2017	Goods and service Tax	17.6	FY 2019-20 to FY 2020-21	Commissioner (Appeals)

\*Amount stated are net of advances paid/adjusted under protest.

- 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 has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) 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) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by 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). hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No fraud by the Company or no 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 cost auditor/secretarial auditor or by us in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government.
- (c) As presented to us by management, there are no whistleblower complaints received by the company during the year.
- 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 incurred cash losses in current year amounting to INR 16.1 million and in the immediately preceding financial year, the Company had not incurred cash losses.
- 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 44 to the Ind AS financial statements, ageing and expected dates of realisation 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, considering the company's accumulated losses exceeds the shareholder's fund by INR 4,341.3 million, based on continuing operational and financial support from the Holding company, 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) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company

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

**per Amit Singh**  
Partner  
Membership Number: 408869  
UDIN: 25408869BMNXGH3625  
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 Sun Pharmaceutical Medicare 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 Sun Pharmaceutical Medicare 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: 25408869BMNXGH3625  
Place of Signature: Mumbai  
Date: May 20, 2025

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**BALANCE SHEET as at MARCH 31, 2025**

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3 (a) & (b)	3,833.3	3,985.0
(b) Capital work-in-progress	3 (c)	1,449.7	1,209.4
(c) Goodwill	4	1.0	1.0
(d) Other Intangible assets	4	4.8	5.5
(e) Financial assets			
(i) Other financial assets	5	14.4	14.4
(f) Deferred tax assets (net)	6	-	-
(g) Income tax assets	7	45.5	61.1
(h) Other non-current assets	8	159.8	328.2
<b>Total non-current assets</b>		<b>5,508.5</b>	<b>5,604.6</b>
<b>(2) Current assets</b>			
(a) Inventories	9	1,523.2	1,030.1
(b) Financial assets			
(i) Trade receivables	10	1.1	11.5
(ii) Cash and cash equivalents	11	5.4	9.1
(iii) Loans	12	10.3	6.4
(c) Other current assets	13	657.6	546.4
<b>Total current assets</b>		<b>2,197.6</b>	<b>1,603.5</b>
<b>TOTAL ASSETS</b>		<b>7,706.1</b>	<b>7,208.1</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	2.5	2.5
(b) Other equity	15	(4,341.3)	(3,835.3)
<b>Total equity</b>		<b>(4,338.8)</b>	<b>(3,832.8)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	8,091.1	8,091.1
(ii) Other financial liabilities	17	1,781.5	1,235.4
(b) Provisions	18	34.7	29.2
<b>Total non-current liabilities</b>		<b>9,907.3</b>	<b>9,355.7</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables			
(a) total outstanding dues of micro and small enterprises	34	58.0	59.9
(b) total outstanding dues of creditors other than micro and small enterprises	34	297.8	341.0
(ii) Other financial liabilities	19	105.4	113.8
(b) Other current liabilities	20	1,632.6	1,127.2
(c) Provisions	21	43.8	43.3
<b>Total current liabilities</b>		<b>2,137.6</b>	<b>1,685.2</b>
<b>TOTAL LIABILITIES</b>		<b>12,044.9</b>	<b>11,040.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,706.1</b>	<b>7,208.1</b>

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  
**SUN PHARMACEUTICAL MEDICARE LIMITED**

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

**Kedar Nath Senapati**  
Director  
DIN: 09352943  
Mumbai, May 20, 2025

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

**SUN PHARMACEUTICAL MEDICARE 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	22	4,097.0	3,227.0
(II) Other income	23	97.1	188.1
<b>(III) Total income (I + II)</b>		<b>4,194.1</b>	<b>3,415.1</b>
<b>(IV) Expenses</b>			
Cost of materials consumed	24	1,173.1	1,033.5
Changes in inventories of finished goods and work-in-progress	25	95.7	(57.0)
Employee benefits expense	26	830.5	702.3
Finance costs	27	606.8	558.8
Depreciation and amortisation expenses	3 (a) & (b) & 4	484.8	471.3
Other expenses	28	1,502.3	1,146.6
<b>Total expenses (IV)</b>		<b>4,693.2</b>	<b>3,855.5</b>
<b>(V) Loss before tax (III-IV)</b>		<b>(499.1)</b>	<b>(440.4)</b>
<b>(VI) Tax expense / (credit)</b>			
Current tax	29	-	-
Deferred tax	6 & 29	1.8	2.7
<b>Total tax expense / (credit) (VI)</b>		<b>1.8</b>	<b>2.7</b>
<b>(VII) Loss for the year (V - VI)</b>		<b>(500.9)</b>	<b>(443.1)</b>
<b>(VIII) Other comprehensive income</b>			
<b>A) Items that will not be reclassified to profit and loss</b>			
Gain / (Loss) on remeasurements of the defined benefit plans		(6.9)	(10.4)
Income tax on above		1.8	2.7
<b>Total other comprehensive income (VIII)</b>		<b>(5.1)</b>	<b>(7.7)</b>
<b>(IX) Total comprehensive income for the year (VII+VIII)</b>		<b>(506.0)</b>	<b>(450.8)</b>
<b>Loss per equity share (face value per equity share - ₹ 10)</b>			
Basic (in ₹)	35	(2,003.6)	(1,772.4)
Diluted (in ₹)	35	(2,003.6)	(1,772.4)

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  
**SUN PHARMACEUTICAL MEDICARE LIMITED**

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

**Kedar Nath Senapati**  
Director  
DIN: 09352943  
Mumbai, May 20, 2025

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

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**

₹ in Million

Particulars	Equity share capital*	Other equity	Total
		Reserve and surplus	
		Retained earnings	
<b>Balance as at March 31, 2023</b>	<b>2.5</b>	<b>(3,384.5)</b>	<b>(3,382.0)</b>
Loss for the year	-	(443.1)	(443.1)
Other comprehensive income for the year, net of tax	-	^ (7.7)	(7.7)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(450.8)</b>	<b>(450.8)</b>
<b>Balance as at March 31, 2024</b>	<b>2.5</b>	<b>(3,835.3)</b>	<b>(3,832.8)</b>
Loss for the year	-	(500.9)	(500.9)
Other comprehensive income for the year, net of tax	-	^ (5.1)	(5.1)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(506.0)</b>	<b>(506.0)</b>
<b>Balance as at March 31, 2025</b>	<b>2.5</b>	<b>(4,341.3)</b>	<b>(4,338.8)</b>

^ Represents remeasurement of the defined benefit plans

\* Refer Note 14 for movement of number of shares outstanding.

