Shilpa Medicare Limited

Innovating for affordable healthcare

Unlocking Innovation

The Power of Differentiation

ANNUAL REPORT 2025-26

Contents

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Forward-looking statements

Certain statements in the Annual Report of Shilpa Medicare Limited for 2025-26 constitute 'forward-looking statements', which involve known and unknown risks and opportunities, other uncertainties, and important factors that could turn out to be materially different following the publication of actual results. These forward-looking statements speak only as of the date of this document. The Company undertakes no obligation to update publicly, or release any revisions, to these forward-looking statements, to reflect events or circumstances after the date of this document, or to reflect the occurrence of anticipated events. We have tried, wherever possible, to identify such statements by using words such as 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions.

Unlocking Innovation

The Power of Differentiation

INNOVATION CREATES POSSIBILITIES. DIFFERENTIATION TRANSFORMS THEM INTO MEANINGFUL IMPACT.

FY26 represented a year of deliberate, measurable progress for Shilpa Medicare Limited. Sustained investment across R&D, manufacturing infrastructure, and regulatory capabilities translated into concrete outcomes like new product approvals, clinical milestones, strategic partnerships, and an expanded global commercial footprint. The Company's performance reflects the continued execution of a long-term strategy centred on scientific differentiation, integration across the pharmaceutical value chain, and disciplined expansion into high-complexity, high-value segments of the global market.

API business

The API business continues to demonstrate our chemistry expertise and ability to develop complex, high-value molecules. During the year, we expanded our portfolio across oncology, non-oncology, peptides, polymers, payloads, and linkers, supported by process innovation and strong technical capabilities. The Company added 15+ new oncology APIs targeting future opportunities. A notable achievement during the year was the receipt of the Certificate of Suitability (CEP) from the European Directorate for the Quality of Medicines (EDQM) for Methotrexate, a high-complexity oncology API. This certification validates both the product's quality standards and the Company's manufacturing compliance at the highest levels of international regulatory expectation. The successful validation of a new import substitution product further strengthened the domestic supply chain relevance of the API business.

The Company continued to advance its capabilities in peptide synthesis and Antibody-Drug Conjugate (ADC)-related technologies, including payloads and linkers. These investments position Shilpa Medicare to address the growing demand from global pharmaceutical innovators seeking reliable, technically sophisticated API supply partners, particularly in oncology-focused drug development programmes.

Finished Dosage Formulations

The Formulations business made significant progress across multiple fronts during FY26, with the year defined by the **commercial launch of a first-in-class novel therapy**, meaningful regulatory milestones across the complex product pipeline, and continued expansion of the international commercial footprint.

NorUDCA, the Company's first-in-class therapy for **Non-Alcoholic Fatty Liver Disease (NAFLD)** and the first such product to receive marketing authorisation in India, gained meaningful commercial traction during the year. This achievement represents a significant milestone — not only as a revenue-generating asset, but as validation of the Company's capability to develop, register, and commercialise novel, pharmaceutical products. Regulatory and commercial pathways for NorUDCA in international markets are under active evaluation. A further significant clinical milestone was the successful completion of the Phase III study for OERIS™ (Ondansetron Extended-Release Injection) — a novel, first-in-class formulation at global stage. OERIS™ delivers complete antiemetic coverage for Chemotherapy-Induced Nausea and Vomiting (CINV) through a single injection effective for up to five days, eliminating the need for multiple daily doses. The Company is pursuing regulatory approval in India and international licensing discussions underway.

In the area of complex drug delivery systems, FY26 marked two milestones of strategic importance. The Company's first transdermal patch product is on track for launch in the European market in FY27, and the first-ever transdermal patch submission to the USFDA was completed during the year. These achievements are underpinned by the Company's dedicated manufacturing facility at Dabaspet, Karnataka.

The pipeline of complex formulations continued to advance, with products including Abraxane (paclitaxel albumin-bound) and Enzalutamide progressing through development. These products are intended for commercialisation across regulated markets and represent meaningful additions to the Company's portfolio of differentiated, limited-competition offerings.

Biologics

The Biologics business recorded a year of material advancement across its clinical pipeline, biosimilar development programmes, and strategic partnerships. Progress during FY26 reinforced the Company's positioning as an integrated biologics developer and manufacturer with a credible pathway to global commercialisation. In FY26, the Company entered into a strategic licensing agreement with SteinCares to commercialise a biosimilar across Latin America. This collaboration combines Shilpa's biologics development and manufacturing strengths with SteinCares' established regional commercial platform, marking our entry into the Latin American biosimilars market and expanding patient access.

In next-generation biologics, the Company successfully initiated development of its first ADC biosimilar, integrating capabilities across monoclonal antibody production, payload chemistry, linker technology, and conjugation processes. Antibody-Drug Conjugates represent one of the most technically demanding and commercially significant categories in oncology therapeutics, and the ability to develop an ADC biosimilar reflects a high level of platform integration within the Company's biologics operations.

The Recombinant Human Albumin (rHA) programme progressed through global development pathways during FY26, with Phase III studies planned across key markets. A US Drug Master File (DMF) for excipient-grade rHA has already been filed, generating commercial interest from international clients. The Company's patented manufacturing process for therapeutic rHA, developed in partnership with **Orion Corporation for commercialisation in Europe**, positions this programme as a strategically important long-term asset.

Contract Development and Manufacturing Organisation (CDMO)

The Company's integrated CDMO platform continued to attract and retain partnerships with global pharmaceutical and biotechnology organisations during FY26. Shilpa Medicare's CDMO offering spans both small molecules and biologics, providing end-to-end capabilities from early-stage development and clinical manufacturing through to commercial-scale supply — a combination that distinguishes the Company in an increasingly specialised global marketplace.

The **CDMO** business now serves in excess of **25 active development projects across its small molecule and biologics platforms**, including several programmes at advanced clinical stages. The pipeline of CDMO engagements reflects growing confidence among global partners in the Company's technical capabilities, quality systems, and regulatory compliance track record.

Shilpa Medicare enters FY27 with a well-defined commercial agenda, a maturing pipeline of differentiated products and services, and the manufacturing infrastructure and partnership network to support sustained growth across all verticals. The Company remains committed to translating its scientific and regulatory capabilities into long-term, compounding value for its shareholders, partners, and patients.

Advancing Healthcare Through Purposeful Innovation

Established in 1987, Shilpa Medicare Limited has grown from a focused API manufacturer into a fully integrated, globally operating healthcare company with deep capabilities across Active Pharmaceutical Ingredients, Finished Dosage Formulations, Biologics, and Contract Development and Manufacturing. Over nearly four decades, the Company has built a differentiated platform characterised by scientific rigour, complex molecule expertise, and a consistent commitment to quality — serving customers and patients across more than 50 countries through regulatory-compliant manufacturing facilities approved by the USFDA, EMA, UK MHRA, TGA, and other leading global authorities. With a dedicated R&D workforce of over 400 scientists, an active pipeline spanning oncology APIs, novel drug delivery systems, biosimilars, and next-generation biologics, and an expanding CDMO partnership network, Shilpa Medicare is well-positioned at the intersection of innovation and access — developing and delivering solutions that address complex, high-unmet-need therapeutic areas while remaining accessible to the patients who need them most.

Business Segments

API
(Active Pharmaceutical Ingredient)

- **Shilpa Pharma Lifesciences**

– Oncology
– Non-Oncology
– Payloads and Linkers
– Peptides
– Polymers
– CDMO
– GLP-1

Read more on 18

Finished Dosage Formulations

- **Shilpa Medicare**
- **Shilpa Therapeutics**
- **FTF Pharma**

– Tablets/Capsules
– Injectables
– Oral Dissolving Films (ODFs)
– Transdermal patches
– CDMO

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Biosimilars

- **Shilpa Biologicals**
- **Shilpa Biocare**

– NBE
– Microbials Products
– Mammalian Products
– CDMO
– ADCs

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CDMO
(Contract Development and Manufacturing Organisation)

– HpAPI
– Peptide
– Fermentation
– Small molecule manufacturing
– Monoclonal antibodies and recombinant technology

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Emerging Businesses

NDDS
(Novel drug delivery system)

ADC
(Antibody drug conjugate)

505 (b)(2)

rHA
(Recombinant Human Albumin)

Key Highlights

₹ 1,549 Crores
Total Income
(+18%)

₹ 445 Crores
EBITDA
(+30%)

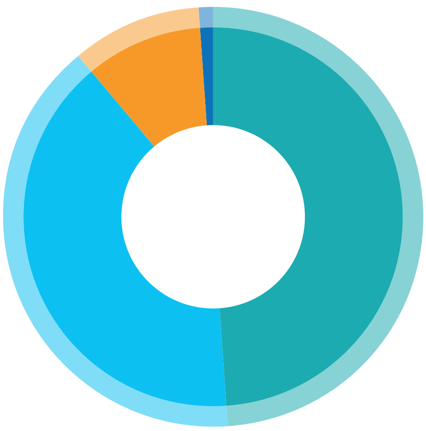
10+
Regulatory approved manufacturing and R&D facilities (including analytical lab)

400+
R&D personnel

500+
Regulatory filings across the world

50+ Countries
Worldwide presence

Segment-Wise Revenue Breakup (%)



- **49** APIs
- **40** Formulations
- **10** Biologics
- **1** Other

Geographical Presence

FROM THE CHAIRMAN'S DESK

Positioned for the Next Phase of Value Creation

Dear Shareholders,

I am pleased to present the Annual Report of Shilpa Medicare Limited for FY26. This has been a year of strong and broad-based performance for the Company, and I am proud to report that Shilpa Medicare has delivered record revenue, EBITDA, and profitability a trifecta of achievements that reflects the maturity and resilience of our multi-vertical business model.

India's domestic pharmaceutical market is at an inflection point, driven by rising healthcare expenditure, expanding insurance coverage, and the growing incidence of non-communicable diseases across oncology, metabolic, and chronic therapeutic categories. Importantly, the nature of demand is also evolving — physicians and healthcare systems are increasingly receptive to novel, clinically differentiated therapies rather than generic alternatives alone. This creates meaningful headroom for companies with genuine R&D capabilities to build durable, high-value domestic franchises.

Shilpa Medicare's domestic formulations business is well-positioned to capitalise on this shift. Our strategy of developing first-in-class and novel therapeutic products, supported by focused commercial execution and strategic co-promotion partnerships, is designed to build differentiated franchises in high-burden disease areas. The results of this approach are becoming increasingly visible, and we remain confident in the long-term potential of our differentiated and innovation-driven formulations business as a meaningful and growing contributor to the Company's overall performance.

The global biosimilars market represents one of the most significant pharmaceutical opportunities of this decade. A large number of high-value biologic medicines are facing patent expiry across major markets over the next five to seven years, and healthcare systems in the US, Europe, and emerging economies are actively seeking biosimilar alternatives to sustainably manage the cost of biologic therapies. Regulatory frameworks in key markets have matured considerably, providing a clearer pathway to approval for well-developed biosimilar programmes.

For Indian pharmaceutical companies with credible biologics capabilities, this is a generational opportunity. Shilpa Medicare has been building its biologics platform systematically, with a focused pipeline of high-value biosimilar programmes targeting large global markets across oncology, immunology, and ophthalmology. As these programmes advance through clinical development and regulatory filings, the Biologics vertical is expected to become a progressively more significant contributor to the Company's revenue and profitability. The strategic licensing arrangements the Company has secured for commercialisation across multiple international geographies provide both financial validation and the market access infrastructure to convert this pipeline into durable revenue.

On the CDMO front, Global pharmaceutical and biotech companies are restructuring their supply chains, seeking trusted, quality-assured partners for complex modalities including biologics, peptides, antibody-drug conjugates (ADCs), and advanced drug delivery systems. The global CDMO market is one of the fastest-growing segments of the pharmaceutical services industry as a result, with demand accelerating particularly in biologics and complex chemistry. India's combination of regulatory credibility, scientific depth, manufacturing scale, and cost competitiveness positions it as the natural destination of choice for global companies seeking these partnerships.

Shilpa Medicare has invested deliberately to build one of the most comprehensive integrated CDMO platforms within India which spans across small molecules, biologics, peptides, novel drug delivery systems, and ADCs. This enables us to offer global partners a genuinely integrated, end-to-end development and manufacturing solution provider. The growing interest from major global pharmaceutical and biotech organisations in our CDMO capabilities is a direct validation of the platform we have built, and we, at Shilpa, see this vertical as having significant long-term revenue potential as client relationships deepen and our service portfolio continues to expand.

Corporate Governance and ESG

The Board of Directors remains firmly committed to the highest standards of corporate governance not as a regulatory obligation, but as a core enabler of sustainable long-term value creation. The Board provides rigorous, independent oversight of the Company's strategy, risk management framework, financial controls, and compliance standards, while empowering management to execute with speed and decisiveness. We remain committed to continuously raising our governance standards in line with evolving best practices and the expectations of our stakeholders.

Shilpa Medicare is committed to conducting its business in a manner that is responsible, ethical, and sustainable. We continue to advance environmental stewardship through responsible manufacturing practices, invest in the communities around our facilities, and uphold governance standards consistent with the trust our shareholders place in us. At Shilpa Group, we monitor ESG performance regularly and remain committed to progressive improvement across all three pillars. I am pleased to share that this commitment was independently validated during the year, with Shilpa Pharma Lifesciences Limited, a material subsidiary of the Company, being awarded the Gold Medal by EcoVadis, the world's most trusted provider of business sustainability ratings, achieving a score of 82/100 that placed it in the 98th percentile globally among more than 130,000 companies evaluated. This recognition is a strong endorsement of our practices in responsible manufacturing and ethical governance, and further reinforces Shilpa's standing as a trusted, sustainability-led global CDMO partner.

Outlook

For FY27 and beyond we, at Shilpa, have outlined three structural growth opportunities — Novel and Complex formulations market, the global biosimilars wave, and the expanding CDMO outsourcing trend, which at large remain durable, and accelerating. Shilpa Medicare is positioned with intent and capability across all three. The investments in R&D, manufacturing infrastructure, regulatory filings, and global partnerships made over the past several years are now translating into commercial momentum, and the pipeline of products and services advancing towards market is the most comprehensive in the Company's history. I believe that Shilpa Medicare's most significant phase of value creation lies ahead, and we remain committed to supporting management in executing our strategic agenda with both discipline and ambition.

In closing, I extend my sincere gratitude to our shareholders for the continued trust and confidence you place in this Company. I thank our Managing Director, Mr. Vishnukant Bhutada, and the entire leadership and operational team for their commitment in delivering an exceptional year. I also extend my appreciation to our employees, customers, partners, and regulators across the world — your collaboration and support remain integral to everything we are building at Shilpa Medicare.

Yours sincerely,

Omprakash Inani

Chairman

MESSAGE FROM MANAGING DIRECTOR

From Capability-Building to Value Delivery

Dear Shareholders,

I am pleased to present the performance and progress of Shilpa Medicare Limited for the year gone by. FY26 has been a year of broad-based operational and financial progress across all key verticals viz. Formulations, API, and Biologics, with the Company recording its highest-ever annual revenue, EBITDA, and profitability. This performance is the direct result of sustained investments in differentiated product development, manufacturing infrastructure, and regulatory capability made over the preceding years, which are now translating into measurable commercial outcomes.

The period from FY21 through FY24 was characterised by a combination of structural and cyclical headwinds. During this period, the Company maintained its strategic investment commitments rather than curtailing them — advancing differentiated formulation programmes across global markets, progressing investments in biosimilar programmes, continuing the capex on manufacturing facilities, and restructuring the balance sheet. FY26 reflects the outcomes of those commitments, with the Company transitioning decisively from a phase of capability-building to one of commercialisation and value delivery.

Unlocking Innovation potential — FY26

Formulations

The Formulations business emerged as the largest contributor to consolidated revenue in FY26, with broad-based growth across India, Europe, and the United States. The most significant milestone of the year was the commercial launch of Noduca™ (NorUDCA) — making Shilpa the first company in India to receive regulatory approval for the treatment of Non-Alcoholic Fatty Liver Disease, a condition affecting an estimated 188 million patients in India alone with no previously approved standard of care. In Europe and US, revenue growth was driven by new launches, continued market share gains in Nilotinib and Ready-to-Use oncology injectables in the United States. Several pipeline programmes across Formulations are advancing well including 505(b)(2) for US markets and represent meaningful near-term growth opportunities for the Company.

API

The API business delivered broad-based revenue growth in FY26 across Oncology and Non-Oncology segments. Capacity expansion programmes for key established products — including UDCA and Tranexamic Acid were successfully completed, with batch size scale-ups undertaken across multiple molecules to support growing customer demand and improve operating leverage. A new dedicated oncology manufacturing block is currently under construction and is targeted for commissioning by end of FY27, which will add meaningful incremental capacity for both existing and new oncology API products. On new molecule addition, 15+ new oncology APIs have been introduced into the development pipeline, targeting molecules with patent expiries through 2032. The GLP-1 and peptide platform is being supported by a dedicated, fully automated peptide manufacturing facility currently under construction, with Semaglutide process validation completed.

CDMO

In FY26, the Company formally launched its full-service Hybrid CDMO platform offering integrated end-to-end capabilities across small molecules, biologics, peptides, antibody-drug conjugates, and GLP-1 — positioning Shilpa among a limited number of organisations with this breadth of capability under a single platform. The business currently has 25+ active programmes across various stages of development, with new client additions including a major multinational pharmaceutical company. The OLC programme with Unicycive Therapeutics, represents the most immediate commercialisation milestone for this vertical.

Biologics

The Biologics vertical recorded material progress across both its biosimilar and novel biologics programmes in FY26. Aflibercept advanced to Phase III clinical trials in India and Nivolumab will commence Phase I human studies, representing significant milestones in the biosimilar pipeline. The Recombinant Human Albumin programme received its initial milestone payment from Orion Corporation, the Company's exclusive European commercialisation partner, with Phase III trials across India and Europe planned in FY27. Novel Biological Entities developed with mAbTree and Alveolus Bio are on track for Phase I human trials in FY27.

Growth Outlook

As the Company enters FY27, the strategic focus shifts to the conversion of its pipeline into commercial revenue across all verticals. The Formulations business carries the strongest near-term momentum: Noduca™ (NorUDCA) is being scaled aggressively across India while international regulatory submissions advance to build a multi-geography franchise on the basis of its global first-mover status; Rotigotine Transdermal Patch moves into commercial launch in Europe and US regulatory progression; and OERIS™ is targeted for filing and launch in India, with a global rollout to follow. In Biologics, three concurrent milestones will define FY27 — Aflibercept advancing to regulatory submission and commercial launch in India, Recombinant Human Albumin entering pivotal Phase III trials simultaneously across India and Europe under the Orion Corporation partnership, and Novel Biological Entities commencing Phase I human studies. In API, newly commissioned oncology manufacturing capacity, the introduction of dedicated peptide facility, and new molecule launches from the development pipeline will collectively support continued volume and revenue growth. The CDMO vertical is expected to record its first significant commercial milestone with the anticipated launch of OLC, while the broader programme pipeline and ADC facility commissioning position the vertical for progressive contribution over the medium term.

Across the business, a substantial portion of manufacturing infrastructure particularly in Biologics, CDMO, and novel delivery systems — remains in early stages of utilisation, providing meaningful operating leverage as volumes scale. The management is focused on disciplined execution of this agenda, with the objective of translating the Company's differentiated portfolio into sustained revenue growth and an improving return on capital.

Vote of Thanks

I extend my sincere appreciation to the Board of Directors for their guidance and oversight throughout the year. I thank our shareholders for their continued confidence in Shilpa Medicare. I also acknowledge the contribution of our employees across all functions and geographies, whose professional commitment underpins the operational and scientific progress reported here. To our customers, commercial partners, and regulatory authorities worldwide — we value your continued engagement and collaboration. The Company looks forward to FY27 with a clear agenda and full commitment to delivering on its stated priorities.

Yours sincerely,

Vishnukant Chaturbhuj Bhutada

Managing Director

LEADERSHIP MESSAGE

Depth That Drives Durability

Mr. Keshav Bhutada

ED & CEO of
Shilpa Pharma Lifesciences Limited

Dear Shareholders,

FY26 represented a year of meaningful strategic progress one in which sustained investments in scientific capability, manufacturing infrastructure, and customer relationships translated into concrete and broad-based commercial outcomes.

API Business — Structural Strength and Portfolio Renewal

The API segment delivered revenue growth of 17% year-on-year, with broad-based contributions from both the Oncology and Non-Oncology portfolios. While the headline growth rate reflects strong commercial execution, the more strategically significant development of the year was the deepening integration between the API and finished dosage formulation verticals. As an increasing proportion of the Company's formulation products are backward integrated with captive API supply, the two businesses are progressively functioning as a unified, margin-accretive value chain — one that is more resilient to external pricing pressures and better positioned to capture the full economics of product commercialisation. This vertical integration is a deliberate and defining element of Shilpa's operating model, and its contribution to consolidated profitability strengthened further during FY26.

Portfolio renewal and capacity strengthening were defining themes of the year. The oncology pipeline was systematically expanded with a new generation of high-value molecules entering the development grid, focused on products with significant global market potential and patent expiries extending through 2032 — ensuring the portfolio remains commercially relevant and competitively positioned well into the next decade. Alongside new molecule additions, the year saw meaningful progress in process optimisation and batch size enhancements across several existing products, delivering tangible cost advantages and increasing throughput within the existing manufacturing footprint. Capacity expansions for key products were progressed, further strengthening the division's ability to service both external commercial demand and growing captive requirements from the formulation vertical.

The emerging platforms of Peptides, Polymers, and GLP-1 made meaningful transitions during the year — moving from capability-building phases into early commercial contributors, underpinned by deliberate infrastructure investments and successful product validations. In GLP-1 particularly, the Company's end-to-end integration spanning API synthesis through to finished formulation development targeting a high-growth therapeutic category globally. Regulatory productivity across the division remained robust — CEP certification was received for a key oncology API during the year, and the cumulative DMF filing base was meaningfully expanded across major international markets, reinforcing the division's compliance credentials and broadening its commercial reach in regulated geographies.

Specialty CDMO — Validation of Platform Maturity

The successful transition of the Company's first US NCE programme to commercial launch executed in partnership with a global pharmaceutical major was the defining milestone of the year, validating the platform's maturity and its credentials as a trusted partner for complex, innovation-led pharmaceutical programmes.

The broader NCE pipeline continued to advance as second programme is approaching its PDUFA date with commercialisation anticipated post regulatory approval. The third programme is undergoing Phase III trials. Besides these, multiple client audits were successfully completed during the year, establishing the foundation for new development engagements. In Peptides and Polymers, the year marked a transition from platform-building to early commercial contribution, with repeat orders, new client engagements, and significant infrastructure investments setting the stage for more meaningful revenue contribution in the years ahead.

Outlook

As we enter FY27, the strategic priorities for the API and CDMO businesses are clear. In the API division, the focus will remain on deepening captive integration, accelerating the commercialisation of newly validated molecules, and scaling capacity in key Non-Oncology and emerging platform products. In the CDMO division, the priority is the conversion of a strong clinical-stage pipeline into commercial programmes, a transition that is already well underway and expected to accelerate through FY27 and FY28 as multiple programmes reach their commercialisation milestones simultaneously.

The Company's growing reputation as a scientifically credible, regulatory-compliant, and commercially reliable CDMO partner is among its most valuable strategic assets. I remain confident in the strength of the platform, the quality of the pipeline, and the capability of the organisation. I extend my sincere gratitude to every member of Team Shilpa, our global partners, and our shareholders for their continued trust, commitment, and support without which none of this progress would have been possible.

Yours sincerely,

Keshav Bhutada

ED & CEO of Shilpa Pharma Lifesciences Limited

LEADERSHIP MESSAGE

Powering the Next Era in Biologics

Mr. Madhav Bhutada

MD, Shilpa Biocare Private Limited

Dear Shareholders,

"Fortune favours the prepared mind." — Louis Pasteur

FY26 has been a year of decisive acceleration for our Biologics business — one where years of patient investment in science, infrastructure and partnerships have begun to translate into measurable outcomes. Divisional revenue nearly doubled over FY25, a step-change that signals not a one-time event but the early arc of a long compounding curve. Equally significant, our integrated CDMO platform at Dharwad has matured into one of the few sites in India — and among a select few globally — with true end-to-end biologics capability, spanning microbial fermentation from 100 L to 1000 L and mammalian single-use systems from 200 L to 2000 L, supported by clone-to-vial manufacturing under one roof. This year, we added an antibody-drug conjugation suite to this platform, and our facilities continue to operate under a unified quality framework recognised by EU GMP, US FDA, UK-MHRA and ANVISA, with our drug product vial filling line earning European certification — placing us among a select group of Indian companies with this distinction.

A Biosimilars Portfolio Coming of Age

Our biosimilars portfolio entered a new phase of maturity in FY26, with multiple assets advancing simultaneously. Our Aflibercept biosimilar is approaching the finish line, with Phase III trials in India nearing completion and a commercial India launch in sight for FY27, supported by leading ophthalmic partners in India and active commercialisation discussions across MENA. We deepened our pipeline with four new biosimilar programs — Nivolumab, Pembrolizumab, Daratumumab and Dupilumab — collectively addressing a global market in excess of USD 75 billion, and signed a strategic licensing agreement with SteinCares to commercialise a high-value biosimilar across 30+ Latin American countries, marking Shilpa's maiden footprint in the LatAm region.

Scaling Our ADC Platform

Our ADC platform made decisive progress this year. With conjugation capability now added at Dharwad, our first ADC asset is set to enter preclinical studies, while our dedicated GMP facility remains on track for commissioning in Q1 FY27 — placing Shilpa among a select group of Indian companies with end-to-end ADC manufacturing and testing capability. Our first ADC biosimilar is expected to enter human studies in FY27, while process development for our second ADC asset has been formally initiated.