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  
**SUN PHARMACEUTICAL MEDICARE LIMITED**

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

**Kedar Nath Senapati**  
Director  
DIN: 09352943  
Mumbai, May 20, 2025

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

**SUN PHARMACEUTICAL MEDICARE 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
<b>A. Cash flow from operating activities</b>		
Loss before tax	(499.1)	(440.4)
Adjustments for:		
Depreciation and amortisation expenses	484.8	471.3
Finance costs	606.8	558.8
Net (gain) / loss on disposal of property, plant and equipment (March 31, 2024 ₹ 3,819)	(0.3)	(0.0)
(Gain) / loss on derecognition of right-of-use assets	-	(183.8)
Interest income	(1.6)	(4.3)
Effect of exchange rate changes	(6.6)	(2.5)
<b>Operating profit / (loss) before working capital changes</b>	<b>584.0</b>	<b>399.1</b>
<b>Movements in working capital:</b>		
(Increase) / decrease in inventories	(493.1)	(150.8)
(Increase) / decrease in trade receivables	10.4	(10.9)
(Increase) / decrease in other assets	46.3	93.5
Increase / (decrease) in trade payables	(51.7)	80.1
Increase / (decrease) in other liabilities	516.3	681.9
Increase / (decrease) in provisions	(0.9)	15.6
<b>Cash generated from / (used in) operations</b>	<b>611.3</b>	<b>1,108.5</b>
Net Income tax (paid) / refund received (including interests on refunds)	15.8	(28.8)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>627.1</b>	<b>1,079.7</b>
<b>B. Cash flow from investing activities</b>		
Payments for purchase of property, plant and equipment (including capital work-in-progress, other intangible assets)	(585.2)	(2,321.7)
Proceeds from disposal of property, plant and equipment and other intangible assets	3.9	6.3
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(581.3)</b>	<b>(2,315.4)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	-	1,340.0
Interest paid on lease liabilities	-	(61.4)
Interest paid	(49.5)	(44.0)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(49.5)</b>	<b>1,234.6</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(3.7)</b>	<b>(1.1)</b>
Cash and cash equivalents at the beginning of the year	9.1	10.2
<b>Cash and cash equivalents at the end of the year</b>	<b>5.4</b>	<b>9.1</b>

**Notes:**

**1. Cash and cash equivalents comprises of :**

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	5.3	9.1
Cash on hand (March 31, 2024 ₹ 15,769/-)	0.1	0.0
<b>Cash and cash equivalents in statement of cash flow (Refer note 11)</b>	<b>5.4</b>	<b>9.1</b>

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

**SUN PHARMACEUTICAL MEDICARE LIMITED**

**Kedar Nath Senapati**

Director

DIN: 09352943

Mumbai, May 20, 2025

**Rakeshchandra Jagdishprasad Sinha**

Director

DIN: 07340998

Mumbai, May 20, 2025



**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**1. General information**

Sun Pharmaceutical Medicare Limited ( the "Company" ) (CIN U36900GJ2017PLC095132), is a public limited company incorporated and domiciled in India, having it's registered office at SPARC, Tandalja, Vadodara, Gujarat 390012, India. The company is incorporated under the provisions of the Companies Act, as applicable in India. The Company is engaged in the business of manufacturing, developing and marketing a wide range of branded and generic formulation. The Company has one manufacturing location at Baska, Gujarat.

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 its 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), as applicable to the financial statements.

**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) Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell;
- (iii) 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 Indian Rupees (₹) 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 versus 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. Foreign currency**

*Foreign currency transactions*

On initial recognition, transactions in currencies other than the Company's functional currency (foreign currencies) are translated at exchange rates on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate on that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in the statement of profit and loss in the period in which they arise except for :

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

- i. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- ii. exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Non-monetary items that are measured in terms of historical cost in foreign currency are measured using the exchange rates at the date of initial transaction.

**c. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments.

**d. Property, plant and equipment**

Items of property, plant and equipment are stated in 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
Factory Building *	30
Plant and equipment	3-20
Vehicles	5-10
Office equipment	2-5
Furniture and fixtures	10

\* Includes leasehold improvements transferred to factory building.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment and furniture and fixtures over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Software for internal use, which is primarily acquired from third-party vendors and which is an integral part of a tangible asset, including consultancy charges for implementing the software, is capitalised as part of the related tangible asset. Subsequent costs associated with maintaining such software are recognised as expense as incurred. The capitalised costs are amortised over the lower of the estimated useful life of the software and the remaining useful life of the tangible fixed asset.

**e. Goodwill and Other Intangible assets**

**Goodwill**

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Company's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses.

**Other Intangible assets**

Other Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

*Research and development*

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes. An internally-generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- i. development costs can be measured reliably;
- ii. the product or process is technically and commercially feasible;
- iii. future economic benefits are probable; and
- iv. the Company intends to and has sufficient resources/ability to complete development and to use or sell the asset.

Development expenditure is capitalised when the criteria for recognising an asset are met, usually when a regulatory filing has been made in a major market and approval is considered highly probable.

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

The consideration for acquisition of intangible asset which is based on reaching specific milestone that are dependent on the Company's future activity is recognised only when the activity requiring the payment is performed.

*De-recognition of intangible assets*

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

**f. *Impairment of non-financial assets other than goodwill***

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit (as defined below) is the higher of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

In respect of assets other than goodwill, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**g. *Non-current assets held for sale***

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

**h. *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.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

***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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

*Debt instrument at FVTOCI*

A 'debt instrument' is measured as 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 as 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 and 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 as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as 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 and 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 as 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.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

If the Company decides to classify an equity instrument as 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 and loss.

*De-recognition*

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 derecognition 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 the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and 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 (e.: 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 the 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.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

*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 the 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 and 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 statement of profit and 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 statement of profit and 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 derecognition 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 statement of profit and loss.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

*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.

**i. 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 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 are recognised as revenue in the period in which they are earned.

**j. Inventories**

Inventories consisting of raw materials and packing materials, work-in-progress, 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, 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.