Novel Biologics: Co-Creating the Medicines of Tomorrow

"The best way to predict the future is to create it."
— Peter Drucker

Our integrated CDMO facility at Dharwad now supports five active Novel Biologic Entity (NBE) programs for global partners — two initiated in FY26 alone. Our novel monoclonal antibody, co-developed with mAbTree Biologics, received Orphan Drug Designation from the U.S. FDA for Essential Thrombocythemia and Polycythemia Vera, and is expected to enter Phase 1 trials in late FY27. We also signed a development and manufacturing agreement with Alveolus Bio for a novel Live Biotherapeutic Product, with both NBE programs targeting first-in-human studies in FY27.

Recombinant Human Albumin: A Vision Taking Shape

Few programs embody our long-term conviction more than rHA. Nearly eight years in the making, this program reached a defining inflection point in FY26. Building on our partnership with Orion Corporation for exclusive therapeutic commercialisation in Europe, we are now preparing to initiate Phase 3 trials in both India and Europe, with a U.S. Pre-IND filing planned in FY27 and non-therapeutic samples already being seeded with clients globally.

Looking Ahead

As I look across our biologics business today, I see an enterprise that has moved decisively from capability-building to value-realisation, with our biosimilar, ADC, NBE and rHA platforms each approaching their inflection points in the same window — a convergence that is rare in our industry. In FY27, our focus sharpens on two fronts in particular: scaling our CDMO Biologics offering into a recognised proposition for global partners, and ensuring our biosimilar pipeline translates into commercial value across markets, not just clinical progress. We remain committed to building an enduring, science-first biologics franchise that creates lasting value for patients, partners and shareholders alike. To our talented teams and global partners who have placed their faith in Shilpa, my deepest gratitude. The best chapters of this story, I believe, are still ahead of us.

Warm regards,

Madhav Bhutada
Managing Director, Shilpa Biocare Private Limited

LEADERSHIP MESSAGE

Strengthening the Foundation, Scaling the Formulations Engine

Dr. Vellaian Karuppiah
Chief Operating Officer – Formulations,
Shilpa Medicare Limited

Dear Shareholders,

It is a privilege to join Shilpa Medicare at a moment of genuine momentum for the Formulations business, and to take on the responsibility of bringing greater operational governance, discipline, and integrity to every function that supports it. As we scale, my focus is on ensuring that Operations, Quality, Engineering, Regulatory Affairs, Supply Chain, Environment, Health & Safety (EHS), and Business Development operate in true alignment with one another — because sustainable, enterprise-wide growth depends on that cross-functional consistency as much as it does on any single initiative. In an industry shaped by a demanding global regulatory environment and shifting economic conditions, this alignment is what will allow us to combine agility with rigorous compliance as we pursue long-term growth and competitiveness.

The Roadmap Ahead

For Shilpa Medicare, this translates into a clear, cross-functional agenda for the Formulations business:

- Production, Planning & Supply Chain — optimising capacity utilisation across facilities to reduce lead times and improve Overall Equipment Effectiveness (OEE), underpinned by integrated inventory governance between Production Planning & Inventory Control (PPIC) and Supply Chain.
- Quality & Regulatory Affairs — maintaining a high state of inspection-readiness across our manufacturing blocks, and treating current Good Manufacturing Practice (cGMP) compliance and data integrity as foundational priorities that protect our commercial reputation with the US FDA, EMA, and other global agencies.
- Engineering & EHS — delivering capital projects, technology transfers, and automation upgrades on time and on budget, while scaling engineering capability to support the commercialisation of our Oral Dissolving Film (ODF), Transdermal Patch, and complex Oncology and Injectables pipelines.
- Digital Transformation — embedding advanced analytics and real-time performance dashboards in place of manual tracking, to support predictive compliance and faster decision-making.
- People & Culture — building strong succession pipelines across all functions and fostering a culture of accountability and continuous learning that aligns the workforce with the Company's long-term objectives.

Looking Ahead

My commitment is to bring the operational rigour this organisation needs to scale its differentiated drug delivery platforms with confidence. By prioritising quality, compliance, and disciplined execution, I believe we are well-positioned to translate Shilpa's strategic roadmap into everyday operational excellence — and I welcome the continued alignment of our teams, partners, and shareholders as we take on this next chapter together.

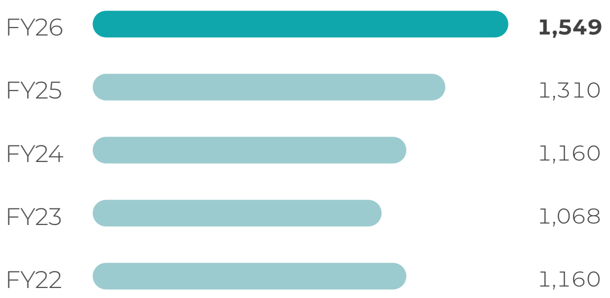
Yours sincerely,

Dr. Vellaian Karuppiah
Chief Operating Officer – Formulations,
Shilpa Medicare Limited

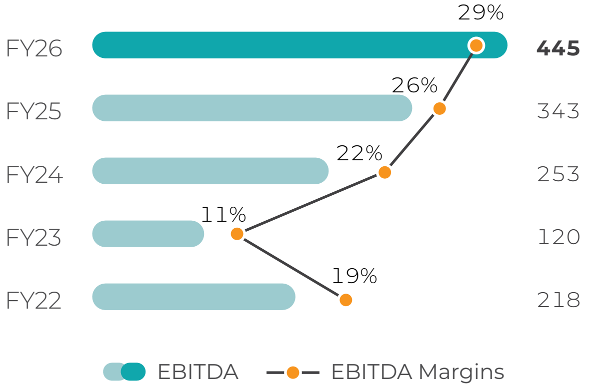
FINANCIAL PERFORMANCE

Delivering Consistent Progress

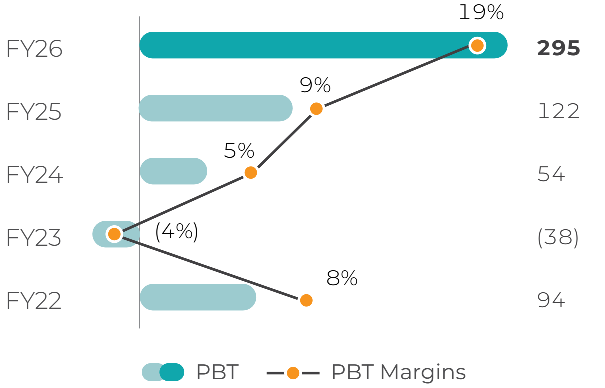
Total Income
(₹ Crores)



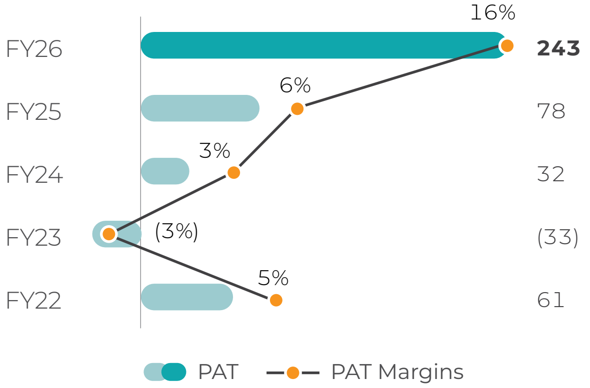
EBITDA (₹ Crores) **&**
EBITDA Margins (%)



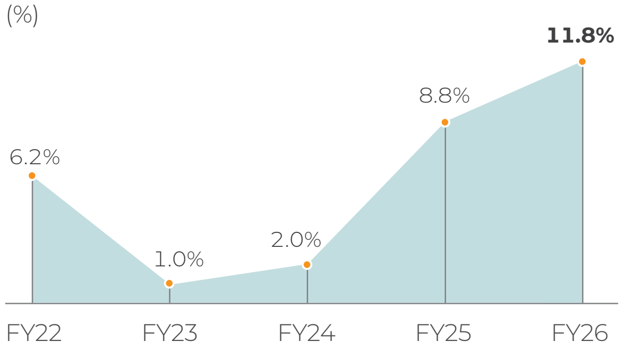
PBT (₹ Crores) **&**
PBT Margins (%)



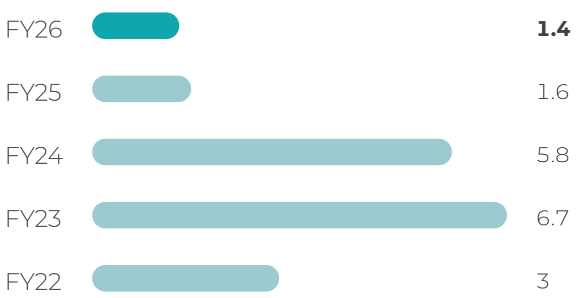
PAT (₹ Crores) **&**
PAT Margins (%)



ROCE
(%)



Net debt to EBITDA
(x)



Business Segment Review

Active Pharmaceutical Ingredients (API)

Overview

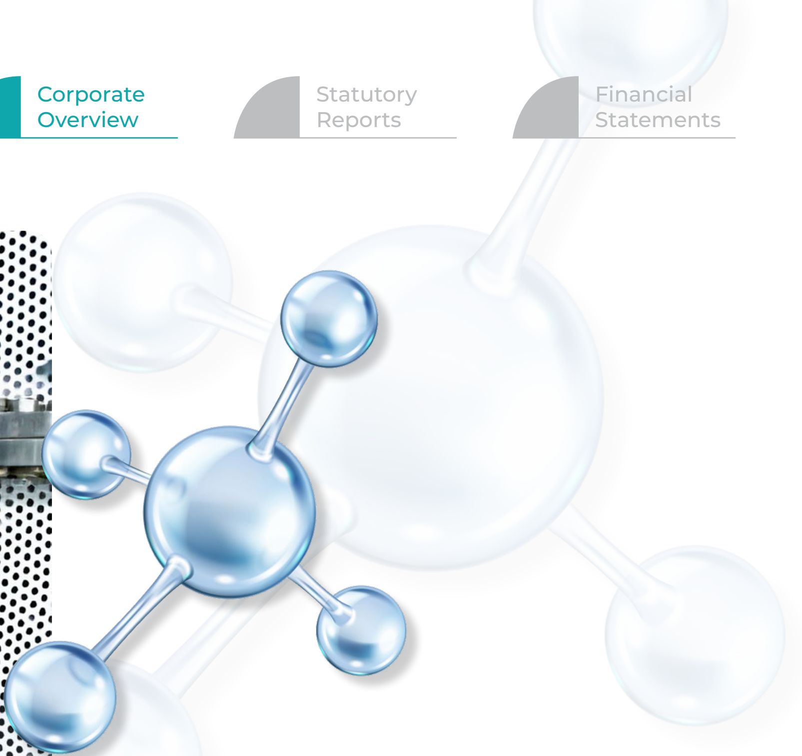
The API business, operated through Shilpa Pharma Lifesciences Limited, a wholly-owned subsidiary, represents the Company's longest-standing area of scientific excellence and continues to be a material contributor to revenue and long-term growth. The business has evolved significantly from its origins as an oncology-specialist API supplier into a broad, technically sophisticated platform encompassing oncology APIs, non-oncology APIs, intermediates, peptides, specialty polymers, payloads, linkers, and CDMO services.

The API business is strategically oriented towards products where the depth of chemistry expertise, process complexity, and regulatory rigour required for successful development and commercialisation are not easily replicated. This focus has shaped a portfolio built around quality, technical differentiation, and long-term supply partnerships with customers across regulated markets in the United States, Europe, Japan, and beyond.

Performance and progress FY26

The API segment recorded revenue of ₹985 Crores in FY26 (which included captive consumptions as well), registering growth of 17% year-on-year (on a like to like basis). Growth was broad-based, with the Oncology segment contributing ₹455 Crores and Non-Oncology contributing ₹390 Crores. Improved utilisation of capacities commissioned in the prior year was a principal driver of volume growth, particularly across key Non-Oncology products.

The captive business strengthened meaningfully during the year, underpinned by steady internal offtake from the finished dosage formulation vertical. The API division's primary strength in oncology lies in the development of non-infringing molecules, which are progressively forward-integrated into the Company's own formulation products to maximise value realisation. This vertical integration enhances supply chain reliability, improves cost competitiveness, and has contributed to an improved consolidated



margin profile across the Group. Most finished dosage products are now vertically integrated at the API level, with captive offtake expected to remain the dominant revenue channel for new oncology launches going forward.

On the regulatory front, 37 new Drug Master File (DMF) filings were added across key markets during FY26, bringing cumulative filings to 283 with major global regulatory authorities. The oncology pipeline saw meaningful reinforcement during the year, with over 15 new molecules added to the development grid, focused on high-value products with patent expiries extending through 2032. This was complemented by regulatory progress on the existing portfolio — Methotrexate, a complex oncology API developed through an import-substitute route, received its CEP certification during FY26. To support the commercialisation of new launches, a dedicated oncology manufacturing block expansion is underway and is expected to be commissioned in FY27. Beyond oncology, the Non-Oncology vertical recorded a development milestone, with process validation successfully completed for a new import-substitute product whose commercial revenues are expected to begin contributing from FY27.

Capacity Expansion and Process Optimisation

A defining feature of the API business in FY26 was the systematic enhancement of manufacturing productivity across the existing product portfolio. Batch size expansions and process optimisations were completed across several key oncology and non-oncology molecules during the year — delivering meaningful cost benefits while simultaneously increasing throughput capacity within the existing manufacturing footprint.

In oncology, Ibrutinib saw significant batch size scale-up alongside process optimisation, while Enzalutamide validation was completed with backward integration of a key starting material. Across several other oncology molecules including Nilotinib, Bortezomib, and Temozolomide, batch size enhancements and process validations were completed — collectively freeing up manufacturing capacity within existing blocks to accommodate the commercialisation of new molecules entering the portfolio.

In Non-Oncology, Tranexamic Acid capacity was significantly expanded through batch size enhancement and process optimisation, while UDCA production was consolidated into a single manufacturing site — improving operational efficiency and simplifying regulatory oversight. These optimisations collectively strengthen the Company's cost competitiveness in an environment of persistent pricing pressure, while ensuring manufacturing infrastructure is well-positioned to support the next phase of portfolio growth.

New Molecule Additions

The new molecule pipeline delivered several meaningful additions to the API portfolio during FY26. In oncology, validation was successfully completed for Palbociclib and Olaparib — two important targeted therapy molecules addressing significant global markets — alongside both forms of Ruxolitinib, a kinase inhibitor with applications across haematological malignancies. In Non-Oncology, Mycophenolate Mofetil validation was completed, adding an immunosuppressant with broad clinical applications to the portfolio, while a CDCA intermediate validation was completed at scale in support of a strategically important customer programme.

Specialty CDMO

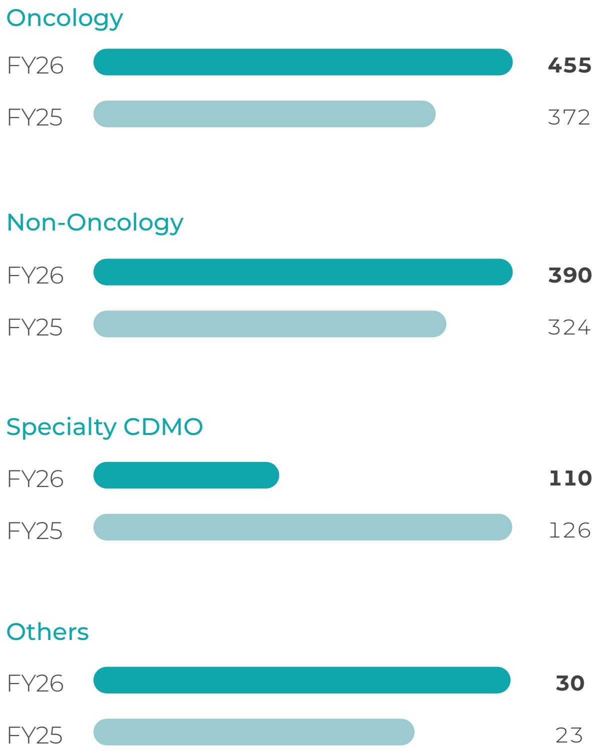
The Specialty CDMO segment sustained strong momentum in FY26, recording revenue of ₹110 Crores across its API CDMO, Peptide, and Polymer verticals, with an active pipeline of over 25 programmes at various stages of development. The year was defined by meaningful clinical and commercial progression across the NCE portfolio. The Company's first US NCE programme successfully transitioned to commercial launch through a global pharmaceutical partner — a validation of Shilpa's end-to-end development and manufacturing capabilities. Two further NCE programmes advanced through the pipeline, with one project in ongoing Phase III studies and another — Oxylanthanum Carbonate for Unicycive Therapeutics — with an NDA accepted by the US FDA and commercialisation anticipated pending regulatory approval. Client engagement deepened further, with two new NCE programme audits successfully completed in the second half of the year and development revenues from these partnerships expected to commence in FY27.

The emerging sub-segments contributed their own milestones. In Peptides, infrastructure investments made during the year — including the ordering of equipment for a dedicated large-scale manufacturing block — lay the groundwork for meaningful capacity addition in FY27, while Semaglutide process validation was completed ahead of DMF filing. In Polymers, the successful completion of an ophthalmic polymer proof-of-concept and the receipt of repeat orders from a multinational client reflected growing commercial traction in what remains an early-stage but high-potential vertical.

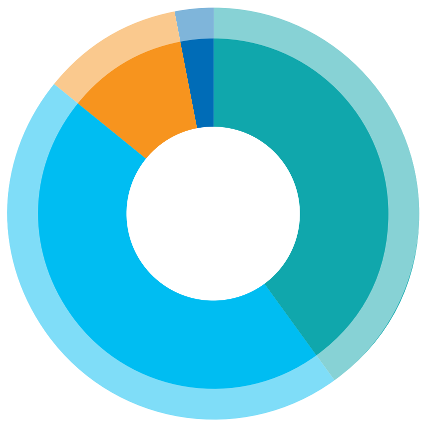
₹ 985 Crores
Total Revenue in FY26

₹ 845 Crores
Total Revenue in FY25

Revenue (₹ Crores)



Segment-Wise Breakup (%)



- **40** – Oncology
- **46** – Non-Oncology
- **11** – CDMO
- **03** – Others

DMFs filed region-wise

283
Total DMF filings in FY26

37
New DMF filings added in FY26

Regulatory Filings (API Raichur Unit-1 & Unit-2)

Particulars	Cumulative Filed	Status
US DMF	55 DMF	29 DMF approved 5 DMF under review 11 DMF's CA listed 10 DMF submitted
CEP - EDQM	30 CEP	28 CEP approved 1 CEPs under review 1 CEP withdrawn
EDMF	31 ASMF	24 ASMF approved 7 ASMF under review

Total Blocks & Capacities
11 Non-Oncology Blocks | **Capacity: ~682KL**
10 Oncology Blocks | **Capacity: ~238KL**

New Block/expansion blocks
2 New Blocks added

API Unit I – Raichur

Capabilities
- Onco, Non-Onco NCE, APIs, Peptide and Polymers
- Manufacturing proficiencies at gram-to-multi kilo and tonne scales

Capacities
- 11 mfg blocks (5 onco and 6 non-onco)
- Total reactor capacity of 650 KL

Major Regulatory Accreditation

US FDA	TGA	WHO-GMP
EU GMP	PMDA	KFDA
ANVISA	Russian – GMP	TPD
COFEPRIS		

API Unit II – Raichur

Capabilities
- Manufacturing and R&D Centre
- Small molecule development, Linker, GalNAc Chemistry, Asymmetric synthesis, Chiral Chemistry, Peptides, Polymers, Enzymes, Purification, RP-separations CDMO services

Capacities
- 10 mfg blocks (5 onco and 5 non-onco)
- Total reactor capacity of 510 KL

Major Regulatory Accreditation

US FDA	COFEPRIS	Russian – GMP
EU GMP	TGA	WHO-GMP
ANVISA	PMDA	KFDA

API Patent Details (as of March'26)

215
Total patents filed

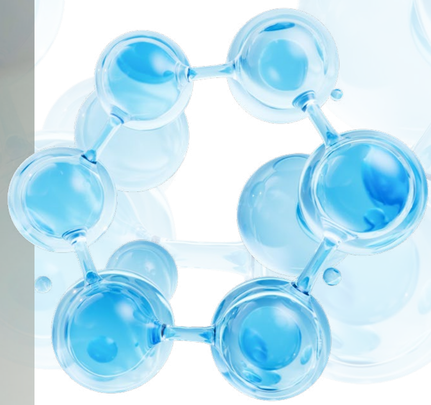
46
Total patents granted

Finished Dosage Formulations

Overview

The Formulations segment encompasses a broad range of dosage forms including complex injectables (liquid, lyophilised, and dry powder), oral solids (tablets and capsules), oral dissolving films, and transdermal patches — manufactured across the Company's facilities in Jadcherla and Dabaspet. The segment operates across the US, EU, and key emerging markets, supported by a regulatory filing base spanning over 850+ product applications across various geographies.

The business has evolved from its origins in oncology generics into a platform capable of developing and commercialising novel drugs, complex generics, and products built on novel drug delivery systems (NDDS). This evolution is underpinned by proprietary capabilities across multiple advanced delivery technologies — including novel extended-release injectable systems, albumin-bound formulations, transdermal drug delivery, and oral dissolving films — alongside the Company's integrated approach of developing finished dosage products in conjunction with its own API vertical. The novel drug pipeline spans first-in-class therapies developed through the Company's own research, as well as 505(b)(2) and hybrid regulatory pathways that leverage established safety and efficacy data to accelerate market access for meaningfully differentiated products. Therapeutic focus spans oncology, neurology, dermatology, gastroenterology, and supportive care, with a consistent emphasis on addressing unmet clinical needs through superior delivery mechanisms and enhanced patient adherence.



KEY ADVANTAGE

Shilpa's innovative & patient-centric R&D efforts allows partners to provide high-quality, niche/ value-added generic products helping them expand their portfolio and reach.

What We Offer 1

- Ready-to-market generic drugs (oral solids, injectables, etc.) with approvals in key markets (US, EU, etc.). We also offer products which are under development and expected to be launched post patent expiration.
- Specialty products in oncology, CNS, Gastro and other complex therapies.

The Licensing Model 2

- Partner Selection: Shilpa identifies companies with strong distribution in target regions (e.g., US, Europe, emerging markets).
- Regulatory Support: Provides support for ANDA/NDA/dossier filings and secure local approvals.
- Revenue Streams: Earns upfront fees, milestone payments, supply revenues & profit share in select cases.

Why It's a Growth Driver 3

- Low-Capital, High-Margin: No need for Shilpa to invest in RoW marketing/distribution.
- Faster Market Access: Partners leverage existing networks to commercialise products quickly.
- Partner selection: Market-specific partner selection helps in leveraging different partners' strengths in respective markets and therapeutic category.

Recent Successes 4

- Launched Pemetrexed & Bortezomib (cancer drugs) in the US via partner and Nilotinib in EU.

Update on Complex Pipeline

SMLTDP08 – Rotigotine

- Transdermal Patch for treatment of Parkinson's disease
- Received final marketing authorisation from EMA, gearing up for 1HFY27 launch
- USFDA submission completed, approval expected in FY27

SMLTOP09

- Topical lotion for treatment of Androgenic Alopecia
- Received Phase 3 approval from India's drug regulator (DCGI) and successfully initiated the pivotal clinical trial in January 2026, with study completion targeted by FY27
- EU regulators validated our clinical development approach through Scientific Advice, significantly de-risking our regulatory pathway
- Initiated global Phase 3 study for EU submission

SMLINJ011 – Ondansetron ER

- A Novel Long-Acting Injection for prevention of Acute & Delayed nausea and vomiting in highly emetogenic cancer chemotherapy, radiotherapy and other associated medication. Global Market ~USD 375 mn
- Positive Phase 3 results in India with launch planned in FY27
- Initiated Phase 3 study for new indication: Radiation-Induced Nausea and Vomiting (RINV)
- Global clinical development initiated for markets like US, EU & ROW

SMLTDP012

- An innovative delivery platform offering enhanced compliance and steady plasma levels for Alzheimer's patients
- A once-weekly transdermal patch delivery system enhancing patient adherence, compliance and convenience
- Following positive preliminary pilot study results and constructive regulatory feedback from EU authorities, the product is advancing to pivotal submission studies

SMLOSD014

- A unique patient-friendly formulation enabling early market access in underserved anticoagulation segments
- Targeting earlier market access in the US market compared to the conventional formulation
- Targeting a ~USD 10+ bn U.S. branded market with our enhanced delivery platform
- Exhibit batches completed and BE Studies planned

SMLINJ015 – Nab-Paclitaxel (Abraxane)

- Targeting three key indications:
  - Metastatic Breast Cancer
  - Metastatic Adenocarcinoma of the Pancreas
- First-line Non-Small Cell Lung Cancer
- Addressable EU market ~USD 163 Mn; strong generic substitution opportunity
- Complex Liposomal Injectable product, Albumin-bound formulation
- Exhibit batches successfully completed in 4QFY26
- EU filings targeted in 1HFY27

SMLOSD016 – Enzalutamide (Xtandi)

- Targeting multiple prostate cancer oncology indications across hormone-sensitive and castration-resistant settings
- Complex oral generic developed with differentiated technology
- Large addressable market: US ~USD 3.4 Bn and EU ~USD 2.81 Bn
- Exhibit batches completed 4QFY26
- Pivotal BE/clinical studies ongoing; phased filing strategy:
  - 1HFY27 for EU & RoW
  - 2HFY27 for US

Performance and progress FY26 – Formulations

The Formulations segment delivered Total Income of **₹618 Crores in FY26**, growing 30% year-on-year. Excluding licensing income, the base business expanded at 75% for the full year, reflecting the depth of commercial momentum being built across product categories and geographies. The year was characterised by simultaneous progress across multiple fronts — the domestic launch of a first-in-class novel therapy, accelerating international market penetration, meaningful pipeline advancement across complex and specialty products, and continued regulatory productivity with over 50 new approvals received across global markets during the year.