**k. 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.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

*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.

**I. 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, noncash 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.



**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

*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.

**m. 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.

**n. 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 at the earlier of the date when the Company can no longer withdraw the offer of those benefits and when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

*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.

**o. 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.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

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.

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.

### **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.

**NOTE : 3 (a)**  
**PROPERTY, PLANT AND EQUIPMENT**

₹ in Million							
Particulars	Freehold land	Factory building	Plant and equipment	Vehicles	Office equipment	Furniture and fixtures	Total
<b>At cost</b>							
As at March 31, 2023	-	47.9	2,725.8	5.7	2.7	147.6	2,929.7
Additions	404.0	1,054.0	1,002.2	2.1	2.6	9.3	2,474.2
Disposals	-	-	(10.5)	(1.7)	(0.1)	-	(12.3)
<b>As at March 31, 2024</b>	<b>404.0</b>	<b>1,101.9</b>	<b>3,717.5</b>	<b>6.1</b>	<b>5.2</b>	<b>156.9</b>	<b>5,391.6</b>
Additions	-	3.2	326.5	4.1	0.3	1.9	336.0
Disposals	-	-	(8.8)	(0.7)	(0.1)	-	(9.6)
<b>As at March 31, 2025</b>	<b>404.0</b>	<b>1,105.1</b>	<b>4,035.2</b>	<b>9.5</b>	<b>5.4</b>	<b>158.8</b>	<b>5,718.0</b>
<b>Accumulated depreciation</b>							
As at March 31, 2023	-	3.1	914.6	3.5	1.6	67.0	989.8
Depreciation expense	-	23.8	382.8	0.9	0.7	14.6	422.8
Disposals	-	-	(4.9)	(1.0)	(0.1)	-	(6.0)
<b>As at March 31, 2024</b>	<b>-</b>	<b>26.9</b>	<b>1,292.5</b>	<b>3.4</b>	<b>2.2</b>	<b>81.6</b>	<b>1,406.6</b>
Depreciation expense	-	36.8	430.3	1.2	1.0	14.8	484.1
Disposals	-	-	(5.2)	(0.7)	(0.1)	-	(6.0)
<b>As at March 31, 2025</b>	<b>-</b>	<b>63.7</b>	<b>1,717.6</b>	<b>3.9</b>	<b>3.1</b>	<b>96.4</b>	<b>1,884.7</b>
<b>Carrying amount</b>							
As at March 31, 2024	404.0	1,075.0	2,425.0	2.7	3.0	75.3	3,985.0
As at March 31, 2025	404.0	1,041.4	2,317.6	5.6	2.3	62.4	3,833.3

**NOTE : 3 (b)**  
**RIGHT-OF-USE ASSETS AT COST**

₹ in Million		
Particulars	Buildings	Total
As at March 31, 2023	2,527.0	2,527.0
Addition	-	-
Disposals	(2527.0)	(2,527.0)
<b>As at March 31, 2024</b>	<b>-</b>	<b>-</b>
Addition	-	-
Disposals	-	-
<b>As at March 31, 2025</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation</b>		
As at March 31, 2023	133.0	133.0
Depreciation expense	48.0	48.0
Disposals	(181.0)	(181.0)
<b>As at March 31, 2024</b>	<b>-</b>	<b>-</b>
Depreciation expense	-	-
Disposals	-	-
<b>As at March 31, 2025</b>	<b>-</b>	<b>-</b>
<b>Carrying amount</b>		
As at March 31, 2024	-	-
As at March 31, 2025	-	-

For details of Ind AS 116 - 'Leases' disclosure refer note 37.

**NOTE : 3 (c)**

CAPITAL WORK IN PROGRESS		
₹ in Million		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As at March 31, 2024	1,209.4	1,269.2
Addition	575.7	1,004.1
Capitalised	(335.4)	(1,063.6)
Disposal	-	(0.3)
<b>As at March 31, 2025</b>	<b>1,449.7</b>	<b>1,209.4</b>

**Revaluation of PPE**

During the year, the Company has not revalued its property, plant and equipment or intangibles or both.

**Details of property not in the name of the company as at March 31, 2025.**

There are no immovable properties not in the name of the company as leased properties have been purchased.

**Details of property not in the name of the company as at March 31, 2024.**

There are no immovable properties not in the name of the company as leased properties have been purchased.

Details of capital work-in-progress :

₹ in Million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
<b>Ageing of capital work-in-progress</b>					
Projects in progress	437.5	614.6	85.8	311.8	1,449.7
Projects temporarily suspended	-	-	-	-	-
	<b>437.5</b>	<b>614.6</b>	<b>85.8</b>	<b>311.8</b>	<b>1,449.7</b>

₹ in Million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
<b>Ageing of capital work-in-progress</b>					
Projects in progress	706.1	96.4	224.5	182.4	1,209.4
Projects temporarily suspended	-	-	-	-	-
	<b>706.1</b>	<b>96.4</b>	<b>224.5</b>	<b>182.4</b>	<b>1,209.4</b>

₹ in Million

Particulars	To be completed in				As at March 31, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Overdue capital work-in-progress</b>					
Projects in progress	-	-	-	-	-
Domestic formulation	515.8	-	-	-	515.8
Projects temporarily suspended	-	-	-	-	-
	<b>515.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>515.8</b>

₹ in Million

Particulars	To be completed in				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Overdue capital work-in-progress</b>					
Projects in progress	-	-	-	-	-
Domestic formulation	465.9	-	-	-	465.9
Projects temporarily suspended	-	-	-	-	-
	<b>465.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>465.9</b>

NOTE : 4

GOODWILL / INTANGIBLE ASSETS

₹ in Million

Particulars	Computer software	Goodwill	Total
<b>At cost</b>			
As at March 31, 2023	-	1.0	1.0
Additions	6.0	-	6.0
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>6.0</b>	<b>1.0</b>	<b>7.0</b>
Additions	-	-	-
Disposals	-	-	-
<b>As at March 31, 2025</b>	<b>6.0</b>	<b>1.0</b>	<b>7.0</b>
<b>Accumulated amortisation</b>			
As at March 31, 2023	-	-	-
Depreciation expense	0.5	-	0.5
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>0.5</b>	<b>-</b>	<b>0.5</b>
Depreciation expense	0.7	-	0.7
Disposals	-	-	-
<b>As at March 31, 2025</b>	<b>1.2</b>	<b>-</b>	<b>1.2</b>
<b>Carrying amount</b>			
As at March 31, 2024	5.5	1.0	6.5
As at March 31, 2025	4.8	1.0	5.8

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**NOTE : 5**  
**OTHER FINANCIAL ASSETS (NON-CURRENT)**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Security deposits (unsecured, considered good)	14.4	14.4
	<b>14.4</b>	<b>14.4</b>

**NOTE : 6**  
**DEFERRED TAX ASSETS (NET)**

Particulars	₹ in Million			
	Opening balance as at April 01, 2024	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Closing balance as at March 31, 2025
Deferred tax (liabilities) / assets in relation to:				
Difference between written down value of property, plant and equipment as per books of accounts and income tax	(239.2)	8.4	-	(230.8)
Expenses claimed for tax purpose on payment basis	22.2	7.1	(1.80)	27.5
Allowance for doubtful debts	5.6	-	-	5.6
Unabsorbed depreciation / carried forward losses	211.5	(13.7)	-	197.8
	<b>-</b>	<b>1.8</b>	<b>(1.8)</b>	<b>-</b>

Particulars	₹ in Million			
	Opening balance as at April 01, 2023	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Closing balance as at March 31, 2024
Deferred tax (liabilities) / assets in relation to:				
Difference between written down value of property, plant and equipment as per books of accounts and income tax	(132.3)	(106.9)	-	(239.2)
Expenses claimed for tax purpose on payment basis	18.6	6.3	(2.70)	22.2
Allowance for doubtful debts	5.6	-	-	5.6
Unabsorbed depreciation / carried forward losses	108.2	103.3	-	211.5
	<b>-</b>	<b>2.7</b>	<b>(2.7)</b>	<b>-</b>

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
<b>Unused tax losses for which no deferred tax assets have been recognised are attributable to the following :</b>		
Tax losses *	3,047.5	1,949.9
Unabsorbed depreciation	2,326.3	2,299.1
	<b>5,373.8</b>	<b>4,249.0</b>

\* Unused tax losses will expire from financial year 2025-26 to 2032-33.

**NOTE : 7**  
**INCOME TAX ASSETS (NON-CURRENT)**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Advance income tax	45.5	61.1
	<b>45.5</b>	<b>61.1</b>

**NOTE : 8**  
**OTHER ASSETS (NON-CURRENT)**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Capital advances	20.9	27.9
Balances with government authorities *	138.9	300.3
	<b>159.8</b>	<b>328.2</b>

\* includes amount paid under protest

**NOTE : 9**  
**INVENTORIES**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Lower of cost and net realisable value		
Raw materials and packing materials	869.6	441.9
Work-in-progress	58.4	104.0
Finished goods	178.8	228.9
Stores and spares	416.4	255.3
	<b>1,523.2</b>	<b>1,030.1</b>

(i) Inventory write downs are accounted considering the nature of inventory, estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products as well as the provisioning policy. Write downs of inventories as at year end amounted to ₹ 441.2 Million (March 31, 2024: ₹ 479.3 Million). The changes in write downs are recognised as an expense in the statement of profit and loss.

(ii) The cost of inventories recognised as an expense is disclosed in note 24, 25 and 28.

**NOTE : 10**  
**TRADE RECEIVABLES**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good	1.1	11.5
Credit impaired	21.4	21.4
	<b>22.5</b>	<b>32.9</b>
Less : Allowance for credit impaired	(21.4)	(21.4)
	<b>1.1</b>	<b>11.5</b>

**NOTE : 11**  
**CASH AND CASH EQUIVALENTS**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	5.3	9.1
Cash on hand (March 31, 2024 : ₹ 15,769)	0.1	0.0
	<b>5.4</b>	<b>9.1</b>
There are no conditions or restrictions in using the cash and cash equivalent.		

**NOTE : 12**  
**LOANS (CURRENT)**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Loan to employees	10.3	6.4
	<b>10.3</b>	<b>6.4</b>

SUN PHARMACEUTICAL MEDICARE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 13

OTHER ASSETS (CURRENT)

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Balances with government authorities *	610.9	509.8
Advances for supply of goods and services	22.7	20.2
Prepaid expenses	24.0	16.4
	<b>657.6</b>	<b>546.4</b>

\* includes balance of goods and services tax

NOTE : 14

EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	₹ in Million	Number of shares	₹ in Million
<b>Authorised share capital</b>				
Equity shares of ₹ 10 each	2,50,000	2.5	2,50,000	2.5
	<b>2,50,000</b>	<b>2.5</b>	<b>2,50,000</b>	<b>2.5</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 10 each	2,50,000	2.5	2,50,000	2.5
	<b>2,50,000</b>	<b>2.5</b>	<b>2,50,000</b>	<b>2.5</b>

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

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Opening balance	2,50,000	2.5	2,50,000	2.5
Closing balance	<b>2,50,000</b>	<b>2.5</b>	<b>2,50,000</b>	<b>2.5</b>

(b) Details of shareholders holding more than 5% of capital in the Company / Shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of holding	Number of shares	% of holding
Holding Company				
Sun Pharma Laboratories Limited	2,50,000	100%	2,50,000	100%

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

The equity shares of the Company, having par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

(d) No equity shares have been issued as bonus or shares issued for consideration other than cash or bought back during the period of five years immediately preceding the reporting date.

NOTE : 15

OTHER EQUITY

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Reserve and surplus		
Retained earnings	(4,341.3)	(3,835.3)
	<b>(4,341.3)</b>	<b>(3,835.3)</b>

Nature and purpose of reserve

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.