Novel Drugs

FY26 marked Shilpa's most significant step yet into proprietary novel drug commercialisation, anchored by the launch of NorUDCA — India's first approved therapy for Non-Alcoholic Fatty Liver Disease and the first globally to receive regulatory approval for this indication. Launched in the third quarter of FY26 through a three-partner marketing network alongside Shilpa's own label, it gained rapid clinical adoption and has built a firm order book into FY27. NAFLD affects approximately 25% of the world's population — an estimated 1.2 billion individuals globally and 188 million in India alone — making the addressable opportunity substantial. The Company has made scientific advice submissions in both the US and Europe, with human studies for global markets planned in FY27 and regulatory filings targeted progressively across emerging markets thereafter. Work is also underway to pursue an additional indication of NASH in global trials, further extending the clinical and commercial reach of this asset.

The injectable novel drug pipeline advanced with equal conviction. Ondansetron Extended-Release Injection — the world's first long-acting formulation for prophylaxis of chemotherapy-induced nausea and vomiting in oncology patients — delivered positive Phase 3 results in India during the year. An India launch is targeted in FY27, with global clinical development simultaneously initiated across the US, EU, and rest-of-world markets. A Phase 3 study for a new indication covering Radiation-Induced Nausea and Vomiting has also been initiated, meaningfully extending the product's clinical utility and broadening its global addressable market.

Specialty and Complex Products

The specialty and complex product pipeline saw material progress across several programmes during FY26, with multiple assets crossing key development milestones and moving firmly into their pre-commercialisation phases.

Rotigotine Transdermal Patch, developed for the treatment of Parkinson's disease, received final marketing authorisation from the European Medicines Agency during the year, marking Shilpa's first transdermal drug delivery product to achieve regulatory clearance in a major international market. Commercial launch with the EU marketing partner is planned for FY27, with the US FDA submission completed during the year and approval anticipated in FY27.

Nab-Paclitaxel (Abraxane) is a highly complex albumin-bound injectable targeting multiple oncology indications including Metastatic Breast Cancer and Non-Small Cell Lung Cancer. Exhibit batches were successfully completed, a critical manufacturing validation milestone — with bioequivalence studies now underway and regulatory filings targeted in FY27.

Enzalutamide (Xtandi) tablets, developed through a differentiated non-infringing technology for multiple prostate cancer indications, completed exhibit batches during the year with pivotal studies currently ongoing. A phased filing strategy across major regulated markets is planned through FY27, targeting a combined addressable market of approximately USD 6 billion across the US and EU.

Beyond the oncology pipeline, a novel topical lotion for Androgenic Alopecia successfully received Phase 3 approval from India's drug regulator DCGI, with its pivotal clinical trial now underway and study completion targeted by FY27. EU regulators have validated the Company's clinical development approach through Scientific Advice, de-risking the regulatory pathway considerably, and a global Phase 3 study for EU submission has been initiated in parallel. During the year, the Company also entered into a strategic partnership with NXI Therapeutics AG for novel product development — a collaboration that further broadens Shilpa's presence in the innovative drug space and reflects the growing recognition of its development capabilities among global pharmaceutical partners.

First-Time Generics and Specialty Products

Shilpa's approach to first-time generics and 505(b)(2) specialty products is built on a deliberate philosophy — rather than competing in commoditised generic markets, the Company focusses on molecules where non-infringing chemistry, complex delivery technology, or a differentiated regulatory pathway creates a defensible competitive position. In the 505(b)(2) space, the Company has established a meaningful commercial presence in the US market through its Ready-to-Use oncology injectable platform via its partner.

Pemetrexed RTU — the first ready-to-use formulation of its kind in the US market — and Bortezomib RTU Subcutaneous are both commercially approved and gaining traction, eliminating the need for complex reconstitution and offering a clinically meaningful advantage in terms of dosing convenience and patient safety. These products, developed in partnership with a global pharmaceutical partner, continued to see growing prescription volumes during FY26, with further market share gains anticipated in FY27.

On the first-time generics front, Nilotinib — launched as the first generic through a non-infringing route by Shilpa's partner in the EU — continued to generate strong revenues during the year, with the Company's supply position remaining firm ahead of anticipated generic competition in FY28.

Licensing income remained a meaningful contributor to segment revenue at ₹120 Crores, with several partnered assets now transitioning from milestone-based receipts towards long-term commercial supply arrangements — a structural shift that provides greater revenue predictability in the years ahead. Importantly, the majority of products across this portfolio are backward integrated with Shilpa's own API vertical, reinforcing supply reliability, enhancing cost competitiveness, and improving the overall margin profile of the segment.

Geographic Performance

The European formulations business was the standout performer of FY26, with revenues surpassing ₹200 Crores and growing over 100% year-on-year. This performance was built on deeper penetration of the oncology portfolio, expanding market share in differentiated generics, and the continued strength of licensing income from partnered assets. With the imminent Rotigotine launch, further oncology generic additions including Axitinib, and a broadening pipeline of complex products advancing towards EU filings, the business enters FY27 with strong forward momentum and a clear runway for continued growth.

The US business recorded revenue of ₹80 Crores in FY26 growing ~67% YoY, with the Ready-to-Use oncology injectable platform — anchored by Pemetrexed RTU and Bortezomib RTU Subcutaneous — continuing to gain prescription traction as market adoption of the reconstitution-free format deepens. The pipeline of complex 505(b)(2) products advancing through development provides a credible basis for meaningful US revenue growth in the near to medium term, as these assets progress towards commercialisation.

The domestic market delivered robust revenue growth of approximately 177% YoY, with revenues reaching ₹72 Crores. NorUDCA launch provided a decisive growth catalyst, with NODUCA gaining strong institutional and retail traction through a dedicated specialist medical representative team and a structured multi-partner distribution model. Beyond NorUDCA, the domestic pipeline is further strengthened by the planned FY27 launch of Ondansetron Extended-Release Injection — addressing a significant unmet need in the oncology supportive care segment and expected to build on the Company's established institutional relationships.

Emerging market revenues grew approximately 24% YoY to ₹123 Crores, underpinned by broadening geographic penetration and a growing base of product approvals across RoW markets. The Company's expanding portfolio of differentiated generics and novel products progressively enters these markets.

Taken together, the geographic performance of FY26 reflects a formulations business in active transition — as licensing milestone income converts progressively into long-term commercial supply agreements, and as novel and complex product launches replace generic volume as the primary growth engine, the segment is building the foundations for a more recurring, higher-margin revenue profile. NorUDCA's global rollout, the commercialisation of the transdermal and complex injectable pipeline, and the continued scaling of the EU business are expected to be the principal drivers of this transition through FY27 and beyond.

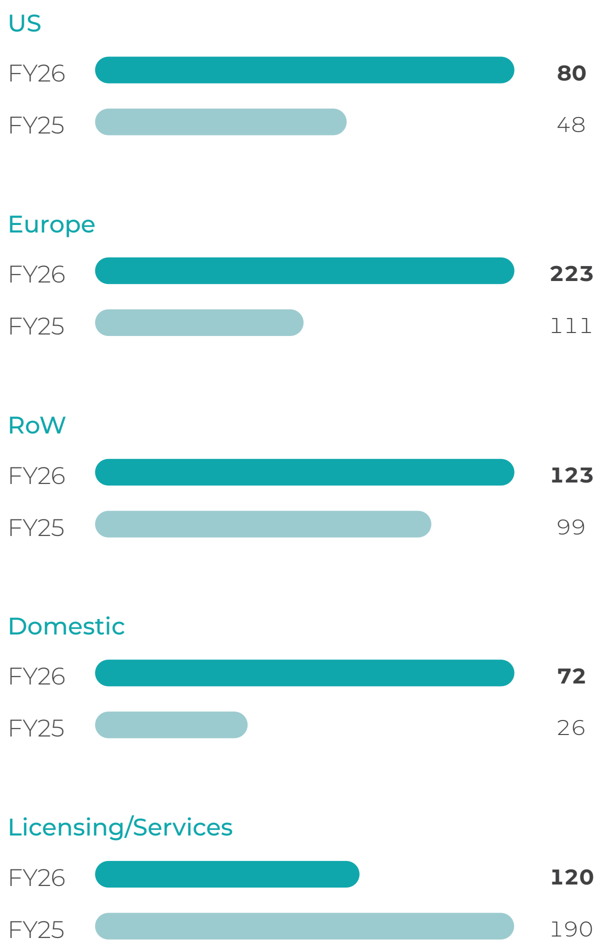
Outlook

The Formulations segment enters FY27 with clear growth visibility across multiple fronts. NorUDCA's scale-up is expected to accelerate as six-month treatment cycles complete and real-world clinical data strengthens physician adoption — both domestically and as the product progresses towards international markets. Nilotinib is expected to sustain steady revenue contribution through FY28, underpinned by the Company's firm supply position and the partner's strengthening market share ahead of anticipated generic competition. Layered over these continuing drivers, the imminent commercialisation of the Rotigotine Transdermal Patch in Europe and the planned launches of Ondansetron Extended-Release Injection in India mark the beginning of a new phase of complex product monetisation that is expected to progressively improve both the revenue scale and margin quality of the segment in the years ahead.

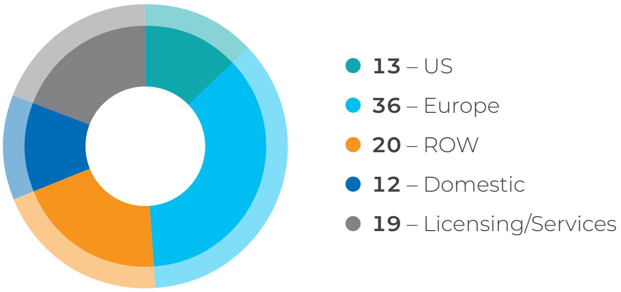
₹ 474 Crores
Total Income in FY25

₹ 618 Crores
Total Income in FY26

Revenue (₹ Crores)

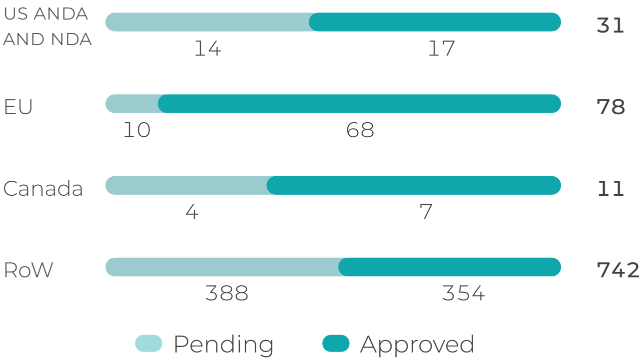


Geographical revenue split – FDF Division (%)



Regulatory Filings

Formulations – Regulatory Filings



Manufacturing Infrastructure

Our formulations business is spearheaded by cutting-edge manufacturing facilities designed to meet stringent global quality and regulatory expectations. These units have received approvals from leading regulatory authorities, including USFDA, EU GMP, UK MHRA, TGA Australia, SFDA Saudi Arabia, and WHO-GMP.

Jadcherla Facility

Our Jadcherla facility focuses on complex oncology formulations, including tablets, capsules, and injectables. The facility is equipped with advanced containment capabilities, including OEL-4 infrastructure, enabling the safe manufacturing of potent oncology products.

Dabaspet Facility

Our Dabaspet facility encompasses production of oral dissolving films and transdermal patches. The facility supports development and commercial manufacturing of differentiated dosage forms for regulated global markets.

50+

New approvals received in FY26

Formulations – Jadcherla

Capabilities

- OSD tablets and capsules; Injectables – dry powder and liquid lyophilization

Capacities

- Injectable – ~3 mn Liquid Vials
- Lyophilized – ~2 mn Vials
- OSD – 25 mn Tablets
- Capsules – 4 mn Hard Capsules

Major Regulatory Accreditation

EU GMP	WHO-GMP	Health Canada
ANVISA	SHAPRA	GHC
TGA	SFDA	

Formulations – Bangalore

Capabilities

- Fully automated facility for Transdermal patches and Oral Thin Films

Capacities

- ODF – ~50 mn Units
- TDF – ~30 mn Units

Major Regulatory Accreditation

US FDA	UK-MHRA	TGA
WHO-GMP	EU GMP	SFDA

Regulatory Status – FDF Manufacturing and R&D Units

Jadcherla	EUGMP- AGES-Austria, Brazil-ANVISA, TGA-Australia, Health Canada, Ukraine, Eurasian Economic Union (EAEU) – Belarus, MOH-Tanzania, FDA-Philippines, MOPH-Qatar, TMMDA - Turkey, MOH-Kuwait, JFDA-Jordan, NHRA-Bahrain & MOH-Syria, MOH-Nepal & FDA-Thailand, SFDA and MCAZ
Dabaspet	WHO-GMP, EU GMP, TGA-Australia, SFDA-Saudi Arabia & UAE, MCAZ and US-FDA
Unit VII (QC lab)	US FDA, UK MHRA, EU GMP, CDSCO, DCA, SM&DC-Ukraine, Eurasian Economic Union (EAEU) – Belarus
Unit VII (Bio-analytical lab) - GCP accreditations	US FDA, EMA-EU, CDSCO

Formulations Patent Details

366
Total patents filed

76
Total patents granted

Biologics

Overview

Shilpa Biologicals Pvt. Ltd. (SBPL) is a fully integrated biopharmaceutical platform focused on developing and commercialising innovative, high-quality biological therapies. Built on deep scientific expertise and modern technology platforms, SBPL is advancing a broad portfolio spanning biosimilars, novel biological entities (NBEs), recombinant proteins, and antibody-drug conjugates (ADCs), addressing critical unmet needs across oncology, immunology, ophthalmology, haematology, and respiratory therapeutics.

The division also offers end-to-end biologics CDMO services through its state-of-the-art facility in Dharwad, Karnataka — one of the few platforms in India capable of servicing biologics requirements under a single integrated framework, providing global pharmaceutical partners with a compelling one-stop development and manufacturing solution. Leveraging the Shilpa Group's established strengths in complex chemistry, oncology, and regulated market access, SBPL is building a differentiated biologics franchise that combines scientific rigour, strategic global partnerships, and scalable manufacturing capabilities to serve patients across both emerging and developed markets.

Performance and progress FY26 – Biologics

The Biologics segment delivered revenue of ₹149 Crores in FY26, growing at nearly 100% YoY. This performance was driven by strong momentum across biosimilar product sales, biosimilar licensing, increasing deal flow in biologics CDMO programmes, and the continued maturation of the division's hybrid business model — one that combines proprietary biologics development with contract development and manufacturing capabilities. The growing recognition of SBPL's integrated platform among global partners was a defining theme of the year, reflected in new licensing agreements, client additions, and regulatory milestones achieved across multiple programmes.

Biosimilars

The biosimilar portfolio advanced meaningfully during FY26, with progress recorded across both the clinical pipeline and the commercial franchise. Adalimumab's high concentration version, the division's first commercially launched biosimilar, delivered good growth in the Indian market and is advancing towards global rollout, with filings initiated across approximately 20 RoW markets and EMA Scientific Advice targeted in FY27.

Aflibercept, a complex ophthalmology biosimilar, progressed steadily through human clinical studies and remains on track for commercialisation in India in FY27, having out-licensing arrangements in place with partners covering India and active discussions in other RoW regions.

Nivolumab received approval to initiate human clinical studies in India during the year, with scientific advice simultaneously submitted to the European Medicines Agency — marking an important step in the programme's global development trajectory. Along with Nivolumab, Pembrolizumab — another high-value oncology biosimilar — is also expected to enter human studies in FY27, further advancing the division's clinical pipeline.

The pipeline was further strengthened with the addition of four new biosimilar programmes in FY26, each targeting large global addressable markets, and reflecting the division's strategy of building a focused portfolio of high-value assets rather than a broad but undifferentiated biosimilar slate.

Strategic Partnerships and Market Access

Market access through strategic partnerships is a deliberate and central pillar of SBPL's commercialisation approach — enabling the division to extend its geographic reach and accelerate revenue generation without the capital intensity of building direct commercial infrastructure across diverse markets. This philosophy was most visibly demonstrated in FY26 with the signing of a licensing agreement with SteinCares for the commercialisation of a high-value biosimilar across more than 30 Latin American countries, marking SBPL's first entry into the region. The partnership combines SBPL's manufacturing capabilities with SteinCares' established regional distribution and commercial network across Latin America — a geography characterised by growing demand for affordable biologic therapies and limited access to high-quality biosimilar options. This agreement not only opens a new revenue channel for the division but also validates SBPL's positioning as a credible manufacturing and supply partner for commercially active biosimilars in regulated and semi-regulated international markets.

Evolving regulatory frameworks in major developed markets are also expected to meaningfully improve the economics of biosimilar development over the coming years. The European Medicines Agency's Tailored Clinical Approach allows biosimilar approvals to rely more heavily on analytical similarity, functional characterisation and pharmacokinetic comparability, potentially removing the need for routine Phase III efficacy studies, while the US FDA's streamlined biosimilar pathway is similarly designed to reduce comparative efficacy requirements and simplify bridging study expectations. Taken together, these changes could lower biosimilar development costs by 30–50% and compress development timelines from the current 7–9 years to 4–6 years, while easing barriers to entry. For SBPL, this creates the opportunity to expand its biosimilar portfolio within the same R&D investment envelope, accelerate progression of pipeline assets such as Pembrolizumab, Nivolumab and Dupilumab, and strengthen its attractiveness as a development and manufacturing partner — even as the same simplification is likely to intensify competition and price erosion across the category over time.

Novel Biological Entities

SBPL's novel biological entity pipeline made significant strides during FY26, reflecting the division's growing capabilities as an innovator in the biologics space alongside its established biosimilar franchise. The collaboration with mAbTree Biologics achieved a landmark regulatory milestone during the year, with the US FDA granting Orphan Drug Designation to the investigational monoclonal antibody being developed for Essential Thrombocythemia and Polycythemia Vera — rare chronic blood cancers with significant unmet medical need. This designation, which confers meaningful clinical development and commercial incentives, is a strong validation of the programme's scientific differentiation and therapeutic rationale. Programme development was completed during the year, with human Phase I studies planned for FY27.

The second NBE programme, developed in collaboration with Alveolus Bio, similarly progressed through development during the year and is expected to enter Phase I human studies in FY27 — making it a pivotal year for the NBE pipeline, with two programmes simultaneously advancing into the clinic for the first time.

Shilpa Biocare — a wholly-owned subsidiary of Shilpa Medicare — entered into a strategic equity partnership with Gate2Brain, S.L., acquiring a 30.4% stake for €7 million and serving as the CMC, manufacturing, and regulatory partner for G2B-002, a first-in-class therapy targeting deadly paediatric brain cancers DIPG and pGBM. G2B-002 employs Gate2Brain's proprietary MiniAp4 peptide shuttle technology to deliver therapeutics across the blood-brain barrier, with both indications carrying Orphan Drug Designation from the US FDA and EMA and first-in-human trials anticipated by FY28.

Antibody-Drug Conjugates

ADCs represent one of the fastest-growing and most technically demanding frontiers in oncology innovation, and SBPL made meaningful progress in establishing a differentiated position in this space during FY26. Development of the Company's first ADC biosimilar was successfully completed through the full integration of monoclonal antibody development, payload synthesis, linker technology, and conjugation capabilities — placing SBPL among a small group of companies in India with genuine end-to-end ADC development competency. Development of a second ADC biosimilar was initiated during the year.

On the manufacturing front, the dedicated GMP facility for ADC production received its Test Licence from Indian regulatory authorities during FY26 — placing Shilpa amongst the very few companies in India with licensed, GMP-grade ADC manufacturing and testing capabilities spanning the full value chain from payload to conjugation. Physical commissioning of the facility is targeted for completion in FY27, at which point the platform will be available to support both the Company's proprietary ADC pipeline and external CDMO mandates from global oncology partners.

Looking ahead to FY26-FY30, SBPL has identified a focused set of growth opportunities for the Biologics division: scaling ADC CDMO services on the back of its newly licensed manufacturing capability; extending into GLP-1 and metabolic disease products, building on the Group's broader GLP-1 platform investments; advancing the recombinant human albumin platform into new therapeutic and non-therapeutic applications; deepening global biotech partnerships for novel biological entities; and leveraging its biosimilar development expertise as a foundation for incremental CDMO growth. Together with cost-competitive Indian manufacturing and an integrated mammalian-and-microbial platform, these opportunities underpin a positive multi-year outlook for the division.

Manufacturing Infrastructure

We operate a robust research and manufacturing facility at Dharwad, Karnataka, equipped with advanced microbial fermentation and mammalian cell culture capabilities for the development of biologic products.

Our capabilities include:

- Microbial fermentation infrastructure ranging from 100 L to 55,000 L
- Multi-product mammalian manufacturing suites with single-use systems ranging from 200 L to 2,000 L
- Integrated analytical and quality systems
- Clinical and commercial-scale manufacturing capabilities

Biologics – Dharwad

Capabilities

- End-to-end services, from development to commercial manufacturing of microbial & mammalian-based drug substance and drug products.
- Having expertise in complex technologies viz. ADC, peptides and conjugated proteins.

Capacities

- Upstream – 4,000L × 2
- Microbial Suite – SS 1,000L × 2
- PFS – 80 units/min

Major Regulatory Accreditation

EU GMP
DSIR Approved facility

Recombinant Human Albumin

The Opportunity

Human serum albumin is one of the most widely used proteins in modern medicine, deployed across critical care, oncology, liver disease, vaccine formulation, drug stabilisation, cell and gene therapy, and medical device coating — yet its global supply has historically been constrained by dependence on human blood plasma, a source that is inherently limited, geographically variable, and carries residual risks of contamination from bloodborne pathogens. It is this structural supply-demand gap, and the safety limitations of plasma-derived albumin, that Shilpa Biologicals set out to address nearly a decade ago through the sustained development of a proprietary recombinant human albumin platform. Today, Shilpa stands as one of the first companies globally to have developed and advanced a patented recombinant human albumin technology into Phase III clinical development — a distinction that reflects not only the scientific rigour of the programme but also the depth of commitment the Company has made to solving a problem of genuine global healthcare significance.

The Technology — Srbumin

Branded as Srbumin, Shilpa's recombinant human albumin is produced through a yeast-based fermentation process using Pichia pastoris — a production system that offers a predictable, assured, and scalable supply independent of plasma donation. The technology is inherently free from contamination risks associated with HIV, HBV, HCV, and prion diseases, and all raw materials used in manufacturing are entirely animal origin free — addressing both the safety and ethical limitations of plasma-derived alternatives. Best-in-class productivity from the fermentation process makes Srbumin cost-competitive against plasma albumin at commercial scale, while its high purity profile meets global pharmacopoeial standards.

Beyond its therapeutic applications, Srbumin's versatility as a formulation tool opens a distinct and growing non-therapeutic market. As a stabiliser for biologics, vaccines, and cell and gene therapies — and as a coating agent for medical devices and fusion protein development — recombinant albumin addresses a broad range of stability challenges in pharmaceutical and biotech development. If incorporated early in the development cycle, it can resolve stability issues that would otherwise delay product launch, making it a cost-effective platform for partners seeking to accelerate the path from development to commercialisation.

Intellectual Property

The production technology underlying Srbumin is protected by patents in the United States and Europe — the two most commercially significant regulated markets globally. This intellectual property position, built over nearly eight years of sustained research and process development investment, provides Shilpa with a durable and defensible competitive moat that is difficult to replicate and underpins the long-term commercial value of the platform.

Manufacturing Infrastructure

Over approximately eight years, Shilpa has made sustained and deliberate investments in research, process development, and manufacturing infrastructure specifically dedicated to this programme. A purpose-built, large-scale fermentation facility at Kadechur has been established for rHA production, representing a capital commitment of approximately ₹500 Crores across the project's lifetime — an investment that reflects the Company's conviction in the strategic significance of this asset and its readiness to scale commercial supply upon regulatory approval.

Regulatory Progress and Commercialisation Pathway

FY26 marked a pivotal year for the programme on the regulatory front. Global Phase III clinical study protocol approval was received from CDSCO, enabling the initiation of trials in India — studies that will also contribute data towards the European regulatory submission. The Investigational Medicinal Product Dossier submission to the European Medicines Agency is targeted in 1HFY27, following which Phase III studies in Europe are expected to commence, with a study duration of approximately 12 to 15 months. A Pre-IND submission to the US FDA is planned for FY27, opening the path towards eventual commercialisation in the world's largest pharmaceutical market. India and EU commercialisation for therapeutic use is anticipated in the early part of FY29.

Strategic Partnerships

The strategic partnership with Orion Corporation — under which Orion serves as the exclusive commercialisation partner for therapeutic recombinant human albumin in Europe — remains firmly in place, with Shilpa entitled to receive development and regulatory milestone payments as the programme advances. On the non-therapeutic front, the excipient-grade US Drug Master File has been filed and samples have been shared with global clients in the US, generating meaningful interest and providing an earlier and parallel revenue pathway that complements the longer-dated therapeutic commercialisation timeline.