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

NOTE : 16

BORROWINGS (NON-CURRENT)

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Unsecured		
Loan from related parties (refer note 38 and 39)	8,091.1	8,091.1
	<b>8,091.1</b>	<b>8,091.1</b>

NOTE : 17

OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Unsecured		
Interest accrued	1,781.5	1,235.4
	<b>1,781.5</b>	<b>1,235.4</b>

NOTE : 18

PROVISIONS (NON-CURRENT)

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Employee benefits (refer note 36)	34.7	29.2
	<b>34.7</b>	<b>29.2</b>

NOTE : 19

OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Payable on purchase of property, plant and equipment	67.8	78.1
Payable to employees	37.2	35.4
Security deposits	0.4	0.3
	<b>105.4</b>	<b>113.8</b>

SUN PHARMACEUTICAL MEDICARE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE : 20

OTHER CURRENT LIABILITIES

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Statutory remittances	77.8	69.6
Advance from customers (refer note 42)	1,554.8	1,057.6
	<b>1,632.6</b>	<b>1,127.2</b>

NOTE : 21

PROVISIONS (CURRENT)

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
Employee benefits (refer note 36)	43.8	43.3
	<b>43.8</b>	<b>43.3</b>

NOTE : 22

REVENUE FROM OPERATIONS

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers (refer note 42)	4,081.5	3,209.8
Other operating revenues	15.5	17.2
	<b>4,097.0</b>	<b>3,227.0</b>

NOTE : 23

OTHER INCOME

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on : Loans at amortised cost	0.6	0.5
Others [includes interest on income tax refund of Rs ₹ 1.6 Million (March 31, 2024 : ₹ 1.4 Million)]	96.2	3.8
<b>Total Interest income</b>	<b>96.8</b>	<b>4.3</b>
Net gain on sale of property, plant and equipment (March 31, 2024: ₹ 3,819)	0.3	0.0
Gain on derecognition of right-of-use assets	-	183.8
	<b>97.1</b>	<b>188.1</b>

NOTE : 24

COST OF MATERIALS CONSUMED

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Raw materials and packing materials</b>		
Inventories at the beginning of the year	441.9	486.9
Purchases during the year	1,600.8	988.5
Inventories at the end of the year	(869.6)	(441.9)
	<b>1,173.1</b>	<b>1,033.5</b>

NOTE : 25

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock:		
Finished goods	228.9	257.8
Work-in-progress	104.0	18.1
	<b>332.9</b>	<b>275.9</b>
Less:		
Closing stock:		
Finished goods	178.8	228.9
Work-in-progress	58.4	104.0
	<b>237.2</b>	<b>332.9</b>
Change in Inventories:		
Finished goods	50.1	28.9
Work-in-progress	45.6	(85.9)
	<b>95.7</b>	<b>(57.0)</b>

NOTE : 26

EMPLOYEE BENEFITS EXPENSE

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	718.3	613.1
Contribution to provident and other funds (*) (refer note 36)	53.5	43.3
Staff welfare expenses	58.7	45.9
	<b>830.5</b>	<b>702.3</b>

\* Includes gratuity expense of ₹ 16.8 Million (March 31, 2024 : ₹ 13.9 Million)

NOTE : 27

FINANCE COSTS

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense for financial liabilities carried at amortised cost	606.8	495.0
Interest expense on lease liabilities	-	63.8
Interest expenses others (March 31, 2025: ₹ 1,581 & March 31, 2024: ₹ 54,615)	0.0	0.0
	<b>606.8</b>	<b>558.8</b>

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**NOTE : 28**

**OTHER EXPENSES**

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of materials, stores and spare parts	653.2	249.7
Conversion and other manufacturing charges	120.5	118.9
Power and fuel	276.8	299.9
Rent	0.8	0.7
Rates and taxes	53.5	50.8
Insurance	36.6	29.5
Selling and distribution (March 31, 2025 ₹ 7080)	0.0	-
Repairs and maintenance	248.0	292.3
Printing and stationery	4.6	11.0
Travelling and conveyance	2.4	6.1
Freight outward and handling charges	4.9	5.9
Communication	2.7	2.3
Professional, legal and consultancy	35.3	22.2
Net loss on foreign currency transactions	(6.5)	(8.0)
Payments to auditors (net of input credit, wherever applicable)	-	-
As audit fees	1.0	1.0
Reimbursement of expenses	0.1	0.1
Miscellaneous expenses	68.4	64.2
	<b>1,502.3</b>	<b>1,146.6</b>

**NOTE : 29**

**TAX RECONCILIATION**

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Reconciliation of tax expense</b>		
Loss before tax	(499.1)	(440.4)
Enacted income tax rate (%) #	26.0%	26.0%
Tax expense	(129.8)	(114.5)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	129.8	114.5
Others	1.8	2.7
Income tax expense recognised in statement of profit and loss	<b>1.8</b>	<b>2.7</b>

# The tax rate used for reconciliation above is the corporate tax rate of 26.0% (March 31, 2024: 26.0%) at which the company is liable to pay tax on taxable income under the Indian Tax Law.

**NOTE : 30**

**CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
<b>i Contingent liabilities</b>		
Liabilities disputed - appeals filed with respect to :		
a. GST/ Excise duty / service tax on account of valuation / cenvat credit.	4.5	7.8
<b>ii Commitments</b>		
a. Estimated amount of contracts remaining to be executed on capital account (net of advances)	195.7	181.1
b. Letter of credit for import	6.7	4.1
<b>iii Guarantees given by the bankers on behalf of the Company</b>	<b>31.1</b>	<b>31.1</b>

**NOTE : 31**

**CATEGORIES OF FINANCIAL INSTRUMENTS**

Particulars	₹ in Million		
	As at March 31, 2025		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
<b>Financial assets</b>			
Loan to employees	-	-	10.3
Security deposits	-	-	14.4
Trade receivables	-	-	1.1
Cash and cash equivalents	-	-	5.4
	<b>-</b>	<b>-</b>	<b>31.2</b>
<b>Financial liabilities</b>			
Borrowings	-	-	8,091.1
Trade payables	-	-	355.8
Interest accrued	-	-	1,781.5
Payable on purchase of property, plant and equipment	-	-	67.8
Payable to employees	-	-	37.2
Security deposits	-	-	0.4
	<b>-</b>	<b>-</b>	<b>10,333.8</b>

Particulars	₹ in Million		
	As at March 31, 2024		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
<b>Financial assets</b>			
Loan to employees	-	-	6.4
Security deposits	-	-	14.4
Trade receivables	-	-	11.5
Cash and cash equivalents	-	-	9.1
	<b>-</b>	<b>-</b>	<b>41.4</b>
<b>Financial liabilities</b>			
Borrowings	-	-	8,091.1
Trade payables	-	-	400.9
Interest accrued	-	-	1,235.4
Payables on purchase of property, plant and equipment	-	-	78.1
Payable to employees	-	-	35.4
Security deposits	-	-	0.3
	<b>-</b>	<b>-</b>	<b>9,841.2</b>



**NOTE : 32**

**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 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 equity reserves attributable to the equity holders of the parent.

Debt equity ratio		₹ in Million	
Particulars		As at March 31, 2025	As at March 31, 2024
Debt (includes borrowings and lease liabilities)		8,091.1	8,091.1
Total equity, including reserves		(4,338.8)	(3,832.8)
Debt to total equity ratio		(1.9)	(2.1)

**NOTE : 33**

**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.

**Trade receivables**

**Trade receivable ageing**

	Not due						₹ in Million
		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	0.1	0.6	0.3	-	0.1	-	1.1
(ii) Undisputed Trade Receivables--credit impaired	-	-	-	-	-	21.4	21.4
	0.1	0.6	0.3	-	0.1	21.4	22.5

	Not due						₹ in Million
		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 *	0.8	10.1	0.0	0.5	-	0.1	11.5
(ii) Undisputed Trade Receivables -- credit impaired	-	-	-	-	-	21.4	21.4
	0.8	10.1	0.0	0.5	-	21.5	32.9

\*Undisputed Trade receivables--considered good : 6 months -1 year is ₹ 27,316.

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Movement in the expected credit loss allowance on trade receivables</b>		
Balance at the beginning of the year	21.4	21.4
Addition	-	-
Recoveries	-	-
Balance at the end of the year	21.4	21.4

**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 Company has unutilised working capital lines from banks of ₹ 443.3 Million as on March 31, 2025 (March 31, 2024 ₹ 445.9 Million).

The table below provides details regarding the contractual maturities of significant financial liabilities :

Particulars	₹ in Million			
	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2025
Borrowings	-	8,091.1	-	8,091.1
Interest accrued	-	1,781.5	-	1,781.5
Trade payables	355.8	-	-	355.8
Other financial liabilities	105.4	-	-	105.4
	461.2	9,872.6	-	10,333.8
Particulars	₹ in Million			
	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2024
Borrowings	-	8,091.1	-	8,091.1
Interest accrued	-	1,235.4	-	1,235.4
Trade payables	400.9	-	-	400.9
Other financial liabilities	113.8	-	-	113.8
	514.7	9,326.5	-	9,841.2

**Foreign exchange risk**

The Company's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars, Euros). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

**a) Significant foreign currency risk exposure relating to trade payable**

Particulars	₹ in Million			
	As at March 31, 2025			
	USD	EUR	Others	Total
Financial liabilities				
Trade payables	30.3	5.8	11.1	47.2
	30.3	5.8	11.1	47.2
Particulars	₹ in Million			
	As at March 31, 2024			
	USD	EUR	Others	Total
Financial liabilities				
Trade payables	20.6	4.6	0.9	26.1
	20.6	4.6	0.9	26.1

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**b) Sensitivity**

For the years ended March 31, 2025 and March 31, 2024, every 5% strengthening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets/liabilities would decrease the Company's loss and increase the Company's equity by approximately ₹ 2.4 Million and ₹ 1.3 Million respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to an equal but opposite effect.  
In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

**NOTE : 34**

**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.

Particulars	₹ in Million	
	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	58.0	59.9
	<b>58.0</b>	<b>59.9</b>

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**

Particulars	Not Due	₹ in Million				As at March 31, 2025
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises	50.9	-	-	-	-	50.9
Outstanding dues of other than micro and small enterprises	231.0	40.8	10.2	0.7	15.1	297.8
Disputed dues of micro and small enterprises	-	4.9	1.4	0.2	0.6	7.1
	<b>281.9</b>	<b>45.7</b>	<b>11.6</b>	<b>0.9</b>	<b>15.7</b>	<b>355.8</b>

Particulars	Not Due	₹ in Million				As at March 31, 2024
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises	58.0	-	-	-	-	58.0
Outstanding dues of other than micro and small enterprises*	235.0	90.0	0.9	1.1	14.0	341.0
Disputed dues of micro and small enterprises	-	1.0	0.3	-	0.6	1.9
	<b>293.0</b>	<b>91.0</b>	<b>1.2</b>	<b>1.1</b>	<b>14.6</b>	<b>400.9</b>

**NOTE : 35**

**EARNINGS PER SHARE**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Loss for the year (₹ in million) - used as numerator for calculating loss per share	(500.9)	(443.1)
Weighted average number of shares used in computing basic and diluted loss per share	2,50,000	2,50,000
Face value per share (in ₹)	10	10
Basic earnings per share (in ₹)	(2,003.6)	(1,772.4)
Diluted earnings per share (in ₹)	(2,003.6)	(1,772.4)

**NOTE : 36**

**EMPLOYEE BENEFITS**

**a) Defined contribution plan**

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Scheme (ESIC) and other Funds which covers all regular employees. While both the employees and the Company make predetermined contributions to the Provident Fund and ESIC, 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, aggregate to ₹ 36.7 Million (March 31, 2024: ₹ 29.5 Million)

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Provident Fund and Family Pension Fund	36.6	29.3
Contribution to Superannuation Fund	0.1	0.2
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	-	-
Contribution to Labour Welfare Fund ₹ 23,598 (March 31, 2024 ₹ 19,248)	0.0	0.0
	<b>36.7</b>	<b>29.5</b>

**b) Defined benefit plan**

**(i) Gratuity**

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, as amended from time to time. 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: investment risk, interest rate risk, longevity risk and salary risk.

i) Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

ii) Interest rate risk - A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

iii) Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**(ii) Other long term benefit plan - Compensated absences**

Actuarial valuation for compensated absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the statement of profit and loss amounting to ₹ 13.6 Million (March 31, 2024: ₹ 9.8 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 or 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 statement of profit and loss.