Manufacturing Infrastructure

The recombinant human albumin programme is supported by a purpose-built, dedicated manufacturing facility at Kadechur, Karnataka, equipped with a fully automated integrated plant with Distributed Control System controls and advanced protein separation filtration systems. The facility houses over 200 KL of total fermentation capacity, with product vessels ranging from 5 KL to 50 KL, providing the flexibility to support both clinical and commercial-scale production. Currently audit-ready, this infrastructure positions Shilpa among a very small group of companies globally with dedicated, large-scale, GMP-grade manufacturing capability for recombinant human albumin.

Biologics Revenue
(₹ Crores)

FY26	**149**
FY25	75

Biologics Patents

16
Total patents filed

4
Total patents granted

Innovating for affordable healthcare

Contract Development and Manufacturing Organisation (CDMO) - One-Stop Solution Provider

Overview

Our CDMO business combines deep scientific expertise, advanced manufacturing infrastructure, and multi-jurisdictional regulatory capabilities to support partners across the complete drug development lifecycle — from early-stage discovery and custom synthesis through clinical supply and commercial manufacturing. What distinguishes Shilpa's CDMO platform is the breadth of its integrated offering: one of the very few organisations in India capable of servicing both small molecule and biologics requirements under a single framework, with further vertical integration into API development and manufacturing providing partners with a seamless, cost-efficient path from drug substance to finished dosage form. This integrated model enables biotech innovators and pharmaceutical companies to consolidate their development and manufacturing needs with a single trusted partner — reducing complexity, compressing timelines, and strengthening supply chain resilience across the product lifecycle.

Performance and progress FY26 – CDMO

The CDMO segment sustained strong momentum in FY26, with the active programme pipeline expanding to over 25 projects spanning various stages of development — from early-phase custom synthesis through late-stage clinical supply and commercial manufacturing. The year was defined by meaningful proof points of the platform's maturity: the successful transition of a programme to commercial launch, new client additions at the audit stage, and continued advancement of the biologics CDMO franchise through high-value global partnerships. Taken together, these developments affirm Shilpa's growing credentials as a preferred development and manufacturing partner for companies seeking integrated, end-to-end CDMO solutions across both small molecule and biologics modalities.

Small Molecule CDMO

The small molecule CDMO business delivered its most significant commercial milestone to date in FY26 with the successful pilot-to-commercial transition of the Company's first US NCE programme, executed in partnership with a global pharmaceutical major. This outcome — the culmination of a multi-year development and regulatory journey — validates

Shilpa's capability to shepherd a complex new chemical entity from early development through regulatory approval and into commercial supply.

The broader NCE pipeline continued to advance in parallel. A second US NCE programme, for which Shilpa supplies the API into a partner's Phase III programme, has clinical studies currently ongoing. A third programme — Oxylanthanum Carbonate, developed end-to-end for Unicycive Therapeutics under an exclusive CDMO arrangement covering both API and finished dosage form — has an NDA resubmission accepted by the US FDA with commercialisation anticipated post regulatory approval. Two additional NCE client audits were completed during the year, establishing the foundation for new development revenues expected to commence in FY27.

Beyond the NCE pipeline, the peptide and polymer verticals — which form part of the broader Specialty CDMO offering — continued to build commercial traction. In peptides, a large-scale dedicated manufacturing block is expected to be commissioned in FY27. In polymers, proof-of-concept for an ophthalmic polymer was successfully completed with initial quantities supplied to a partner, and repeat orders from an MNC client are currently under execution.

The Company also advanced its payload and linker capabilities during the year, with registration batches completed at a major global pharmaceutical partner's facility using Shilpa-manufactured payloads — establishing a clear pathway towards regulatory filing.

Biologics CDMO

The biologics CDMO platform continued to gain momentum during FY26, driven by deepening client engagement and the progressive advancement of multiple programmes across the development pipeline. Shilpa's integrated Dharwad facility — one of the very few in India capable of supporting both drug substance and drug product development across microbial and mammalian modalities — served as the operational foundation for five active novel biologic entity programmes advancing for multiple partners during the year, with two new novel programmes initiated and a growing volume of RFQs received from global biotech companies reflecting the platform's increasing visibility in the international market.

The collaboration with mAbTree Biologics continued to be a defining programme for the biologics CDMO franchise. The investigational monoclonal antibody being developed for rare blood cancers — Essential Thrombocythemia and Polycythemia Vera — received Orphan Drug Designation from the US FDA during the year, a landmark regulatory milestone that validates both the scientific differentiation of the programme and Shilpa's role as its development and manufacturing partner. Programme development was completed during the year, with human Phase I studies planned for FY27. A second biologics CDMO programme, developed in partnership with Alveolus Bio for a novel live biotherapeutic product, similarly progressed through development and is expected to enter Phase I human studies in FY27 — making it a pivotal year for the biologics CDMO pipeline with two programmes simultaneously advancing into the clinic.

The Phase I clinical study batches for one additional innovator programme were initiated in 4QFY26, with supplies targeted for completion in FY27, further demonstrating the facility's growing clinical manufacturing capability. The ADC Bioconjugation facility at Dharwad, on track for commissioning in FY27, will extend the CDMO platform's capabilities to integrated antibody-drug conjugate manufacturing for global oncology partners.

Overall, the near-term focus remains on converting the strong clinical-stage pipeline into commercial programmes, deepening relationships with existing partners, and expanding the global client base as the Company's track record of successful programme execution becomes an increasingly compelling differentiator in a competitive and consolidating market.

RESEARCH AND DEVELOPMENT (R&D)

Strengthening R&D and Innovation Capabilities

Innovation is the driving force behind Shilpa's ability to build a sustainable competitive advantage in an increasingly complex global pharmaceutical landscape. The Company's R&D function operates across five dedicated research centres in India, supported by a team of over 400 scientists and specialists spanning small molecule chemistry, peptide synthesis, polymer science, biologics, advanced drug delivery, and regulatory affairs. This depth of scientific talent — combined with sustained investment in analytical infrastructure, process development capabilities, and technology platforms — enables the Company to simultaneously advance a broad and differentiated pipeline while maintaining the regulatory rigour required for global market access.

The R&D philosophy at Shilpa is built on a clear strategic principle: prioritise complexity over volume. Rather than pursuing large numbers of conventional generic programmes, the function focuses its resources on molecules and delivery systems where scientific barriers to entry are high, competition is limited, and the value of a differentiated solution whether a non-infringing synthetic route, a novel delivery platform, or a first-in-class therapy, which is meaningful to patients and commercially significant to partners. This approach is reflected in the composition of the pipeline, which spans novel drugs, complex generics, 505(b)(2) hybrid products, biosimilars, novel biological entities, and ADCs across oncology, immunology, ophthalmology, neurology, gastroenterology, and supportive care.

FY26 was a productive year for the R&D function, the formulation regulatory filing base grew to over 860 filings across major international markets, with over 50 new approvals received during the year. The API filing base expanded to 283 DMF filings with the addition of 37 new filings across key global markets. Capability investments during the year were directed towards emerging and high-growth platforms — peptide manufacturing infrastructure, ADC-related chemistry including payload and linker development, GLP-1 API development, and the advancement of the recombinant human albumin programme towards Phase III clinical studies. Details of individual programme milestones and clinical achievements across each platform are covered in the respective segment reviews elsewhere in this report.

The biologics R&D function, anchored by the integrated development and manufacturing facility at Dharwad, continues to build capabilities across an expanding range of modalities — from biosimilars and novel biological entities to ADCs and recombinant proteins. The growing inflow of RFQs from global biotech companies and the addition of new co-development partnerships during the year reflect the increasing recognition of this platform among international innovators seeking a scientifically credible and manufacturing-ready biologics partner. Across all platforms and therapeutic areas, Shilpa's R&D function remains united by a shared commitment to scientific rigour, regulatory excellence, and the development of solutions that create genuine and lasting value for patients and partners alike.

Regulatory Accreditation of Our R&D And QC Labs

Unit	Regulatory Accreditation
Unit VII (QC lab)	US FDA, UK MHRA, EU GMP, CDSCO, DCA, SM&DC-Ukraine, Eurasian Economic Union (EAEU) – Belarus
Unit VII (Bio-analytical lab) - GCP accreditation	US FDA, EMA-EU, CDSCO

INTELLECTUAL PROPERTY MANAGEMENT (IPM)

Safeguarding Intellectual Property Rights (IPR) for Improved Efficiency

Intellectual property is the foundation upon which Shilpa's long-term competitive advantage is built. As the Company scales its novel drug, complex formulation, and proprietary biologics portfolio, a robust and well-managed IP framework has become as strategically important as the science it protects. The dedicated IPR function works in close collaboration with R&D, regulatory, legal, and business development teams — ensuring that every significant advancement, whether a novel molecule, a proprietary process, or a delivery technology, is identified, protected, and commercially leveraged in a timely and deliberate manner.

Patent Portfolio — FY26 Progress

During FY26, the Company continued to strengthen its patent portfolio through new filings across India and key international markets, with grants received across several regulated markets during the year. Notably, the recombinant human albumin production technology — Srbumin — remains protected by patents in both the US and Europe, providing a durable IP moat around one of the Company's most strategically significant long-term assets.

Portfolio Breadth and Strategic Intent

Shilpa's IP portfolio reflects the Company's broader evolution — spanning novel dosage forms, innovative drug combinations, new indication extensions, proprietary delivery technologies, and non-infringing synthetic routes for complex molecules. The ability to develop clean, litigation-free routes to market has been central to the Company's success in oncology APIs and is now being systematically extended into the formulations business through products such as Nilotinib, Enzalutamide, and Abraxane — a capability that is increasingly valued by regulated market partners seeking certainty of supply and launch timing. Layered across proprietary therapies, patented manufacturing technologies, and regulatory exclusivities, the Company's IP framework provides a durable and multi-dimensional foundation for sustained competitive advantage in an increasingly innovation-driven global pharmaceutical landscape.

Trademark Registrations

Cumulative Patents filed under various verticals

215
API

366
Formulations

16
Biologicals

597
Total

Total Patents granted in each vertical

46
API

76
Formulations

4
Biologicals

126
Total

ESG

Environmental

Social

Governance

ENVIRONMENTAL

Ensuring Sustainable Operations

The Company supports Nine Thematic Pillars of Business Responsibility under India's National Guidelines on Responsible Business Conduct (NGRBC), Ten Principles of the United Nations Global Compact (UNGC), The Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management covering environment, occupational health & safety, human rights, labour rights, anti-corruption and governance as part of Environmental Social Governance (ESG).

Sustainability is an integral part of our business strategy for long-term value creation. We recognise that the rapidly evolving global landscape characterised by climate change, resource constraints, biodiversity loss, changing stakeholder expectations, and emerging sustainability regulations, requires businesses to embed Environmental, Social and Governance (ESG) principles into every aspect of decision-making and operations.

This report reflects our commitment to transparency, accountability, and continual improvement. Beyond regulatory compliance, it enables us to measure our progress, identify opportunities for sustainable growth, and communicate our performance to stakeholders in a clear and credible manner. We are continually aligning our sustainability journey with globally recognised frameworks and best practices while supporting India's national sustainability priorities and the United Nations Sustainable Development Goals (SDGs).

We believe that sustainable business success is achieved by creating lasting value for all stakeholders, viz. employees, contractors, sub-contractors, customers, investors, suppliers, and communities. We remain committed to improving resource efficiency, reducing greenhouse gas emissions, promoting circular economy principles, safeguarding human rights, fostering diversity and inclusion, strengthening occupational health and safety, and encouraging responsible innovation across our operations and support the same in the supply chain.

As we move forward, we will continue to enhance our sustainability performance through measurable targets, responsible governance, collaborative partnerships, and transparent reporting. We are confident that our commitment to ethical leadership, environmental stewardship, social responsibility, and sound corporate governance will strengthen our resilience, drive innovation, and contribute meaningfully to a more sustainable and inclusive future.

As we expand capabilities across advanced healthcare solutions, we remain committed to balancing business growth with environmental responsibility, social progress, and strong governance standards. Aligned with recognised frameworks such as the National Guidelines for Responsible Business Conduct (NGRBC) and United Nations Global Compact (UNGC) principles, we integrate ESG practices across our operations and value chain, ensuring sustainable growth.

ESG Governance

The Company has integrated the NGRBC, UNGC, PSCI Principles, SBTi Commitment and GRI Standards as part of its strategy and adopted appropriate policies, processes, objectives, targets and work culture in day-to-day operations and to engage in collaborative initiatives with the supply chain partners to advance the Sustainable Development Goals.

As a responsible corporate, the company supports accountability and transparency and commits to report the ongoing efforts made in our common journey towards Sustainability through this report by disclosing our performances in the areas of environment, occupational health & safety, human rights, labour rights, anti-corruption and governance.

The Company's continued commitment to the NGRBC, UNGC and PSCI Principles is focused on strengthening our collective resolve to create responsible and sustainable value chains.

The company remains committed to conducting its business responsibly by integrating ESG considerations into its governance framework, operational excellence, innovation initiatives, risk management processes, and investment decisions. Through robust policies, effective management systems, and continual performance monitoring and reviews, the company strives to improve its environmental, social and financial footprints by upholding the highest standards of ESG governance and build resilient and responsible value chains.

Board of Directors

Provides strategic direction and oversight on ESG priorities, ensuring alignment with Shilpa Medicare's long-term vision, business strategy, and stakeholder commitments.

ESG & Sustainability Committee

Responsible for developing ESG strategies, defining sustainability goals, reviewing performance, and driving initiatives across functions and business units.

Site-level ESG & Sustainability Teams

Implement sustainability initiatives across facilities by integrating ESG objectives into operational processes, monitoring progress, and ensuring consistent performance.

Department-level ESG Teams

Drive execution of ESG programmes at the functional level through cross-functional collaboration, awareness building, and continuous improvement initiatives.

Key Elements of ESG Governance Strategy

ESG Integration

Our policies and processes are aligned with NGRBC and UNGC principles, reinforcing responsible business conduct. ESG priorities and goals are integrated through site leadership teams, functional heads, safety committees, and social performance teams across the organisation.

Strong Governance and Compliance

Our ESG governance is supported by Board-level oversight and robust risk management practices to identify, monitor, and address sustainability-related risks and opportunities.

Global Management Standards

We continue to strengthen our systems through alignment with recognised standards, including ISO 14001 (Environmental Management), ISO 50001 (Energy Management), ISO 45001 (Occupational Health & Safety), and SA8000 (Social Accountability).

Ethics and Transparency

Our Business Code of Conduct and Supplier Code of Conduct guide responsible practices across areas, such as ethics, human rights, labour practices, environment, anti-bribery, and anti-corruption.

People, Safety and Social Responsibility

We remain committed to creating a safe, inclusive, and responsible workplace through employee engagement, regular training, health and safety initiatives, grievance mechanisms, and capability development. We regularly conduct incident analysis, including near misses and root cause investigations, and ensure continuous improvement in occupational health and safety.

Sustainable Supply Chain

We work closely with suppliers and partners to promote responsible sourcing, ethical practices, environmental stewardship, and compliance through assessments and engagement initiatives.

ESG Rating

We received Gold Top 5% sustainability rating in November 2025 by 'ecovadis'.

GOLD | Top 5%
ecovadis
Sustainability Rating
NOV 2025

SOCIAL – HUMAN CAPITAL

Future-Ready Workforce for a Solid Future

Our people are the foundation of our business and the driving force behind our mission to shape India's pharma future. As on March 31, 2026, our workforce stood at 3,074 employees across various locations. We have cultivated a high-performance culture centred on purpose, inclusion, and continuous learning, empowering our workforce to grow and realise their fullest potential. This people-centric philosophy strengthens our reputation as an employer of choice, while also sharpening our competitive edge and resilience, enabling us to generate lasting value in a rapidly evolving world.

Employee Well-Being Initiatives

We promote employee well-being through health and wellness programmes, fostering a healthy and positive workplace. Team sports such as cricket, volleyball, and badminton encourage work-life balance, collaboration, and camaraderie among employees.

Employee Retention

We are committed to creating a workplace that values and retains talent by offering competitive remuneration and comprehensive employee recognition initiatives. Our programmes include monthly performance awards, long-service recognition, and incentive-based rewards for exceptional contributions. Transparent communication is supported through an open-door policy, structured grievance resolution, regular town halls, HR engagement sessions, and collecting continuous employee feedback through employee surveys.

Diversity and Inclusion

Diversity and inclusion are integral to our culture, we are committed to fostering a workplace that values diverse perspectives and provides equal opportunities for all. Through sensitisation programmes and inclusive people practices, we promote diverse representation across all levels and create an environment where every voice is valued.

Gender Representation

Focused initiatives are being undertaken to enhance the representation of women across all levels of the organisation, with particular emphasis on increasing participation in supervisory, managerial, and leadership roles. These efforts aim to strengthen inclusivity, promote equitable opportunities, and progressively improve gender balance within the workforce.

Training and Development

During the year, the Training and Development function focused on enhancing employee skills and aligning competencies with organisational goals. Various programs were conducted, including induction training, functional and technical skill development, soft skills enhancement, leadership programs, and compliance training. Training on Health, Safety, Environment, PSCI Principles, Ethics, Governance, and Supply Chain Management was undertaken through both induction and periodical training. A blended learning approach was adopted, using classroom sessions, online modules, and on-the-job training to improve accessibility and effectiveness. Employees across all levels participated actively, reflecting strong engagement in continuous learning.

Workplace Safety

The organisation maintained its commitment to workplace safety throughout the year.

By Identifying the Hazards & assessing the risks by HIRA & EAIA involving all the employees & implementing the risk controls, Continually safety training, and regular inspections. Safety awareness and employee participation improved through ongoing programs and drills. The organisation remains focused on reducing incidents and achieving a zero-harm workplace through continuous improvement.

Great Place to Work

We are proud to be certified as a Great Place to Work® by Great Place to Work, reflecting our strong, trust-based and employee-focused workplace culture.

Great Place To Work® Certified™

Extending Community Support to Create Differentiation

We are deeply committed to creating meaningful impact on communities we serve, guided by our core values of compassion, sustainability and empowerment. Our CSR initiatives are strategically aligned to our mission of promoting inclusive growth and sustainable development. Through transformative programmes and partnerships, Shilpa Medicare continues to drive transformative changes ensuring brighter, healthier and more sustainable future for all.

KEY FOCUS AREAS

- Healthcare and medical aid
- Education and skill development
- Environmental sustainability
- Rural community development

EDUCATION & SKILL DEVELOPMENT

Education is a catalyst for inclusive growth. Our initiatives focus on improving learning environments, access to educational resources, sports and digital skills.

- **Classroom Infrastructure:** Donated desks, almirahs, tables, chairs and green boards to 20+ government schools, benefiting 5,027 students — 2,673 girls and 2,354 boys.
- **Sports & Physical Education:** Provided essential sports equipment, including footballs, volleyballs, shuttle bats, kho-kho poles, carrom and chess boards, in alignment with the District Education Department's programmes, strengthening sports and physical education.
- **Digital Education & Skill Development:** Supported a dedicated computer education and printing skills facility at Deepa Computer Centre, Raichur, benefiting persons with disabilities and youth from rural and economically disadvantaged communities.
- **Learning Resources:** Donated 905 sets of curriculum books to Government First Grade Degree College, Raichur, providing approximately 2,397 students with improved access to academic resources.

HEALTHCARE & MEDICAL AID

- **Multi-Speciality Healthcare Camp:** Organised a two-day free multi-speciality camp with Agastya Ayurveda Medical College & Hospital, Koppal, in association with Sri Rajasthani Sangh, Raichur, benefiting over 1,000 patients from Raichur and surrounding villages.
- **TB Care & Nutrition Support:** Provided nutrition supplements to 250 economically disadvantaged tuberculosis patients in Devadurga under the TB Mukt Bharat initiative, in coordination with the District TB Cell.
- **Blood Donation:** Conducted a voluntary blood donation camp in collaboration with the Indian Medical Association and RIMS, Raichur, supporting local blood banks.
- **Public Health Awareness:** Supported a district-level public health, de-addiction and organ donation walkathon, including breakfast arrangements for 3,000+ participants.

ENVIRONMENTAL SUSTAINABILITY

Our environmental initiatives focus on expanding green cover, conserving natural resources, promoting animal welfare and strengthening sustainable waste management.

- **Urban Greening:** Contributed 2,000+ saplings to the Raichur City Corporation for plantation across identified locations within and around the city.

- **Plantation & Maintenance:** Continued support to Green Raichur, which has planted 62,000+ saplings over seven years, with a reported survival rate of approximately 90%. Support included watering, pruning, tree-guard maintenance and replacement of failed saplings across city sites and Company units.
- **Green Cover at Manufacturing Units:** Undertook plantation and maintenance around Unit-1 and Unit-2, contributing to a greener industrial environment and local dust suppression.
- **Sustainable Waste Management:** Donated 52 high-capacity bins of 660 litres each to the Raichur City Corporation, adding 34,320 litres of waste-holding capacity at identified waste hotspots. The initiative promotes wet and dry waste segregation, supports the Swachh Bharat Mission and was recognised with a Certificate of Appreciation from the Corporation.

RURAL COMMUNITY DEVELOPMENT

Our rural development initiatives focus on creating **shared community assets and platforms that deliver sustained benefits** across rural communities in Raichur district.

- **Water Conservation & Animal Welfare:** Supported **Raichur Gorakshana Samiti, Maliabad,** through lake desilting, improved drinking-water facilities and fodder cultivation, strengthening water security and reducing dependence on tanker water and purchased fodder.
- **Community Infrastructure:** Supported the construction of a **community hall at Wadloor village,** providing a shared space for cultural programmes, health camps and educational activities.
- **Community Health & Safety:** Donated an **ambulance** for community healthcare transport, supported **IT equipment for a rural police station** and installed public safety signage at Yadavanagar Colony.
- **Youth & Community Development:** Supported an **Army recruitment rally**, the **Chikasugur rural cricket tournament** and other youth-focused activities, promoting participation and community engagement.
- **Culture & Social Inclusion:** Supported **Raichur Utsav**, the district's cultural festival, which brought together **200,000+ participants**, celebrating local culture and strengthening community participation.

AWARDS AND RECOGNITIONS

Website: www.raichurcity.gov.in
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Phone No: 08532-226768
Fax No: 08532-226316

ರಾಯಚೂರು ಮಹಾನಗರ ಪಾಲಿಕೆ
RAICHUR CITY CORPORATION

ಪ್ರಶಂಸನೀಯ ಪತ್ರ

Date: 08-10-2025

To,
The Managing Director,
Shilpa Medicare Limited & Shilpa Foundation
Raichur, Karnataka

Subject : Formal Appreciation for CSR Contribution of 52 High-Capacity Dustbins Worth ₹10 Lakhs

Dear Sir/Madam,

On behalf of Raichur City Corporation, I wish to express our profound appreciation for Shilpa Foundation's significant Corporate Social Responsibility contribution of 52 high capacity dustbins (660 liters) valued at ₹10 Lakhs. This substantial support demonstrates your organization's steadfast commitment to environmental sustainability and aligns perfectly with our mission to enhance urban cleanliness and public health standards across Raichur city. Your timely contribution will substantially strengthen our waste management infrastructure, enabling more effective waste segregation and disposal systems throughout the city.

This generous initiative reflects Shilpa Foundation's dedicated approach to corporate citizenship and complements your established environmental conservation efforts, including your notable "Green Raichur" plantation drive. The strategic placement of these dustbins across key public spaces will create tangible improvements in urban hygiene while supporting our shared vision of transforming Raichur into a model clean city. We recognize and value this meaningful partnership that directly addresses critical urban environmental challenges.

The Raichur City Corporation assures optimal deployment and maintenance of these assets within our comprehensive waste management framework. We look forward to continued collaboration with Shilpa Medicare Limited and Shilpa Foundation in future urban development initiatives and remain committed to recognizing your valuable contribution to Raichur's sustainable growth.

Yours faithfully,
Commissioner
Raichur City Corporation

GOVERNANCE

Ensuring Integrity and Accountability

At Shilpa Medicare, we believe, good governance is a fundamental necessity for continued success and sustainability. Our governance framework is designed to cultivate integrity, ethical decision-making and stakeholder trust while supporting our strategic objectives in the dynamic world of pharmaceuticals.

Our diverse Board of Directors includes eminent industry leaders with expertise across pharmaceutical innovation, global markets, financial stewardship and regulatory affairs. The Board maintains an optimum balance of executive, non-executive and independent directors ensuring comprehensive oversight while promoting agile decision-making. The Board ensures that our governance practices are aligned with the best industry standards and regulatory requirements. These practices are continuously reviewed to adapt to the evolving business landscape, driving our long-term sustainability and success.

The company endeavours to ensure that the highest standards of ethical conduct are maintained throughout the organisation. The company complies with the requirements of corporate governance in accordance with applicable Rules/Regulations issued by Regulatory Authorities.

Mr. Omprakash Inani

Chairman

Mr. Omprakash Inani has more than 37+ years of business experience. He monitors business and functional aspects of the Company along with the operations of all the plants. He is also a Council Member in "Academy of Medical Education, Dental College & V.L. College of Pharmacy", "Taranath Shikshana Samsthe, Raichur" and a trustee in "Akhil Bhartiya Maheshwari Education Trust, Pune". He is also Managing Committee Member of "Karnataka State Cotton Association".