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
	Gratuity (Funded)	Gratuity (Funded)
<b>Expense recognised in the statement of profit and loss (refer note 26)</b>		
Current service cost	14.4	12.8
Interest cost	7.2	5.9
Expected returns on plan assets	(4.8)	(4.8)
<b>Expense charged to the statement of profit and loss</b>	<b>16.8</b>	<b>13.9</b>
<b>Remeasurement of defined benefit obligation recognised in other comprehensive income</b>		
Actuarial loss / (gain) on defined benefit obligation	6.8	9.7
Actuarial loss / (gain) on plan assets	0.1	0.7
Expense/(income) charged to other comprehensive income	<b>6.9</b>	<b>10.4</b>
<b>Reconciliation of defined-benefit obligation</b>		
Obligation as at the beginning of the year	<b>101.2</b>	<b>79.5</b>
Current service cost	14.4	12.8
Interest cost	7.2	5.9
Actuarial (gains) / losses on obligations		
- due to change in demographic assumptions	3.5	(3.2)
- due to change in financial assumptions	4.0	2.6
- due to experience (i.e. actual experience vs assumptions)	(0.7)	10.3
Benefits paid	(4.2)	(6.6)
Obligation as at the year end	<b>125.4</b>	<b>101.2</b>
	₹ in Million	
	As on	As on
	March 31, 2025	March 31, 2024
<b>Reconciliation of liability / (asset) recognised in the Balance sheet</b>		
Present value of commitments (as per Actuarial Valuation)	125.4	101.2
Fair value of plan assets	(92.4)	(67.3)
Net liability recognised in the financial statement	<b>33.0</b>	<b>33.9</b>
<b>Reconciliation of plan assets</b>		
Plan assets as at the beginning of the year	<b>67.3</b>	<b>64.4</b>
Interest income	4.8	4.8
Employer's contribution during the year	24.6	5.4
Benefits paid	(4.2)	(6.6)
Actuarial gain/(loss)	(0.1)	(0.7)
Plan assets as at the year end	<b>92.4</b>	<b>67.3</b>

Particulars	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
	Gratuity (Funded)	Gratuity (Funded)
<b>Significant actuarial assumptions:</b>		
Discount rate	6.60%	7.15%
Expected return on plan assets	6.60%	7.15%
Expected rate of salary increase	10.54%	10.54%
Mortality	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)
Withdrawal	12.20%	14.00%
Retirement age (years)	60 years	60 years
<b>Sensitivity analysis:</b>		
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period		
Impact on defined benefit obligation		
Delta effect of +1% change in discount rate	(8.1)	(6.0)
Delta effect of -1% change in discount rate	9.2	6.8
Delta effect of +1% change in salary escalation rate	8.8	6.5
Delta effect of -1% change in salary escalation rate	(7.9)	(5.9)
Delta effect of +1% change in rate of employee turnover	(2.0)	(1.2)
Delta effect of -1% change in rate of employee turnover	2.2	1.3
<b>Maturity analysis of projected benefits obligation for next</b>		
1st year	16.8	12.4
2nd year	18.2	12.1
3rd year	13.0	17.1
4th year	12.4	12.2
5th year	12.7	11.0
Thereafter	147.2	110.7
The major categories of plan assets as a percentage of total plan assets are as under		
Insurer managed funds	100%	100%
The weighted average duration based on discounted cash flow is 7 years.		
The contribution expected to be made by the Company for gratuity, during financial year ending March 31, 2026 is ₹ 50.6 Million [March 31, 2025: ₹ 47.5 Million]		

**NOTE : 37**

**LEASES**

The Company had 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 ₹ 0.8 Million [March 31, 2024: ₹ 0.7 Million]

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Amounts recognised in the statement of profit and loss</b>		
Interest on lease liabilities	-	63.8
Expenses relating to short-term leases	0.8	0.7
	<b>0.8</b>	<b>64.5</b>

Particulars	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Movement of lease liabilities</b>		
Opening balance	-	2,419.7
Addition	-	-
Deletion	-	(2,422.1)
Interest on lease liabilities	-	63.8
Payment towards lease liabilities	-	(61.4)
Closing balance	-	-

**NOTE : 38**  
**RELATED PARTY DISCLOSURES (Ind AS 24) AS PER ANNEXURE "A"**

**NOTE : 39**

Unsecured loan from related party ₹ 8,091.1 Million (March 31, 2024: ₹ 8,091.1 Million). The loan is repayable by March 30, 2027. The loan has been availed at 7.50%.

There were no loans which have fallen due during the year. Further, the Company has not defaulted on interest payment during the year.

**NOTE : 40**

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 financial statements when the Rules/Schemes thereunder are notified.

**NOTE : 41**  
**SEGMENT REPORTING**

The Company has only one reportable segment namely 'Pharmaceuticals' as per Ind As 108 on Segment Reporting.

**NOTE : 42**  
**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

Particular	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price, net of returns	4,081.5	3,209.8
Less : Provision for sales return	-	-
<b>Revenue from contract with customers</b>	<b>4,081.5</b>	<b>3,209.8</b>

Particular	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Disaggregation of revenue</b>		
Sale of Products	3,637.0	2,882.3
Sale of service / others	444.5	327.5
	<b>4,081.5</b>	<b>3,209.8</b>

Particular	₹ in Million	
	As at March 31, 2025	As at March 31, 2024
<b>Contract balances</b>		
Trade receivables	1.1	11.5
Contract liabilities	1,554.8	1,057.6

Contract balances of trade receivables and contract liabilities as on April 01, 2023 were ₹ 0.6 Million and ₹ 419.5 Million respectively.

Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

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

The company has recognised revenue of ₹ 1.1 Million (March 31, 2024 ₹ 1.4 Million) from the amounts included under advance received from customers at the beginning of the year.

**NOTE : 43**

As on March 31, 2025, the Company's accumulated loss of ₹ 4,341.3 Million (March 31, 2024: ₹ 3,835.3 Million) exceeds the shareholders' funds. Out of the net loss for the year of ₹ 500.9 Million (March 31, 2024: ₹ 443.1 Million), an amount of ₹ 606.8 Million (March 31, 2024: ₹ 558.8 Million) is interest on debt and ₹ 484.8 Million (March 31, 2024: ₹ 471.3 Million) is on account of depreciation and amortisation expense, being an expenditure of a non-cash nature. As the Company is continuing operational and financial support from its ultimate holding company, these financial statements have been prepared on the 'going concern' assumption.

**NOTE : 44**  
**RATIO**

Particulars	Remarks	Year ended March 31, 2025	Year ended March 31, 2024	Variation (In %)
a) Current ratio = (current assets) / (current liabilities)		1.03	0.95	8.4%
b) Debt equity ratio = (long-term borrowings + short-term borrowings and lease liabilities) / Total equity		(1.86)	(2.11)	(11.7%)
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)		0.97	1.05	(7.3%)
d) Return on equity ratio (%) = net profit/loss) after tax / equity share capital		(20.036%)	(17.723%)	13.0%
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		1.35	1.27	6.2%
f) Trade receivables turnover ratio in no. of days = (average trade receivables * no. of days) / revenue from contracts with customers	Change due to decrease in average trade receivables.	0.56	11.33	(95.0%)
g) Trade payable turnover ratio in no. of days = (average trade payable * no. of days) / purchases during the year		86.27	113.89	(24.3%)
h) Net capital turnover ratio = revenue from contracts with customers / (current assets - current liabilities)	Change is due to increase in revenue and decrease in current liability of account of extension of tenure of borrowings.	68.03	(39.29)	(273.1%)
i) Net profit ratio (%) = (net profit/loss) after tax) / (total revenue from operations)		(12.27%)	(13.80%)	(11.1%)
j) Return on capital employed (%) = (net profit / (loss) after tax) / (total assets - total liabilities - intangible assets - intangible assets under development - goodwill + long-term borrowings + short-term borrowings + lease liabilities)	- Change due to increase in working capital employed.	(13.35%)	(10.41%)	28.3%
k) Return on investment = (Income generated from FVTPL Investment) / Weighted average FVTPL investment		Not applicable	Not applicable	NA

**SUN PHARMACEUTICAL MEDICARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**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:

- a) Litigations [Refer note 2 (2.2) (k) and note 30]
- b) Revenue [Refer note 2(2.2)(l) and note 42]

**NOTE : 46**

**OTHER MATTERS**

- 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, 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) 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.
- f) 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.
- g) 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.
- h) The Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.
- i) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- j) 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.
- k) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- l) During the year, the Company has not revalued its property, plant and equipment or intangibles or both.

**NOTE : 47**

Board of Directors of Sun Pharmaceutical Medicare Limited at their meetings held on May 24, 2022, approved the Scheme of Amalgamation for merger of Sun Pharmaceutical Medicare Limited ("Transferor Companies"), with Sun Pharmaceutical Industries Limited ("Transferee Company") pursuant to the provisions of Sections 230 to 232 of Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder. The Scheme will be given effect upon approval from NCLT.

**NOTE : 48**

Figures for previous periods have been regrouped/reclassified wherever considered necessary.

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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  
**SUN PHARMACEUTICAL MEDICARE LIMITED**

**Kedar Nath Senapati**  
Director  
DIN: 09352943  
Mumbai, May 20, 2025

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

**SUN PHARMACEUTICAL MEDICARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
**Ind AS- 24 - " RELATED PARTY DISCLOSURES "**

(Annexure - 'A')

**(A) Name of related parties and description of relationship:**

- (i) Ultimate Holding Company**  
Sun Pharmaceutical Industries Limited
- (ii) Holding Company**  
Sun Pharma Laboratories Limited
- (iii) Fellow subsidiaries**  
Alkaloida Chemical Company Zrt  
Sun Farmaceutica do Brasil Ltda.  
Sun Pharma Anz Pty Ltd  
Sun Pharmaceuticals Industries Inc  
Sun Pharma Japan Ltd  
Sun Pharmaceutical Industries (Europe) B.V.  
Taro Pharmaceutical Industries Ltd
- (iv) Others**  
Sun Pharma Advanced Research Company Limited

<b>(B) Detail of related party transaction during the year ended March 31, 2025:</b>		
<b>Type of transaction</b>	<b>₹ in Million</b>	<b>₹ in Million</b>
	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
<b>Purchase of goods</b>	<b>279.1</b>	<b>123.7</b>
Ultimate Holding Company	278.8	120.2
Holding Company	0.3	1.4
Fellow subsidiaries	-	2.1
<b>Purchase of property, plant and equipment</b>	<b>2.6</b>	<b>1.8</b>
Ultimate Holding Company	2.6	1.8
<b>Revenue from contracts with customers, net of returns</b>	<b>3,633.3</b>	<b>2,880.8</b>
Ultimate Holding Company	3,633.1	2,868.2
Holding Company	0.2	12.4
Others (March 31, 2025: ₹ 30714)	0.0	0.2
<b>Sale of property, plant and equipment</b>	<b>4.0</b>	<b>5.7</b>
Ultimate Holding Company	2.6	0.8
Holding Company	1.4	4.9
<b>Rendering of service</b>	<b>444.5</b>	<b>327.5</b>
Ultimate Holding Company	444.5	327.5
<b>Reimbursement of expenses paid</b>	<b>35.3</b>	<b>22.4</b>
Ultimate Holding Company	24.6	20.6
Fellow subsidiaries	10.7	1.8
<b>Loan taken</b>	<b>-</b>	<b>1,340.0</b>
Holding Company	-	1,340.0
<b>Interest expense</b>	<b>606.8</b>	<b>495.0</b>
Holding Company	606.8	495.0

<b>(C) Balances with related parties as per Ind AS- 24</b>		
<b>Type of transaction</b>	<b>₹ in Million</b>	
	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Trade receivables</b>	<b>0.0</b>	<b>9.3</b>
Holding Company	-	9.1
Others (March 31, 2025: ₹ 9687)	0.0	0.2
<b>Advance from customers</b>	<b>1,553.7</b>	<b>1,056.2</b>
Ultimate Holding Company	1,553.7	1,056.2
<b>Trade payables</b>	<b>23.0</b>	<b>11.8</b>
Holding Company	0.1	-
Fellow Subsidiaries	22.9	11.8
<b>Loan taken</b>	<b>8,091.1</b>	<b>8,091.1</b>
Holding Company	8,091.1	8,091.1
<b>Interest accrued on borrowing</b>	<b>1,781.5</b>	<b>1,235.4</b>
Holding Company	1,781.5	1,235.4

**(D) Terms and conditions of transactions with related parties**  
Transactions with related parties are made on an arm's length basis. Outstanding trade balances at the year 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 Customer**

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.

**Rendering of Service**

The services provided are mainly in nature of conversion charges, R&D charges. The Company mutually negotiated 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.

**(E) As per Ultimate Holding Company Related Party disclosure policy, there are no material related party transactions during the year ended March 31, 2025.**