Mr. Vishnukant Chaturbhuj Bhutada

Managing Director

Mr. Vishnukant Chaturbhuj Bhutada holds Bachelor's Degree in Pharmacy and has 37+ years of experience in the Pharmaceutical Industry. He is one of the founder member of Shilpa Medicare Limited and the main guiding force behind the progress of Shilpa Medicare Limited. His analytical vision and splendid knowledge of not only domestic but also international medicare market made this Company one of the biggest exporters of specialised medical ingredients and medicines. Meteoric rise of this Company and success is hugely attributed to him.

Mr. Sharath Reddy Kalakota

Whole Time Director

Mr. Sharath Reddy Kalakota is a PG in Pharmacy from BITS, Pilani. He obtained his bachelor's degree from Raichur, Gulbarga University. He joined Shilpa Medicare Limited in 1991 and is having an enriched experience in API manufacturing, operations & execution of greenfield & brownfield projects.

Mr. Hetal Madhukant Gandhi

Independent Director

Mr. Hetal Madhukant Gandhi has over 40+ years of experience in the financial services industry that encompasses private equity investments, credit markets, investment banking and turnaround situations. He is a certified member of the Institute of Chartered Accountants of India. He has been on the Board of companies, both listed and unlisted, actively contributing to their strategy, organisation, building and execution, and helped them scale up significantly.

Dr. Anita Bandyopadhyay

Independent Director

Dr. Anita Bandyopadhyay holds Doctorate degree in Applied Psychology from Kolkata University and Executive MBA from SP Jain Institute of Management & Research, Mumbai. She is an acclaimed HR consultant with extensive expertise in Leadership Development, Talent Management, Performance Management, HR Processes and Corporate Succession Planning. She has an amalgamation of strong conceptual knowledge with result-oriented application practice. She has serviced Pharmaceuticals, Glass Packaging, Education, Adhesives, Textile & Apparels Industries and has exposure to Manufacturing, Education, FMCG, Retail and B2B business sectors.

Mr. Ashraf Loutfy Abdelhamid Allam

Independent Director

Mr. Ashraf Loutfy Abdelhamid Allam has overall 31+ years of experience in the field of pharma / biotech / medical devices and consumer health industries. He has been on the board as leader & partner with experience in start-ups, driving top-line / bottom-line growth, managing P&L. He has worked as CEO, Managing Director / Regional VP positions, reported directly to company boards and CEO's, built first-class teams, delivered profitable topline growth. Mr. Ashraf is a graduate from Faculty of Pharmacy, University of Tanta and holds a Bachelor degree in Pharmaceutical Sciences.

Corporate Information

BOARD OF DIRECTORS

Mr. Omprakash Inani
Chairman

Mr. Vishnukant Chaturbhuj Bhutada
Managing Director

Mr. Sharath Reddy Kalakota
Whole Time Director

Mr. Hetal Madhukant Gandhi
Independent Director

Dr. Anita Bandyopadhyay
Independent Woman Director

Mr. Ashraf Loutfy Abdelhamid Allam
Independent Director

BOARD COMMITTEES

Audit Committee

Mr. Hetal Madhukant Gandhi
Chairman

Mr. Omprakash Inani
Member

Dr. Anita Bandyopadhyay
Member

Mr. Ashraf Loutfy Abdelhamid Allam
Member

Nomination and Remuneration Committee

Dr. Anita Bandyopadhyay
Chairperson

Mr. Omprakash Inani
Member

Mr. Hetal Madhukant Gandhi
Member

Stakeholders' Relationship Committee

Mr. Omprakash Inani
Chairman

Mr. Vishnukant Chaturbhuj Bhutada
Member

Dr. Anita Bandyopadhyay
Member

Corporate Social Responsibility Committee

Dr. Anita Bandyopadhyay
Chairperson

Mr. Vishnukant Chaturbhuj Bhutada
Member

Mr. Sharath Reddy Kalakota
Member

Risk Management Committee

Mr. Vishnukant C. Bhutada
Member

Mr. Sharath Reddy Kalakota
Member

Mr. Ashraf Loutfy Abdelhamid Allam
Member

Chief Financial Officer

Mr. Alpesh M Dalal

Company Secretary & Compliance Officer

Ms. Ritu Tiwary

Secretarial Auditors

Mr. D S Rao Company Secretary
6-3-347-22/2, Flat No. 10,
4th Floor, Iswarya Nilayam,
Dwarakapuri Colony, Punjagutta,
Hyderabad - 500 082
Telangana, India

Statutory Auditors

B N P S and Associates, LLP
(formerly Bohara Bhandari Bung and Associates LLP)
Chartered Accountants
#12-10-89/1, Anagha Complex
2nd Floor, above Canara Bank, Sath Kacheri Road Raichur 584101,
Karnataka India

Internal Auditors

M/s Aneja Assurance Pvt Ltd
301 Peninsula Towers, Peninsula Corporate Park, G.K. Marg,
Lower Parel, Mumbai 400 013

Cost Auditors

V.J. Talati & Co
602, Silver Matruprabha Building,
Cama Lane Kirol Road, Ghatkopar (West), Mumbai Maharashtra India

Bankers

Axis Bank Ltd
ICICI Bank Limited
CSB Bank

Registrar and Share Transfer Agent

M/s. Kfin Technologies Limited
Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Telangana,
India - 500 032

Registered Office$

Raichur # 12-6-214/A-1, Shilpa House Hyderabad Road
Raichur – 584 135 Karnataka, India
Phone: 08532-238704
Fax: 08532-238876
Email: info@vbshilpa.com
Web: www.vbshilpa.com

$ Application of shifting the Registered .office from State of Karnataka to State of Maharashtra pending with RD

New Address:-
Office No. 1,
"A" Wing, Ground Floor,
Trade Star Building, J.B. Nagar,
Andheri-Kurla Road,
Andheri (East), Mumbai - 400059
Maharashtra

Works

DTA – Raichur
Shilpa Pharma Lifesciences Limited
Plot Nos. 1A, 1B, 2, 2A, 3A to 3E & 4A to 4C, 5A, 5B, Deosugur Industrial Area, Deosugur - 584 170, Raichur District, Karnataka, India.

100% Export-Oriented Unit - Raichur
Shilpa Pharma Lifesciences Limited 33-33A, 40-47, Raichur Industrial Growth Center, Wadloor Road, Chicksugur - 584 134, Raichur District, Karnataka, India.

SEZ Unit - Jadcherla
Plot No. S-20 to S-26, Pharma SEZ TSIIC Green Industrial Park, Pollepally Village, Jadcherla Mandal, Dist. - Mahbubnagar - 509 301, Telangana, India.

Manufacturing Unit - Bengaluru
Plot No. 29 A5, 4th Phase (Avverahalli) Sompura, Industrial Area, Honnenahalli Village, Dobbaspet, Nelamangala, Bangalore Rural – 562 111, Karnataka, India.

Therapeutics Unit: Hyderabad
Plot No. 118, Phase III, IDA Cherlapally, Hyderabad 500051 Telangana, India.

Biologicals Unit: Dharwad
Shilpa Biologicals Private Limited
Plot No: 531, 532 (A), KIADB, Belur Industrial Area, Dharwad – 580011, Karnataka, India.

Biocare Unit
Kadechur
Shilpa Biocare Private Limited
Plot No: 286, 287 & 288, Kadechur Industrial Area, Yadgir, Kadechur – 585221, Karnataka India.

R&D Units

Raichur R&D
Plot Nos. 33-33A, 40 to 47, Raichur Industrial Growth Centre, Wadloor Road, Chicksugur Cross, Chiksugur-584134, Raichur Karnataka, India.

Bengaluru R&D
Plot No. 29 A5, 4th Phase (Avverahalli) Sompura, Industrial Area, Honnenahalli Village, Dobaspet, Nelamangala, Bangalore Rural – 562 111, Karnataka, India.

Hyderabad R&D
Plot No. 79, Road No. 15, Survey No. 125, IDA Mallapur, Nacharam, Uppal Mandal Medchal, Malkajgiri Dist. – 500 076, Hyderabad, Telangana, India.

Ahmedabad R&D
FTF Pharma Private Limited
Block No.: 193(Part) + 211 (Part), Xcelon Industrial Park, Chak-de India Weigh Bridge Road, Vasana Chacharwadi, Tal: Sanand; Ahmedabad, Gujarath - 382213, India.

Sravathi Advance Process Technologies Private Limited R&D
Plot No 63-B, Ground Floor, Bommasandra Industrial Area, Attibele Hobli, Anekal Taluk, Bengaluru – 560099 Karnataka-India.

Shilpa Biologicals Private Limited R&D
Plot No.: 531, 532 (A), KIADB, Belur Industrial Area, Dharwad – 580011, Karnataka India.

Indian Subsidiaries

Shilpa Biologicals Private Limited

Shilpa Biocare Private Limited

Shilpa Pharma Lifesciences Limited

Shilpa Lifesciences Private Limited
(Step-Down Subsidiary)

Sampra Corporate Holdings Private Limited
(Formerly Vegil Labs Private Limited)

FTF Pharma Private Limited

Shilpa Therapeutics Private Limited*
(Amalgamated with Shilpa Medicare Limited w.e.f. 27 February 2026)

Foreign Subsidiaries

Shilpa Pharma Inc., U.S.A

Koanaa Healthcare Limited, UK

Koanaa Healthcare GmbH, Austria

Koanaa International FZ LLC,

Dubai Koanaa Healthcare, Spain

Makindus INC, USA

Indo Biotech SDN BHD, Malaysia

Pilnova Pharma INC, USA

Koanaa Healthcare Canada Inc.
(Ceased to be a subsidiary w.e.f. 14 January 2026.)

Joint Ventures

Reva Medicare Private Limited

Associate Companies & Investment Entity

Maia Pharmaceuticals Inc.

Sravathi Advance Process Technologies Private Limited

Sravathi AI Technology Private Limited

Management Discussion and Analysis

GLOBAL INDUSTRY OVERVIEW

Global Pharmaceutical Industry

The global pharmaceuticals market was valued at ~USD 1,700 billion in 2025 and is projected to grow to over USD 3,035 billion by 2034 at a CAGR of over 6% during the forecast period. The U.S. pharmaceutical market is expected to reach USD 800+ billion by 2028, driven by an ageing population, high R&D investment, and leadership in oncology and biologics. Growth is supported by government policies, improved healthcare access, and rising chronic disease prevalence. Global medical use is projected to grow at a 2.7% CAGR (unadjusted for population), while global medicine spending is expected to exceed USD 2.6 trillion by 2030, growing 5-8% annually. The key drivers include new products and patent expiries, notably the growing role of biosimilars.

Key regions for growth

North America

North America continues to be the largest pharmaceutical market globally, led by the United States, supported by high healthcare spending, strong innovation pipelines and early adoption of specialty therapies. Medicine spending growth in developed markets continue to be driven by innovative therapeutics, particularly in oncology, immunology, diabetes and obesity. Global medicine spending is expected to exceed USD 2.6 trillion by 2030, with the U.S. remaining the single-largest contributor to this growth. Patent expiries and increasing biosimilar adoption are also expected to moderate spending growth. North America remains the largest contributor due to strong R&D infrastructure and commercialisation capabilities.

Europe

The European pharmaceutical market is expected to reach USD 616.12 billion in 2026. The market is projected to grow at a CAGR of 6.67% from 2026 to 2034, reaching USD 1,032.76 billion by 2034. Growth is supported by ageing populations, increasing chronic disease burden and wider access to innovative medicines. Oncology remains the largest therapy segment, accounting for 31.6% of the market, supported by rising use of targeted therapies, immunotherapies and personalised treatments.

Rest of the World (RoW)

China, Latin America, the Middle East, Africa and other Asia-Pacific markets continue to contribute significantly to global pharmaceutical growth. China is the fastest-growing major pharmaceutical market since 2020 and expects its medicine usage to nearly double by 2030 compared to 2020 levels. Pharmerging markets are expected to contribute nearly USD 121 billion in pharmaceutical growth through 2030, supported by improving healthcare access, population growth and rising government healthcare spending. Investments in biosimilars, specialty therapies and digital health across emerging markets are rising while pricing sensitivity remains high. Expanding insurance coverage and healthcare infrastructure are expected to support long-term pharmaceutical demand across RoW markets.

(Source: Precedenceresearch, Precedenceresearch, Iqvia, Manufacturingchemist, novaoneadvisor, fortunebusinessinsights, Frost, Marketdataforecast,

Global Pharmaceutical Industry Outlook

The global pharmaceutical industry is on a steady growth path, with medicine spending projected to exceed USD 2.6 trillion by 2030 (5–8% annual growth). Oncology, immunology, diabetes, and obesity remain key therapy areas, while patent expiries and biosimilars moderate pricing.

(Source: IQVIA, Mordorintelligence)

Indian Pharma Industry Overview

The Indian pharmaceutical industry continues to play an important role in both domestic healthcare and global medicine supply. India ranks third globally by volume and eleventh by value, supported by more than 3,000 pharmaceutical companies and over 10,500 manufacturing units. The sector remains one of the largest suppliers of generic medicines globally, contributing nearly 20% of global generic drug supply and manufacturing around 60,000 generic brands across 60 therapeutic categories.

The Indian pharmaceutical market was valued at USD 57.61 billion in 2025 and is estimated to reach USD 60.32 billion in 2026. It is projected to grow to USD 79.74 billion by 2031 at a CAGR of 5.74% during 2026–2031. Growth is being supported by rising chronic disease burden, patent expiries that expand the generic pipeline, and government initiatives such as the Production Linked Incentive (PLI) scheme for strengthening domestic API manufacturing.

Prescription drugs accounted for 61.26% of total revenue in 2025, while anti-infectives remained the largest therapy segment with a 34.11% share. Oncology is expected to be the fastest-growing segment with a CAGR of 8.22% through 2031. Retail pharmacies continued to dominate distribution with a 64.57% share, while online pharmacies are expected to grow faster with increasing digital healthcare adoption.

Pharmaceutical exports also remained strong, reaching USD 30.5 billion in FY24-25, with supplies to 191 countries. Exports in January 2026 increased to USD 2.66 billion from USD 2.59 billion in January 2025. With strong manufacturing capacity, export growth and policy support, the industry outlook remains positive for the coming years.

(Source: PIB, Mordorintelligence)

Indian Pharmaceutical Industry Outlook

The outlook for the Indian pharmaceutical industry remains positive, supported by strong export potential, product diversification and increasing focus on value-added segments. India is already the largest supplier of generic medicines globally, accounting for one in every five generic drugs sold worldwide. However, the next phase of growth is expected to come from moving beyond volume-based exports toward higher-value products such as specialty generics, biosimilars, APIs and innovative formulations.

India's pharmaceutical exports are projected to grow from approximately USD 27 billion in 2023 to USD 65 billion by 2030 and further to nearly USD 350 billion by 2047. This growth will be driven by stronger global demand, expansion into regulated markets and competitiveness in complex therapies. India currently ranks 11^{th} globally in export value, and the industry aims to move into the top five pharmaceutical exporters by 2047.

Innovation, regulatory compliance, quality standards and supply chain resilience will be critical for long-term growth. Greater investment in research, manufacturing excellence and domestic API capacity will support this transition. Collaboration between government and industry will also remain important in improving market access and strengthening India's position as a global pharmaceutical manufacturing and export hub. Overall, the industry is likely to shift from scale-driven growth to value-led expansion.

(Source: IPA)

Global API market

The global active pharmaceutical ingredient (API) market size is projected to grow from USD 261.28 billion in 2026 to USD 457.75 billion by 2034 at a CAGR of 7.26%. Active pharmaceutical ingredients (APIs) form the core of drug manufacturing, with demand for specialised APIs rising due to advanced therapeutics and precision medicine. API outsourcing has become common for cost and scalability, especially among biopharma and virtual pharma companies. Moving forward, the industry is prioritising supply chain resilience, regulatory agility, and a broader manufacturing base.

(Source: fortunebusinessinsights)

Global CDMO market

The global Contract Development and Manufacturing Organisation (CDMO) industry has become a key pillar of the pharmaceutical and biotechnology sector. Rising R&D costs, increasing regulatory requirements, and the need for faster product development have led pharmaceutical companies to rely more on CDMO partners for development, manufacturing and supply chain support. The global CDMO market was valued at USD 255.01 billion in 2025 and is projected to grow from USD 273.40 billion in 2026 to USD 580.72 billion by 2034, registering a CAGR of 9.90%.

North America remained the largest market with a 38.50% share in 2025, supported by a strong network of CDMOs, a high number of clinical trials and established pharma-biotech partnerships. Europe remains another major CDMO hub, led by Germany, Switzerland, the United Kingdom and Ireland. According to Mordor Intelligence, Europe continues to attract strong demand for specialised biologics manufacturing, supported by investments such as Lonza's fill-finish expansion in Switzerland.

Japan is also becoming an important CDMO market, supported by increasing demand for biologics, antibody-drug conjugates and regenerative medicines. Japanese pharmaceutical companies are increasingly outsourcing manufacturing to improve cost efficiency and focus on innovation. Japan remains a strategic market for advanced therapies, particularly in biologics and cell and gene therapy manufacturing.

With growing demand for biologics, personalised medicines and supply chain resilience, strategic collaborations, capacity expansion and regional diversification will continue to shape the global CDMO industry outlook.

(Source: Fortunebusinessinsights, Mordorintelligence, Mordorintelligence)

Global CDMO Market Outlook

The global CDMO industry outlook remains strong, supported by rising outsourcing by pharmaceutical and biotechnology companies, increasing biologics pipelines and the need for faster commercialisation. Companies are moving from transactional outsourcing to long-term strategic partnerships with CDMOs for API development, formulation, fill-finish, regulatory support and commercial manufacturing. Overall, CDMOs with capabilities in biologics, complex molecules, AI-enabled manufacturing and regulatory compliance are expected to see sustained growth in the coming years.

(Source: Mordorintelligence)

Indian CDMO Industry

Overview

India's CDMO industry is becoming an important part of the global pharmaceutical supply chain. The sector is benefiting from rising outsourcing by global pharma companies, increasing demand for cost-efficient manufacturing and the shift toward supply chain diversification under the China Plus One strategy. The Indian CDMO market size is expected to be valued at USD 23.3 billion in 2026 and projected to reach USD 55.5 billion by 2033, growing at a CAGR of 13.2% between 2026 and 2033. This growth is driven by India's cost-efficient manufacturing capabilities, skilled workforce, pharmaceutical infrastructure, leadership in generic drug production and biosimilar development.

(Source: persistencemarketresearch)

Outlook and Key trends

India's CDMO market was valued at nearly USD 7.9 billion in 2024 and is expected to nearly double by 2033. Growth is being supported by stronger global outsourcing demand, expansion of CRDMO platforms and rising investments in advanced manufacturing. With increasing concerns around dependence on China is also creating opportunities for Indian CDMOs.

a) **Shift from Generics to Complex Therapies**

Indian CDMOs are moving beyond small molecules and generic APIs into biologics, biosimilars, antibody-drug conjugates (ADCs), peptides and cell and gene therapy support. Biologics account for more than half of global prescription revenues and are projected to approach 60% by 2028, creating a significant opportunity for Indian manufacturers.

b) **Strategic Partnerships and Capacity Expansion**

Indian companies are investing in expansion projects, acquisitions and partnerships to strengthen their CDMO capabilities. Private equity participation and strategic collaborations are increasing across the sector, especially in biologics and specialty manufacturing.

c) **CRDMO Model Growth**

The industry is moving from pure manufacturing to integrated CRDMO models that combine research, development and manufacturing. This improves customer stickiness and supports long-term contracts with global innovators.

(Source: Cdmoworld, EY)

Key Trends Shaping the Overall Industry

Generic Medicines

Generic medicines continue to remain the foundation of affordable healthcare globally and are a major driver of pharmaceutical volume growth. Rising patent expiries, increasing healthcare costs and wider access to treatment are supporting strong demand for generics across both developed and emerging markets. The Generic Drugs Market size is projected to expand from USD 419.37 billion in 2025 and USD 445.32 billion in 2026 to USD 571.12 billion by 2031, registering a CAGR of 5.11% between 2026 and 2031, supported by chronic disease prevalence and government efforts to reduce healthcare expenditure through lower-cost treatment alternatives. The focus is gradually shifting from simple oral solids to complex generics, injectables and specialty generics, where entry barriers and margins are relatively higher.

Pricing pressure in traditional generics is pushing companies toward differentiated products and first-to-file opportunities. Complex generics, respiratory products and oncology generics are becoming

key growth areas. Regulatory support for domestic manufacturing and supply chain resilience is also improving the outlook. In India, generic exports continue to remain strong, supported by the country's position as one of the largest global suppliers of generic medicines. This trend is expected to continue as healthcare systems focus on affordability and patent cliffs create new opportunities.

Biosimilars

Biosimilars are becoming an important growth driver in the pharmaceutical industry as healthcare systems look to reduce biologic therapy costs while improving patient access. Biosimilars represented only 5% of biologics spending in 2024, but they have already generated €75 billion in cumulative list-price savings in Europe. This highlights their growing role in improving affordability and system sustainability.

Adoption is increasing across therapy areas, including oncology, immunology, ophthalmology and osteoporosis, although physician confidence and market access remain key challenges. Familiarity with biosimilars, clinical evidence and payer support is critical for wider acceptance. In ophthalmology, aflibercept biosimilars entering in 2025 are expected to improve access significantly, while earlier ranibizumab biosimilar uptake remained limited due to delivery and confidence issues. As biologic patent expiries continue, biosimilars are expected to gain stronger market share, especially in regulated markets where payers are focused on cost optimisation and long-term treatment access.

Targeted Medicines – ADCs

Antibody Drug Conjugates (ADCs) are emerging as one of the fastest-growing targeted therapy segments, especially in oncology. ADCs combine the precision of monoclonal antibodies with the potency of cytotoxic drugs, allowing targeted treatment with improved therapeutic outcomes. ADCs are becoming a core growth area for global pharma companies with the North America accounting for 41.55% of the market share in 2025. Indian companies are also increasing investments in ADC development and manufacturing, creating new opportunities in high-value oncology innovation and CDMO partnerships.

AI in Drug Discovery

Artificial Intelligence is transforming pharmaceutical R&D by improving speed and efficiency in drug discovery, clinical trial design, and supply chain optimisation. AI-powered platforms are driving the next phase of Indian biopharma growth, shifting from linear R&D to data-driven, integrated models. India's opportunity lies in combining scientific talent with digital capabilities to support innovation-led manufacturing, especially for biologics, peptides, and ADCs. AI is also enhancing CRDMO models through faster scale-up and customer integration, making AI-led decision-making a core competitive advantage in global pharma operations.

Increase in R&D Spend

Rising R&D spending is driving pharmaceutical investment in biologics, gene therapy, and targeted oncology to counter patent expiries and pricing pressure. In India, the focus is shifting from cost-led manufacturing to innovation-led growth, leveraging integrated discovery platforms, CRDMO expansion, and a skilled workforce. Indian companies are increasingly investing in biologics, injectables, and peptides, supporting the country's transition from a generic supplier to a strategic innovation partner in global pharma.

(Source: Mordorintelligence, IQVIA, Mordorintelligence, EY)

COMPANY OVERVIEW

Shilpa Medicare Limited is an integrated pharmaceutical company established in 1987 in Raichur, Karnataka, with a presence across APIs, formulations, biologics and CDMO services. The Company operates through a network of subsidiaries and advanced manufacturing facilities serving clients in more than 50 countries, supported by dedicated R&D centres focused on advancing its pipeline across small molecules and biologics.

Over the years, Shilpa has built regulatory accreditations from major global authorities, including the USFDA, EU-GMP, ANVISA and WHO-GMP, reinforcing its position as a trusted partner to global pharmaceutical and biotechnology companies. Its innovation ecosystem comprises over 10 regulatory-approved manufacturing and R&D centres, a team of more than 400 scientists, over 550 patent applications and 283 DMF filings globally.

Active Pharma Ingredients (APIs)

The API operations of the Company are carried out through its wholly-owned subsidiary, Shilpa Lifesciences Limited. The subsidiary operates two API manufacturing facilities in Raichur, Karnataka, with ongoing capacity expansion in oncology APIs, peptides and key non-oncology products, including a new oncology block expected to be commissioned in FY27. The API business is supported by strong backward integration with the formulations business, driving higher captive consumption and capacity utilisation. Its portfolio includes oncology and non-oncology APIs, intermediates, peptides, payloads and linkers, biopolymers and CDMO services. The Company is also expanding its oncology pipeline with over 15 new APIs targeting patent expiries through 2032, while strengthening its specialty CDMO capabilities across peptides, polymers and GLP-1.

Over the years, Shilpa Medicare Limited has established a strong global presence in the API industry by supplying products to multiple international markets. Its manufacturing facilities are accredited by regulatory authorities such as the U.S. Food and Drug Administration (USFDA), European Medicines Agency standards (EU-GMP), Therapeutic Goods Administration (TGA), Pharmaceuticals and Medical Devices Agency (PMDA), Korea Food and Drug Administration (KFDA), and World Health Organisation (WHO-GMP). During FY26, the Company added 37 DMF filings, taking its cumulative global API filings to 283.

Performance in FY26

The API business grew 17% year-on-year to ₹985 Crores (including captive sales), with growth broad-based across both Oncology and Non-Oncology segments and meaningful contributions from key base-business products. The captive business, which feeds the company's own Formulations vertical, continued to grow steadily, reinforcing its role as a long-term internal demand driver. Commercialisation of newly expanded capacities also improved utilisation for key non-oncology products, while the Specialty CDMO division maintained steady performance with strong traction in new client additions.

The Company expanded its Specialty CDMO pipeline with new global clients, including a leading global pharmaceutical company. One U.S. CDMO program received USFDA approval, while another is expected to commercialise in FY27 following its June 2026 PDUFA date. Over 25 CDMO programs are at various stages of development. The dedicated OLC manufacturing block was commissioned during FY26. Additionally, two new NCE programs completed client audits and are expected to begin development in FY27.

The Company added over 15 oncology APIs targeting patent expiries through 2032. The new oncology manufacturing block is expected to be commissioned by the end of FY27. Methotrexate API received CEP certification, while an import-substitute non-oncology API completed validation and is expected to be commercialised in FY27. Capacity expansion for UDCA and Tranexamic Acid is also underway. In peptides, capacity expansion is underway, with two products under validation. Teduglutide completed laboratory development and is expected to complete process validation in H1 FY27. For GLP-1, one product's DMF is ready, while Semaglutide completed validation in FY26 and its DMF filing is targeted for H1 FY27. The polymers business achieved proof-of-concept for an ophthalmic polymer, supplied initial commercial quantities, delivered a polymer for targeted drug delivery applications, and secured repeat orders from an MNC customer.

Formulations

Shilpa Medicare Limited offers a diverse range of pharmaceutical dosage forms, including tablets, capsules, injectables, oral dissolving films (ODF), transdermal patches, novel drug delivery systems, and CDMO services through subsidiaries Shilpa Medicare, Shilpa Therapeutics, and FTF Pharma. Its differentiated portfolio spans complex injectables, transdermal systems, oral films and 505(b)(2) products for regulated and emerging markets. The Company operates three manufacturing facilities in Jadcherla and Bengaluru. The Jadcherla facility has an annual production capacity of nearly 25 million OSD tablets, 4 million capsules, 3 million injectables, and 2 million vials of liquid lyophilisation. It holds regulatory approvals from authorities such as EU GMP, ANVISA, COFEPRIS, TGA, WHO-GMP, SHAPRA, and Health Canada.

The Bengaluru plant is fully automated with capabilities to manufacture oral dissolving films and transdermal patches, with an annual capacity of around 50 million ODF units and 30 million TDF units. The facility holds certifications from the US FDA, TGA, WHO-GMP, UK-MHRA, and EU GMP. The formulations business is supported by strong backward integration with the Company's API operations, enabling greater supply chain integration and improved operating efficiencies.

Performance in FY26

Formulations delivered the standout performance of the year, growing 30% year-on-year to ₹618 Crores from ₹474 Crores in FY25, the highest-ever annual revenue for the segment. Excluding licensing income, underlying revenue grew an even sharper ~75% year-on-year. This was driven substantially by the domestic launch of NorUDCA (Noduca™), the company's first-in-class NAFLD therapy, which gained strong commercial traction through the year and supported continued order-book visibility into FY27.

Geographically, Europe led the FY26 revenue mix at ₹223 Crores, up from ₹111 Crores in FY25 — crossing the ₹200 Crores milestone for the first time and growing 60% year-on-year in the fourth quarter alone. Licensing/Services revenue were at ₹120 Crores, while RoW grew to ₹123 Crores from ₹99 Crores. Domestic revenue rose to ₹72 Crores from ₹26 Crores, reflecting the NorUDCA launch, and US revenue grew to ₹80 Crores from ₹48 Crores in FY25. The shift underscores Europe's emergence as the largest single geography within Formulations, even as growth was recorded across every region.

The Company has leveraged its proprietary intellectual property and expertise in high-quality generic formulations to collaborate with global pharmaceutical companies. This model enables Shilpa Medicare to licence advanced-stage or ready-to-market molecules, such as oncology and CNS therapies, in key markets such as the US and Europe. The Company partners with firms having strong regional distribution networks and generates revenue through upfront payments, milestone payments, supply agreements and profit sharing. This asset-light, high-margin model enables faster market entry while expanding partners' portfolios with differentiated generic products.

Among regulated markets, Europe formulations revenue exceeded ₹200 Crores in FY26, registering over 100% year-on-year growth, while the U.S. business continued to strengthen, supported by commercialised 505(b)(2) products. Revenue from emerging markets and India also recorded healthy growth during the year.

NorUDCA continued to gain strong market traction following its launch in India under the proprietary brand NODUCA™ through partnerships with three leading domestic pharmaceutical companies. Encouraged by favourable patient response, the Company plans to initiate clinical studies for the U.S. and Europe in FY27. Three commercial 505(b)(2) products remained operational in the U.S., with volumes expected to increase steadily.

The Company completed exhibit batches for Abraxane (Paclitaxel Albumin-bound Injection), with commercialisation targeted for FY28. Registration batches for Enzalutamide tablets were completed using a non-infringing process, with filings in the U.S. and Europe planned in FY27 and commercialisation expected in FY28. Rotigotine Transdermal Patch is scheduled for launch in Europe in FY27, while the U.S. submission was completed during FY26.

Ondansetron Extended-Release Injection is expected to be launched in India in FY27, with global clinical studies planned during the year. SMLTOP09 (topical Dutasteride for androgenetic alopecia) received DCGI approval for Phase III studies, with global clinical studies planned in FY27 following scientific advice from European regulators.

The Company became the first to secure EU approval for multiple strengths of Tadalafil Oral Dissolving Films under the hybrid application pathway, while the USFDA approved the suitability petition, enabling ANDA submission. Its pipeline also includes SMLOSD014, a complex anticoagulation product targeting a USD10 billion-plus U.S. market, SMLTDP012, an Alzheimer's transdermal patch, and five additional complex/505(b)(2) products under development.

In CDMO, the integrated API and formulation program with Unicycive Therapeutics progressed further, with the FDA resubmission with the US FDA. However, the Company does not expect any meaningful revenue contribution from the program during FY27.

Biologics

Shilpa Medicare Limited conducts its biologics business through two wholly-owned subsidiaries, namely Shilpa Biologicals Private Limited and Shilpa Biocare Private Limited. This segment focuses on biosimilars, New Biological Entities (NBEs), microbial and mammalian products, recombinant proteins, Antibody-Drug Conjugates (ADCs) and CDMO services. With strong technical capabilities, the Company is well-positioned to develop innovative, complex biologics while maintaining high quality standards.

The Company offers comprehensive services at its Dharwad biologics facility, spanning product development to commercial manufacturing of microbial and mammalian-based drug substances and products. The facility is equipped with 4,000 litres of upstream capacity and 1,000 litres of microbial fermentation capacity, alongside a pre-filled syringe (PFS) line capable of processing 80 units per minute. It is also developing an integrated ADC manufacturing platform covering monoclonal antibodies, payloads, linkers and conjugation capabilities. The facility supports end-to-end biologics development and manufacturing for both proprietary products and CDMO partners. EU-GMP standards approve the facility.

Performance in FY26

The Biologics segment reported revenue of ₹149 Crores for FY26, contributing ~10% to consolidated revenue. During the year, the segment's development and manufacturing capabilities were increasingly monetised through high-value global collaborations, with two NBE programmes and one NCE now being co-developed with global partners, positioning Shilpa as a preferred CDMO for novel product development. The segment also advanced its biosimilars pipeline, including a licensing agreement with SteinCares for the LatAm region and the addition of four new biosimilar programmes, alongside continued progress on its ADC and recombinant human albumin platforms.

Recombinant Human Albumin

Recombinant Human Albumin (rHA) is a laboratory-grown form of human albumin, a protein naturally present in blood plasma that regulates blood volume and pressure by maintaining osmotic balance. Shilpa Medicare Limited has developed a novel rHA using animal-origin-free (AOF) raw materials, supported by patented technology in the U.S. and Europe.

To commercialise the product in Europe, the Company has partnered with Orion Corporation, which will undertake marketing, distribution and sales, while Shilpa will receive development, regulatory and commercial milestone payments. The Company has invested in the development of rHA for over eight years and established a large-scale fermentation facility to support future commercial manufacturing. During FY27, the Company plans to initiate Phase III clinical studies in India and Europe, file a pre-IND application in the U.S., and continue customer engagement for non-therapeutic applications, with samples already shared with U.S. clients.

Shilpa Medicare Limited supports its BioCare product portfolio through a fully automated and integrated manufacturing facility at Kadechur. The unit is equipped with an advanced Distributed Control System (DCS) and a high-end protein filtration system. The facility has a fermentation capacity of over 200 kilolitres per annum, with product vessels ranging from 5 KL to 50 KL and buffer vessels from 5 KL to 15 KL.

OPPORTUNITIES & THREATS

Opportunities

- Presence in high-growth advanced therapy platforms — biosimilars, ADCs, recombinant human albumin and next-generation biologics
- Global CDMO market projected to grow meaningfully; India's CDMO market expected to grow at a faster rate
- Large wave of off patent opportunities in biologic segment in coming years — a generational opportunity for credible Indian biosimilar developers
- Rising global CDMO outsourcing amid the "China Plus One" supply-chain diversification strategy
- Shift toward complex generics, injectables and specialty products as traditional generics face pricing pressure, favouring differentiated players

Threats

- Complex and continually evolving regulatory compliance framework across multiple international jurisdictions
- Supply chain disruptions arising from dependence on globally sourced raw materials amid geopolitical and logistical challenges
- Economic and political instability across key import and export markets
- Rapid technological change requiring sustained R&D investment to stay competitive
- Currency and foreign exchange fluctuations, given significant international revenue exposure

FINANCIAL OVERVIEW (CONSOLIDATED)

Shilpa Medicare delivered its strongest year on record in FY26, with consolidated revenue rising 18% year-on-year to ₹1,549 Crores from ₹1,310 Crores in FY25. Profitability improved at a faster pace than revenue: gross profit grew 21% to ₹1,088 Crores, with gross margin expanding 100 basis points to 70%, aided by a more favourable product mix. EBITDA reached an all-time high of ₹445 Crores, up 30% year-on-year, with EBITDA margin improving roughly 300 basis points to 29%. Profit before tax rose 142% to ₹295 Crores, while PAT grew 211% year-on-year to ₹243 Crores, reflecting a marked acceleration at the bottom line. By revenue contribution, API remained the largest segment at 49% (₹769 Crores), followed by Formulations at 40% (₹618 Crores) and Biologics at ~10% (₹149 Crores), with the balance from other products.

Key Financials (Consolidated)

(₹ in Crores)

Particulars	FY26	FY25
Total Income	1,549	1,310
EBITDA	445	343
Profit before tax (PBT)	295	122
Profit after tax (PAT)	243	78

Division-mix analysis of revenue is as follows:

(₹ in Crores)

Category	FY26	FY25	Change
Division			
API	769	736	4%
Formulations	618	474	30%
Biologics	149	75	99%
Others	13	25	-48%
Total Income	**1,549**	**1,310**	**18%**

Key Consolidated Ratios

SL No.	Particular	Numerator	Denominator	31st March 2026	31st March 2025	Change in ratio	Reasons for variance
1	Current ratio	Current Assets	Current Liabilities	1.31	1.46	-10.39%	
2	Debt equity ratio	Total Debt	Share holder equity	0.25	0.25	2.36%	
3	Debt service coverage ratio	Earnings available for debt service	Debt service	8.87	3.52	152.20%	Ratio improved mainly due to higher profitability and lower interest costs during FY26
4	Inventory turnover ratio	Cost of Goods sold	Average inventory	1.29	1.18	8.76%	
5	Return on equity	Net profit after taxes	Average shareholders equity	9.82%	3.76%	161.14%	This is mainly on account of higher sales with better margin
6	Trade receivable turnover ratio	Revenue	Average Trade Receivables	3.21	3.09	3.82%	
7	Trade payable turnover ratio	Purchase of trade and services	Average Trade Payables	6.22	4.83	28.69%	Ratio increase due to higher purchases relative to average trade payables.
8	Net Capital turnover ratio	Revenue	Average Working Capital	5.38	6.41	-16.01%	
9	Net Operating Profit	Earning Before Interest and Tax	Revenue	19.20%	16.00%	20.08%	

SL No.	Particular	Numerator	Denominator	31st March 2026	31st March 2025	Change in ratio	Reasons for variance
10	Net profit ratio	Net Profit	Revenue	16.06%	5.91%	171.92%	This is mainly on account of higher sales with better margin
11	Return on capital employed	Earning Before Interest and Tax	Capital Employed	17.20%	14.17%	21.42%	
12	Return on investment	Income generated from investments	Investments	NA	NA	NA	NA

HUMAN RESOURCE

At Shilpa Medicare Limited, human resources are recognised as a key pillar in building a productive, inclusive and engaged workforce. The Company prioritises talent management, employee development and strengthening organisational culture. Through regular training programmes and development initiatives, the Company empowers its employees so that they meet business objectives. The Company also promotes a merit-based environment and motivates employees through recognition and recreational activities.

The Company consistently strives to reinforce employee satisfaction and engagement by aligning HR practices with its business strategy. Its well-structured HR framework ensures a collaborative, transparent and positive work culture, aligning employee growth and long-term organisational goals.

RISK & MITIGATION

Risk Category	Risk Description	Mitigation
Regulatory Compliance Risk	The introduction of new regulations or amendments to existing laws across different jurisdictions may lead to compliance risk if the Company fails to integrate the processes.	The Company regularly monitors regulatory developments and industry guidelines. It maintains continuous interactions with relevant regulatory authorities to ensure timely adherence to applicable requirements.
Competition Risk	Intense competition from existing and emerging players within the industry may result in pricing pressures and impact the Company's profitability.	To remain competitive, the Company focuses on innovation and quality standards while ensuring efficient delivery to customers.
Intellectual Property Risk	API manufacturers may witness risk of potential infringement of patents and copyrights, which may lead to legal disputes and financial liabilities.	The Company has a dedicated team to oversee its intellectual property portfolio, ensuring compliance and safeguarding its proprietary technologies.
Supply Chain Disruptions	Dependence on globally sourced raw materials and international markets exposes the Company to supply chain disruptions, arising from geopolitical, logistical, or regional challenges.	The Company seeks to mitigate these risks by diversifying its geopolitical presence and product portfolio, supported by a reliable supplier base.
Product Liability & Safety Risk	Since the Company’s products are used in the pharmaceutical manufacturing to treat various diseases, any quality or safety failure could lead to liability claims and reputational risks.	The Company implements stringent quality control measures, supported by advanced technologies to ensure product safety and reliability.
Economic & Political Instability	The Company imports raw materials and exports its products to international markets. Economic disruption and political instability in these regions could adversely impact business operations.	The Company mitigates this risk through a diversified client base and monitoring economic and political developments in key supplier and customer markets.
Technological Advancements & Innovations	Rapid technological changes and industry standards may pose challenges if the Company does not adopt new technologies and innovate consistently.	The Company makes significant investments in R&D capabilities, enabling innovation and maintaining competitiveness.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company maintains a strong internal control system designed to ensure accurate financial reporting, operational feedback and adherence to regulatory requirements. The adoption of SAP has further significantly strengthened the financial reporting by embedding effective controls that prevent financial irregularities.

Additionally, the Company has implemented advanced monitoring software and comprehensive control mechanisms across its production, materials, and marketing. Regular internal audits are conducted to assess the effectiveness of these systems and to proactively identify potential risks. The Company remains committed to improving its internal control framework to increase efficiency.

CAUTIONARY STATEMENT

This document presents forward-looking statements concerning the anticipated future events, financial performance, and operational outcomes of the Company. These statements are based on specific assumptions and are subject to inherent risks and uncertainties. Therefore, it is important to recognise that the accuracy of these predictions cannot be guaranteed. We advise readers to approach these forward-looking statements with caution, as various factors may lead to significant differences between the anticipated results and actual future outcomes.

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting their Report on the business and operations of the Company along with the Standalone and Consolidated Audited Financial Statements for the year ended March 31, 2026.

FINANCIAL SUMMARY

(₹ All figures are in Rupees in Lakhs)

Particulars	FINANCIAL YEAR 2025-26		FINANCIAL YEAR 2024-25	
	Standalone	Consolidated	Standalone	Consolidated
Operating revenue	**59,703**	**1,53,887**	**47,741**	**1,28,643**
Other Income	3,814	984	6,967	2,333
Profit before interest, depreciation, tax and after exceptional Items	21,328	45,670	16,006	31,212
Interest	1,004	5,879	587	7,553
Depreciation & Amortisation	5,511	11,972	4,886	11,299
Net profit/(loss) before tax	**14,813**	**27,819**	**10,533**	**12,360**
Provision for Taxes				
a.Current Tax/(credit)	1,097	4,669	4,708	7,335
b.Deferred Tax/(credit) (Net of MAT credit)	417	530	(964)	(2931)
Profit after tax for the year	**13,299**	**22,620**	**6,789**	**7,956**
Share of profit/(Loss) in Associates/ Joint Ventures	-	1,712	-	(127)
Share of profit/(Loss) in Non-Controlling interest	-	-	-	-
Other comprehensive incomes (expenses)	(11)	387	(195)	(230)
Total Comprehensive Income/(expenses)	**13,288**	**24,719**	**6,594**	**7,599**

REVIEW OF OPERATIONS:

During the year under review, the Company reported standalone operating revenues of ₹ 59,703 Lakhs as against ₹ 47,741 Lakhs and Total Comprehensive Income of ₹ 13,288 Lakhs as against ₹ 6,594 Lakhs in the previous year, consolidated gross revenues for the year review were reported at ₹ 1,53,887 Lakhs as against ₹ 1,28,643 Lakhs and Total Comprehensive Income of ₹ 24,719 Lakhs as against ₹7,599 Lakhs in the previous year.

DURING THE YEAR UNDER REVIEW:

Shilpa Medicare has demonstrated remarkable progress across our core business verticals of APIs, Formulations, CDMO, and Biologics, driven by our unwavering commitment to scientific innovation and excellence, with a brief snapshot hereunder:

API Segment

- Completed capacity expansion for key products viz. UDCA and Tranexamic Acid, with batch size scale-ups undertaken across multiple molecules
- Added 15+ new oncology APIs to the development pipeline, targeting molecules with patent expiries through 2032
- Received CEP from EDQM for Methotrexate, a complex oncology API developed through an import-substitute route
- Added 37 new DMF filings during the year, taking the cumulative total to 283
- New dedicated oncology manufacturing block expansion underway, expected to be commissioned in FY27
- Dedicated, fully automated peptide manufacturing facility under construction; Semaglutide process validation completed
- Specialty CDMO (API CDMO, Peptide & Polymer) delivered revenue of ₹110 crores, with an active pipeline of 25+ programmes

- First US NCE programme successfully transitioned to commercial launch through a global pharmaceutical partner
- Oxylanthanum Carbonate — NDA resubmission accepted by US FDA, commercialisation anticipated pending approval
- Two new NCE client audits successfully completed

Formulations Segment

- Launched Noduca™ (NorUDCA) — making Shilpa the first company in India to receive regulatory approval for NAFLD treatment
- Over 50 new approvals received across global markets during the year, taking the regulatory filing base to 860+
- US Ready-to-Use oncology injectable platform (Pemetrexed RTU, Bortezomib RTU Subcutaneous) continuing to gain prescription traction
- European formulations revenue surpassed ₹200 crores, growing over 100% YoY
- Domestic formulations revenue grew ~177% YoY to ₹72 crores, led by Noduca's institutional and retail traction
- Rotigotine Transdermal Patch received final marketing authorisation from the European Medicines Agency, marking Shilpa's first transdermal drug delivery product to achieve regulatory clearance in a major international market; US FDA submission also completed during the year

Biologics

- Biologics segment revenue of ₹149 crores, growing 100% YoY
- Aflibercept progressed through Phase III clinical trials in India; Nivolumab commenced Phase I human studies
- Recombinant Human Albumin programme received its initial milestone payment from Orion Corporation; US DMF filed for excipient-grade rHA
- Signed strategic licensing agreement with SteinCares for commercialisation of a biosimilar across 30+ Latin American countries
- mAbTree Biologics collaboration — investigational monoclonal antibody received Orphan Drug Designation from the US FDA
- Signed development and manufacturing agreement with Alveolus Bio for a novel Live Biotherapeutic Product
- ADC GMP facility received its Test License from Indian regulatory authorities; first ADC biosimilar successfully completed development
- Portfolio strengthened with the addition of four new biosimilar programmes — Nivolumab, Pembrolizumab, Daratumumab and Dupilumab

R&D

- Patent portfolio reached a cumulative 597 patents filed (API: 215, Formulations: 366, Biologics: 16) and 126 patents granted
- Filed 12 new trademark applications and secured registrations for 2 trademarks
- Formulation regulatory filing base expanded to over 860 filings; API filing base expanded to 283 DMF filings

Other highlights

- Your Company invested ₹361 crores during the year on its ongoing expansion programme along with maintenance capex, to better position itself for achieving future goals

STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS:

The Standalone and Consolidated Financial Statements of your Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Further, a statement containing the salient features of the Financial Statements of our subsidiaries pursuant to Section 129 of the Companies Act, 2013 in the prescribed form AOC-1 is appended as **Annexure-1** to the Board's Report. The Statement also provides the details of performance and financial position of each of the subsidiaries.

SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

The Company has direct and step down subsidiaries in India and overseas. Consolidated financial statements have been prepared by the Company in accordance with the requirements of Ind AS 27 issued by the Institute of Chartered Accountants of India (ICAI) and as per the provisions of the Companies Act, 2013 ("the Act").

As per the provisions of Section 136 of the Act, separate audited financial statements of subsidiaries are placed by the Company on its website at www.vbshilpa.com. Statement containing the salient features of the financial statements of subsidiaries and associate Companies for the year ending March 31, 2026 in Form AOC-1 and a Copy of the audited financial statements of subsidiaries will be provided to the shareholders upon their request.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business carried out by your Company.

DIVIDEND:

Your Directors recommended a final dividend of ₹ 0.60/- per equity share of ₹ 1/- each (i.e. 60% of the face value) for the FY 2025-26, absorbing an amount of ₹ 1,173.49 Lakhs from the profits of the FY 2025-26.

The Dividend Distribution Policy of the Company is uploaded on the Company's website at https://www.vbshilpa.com/pdf/Dividend%20Distribution%20Policy_Update.pdf

SHARE CAPITAL:

The Paid-up share capital of the Company as on 31.03.2026 is ₹ 19,55,81,816/- divided into 19,55,81,816 equity shares of ₹1/- each. During the year, the Company has issued and allotted Bonus shares on 06 October 2025 in the ratio of 1:1 to the Shareholders of the Company.

Pursuant to the provisions of section 124 (5) of the Companies Act, 2013 read with the IEPF Rules, the Company has transferred 3096 shares, belonging to the 14 shareholders who did not continuously claim dividend for seven years from the financial year 2017-18 to IEPF Account, the details of which are placed on the website of the Company.

LISTING OF EQUITY SHARES:

The securities of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Further, the Company has no equity shares carrying differential rights.

TRANSFER TO RESERVES:

During the financial year under review, your Company has not transferred any amount to the general reserve.

DIRECTORS OR KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of the Companies Act 2013, Mr. Sharath Reddy Kalakota (DIN No. 03603460), Whole-Time Director, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

CHANGE IN DIRECTORSHIP

During the year, the following appointments / re-appointments took place on the Board of the Company:

Mr. Sharath Reddy Kalakota (DIN: 03603460), Whole Time Director of the Company, was re-appointed at the 38th AGM held on September 23, 2025 for a further period of 5 (five) years w.e.f. October 1, 2025 and whose office shall be liable to retire by rotation.

Dr. Anita Bandyopadhyay (DIN NO: 08672071), Women Independent Director of the Company, was re-appointed for a further period of 3 (three) years at the 38th AGM held on September 23, 2025 w.e.f. conclusion of the said AGM until the AGM to be held in 2028 and her tenure is not subject to retirement by rotation.

Mr. Ashraf Loutfy Abdelhamid Allam (DIN: 11192531), appointed as a Non-Executive Independent Director of the Company for a period of 2 (two) years at the 38th AGM held on September 23, 2025 w.e.f. conclusion of the said AGM until the AGM to be held in 2027 and his tenure is not subject to retirement by rotation.

CHANGE IN KEY MANAGERIAL PERSONNEL

During the year under review, there were no changes in the Key Managerial Personnel ("KMP") of the Company. Following are the key managerial personnel of the Company:

- Mr. Vishnukant C Bhutada – Managing Director
- Mr. Kalakota Sharath Reddy – Whole-time Director
- Mr. Alpesh M Dalal – Chief Financial Officer
- Ms. Ritu Tiwary – Company Secretary & Compliance Officer

NUMBER OF MEETINGS OF THE BOARD:

During the financial year, Four Board Meetings were held as detailed below which are in compliance with the provisions of the Companies Act, 2013, the Listing Regulations and Secretarial Standards on Board meeting:

1. 26 May 2025
2. 13 August 2025
3. 13 November 2025
4. 06 February 2026

STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The Independent Directors have submitted their declaration of Independence, as required under

Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDITORS:

Statutory Auditors:

Members of the Company at the Annual General Meeting held on September 28, 2022 approved the appointment of M/s. Bohara Bhandari Bung And Associates LLP, Chartered Accountants, Raichur FRN: 008127S/S200013, as the new statutory auditors of the Company to hold office for one term of 5 years commencing from conclusion of the ensuing 35th Annual General Meeting up to the 40th Annual General Meeting of the Company.

* The statutory auditor of the Company has changed their name from M/s. Bohara Bhandari Bung And Associates LLP to B N P S And Associates LLP w.e.f. May 19, 2025.

Cost Auditors:

The Board upon the recommendation of the Audit Committee appointed M/s. V. J. Talati & Co., Cost Accountants, for conducting the audit of cost records of various segments of the Company for the financial year 2026-27. As required under Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a resolution is being placed at the ensuing Annual General Meeting for ratification of remuneration payable to the said Cost Auditors.

Secretarial Auditors:

Mr.D.S.Rao, Practicing Company Secretary, Hyderabad, was appointed as the Secretarial Auditor of the Company for a period of 5 years (i.e., first term of appointment) commencing from the FY 2025-26 to FY 2029-30 by members in the 38th AGM held on 23 September 2025.

During the year under review, the Company has complied with the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations. The Secretarial Audit Report for the financial year ended March 31, 2026 issued by Mr.D.S.Rao, Practicing Company Secretary, Hyderabad is enclosed as **Annexure - 2** to this Report and it does not contain any reservation, qualification or adverse remarks.

Internal Auditor:

Pursuant to the provisions of section 138 of the Companies Act, 2013 and rules made thereunder, the Board on the recommendation of the Audit Committee has appointed M/s Aneja Assurance Pvt Ltd as Internal Auditors of the Company for the financial year 2026-27 in place of M/s BDO India LLP- Internal Auditors for the FY 2025-26.

COMMENTS OF THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMERS:

Statutory Auditors:

As there is no qualification, reservation or adverse remark in the reports given by the Statutory Auditors, your directors need not provide any clarification on the same.

Secretarial Auditors:

As there is no qualification, reservation or adverse remark in the reports given by the Secretarial Auditor, your directors need not provide any clarification on the same.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO:

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as **Annexure – 3**.

RISK MANAGEMENT POLICY:

Pursuant to Regulation 21(4) of SEBI (LODR) Regulations, 2015, the Board of Directors have formulated and implemented a Risk Management Policy, which identifies various elements of risks, which in its opinion, may threaten the existence of the Company and contains measures to mitigate the same. The Risk Management Policy of the Company is hosted on the Company's website: www.vbshilpa.com.

A Risk Management Committee has been constituted as per the terms of Regulation 21 of SEBI (LODR) Regulations, 2015 to monitor and review the major risks faced by and the risk management plan of the Company periodically.

During the year two Risk Management Committee meetings were held on September 20, 2025 & March 20, 2026.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

In terms of the provisions of Section 135 read with Schedule VII to the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as framed by the Corporate Social

Responsibility Committee (CSR Committee) has been adopted by the Board of Directors. Accordingly, the Company has transferred the CSR amount to 'Shilpa Foundation', a public charitable trust taking up various social public causes of the society in and around Raichur, Karnataka and the activities of the said trust are covered under the Schedule VII of the Companies Act, 2013. A report on the CSR activities, as required under Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, is enclosed herewith as **Annexure – 4**.

The Company has constituted the CSR Committee for monitoring the activities undertaken by the Company in this regard. The CSR Policy of the Company and other details as required is are placed on the Company's website at https://vbshilpa.com/policies-and-codes.php

During the year, one Corporate Social Responsibility Committee meeting was held on 12th August 2025.

NOMINATION AND REMUNERATION POLICY:

A Committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of Section 178, Schedule IV of the Companies Act and Regulation 19 of SEBI (LODR) Regulations, 2015. It has been entrusted with the task to recommend to the Company the prospective Directors and KMP who possess the requisite skills and positive attributes as specified in the Nomination and Remuneration Policy.

The Nomination and Remuneration Committee has formulated a Nomination and Remuneration Policy which recommends the guidelines based on which the annual performance of the Independent Directors, the Board and Individual Directors is carried out by the Board.

The Nomination and Remuneration Policy of the Company is placed on the Company's website at https://www.vbshilpa.com/pdf/NominationRemunerationPolicy.pdf

During the year, two Nomination and Remuneration Committee meetings were held on May 22, 2025 & July 18, 2025.

FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board of Directors have carried out an annual evaluation of its own performance as well as that of its Committees and individual directors pursuant to the provisions of the Sections 134 and 178 read with Schedule IV to the Companies Act, 2013. A structured questionnaire was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties by the Board of Directors, independence, governance, ethics and values, attendance and contribution at meetings etc.

The performances of the Independent Directors were evaluated by the Board after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

The Board reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee Meetings, like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in Meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of the Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non- Executive Directors. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Board and the management that is necessary for the Board to perform its functions reasonably and effectively. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors.

FINANCIAL STATEMENTS:

In accordance with the provisions of Section 129 (3) of the Companies Act, 2013, the Standalone and Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards form part of this Annual Report.

In accordance with Rule 8 (1) of Companies (Accounts) Rules 2014, the highlights of performance of the Subsidiaries, Associates and Joint Ventures and their contribution to the overall performance of the Company have been detailed in **Annexure - 1** enclosed to this report.

Further, the annual accounts of all the subsidiary companies are available on the Company's website www.vbshilpa.com

Annual accounts of the Subsidiary Companies and related detailed information will be available for inspection by the members, at the registered office of the Company and will also be made available to the members upon request.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has Internal Control Systems, commensurate with the size, scale and complexity of its operations. Various Audit systems in the Company monitor and evaluate the efficacy and adequacy of the internal control systems of the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the audit reports, the concerned department/ unit undertakes corrective action in the respective areas and strengthens the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board periodically.

The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Whistle Blower Policy, Policy to determine Material Subsidiaries, Code of Conduct for Regulating, Monitoring and Reporting Insider Trading and such other procedures for ensuring orderly and efficient conduct of its business for safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

SHIFTING OF REGISTERED OFFICE:

Members vide postal ballot dated 22nd June 2026 have approved shifting of registered office of the Company from the State of Karnataka to the State of Maharashtra. The Company has filed requisite petition before the Regulatory Authorities for approval.

DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR UNDER REVIEW:

The following instances took place during the year under review, which need to be reported in accordance with Rule 8(5) (iv) of Companies (Accounts) Rules, 2014:

The Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench, vide its order dated 27 February 2026 has approved the Scheme of Amalgamation between Shilpa Medicare Limited ('the Company') and Shilpa Therapeutics Private Limited, a wholly owned subsidiary of the Company with the Appointed Date as April 1, 2025. Pursuant to the said order and upon the effectiveness of the Scheme, Shilpa Therapeutics Private Limited shall cease to be a subsidiary of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

- Applicable accounting standards have been followed in the preparation of the annual accounts and that no material departures have been made from the same;
- Accounting policies have been selected and applied consistently. Judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the FY2026 and of the profit of the Company for that period;
- Proper and sufficient care has been taken to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- Annual accounts have been prepared on a going concern basis
- Adequate internal financial controls for the Company to follow have been laid down and these are operating effectively; and
- Proper and adequate systems have been devised to ensure compliance with the provisions of all applicable laws and these systems are operating effectively.

EXTRACT OF ANNUAL RETURN:

In accordance with Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company has been placed on the Website of the Company at www.vbshilpa.com

OTHER DISCLOSURES:

Committees of Board:

Your Company has the following committees, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The constitution of all the committees are as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The details of the constitution are mentioned in Corporate Governance Report, which forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT:

Regulation 15 of SEBI (LODR) Regulations, 2015 is applicable to your Company and as such the details as specified in Schedule V(C) of SEBI (LODR) Regulations, 2015, with regard to Corporate Governance Report including Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance specified in Schedule V(E) of SEBI (LODR) Regulations, 2015 as well as a certificate as specified in Schedule V(C)(10)(i) of SEBI (LODR) 2015 forms part of the Annual report as **Annexure- 5**.

Pursuant to the Bonus Issue during the financial year 2025–26, the details of the Bonus Issue Suspense Escrow Demat Account are disclosed in **Annexure-5**. Initially, a total of 1,24,750 shares pertaining to 26 shareholders were in the Suspense Escrow Account. Out of these, 3 shareholders has claimed their shares from the said account. After the said claim, the details of the Suspense Escrow Account are as follows:

Name of Account: Bonus Issue Suspense Escrow Demat Account, DP ID: 16010100, Client ID: 00606536

Particulars	Pre-claimed Status	Post-Claimed Status
Total Number of Shareholders	26	23
Total Number of Shares	1,24,750	1,00,750

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 read with Schedule V (B) to the SEBI (LODR) Regulations, 2015 is annexed hereto and forms part of this Annual Report.

VIGIL MECHANISM:

In pursuance to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, a vigil mechanism for directors and employees to report genuine concerns has been established. The Policy on vigil mechanism i.e. Whistle Blower Policy may be accessed on the Company's website at https://www.vbshilpa.com. The policy provides for a framework and process for safeguard against victimization of director(s) or employee(s) or any other person who avail the mechanism and allow direct access to the Chairman of the Audit Committee in exceptional cases. Your Company adheres to uncompromising integrity in conduct of its business and strictly abides by well-accepted norms of ethical, lawful and moral conduct. It has zero tolerance for any form of unethical conduct or behaviour. Directors and employees are at liberty to report unethical practices.

REMUNERATION RATIO OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL/EMPLOYEES:

Statement showing disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as **Annexure-6**.

PARTICULARS OF EMPLOYEES:

Statement of employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement containing the particulars of top 10 employees in term of remuneration drawn is available for inspection at the registered office of the Company during business hours. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary at the registered office of the Company.

COST RECORDS AND COST ACCOUNTS:

The Company is maintaining cost records and accounts as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013:

Your Company has always provided a safe and harassment free workplace to every individual working in its premises through various policies and practices. Your Company always endeavours to create an environment that is free from discrimination and harassment, including sexual harassment. Your Company has been actively involved in ensuring that the clients and all the employees are aware of the provisions of the POSH Act, 2013 and the rights available to them there under.

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment.

Complaint filed under Sexual Harassment of Women at Workplace:

Your Company did not receive any complaints during the period under review.

Particulars	
Total number of complaints of sexual harassment received in the year;	Nil
Total number of complaints disposed off during the year; and	Nil
Total number of cases pending for more than 90 days	Nil

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of the loans granted, guarantees given, securities provided and investments made during the year under review, as covered under Section 186 of the Companies Act, 2013, are detailed in the notes to the financial statements which may be read as a part of this Report.

DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

RELATED PARTY TRANSACTIONS:

Related Party Transactions entered into during the financial year under review are disclosed in Note No. 45 to the Financial Statements. These transactions were at an arm's length basis and in the ordinary course of business. There were no materially significant Related Party Transactions with the Company's promoters, directors, management or their relatives which could have had a potential conflict with the interests of the Company. Form AOC-2, containing a note on the aforesaid Related Party Transactions is enclosed herewith as **Annexure - 7**.

Related Party disclosures as per Schedule V of SEBI (LODR) Regulations, 2015 are enclosed herewith as **Annexure - 8.**

The policy on Related Party Transactions, as approved by the Board may be accessed on the Company's website https://www.vbshilpa.com/pdf/related_party_policy.pdf.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

Pursuant to Clause 34(2)(f) of the SEBI (LODR) Regulations, 2015 Business Responsibility & Sustainability Report, being applicable to the Company, forms part of the Board Report as **Annexure - 9**.

CREDIT RATING:

India ratings and Research has issued Shilpa Medicare Limited credit rating on bank loan facilities limits at IND AA-/Stable/IND A1+.

GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

Issue of equity shares with differential rights as to dividend, voting or otherwise. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

The Managing Director of the Company has received remuneration or commission from Shilpa Pharma Lifesciences Limited, a material subsidiary vide members approval dated 17 September 2024 in the 37th AGM.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

No frauds were reported by the auditors during the year under review.

The Company has complied with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder during the financial year under review.

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of the report.

No applications were filed before or any proceedings pending under the Insolvency and Bankruptcy Code, 2016.

The details of difference between valuation done at the time of one time settlement and the valuation done while taking loan from the banks and financial institutions along with the reason thereof – Not Applicable.

The Company has complied with Secretarial Standards, i.e. SS-1, and SS-2 relating to Meetings of the Board of Directors and General Meetings respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

Your Directors wish to express their gratitude to the Central and State Governments, investors, analysts, financial institutions, banks, business associates and customers, the medical profession, distributors and suppliers for their whole- hearted support. Further, Your Directors would like to express the appreciation to all the employees of your Company for their continued dedication, significant contributions, hard work and commitment towards achieving the objects of the Company.

For and on behalf of the Board of Directors
Shilpa Medicare Limited

Sd/-
Omprakash Inani
Chairman
DIN:01301385

Date: 5th August 2026
Place: Raichur

Annexure-1

Form AOC-1

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

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

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in lakhs)

Particulars	Wholly Owned Subsidiary	Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Step-down Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary
Name of the Companies	**Koanaa Healthcare Limited (UK -Unaudited)**	**MakIndus INC (Unaudited)**	**Koanaa Healthcare GMBH (Austria-Unaudited)**	**Shilpa Pharma Inc. (Unaudited)**	**Shilpa Biologicals Private Limited (Audited)**	**Shilpa Biocare Private Limited (Audited)**	**Shilpa Lifesciences Private Limited (Audited)**	**Sampra Corporate Holdings Private Limited (Audited)**	**Shilpa Pharma Lifesciences Limited (Audited)**	**Koanaa Healthcare Canada Inc. (Unaudited)**	**FTF Pharma Private Limited (Audited)**	**Koanaa International FZ LLC (Dubai) (Unaudited)**	**Indo Biotech SDN. BHD Malaysia. (Unaudited)**	**Pilnova Pharma Inc ,USA. (Unaudited)**	**Koanaa Healthcare Spain, S.L. (Unaudited)**
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026	31-03-2026
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Share capital (Equity + Preference)*	0	3	109	1,893	5,628	4,914	1	951	1,000	-	332	3	6	0	8
Other equity *	(603)	(3)	(2,404)	(2,790)	50,132	31,210	(1)	1,151	25,909	-	3,385	(885)	(4)	(2,042)	(367)
Total assets*	941	-	3,423	901	65,053	70,261	1,965	1,528	101,642	-	4,148	409	6	1,100	935
Total Liabilities (Excluding Share Capital & Other Equity)*	1,544	0	5,718	3,691	9,438	34,137	1,965	1	75,121	-	431	1,291	4	3,142	1,295
Investments*	-	-	-	1,893	145	-	-	574	388	-	-	-	-	-	-
Turnover#	44	-	841	337	15,664	6,098	-	-	98,472	-	2,580	76	-	170	1,199
Profit/(Loss) before taxation#	(88)	-	253	(204)	4,329	(301)	(0)	103	11,179	(176)	191	(57)	(3)	(1,012)	71
Provision for taxation#	(17)	-	77	(43)	807	(45)	-	(7)	3,019	-	229	-	-	(214)	(36)
Profit after taxation#	(72)	-	176	(161)	3,522	(256)	(0)	110	8,160	(176)	(38)	(57)	(3)	(798)	107
Proposed Dividend	-	-	-	-	-	-			-	-	-	-	-	-	-
% of shareholding	100%	55.78%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

** Exchange rate considered in the case of foreign subsidiary - 1 USD = 94.65, 1 GBP = 125.63, 1 EUR = 109.01, 1 AED = 25.67, 1 MYR = 23.04, 1 CAD = 67.20*

** Amounts are not presented since the amounts are rounded off to Rupees Lakhs.*

 # Converted at monthly average exchange rates

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures. (₹ In Lakhs)

Name of Associates/Joint Ventures	Maia Pharmaceuticals	Reva Medicare Private Limited (JV)	Sravathi Advance Process Technologies private Limited (Associate)	Sravathi AI Technologies Pvt. Ltd. (Associate of Wholly Owned Subsidiary)	oncosol Limited(JV)
	(Unaudited)	(Audited)	(Audited)	(Audited)	(Unaudited)
1. Latest Balance Sheet Date	31-12-2025	31-03-2026	31-03-2026	31-03-2026	31-03-2026
2. Shares of Associate/Joint Ventures held by the company on the year end					
No. of Shares (Equity)	-	5,001	42,890	63,728	0
No. of Shares (Preference shares)	1,400,000	-	-	-	-
Amount of Investment in Associates/Joint Venture in Equity shares	796	1	2,090	170	0
Extent of Holding %	34.79%	50.00%	34.00%	26.50%	50%
3. Description of how there is Significant influence	Shareholding	Jointly Controlled Entity	Associate	(Associate of Wholly Owned Subsidiary)	JV of Wholly Owned Subsidiary
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA
5. Net worth attributable to shareholding as per latest Balance Sheet	3,744	236	2,630	196	(363)
6. Profit/(Loss) for the year(Refer Note 1 below)	3,744	22	168	(140)	18
i. Considered in Consolidation	1,821	11	88	(32)	-
ii. Not Considered in Consolidation	1,922	11	79	(107)	18

Annexure-2

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

TO
THE MEMBERS
SHILPA MEDICARE LIMITED
RAICHUR.

I have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Shilpa Medicare Limited, (hereinafter referred to as "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company according to the provisions of:

(i) The Companies Act, 2013 ("the Act") (applicable sections as on date) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed by the Securities and Exchange Board of India ("SEBI") thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(vi) Provisions of the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the Financial Year under review: -

a. The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021;

b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

c. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and

d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

(vii) The Pollution and Labour laws that are applicable to the Company are as follows:

a. The Water (Prevention and Control of Pollution) Act, 1974;

b. The Air (Prevention and Control of Pollution) Act, 1981;

c. The Environment (Protection) Act, 1986;

d. The Public Liability Insurance Act, 1991;

e. The Factories Act, 1948;

f. The Employees Provident Fund & Miscellaneous Provisions Act, 1952;

g. The Employees State Insurance Act, 1948;

h. The Contact Labour (Regulation and Abolition) Act, 1970; and

i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(viii) The industry specific and other laws that are applicable to the Company are as follows:

a. Drugs and Cosmetics Act, 1940;

b. Drugs Price Control Order, 2013 and notifications made thereunder;

c. Electricity Act, 2003;

d. Indian Boilers Act, 1923;

e. SEZ Act, 2005;

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

(i) Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors and General Meetings, respectively, issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

I report that, during the period under review, the Company has duly complied with the provisions of the Companies Act, 2013, the regulations of SEBI and other Acts, as specified above, applicable to the industry of the Company.

I further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, the following changes took place in the composition of the Board of Directors:

Sr. No.	Name of the Director	Appointment/ Cessation / Reappointment	Our Comments
1.	Mr. Omprakash Inani	Re-appointment	Reappointed as a director at 38th AGM held on September 23, 2025 upon retirement by rotation in accordance with the provisions of Section 152 of the Act.
2	Mr.Sharath Reddy Kalakota	Re-appointment	Reappointed as Whole-time director at the 38th AGM held on September 23, 2025 for a period of 5 years w.e.f. October 1, 2025.
3.	Dr. Anita Bandyopadhyay	Re-appointment	Re-appointed as an Independent Director for second term at the 38th AGM held on September 23, 2025 for a period of 3 years.
4.	Mr. Ashraf Loufty Abdelhamid Allam	Appointment	Appointed as Additional Director in the category of Independent Director vide Board Resolution dated August 13, 2025 for a period of 2 years and approved the same by the Shareholders at 38th AGM held on September 23, 2025.
5.	Dr. Kamal Kishore Sharma	Cessation	Ceased to be an Independent Director upon completion of tenure w.e.f. September 23, 2025.

Based on my verification and the declarations received from the respective directors, I further report that, the directors are not disqualified to act as such under the provisions of the Companies Act, Orders/ Circulars/ Regulations issued by SEBI or such other acts, for the time being enforceable and applicable to the Company.

Adequate notice was given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As a general practice of the Board, decisions were taken on unanimous consent.

I further report that, during the period under review, 9,77,90,908 Bonus Equity Shares of Re.1/- each were issued at the 38^{th} AGM held on September 23, 2025. Correspondingly, the paid-up share capital of the Company increased to Rs.19,55,81,816/-.

I further report that, during the period under review, no prosecutions were initiated and no fines or penalties were imposed during the year under the Companies Act, FEMA, the SEBI Act, the SCRA or other SEBI Regulations on the Company or its directors and officers.

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

I further report that during the year under review in terms of the provisions of section 124(5) of the Act, ₹3,39,237 Unpaid/Unclaimed Dividend relating to the FY 2017-18 belonging to 521 shareholders, was transferred to the Investor Education and Protection Fund.

I further report that during the year under review in terms of the provisions of section 124(6) of the Act, 3096 Equity Shares (post bonus 6,192 Equity Shares) belonging to 14 shareholders were transferred to the Investor Education and Protection Fund (IEPF) after settling the claims 5,26,674 shares are lying in the IEPF account.

I further report that in terms of the provisions of Regulation 39(4) of Listing Regulations, during the year under review the Company has credited 1,24,750 equity shares belonging to 26 shareholders to **"Shilpa Medicare Limited Bonus Issue Suspense Escrow Demat Account"** whose shares are in physical form/ in credit rejection. During the period under review, 12,000 shares belonging to 1 shareholder were claimed out of the above account. After effecting this claim settlement, 1,12,750 shares were lying in the said account as on March 31, 2026.

Sd/-
CS D.S. RAO; PCS
M No.: A12394
C.P. No.: 14487
UDIN: A012394H001014252
PEER REVIEW CER No.1817/2022

Date: 5^{th} August 2026
Place: Hyderabad

Note: This report is to be read with our letter of even date which is annexed as ***'Annexure A'*** *and forms an integral part of this report.*

'Annexure A'

To,
The Members,
Shilpa Medicare Limited
Raichur

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We have relied on the information/documents received from the respective officials of the Company for forming our opinion and for eventual reporting thereof.

Sd/-
CS D.S. RAO; PCS
M No.: A12394
C.P. No.: 14487
UDIN: A012394H001014252
PEER REVIEW CER No.1817/2022

Date: 5th August 2026
Place: Hyderabad

Annexure 3

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

Energy conservation remains central to the Company's manufacturing philosophy and to its wider commitment to sustainable, resource-efficient operations. During the year, the Company pursued every available opportunity to reduce its energy footprint, deploying the latest proven technologies across its research and production facilities.

Energy conservation measures undertaken

Energy conservation measure undertaken (electrical / thermal)	Energy conserved (kWh)
Installation of high-efficiency Energeia Chiller at Utility	5,00,000
Chiller Optimization through Load Rationalization	2,74,800
Power factor improved from 0.99 to 1.0 through installation additional Capacitor bank	1,18,368
Turbo fans installations at terrace Utility areas	1,800
Motion sensor installed at washroom and staircase	7,488
HVAC System Optimization During a Planned Plant Shutdown	91,630
Power factor improved from 0.94 to 0.98 through installation additional Capacitor bank	62,650
Total energy conserved	**10,56,736**

Through these initiatives, the Company conserved 10,56,736 kWh of electrical energy during the year, representing approximately 5.96% of its total electrical energy consumption. The savings were realized through the implementation of several energy-efficiency initiatives, including the installation of a high-efficiency Energeia chiller, HVAC system optimization during a planned plant shutdown, chiller optimization through load rationalization, installation of additional power capacitor banks to improve power factor and reduce electrical losses, and deployment of turbo fans and motion-sensor-based lighting controls to lower electricity consumption.

As the high efficiency Energeia Chiller is commissioned only in November month of the financial year, the major share of the conservation arising from this investment is expected to accrue in FY 2026–27.

The capital investment on energy conservation equipment during the year was Rs. 34.25 Lakhs.

Renewable energy usage and emission reduction

The Company continued its efforts to reduce greenhouse gas emissions through the adoption of cleaner energy sources. During the year, 1,476.215 MWh of renewable electricity was procured for the Unit-6 facility at Dobaspet, resulting in the avoidance of 1,048.113 tCO_2e emissions. Additionally, 2692.3 tonnes of biomass briquettes were utilized for steam generation in place of conventional fossil fuels, leading to an estimated avoidance of 6,461 tCO_2 emissions.

Reflecting this sustained shift towards cleaner energy, a substantial share of the Company's total energy requirement during the year was met from renewable sources:

Energy type	Total consumption (FY 2025–26)	Share from renewable sources
Electrical energy	1,77,19,218 kWh	**8.33%**
Thermal energy	44,672.25 GJ	**89.60%**

B. TECHNOLOGY ABSORPTION

Efforts made towards technology absorption

In addition to the measures set out above, the Company has implemented the following energy-saving and environment-friendly technologies:

- **Energy conservation:** Installation of a high-efficiency Energeia chiller, HVAC system optimization during a planned plant shutdown, chiller optimization through load rationalization, installation of additional power capacitor banks to improve power factor and reduce electrical losses, and deployment of turbo fans and motion-sensor-based lighting controls to lower electricity consumption.

- **Recycling:** The Company's continued focus on water conservation and circular water management enabled the recycling of 3,204 KL of treated effluent through its Zero Liquid Discharge (ZLD) system, representing 24.0% of the total Wastewater generated during FY 2025–26.

Overall, the Company achieved a direct energy saving of about 5.96% (in kWh) of its total electrical energy consumption. By recycling treated wastewater through its zero liquid discharge system, the Company also continues to conserve valuable water resources.

Benefits derived — product improvement, cost reduction, product development and import substitution

Product improvement, cost reduction and product development are ongoing priorities across the organization. Key benefits realized include:

- Dedicated, highly qualified personnel and subject-matter experts across sites continually develop processes that lower raw-material consumption, improve process efficiencies and reduce treatment costs.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings, in terms of actual inflows, and foreign exchange outgo, in terms of actual outflows, during the year are set out in Note 44 to the Standalone Financial Statements for the financial year ended March 31, 2026.

For and on behalf of the Board of Directors
Shilpa Medicare Limited

Sd/-
Omprakash Inani
Chairman
DIN:01301385

Date: 5th August 2026
Place: Raichur

Annexure-4

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief Outline on CSR Policy of the Company:**

The CSR Policy has been placed on the Company's website at https://www.vbshilpa.com/pdf/1_CSR%20Policy_SML.pdf

CSR Policy of your Company encompasses its philosophy for defining its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large. The core theme of CSR Policy is giving back to the society from which it draws its resources.

The Company has been conscious of its CSR obligations and fulfilment of the same. It has been undertaking and implementing CSR activities by establishing a trust called 'Shilpa Foundation' to provide financial assistance to the poor and needy and to give donations to promote various social, Cultural, health care and philanthropic activities. This policy is subject to the provisions of Companies Act, 2013 and the Schedules, rules and regulations made thereunder.

2. **Composition of the CSR Committee:**

Sl. No	Name of Committee Members	Designation / Nature of Directorship	Date of Appointment	Number of CSR Committee Meeting held during the year	Number of Meetings of CSR Committee attended during the year
1	Dr. Anita Bandyopadhyay	Chairman- Independent Director	11.08.2022	1	1
2	Mr. Vishnukant Chaturbhuj Bhutada	Member- Managing Director	01.04.2014	1	1
3	Mr. Sharath Reddy Kalakota	Member- Executive Director	08.02.2022	1	1

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

https://www.vbshilpa.com/policies-and-codes.php

4. **Provide the details of the impact assessment of CSR Projects carried out in pursuance of Sub Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

Not Applicable.

5. **Details of the Amount available for set off in pursuance of Sub Rule 3 of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any.**

Sl.No	Financial Year	Amount Available for set off from preceding Financial Year	Amount required to be set off for the financial year, if any.
		Not Applicable	

6. Average net profits of the Company as per Section 135(5): ₹4655.61Lakhs

7. a. Two percent of average net profits of the Company as per section 135(5): ₹93.11 Lakhs

b. Surplus arising out of the CSR Projects, programs, or activities of the Previous Financial Years: NIL

c. Amount required to be set off for the Financial Year: NIL

d. Total CSR obligation for the Financial Year (a+b+c): ₹93.11 Lakhs

8. a. CSR Amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount Transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹93.11 Lakhs	-	-	-	-	-

b. Details of CSR amount spent against ongoing projects for the Financial Year:

Sl No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Project Duration	Amount Allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Impleme-ntation	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration number
-	-	-	-	-	-	-	-	-	-	-	-	-

c. Details of CSR amount spent against other than ongoing projects for the Financial Year:

Sl No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area(Yes / No)	Location of the Project		Amount Allocated for the project Rs. In lakhs)	Mode of Implementation Direct (Yes / No	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR registration number
1	Education, Health & Sanitation Environment, Plantation and Other CSR Activities under Schedule VII	1,2,4,5,7	Yes	Karnataka	Raichur	93.11	Indirect	Shilpa Foundation	CSR 00003272

d. Amount spent in Administrative Overheads: NIL

e. Amount spent on Impact Assessment, if applicable: NIL

f. Total Amount spent for the Financial Year: (8b+8c+8d+8e): ₹93.11 Lakhs

g. Excess amount for set off if any: NIL

Sl. No	Particulars	Amount in (Rs.) in Lakhs
1.	Two percent of average net profit of the company as per section 135(5)	₹93.11 Lakhs
2.	Total amount spent for the Financial Year	₹93.11 Lakhs
3.	Excess amount spent for the financial year [(2)-(1)]	NIL
4.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(3)-(4)]	NIL

9. a. **Details of the unspent CSR amount for the preceding three Financial Years:**

Sl. No	Preceding Financial Year	Amount Transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount Transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in Succeeding Financial Years (in ₹)
				Name of the Fund	Amount in ₹	Date of transfer	
NIL							

b. **Details of CSR amount spent in the Financial Year for ongoing projects for the preceding Financial Years:**

Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project in project in ₹	Amount spent on the project in the reporting Financial Year in ₹	Cumulative Amount spent at the end of the reporting Financial Year in ₹	Status of the project – Completed / ongoing.
NIL								

10. In case of Creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial Year:

a. Date of Creation or acquisition of the Capital Asset: NIL

b. Amount of CSR Spent for creation or acquisition of Capital Asset: NIL

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

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

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR projects, is in compliance with CSR Annual Action Plan, CSR objectives and Policy of the Company.

For and on behalf of
Shilpa Medicare Limited

Sd/-
Dr. Anita Bandyopadhyay
Chairman of CSR Committee
DIN: 08672071

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Date: 31st July, 2026
Place: Raichur

Annexure-5

Corporate Governance Report

[As required under Reg.34 (3) and Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Company's shares are listed on:

Sl. No	Name of the Stock Exchange	Date of Listing
1	Bombay Stock Exchange	19.06.1995
2.	National Stock Exchange	03.12.2009

The Corporate Governance Report has been prepared in accordance with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V thereto.

CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to the highest standards of Corporate Governance Practices.

The Company relies on strong corporate governance systems and policies of business for healthy growth, accountability and transparency. Good corporate governance will certainly benefit the Board and the management to carry out the objectives effectively for the benefit of the Company and its shareholders. The Code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company.

In addition to compliance with regulatory requirements, the Company endeavors to ensure that highest standards of ethical conduct are maintained throughout the organization.

The Company has complied with the requirements of corporate governance in accordance with the applicable Regulations of the Securities and Exchange Board of India (Listing obligation & Disclosure requirements) Regulation, 2015

BOARD OF DIRECTORS

The Board of Directors along with its committees provides focus and guidance to the Company's management as well as directors and monitors the performance of the Company.

The Board presently comprises of Six (6) Directors having rich and vast experience with specialized skills in their respective fields, out of which three (3) are Non-Executive Independent Directors including One Women Director. The Company has a Non-Executive (promoter) as Chairman. The Independent Directors constitute 50% of the total number of Directors on the Board, with the Managing Director and Whole Time Director being the only Executive Directors on the Board of the Company.

All the Directors on the Board of the Company have made necessary declarations/disclosures regarding their interest in other entities by virtue of being a Director or Shareholder or otherwise including but not limited to the positions held in the Committees of other Companies.

S. No.	Name of the Director	Category	No of Board Meetings during the Year 2025-26		Attendance at AGM held on 23.09.25	No.[1] of Directorships held in other Companies	Committees[2]	
			Held	Attended			Chairmanship	Membership
1	Mr. Om Prakash Inani	Chairman, Non-Executive- Promoter	4	4	Yes	5	1	1
2	Mr. Vishnukant C Bhutada	Managing Director – Promoter	4	4	Yes	12	0	1
3	Mr. Hetal Madhukant Gandhi	Non-Executive Independent Director	4	4	Yes	8	2	3
4	Mr. Kalakota Sharath Reddy	Whole-Time Director	4	4	Yes	2	0	0
5	Dr. Anita Bandyopadhyay	Independent Director	4	4	Yes	5	1	2
6	Dr. Kamal K Sharma$	Independent Director	4	2	Yes	7	0	2
7	Mr. Ashraf Loutfy Abdelhamid Allam*	Independent Director	4	3	Yes	0	0	1

1 Excluding directorship in existing company i.e. Shilpa Medicare Limited, foreign companies and companies incorporated u/s. 8 of the Companies Act, 2013, but including private limited companies.

2 Only membership of Audit and Stakeholders Relationship Committees of public limited companies including Shilpa Medicare Limited are considered.

$ ceased w.e.f September 23, 2025

** Appointed w.e.f August 13, 2025*

Memberships of the above-mentioned directors in other listed Companies:

Sl. No	Name of the Director	Name of the Company	Category for Directorship
1.	Mr. Hetal Madhukant Gandhi	Chalet Hotels Limited	Independent Director & Chairman
		Acutaas Chemicals Limited	Independent Director
		Allcargo Logistics Limited	Independent Director
		Syrma SGS Technology Limited	Independent Director
		Singer India Ltd	Non-Executive Non-Independent Director
3	Dr. Anita Bandyopadhyay	Speciality Restaurants Limited	Independent Director
		Acutaas Chemicals Limited	Independent Director

Number of board meetings held during the year under review:

During the year under review, four (04) Board Meetings were held, on the following dates.

May 26, 2025	August 13, 2025	November 13, 2025	February 06, 2026

In compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the intervening period between two consecutive meetings did not exceed one hundred and twenty days (120 days).

As per the disclosures given by the respective directors, no director is a member of more than ten committees and chairman of more than five committees, as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the companies in which he/she is a director.

Further, no director is acting as independent director of more than seven listed companies and if he is a whole-time director of a listed Company, more than three companies.

Disclosure of Relationships between the Directors inter-se:

None of the Directors are related inter se.

Number of shares and convertible instruments held by Non-Executive Directors:

The details of shareholding by the Non-Executive Directors are as under:

Sl. No	Name and designation of the director	No of shares held
1.	Mr. Hetal Madhukant Gandhi	16,000
2.	Mr. Omprakash Inani	57,35,382

Web link where details of familiarization programs imparted to Independent Directors:

The details of the programs conducted by the Company for the familiarization of Independent Directors are posted on the Company's website under the web link: www.vbshilpa.com

Matrix presenting the directors' area of expertise against their experience in the respective field is specified hereunder:

The list of core skills / expertise / competencies which are identified by the Board of Directors as required in the context of the business of the Company to function effectively are:

a. Specialization and expertise
b. Finance and accounts
c. Legal and governance
d. Industry knowledge
e. Risk management
f. Analytical skills
g. Decision making skills
h. Leadership skills
i. Corporate Governance

Name of Director	Designation	Years of experience	Field of expertise
Mr. Vishnukant Chaturbhuj Bhutada	Managing Director	37	Pharmacy and Administration
Mr. Om Prakash Inani	Chairman	37	Business and Administration
Mr. Hetal Madhukant Gandhi	Independent Director	40	Financial services
Mr. Sharath Reddy Kalakota	Whole-time Director	36	API manufacturing, operations & execution of greenfield & brownfield projects, quality and projects.
Dr. Kamal K Sharma$	Independent Director	44	Pharmaceutical and Chemical industries
Dr. Anita Bandyopadhyay	Independent Director	31	HR Consultant and Leadership Development, Talent Management,
Mr. Ashraf Loutfy Abdelhamid Allam*	Independent Director	31	Graduate from Faculty of Pharmacy, University of Tanta and holds a Bachelor degree in Pharmaceutical Sciences

$ceased w.e.f 23 September, 2025

**appointed w.e.f 13 August, 2025*

Confirmation that in the opinion of the Board the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management:

The Board of Directors confirms that in its opinion the Independent Directors fulfill the conditions specified by the SEBI (LODR) Regulations, 2015 and are independent of the management.

Meeting of Independent Directors:

A meeting of the Independent Directors was held on March 27, 2026, inter alia, to review the performance of the Non- Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Regulation 25 read with Schedule IV of the Companies Act, 2013 and are independent of the management.

1. COMMITTEES OF DIRECTORS

A. Audit Committee

Brief description and terms of reference:

The Company has constituted a qualified and independent Audit Committee comprising of 2/3 members as independent directors in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee is empowered with the role and powers as prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The Managing Director, CFO, internal auditors and statutory auditors are also invited to the meetings, as required, to brief the Committee wherever required. The Company Secretary acts as the secretary of the Committee.

The Chairman of the Audit Committee attended the last annual general meeting of the Company.

Composition, name of members and chairperson:

S. No.	Name of the Director	Nature of Directorship	Category
1.	Mr. Hetal Madhukant Gandhi	Independent Director	Chairman
2.	Dr. Anita Bandyopadhyay	Independent Director	Member
3.	Mr. Om Prakash Inani	Non-Executive Director	Member
4.	Dr. Kamal Kishore Sharma$	Independent Director	Member
5.	Mr. Ashraf Loutfy Abdelhamid Allam*	Independent Director	Member

$ceased w.e.f September 23, 2025

**appointed w.e.f February 06, 2026*

Meetings and attendance during the Year 2025-26

During the year, Four (04) meetings of the Audit Committee were held and the details of attendance of the directors in such meetings are as follows:

Date of the Meeting	Number of Members attended
May 26, 2025	04
August 13, 2025	04
November 13, 2025	03
February 06, 2026	03

The gap between two Audit Committee meetings was not more than one hundred and twenty days (120 days). The necessary quorum was present at all the meetings.

B. Nomination and Remuneration Committee (NRC)

The Committee is empowered with the role and powers as prescribed under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 178 of the Companies Act, 2013 and in the Nomination & Remuneration Policy of the Company. The Committee also acts in terms of reference and directions of the Board from time to time.

The Nomination and Remuneration Committee reviews the profiles & experience, performance appraisals and recommends the remuneration package payable to executive director(s) and other senior executives in the top level management of the Company and other elements of their appointment and acts in terms of reference of the Board specified from time to time. The Remuneration Policy as applicable to directors, key managerial persons and other senior management personnel is posted on the website of the company at the below web address.

https://www.vbshilpa.com/pdf/NominationRemunerationPolicy.pdf

Composition, name of members and chairperson

The NRC comprises of Three (3) Non-Executive Directors. The composition of the Nomination and Remuneration Committee is as follows:

S. No.	Name of the Director	Nature of Directorship	Category
1	Dr. Anita Bandyopadhyay	Independent Director	Chairman
2	Mr. Omprakash Inani	Non-Executive Director	Member
3	Mr. Hetal Madhukant Gandhi	Independent Director	Member

Meetings and attendance during the year 2025-26

During the year, Two (02) meetings of the Nomination and Remuneration Committee were held and the details of attendance of the directors in such meetings are as follows.

Date of the Meeting	Number of Members attended
May 22, 2025	03
July 18, 2025	03

Performance evaluation criteria for Independent Directors:

Independent Directors have three key roles to play; those are:

a. Governance
b. Control
c. Guidance

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has recommended the guidelines for the evaluation of performance of Independent Directors. This largely includes:

The qualification and experience of Independent Directors

The ground work the Independent Directors perform before attending the meetings to enable them in giving valuable inputs during meetings.

The exposure of Independent Directors in different areas of risks the entity faces and advices from them to mitigate the same.

In line with the Corporate Governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman with specific focus on the performance and effective functioning of the Board, the Committees of the Board and the individual directors and is reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of Directors (excluding the director being evaluated) held the performance evaluation of Independent Directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of Independent Directors.

Performance evaluation was done by the respective bodies on 27 march, 2026

Remuneration of Directors:

The details of remuneration and commission paid to the Managing Director and Whole Time Director are as follows:

Category of Payment	**Amount in ₹ in Lakhs**	
	Mr. Vishnukant C Bhutada (Managing Director)	**Mr. Kalakota Sharath Reddy (Whole Time Director)**
Fixed Component	350	199.51
Performance Linked Incentives	-	-
Allowances, Perquisites & others	-	-
Commission	-	-
Perks	-	-
Total	**350**	**199.51**

Apart from the above, Managing Director is also eligible for the leave encashment, leave travel concession, gratuity, superannuation and other benefits in terms of his appointment and the rules of the Company. The Whole-time Director is also entitled to other benefits as per the HR policies of the Company and in terms of his appointment such as gratuity etc. The contract is terminable by either party on 3 months' notice or pay in lieu thereof;

Sitting fees/Remuneration paid to Non-Executive Directors and their shareholding is as follows:

Name of the Director	Designation	Sitting fees/ Remuneration paid (Amount in ₹)	No. of shares held on 31-03-2026
Mr. Om Prakash Inani	Chairman	4,50,000	57,35,382
Mr. Hetal Madhukant Gandhi	Independent Director	60,00,000	16000
Dr. Anita Bandyopadhyay	Independent Director	18,00,000	-
Dr. Kamal K Sharma[$]	Independent Director	30,00,000	-
Mr. Ashraf Loutfy Abdelhamid Allam*	Independent Director	22,19,683	-

[$]*ceased w.e.f September 23, 2025*

**appointed w.e.f August 13, 2025*

Other than the sitting fees/ Remuneration paid to the Non-Executive Directors, they had no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its directors/ employees during the financial year under review.

There are neither specific contracts nor any severance fees. The terms of appointment are as decided by the Board and the general body.

C. Stakeholders' Relationship Committee

The present composition of the Stakeholders' Relationship Committee is as under:

S. No.	Name of the Director	Nature of Directorship	Category
1	Mr. Om Prakash Inani	Non-Executive Director	Chairman
2	Mr. Vishnukant C Bhutada	Managing Director	Member
3	Dr. Kamal K Sharma[$]	Independent Director	Member
4	Dr. Anita Bandyopadhyay	Independent Director	Member

[$]*ceased w.e.f September 23, 2025*

The Stakeholders' Relationship Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Regulation 6 of the SEBI (LODR) Regulations, 2015, the Board has authorized the Company's Registrar and Transfer Agent (RTA) i.e. Kfin Technologies Limited to approve the share transfers/ transmissions and to comply with other formalities in relation thereto in coordination with the Compliance Officer of the Company. All the investors' complaints, which cannot be settled at the level RTA and the Compliance Officer, will be placed before the Committee for final settlement.

Name of the Non-Executive Director heading the committee	Mr. Omprakash Inani
Name and designation of the Company Secretary and Compliance Officer	Ms. Ritu Tiwary
Number of Shareholders' Complaints received in FY26	NIL
Number not solved to the satisfaction of shareholders	-
Number of pending complaints	-

Meetings and attendance during the year 2025-26

During the year One (1) meeting of the Stakeholders Relationship Committee was held, the details of attendance of the members is as follows.

Date of the Meeting	Number of Members attended
March 20, 2026	03

D. Corporate Social Responsibility Committee (CSRC).

The Board constituted a CSR Committee as per the provisions of Section 135 of the Companies Act, 2013 and entrusted the responsibility to comply with the said provisions to such Committee. The composition of the CSRC is as under:

S. No.	Name of the Director	Nature of Directorship	Category
1.	Dr. Anita Bandyopadhyay	Independent Director	Chairman
2.	Mr. Vishnukant C Bhutada	Managing Director	Member
3.	Mr. Sharath Reddy Kalakota	Whole-Time Director	Member

Meetings and attendance during the year 2025-26

During the year one (01) meeting of the Corporate Social Responsibility Committee were held, the details of attendance of the members is as follows.

Date of the Meeting	Number of Members attended
August 12, 2025	03

E. Risk Management Committee:

The Board has constituted Risk Management committee at their meeting held with the undermentioned members.

S. No	Name of Director/ Designation of Executive	Nature of Directorship/ Responsibility of Executive	Category in Committee
1	Mr. Vishnukant C Bhutada	Managing Director	Chairman
2.	Mr. Kalakota Sharath Reddy	Whole Time Director	Member
3.	Dr. Kamal K Sharma$	Independent Director	Member
4.	Mr. Ashraf Loutfy Abdelhamid Allam*	Independent Director	Member

$ ceased w.e.f September 23, 2025

**appointed w.e.f August 13, 2025*

The Committee is responsible to monitor and review the major risks faced by and the risk management plan of the Company and periodically evaluate the risk perception of the Company in different fields of operation and exposure and make due recommendations to the Board.

Meetings and attendance during the year 2025-26

During the year Two meeting of Risk Management Committee was held, the details of attendance of the members is as follows.

Date of the Meeting	Number of Members attended
September 20, 2025	03
March 20, 2026	03

Senior Management

There were no changes in the Senior Management Personnel of the Company during the Financial Year 2025–26. However, subsequent to the close of the financial year, based on the recommendation of the Nomination and Remuneration Committee at its meeting held on April 22, 2026, Dr. Vellaian Karuppiah was appointed as Chief Operating Officer – Formulations of the Company with effect from April 23, 2026, consequent to the retirement of Dr. Jayant Karajgi, who held the said position till the close of business hours on April 22, 2026. Dr. Uday Harle was appointed as CEO- Shilpa Biologicals Pvt Ltd on 31st July 2026 in place of Dr. Sridevi Kambhapaty who resigned on 15th July 2026.

GENERAL BODY MEETINGS

The details of the last three Annual General Meetings (AGMs) are given below:

Financial Year Ended	Date	Venue	Time	
March 31, 2025	September 23, 2025	Registered office: 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur – 584135, Karnataka	11.00 AM	Appointment of Mr. Ashraf Loutfy Abdelhamid Allam (DIN: 11192531), as an Independent Director of the Company Re-appointment of Dr. Anita Bandyopadhyay (DIN: 08672071), as a Women Independent Director of the Company Revision in remuneration of Mr. Keshav Bhutada (DIN: 08222057) Executive Director & CEO in Shilpa Pharma Lifesciences Ltd (SPLL)., a material subsidiary w.e.f May 24, 2025
March 31, 2024	September 17, 2024	Registered office: 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur – 584135, Karnataka	10:00 AM	Re-appointment of Mr. Hetal Madhukant Gandhi (DIN: 00106895), Independent Director Re-appointment of Mr. Vishnukant C Bhutada (DIN: 01243391) as Managing Director of the Company and Shilpa Pharma Lifesciences Ltd, a material subsidiary Re-designation of Mr. Keshav Bhutada (DIN: 08222057) as Executive Director of Shilpa Pharma Lifesciences Ltd, a material subsidiary Re-appointment of Mr. Madhav Bhutada (DIN: 08222055) as Managing Director of Shilpa Biocare Private Limited, a wholly owned subsidiary Payment of Remuneration/commission to Non-Executive Directors Payment of Remuneration to Mr. Hetal Madhukant Gandhi (Din: 00106895), Independent Director in excess of payment made to all other Non-executive directors.
March 31, 2023	September 29, 2023	Registered office: 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur – 584135, Karnataka	11.00 AM	-

The details of General Meetings (other than AGMs) held during the last three years are given below:

Financial year ended	Date	Venue	Time	Special Resolution passed
2025-26	-	-	-	-
2024-25	-	-	-	-
2023-24	-	-	-	-

Special Resolutions have been passed by the Company through postal ballot during the year under review. Details are given below:-

Sl No	Date of Postal Ballot Notice	Voting period	Date of Declaration of result	Special Resolution passed
1	7 October 2025	9 October 2025 to 8 November 2025	10 November 2025	Reclassification of Mr. Suraj Kuma Inani and Mr. Priya Inani promotors of the Company into public

The procedure for postal ballot is as per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

2. MEANS OF COMMUNICATION.

a. Quarterly results

Quarterly, Half-yearly and Annual results are published in two Newspapers - one in English and the other in Kannada.

Annual Reports with audited financial statements are sent to shareholders through permitted mode.

b. Newspapers wherein results normally published

The results are normally published by the Company in the newspapers (Business Standard or Business Line) in English version circulating in the whole of India and in regional newspaper (Suddimoola) in the vernacular language in all editions.

c. Any website, where displayed.

The results are also published on the Company's website: www.vbshilpa.com

d. Whether it also displays official news releases:

The newsletters and press releases made from time to time, if any, are also displayed on the Company's website.

e. Presentations made to institutional investors or to analysts:

The presentations made to institutional investors or to analysts are displayed on the Company's website.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting Date and Time	September 11, 2026 @ 11.00 AM
Venue	The Company will conduct the 39th AGM for FY26 through VC/OAVM pursuant to Ministry of Corporate Affairs ("MCA") Circular No. 10/2022 dated December 28, 2022, read together with No. 02/2022 dated May 5, 2022, Circular No. 02/2021 dated January 13, 2021, Circular No. 20/2020 dated May 05, 2020, circulars No. 19/2021 dated December 08, 2021 and Circular No. 21/2021 dated December 14, 2021 (collectively referred to as "MCA Circulars") and SEBI Circular No.SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 05, 2023. The deemed venue shall be the Registered Office of the Company
Last Date of Proxy forms submission	Not Applicable (As the meeting will be held through Video conferencing)
Period Date for exercising e-voting	September 07, 2026 to September 10, 2026
Financial Year	April 01, 2025 - March 31, 2026
Record Date	September 04, 2026
Dividend Payment Date	Within 30 days from date of declaration
Listing on Stock Exchanges	1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.
	2. National Stock Exchange of India Limited, "EXCHANGE PLAZA", 5th Floor, Plot No. C/1, G Block, Bhandra- Kurla Complex, Bandra (E), Mumbai
Listing fees to the stock exchanges and Annual custodian fees to depositories for the year 2026-27 have been paid.	

In case the securities are suspended from trading, the directors' report shall explain the, reason thereof:

During the reporting period there are no instances of suspension of trading in the shares of the Company.

Registrar to an Issue and Share Transfer Agents:

Registrar and Transfer Agents (for shares held in both physical and demat mode)	KFin Technologies Limited (Unit: Shilpa Medicare Limited.) Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana
Telephone Numbers	040-67162222 / 79611000
Contact Person	Ms. Krishnapriya
Email id:	priya.maddula@kfintech.com
Website	www.kfintech.com

Share Transfer System

KFin Technologies Limited, Hyderabad, is the Company's Registrar and Share Transfer Agent. Share transfers are registered and processed in the normal course within a period of less than 15 days from the date of receipt if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations. Request for dematerialization of shares are processed and confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. The Registrar and Share Transfer Agent has been delegated the power of share transfer to expedite the transfer formalities, which is in line with Schedule VII and Regulation 40 of the SEBI (Listing Obligations and Disclosure Regulations) 2015.

Distribution of shareholding as on March 31, 2026.

Sl. No	Category	No of Cases	% of Cases	No of Shares	% to Equity
1.	1-5000	53,135	97.48	1,56,80,166	8.02
2.	5001-10000	618	1.13	45,07,701	2.30
3.	10001-20000	312	0.57	44,90,392	2.30
4.	20001-30000	133	0.24	32,85,443	1.68
5.	30001-40000	65	0.12	22,98,704	1.18
6.	40001-50000	40	0.07	18,47,513	0.94
7.	50001-100000	69	0.13	47,76,281	2.44
8.	100001 and above	139	0.25	15,86,95,616	81.14
	TOTAL:	**54,511**	**100.00**	**1,95,58,181**	**100.00**

Dematerialization of shares and liquidity.

ISIN	Number of shares	% of total shares
INE790G01031	19,54,72,066	99.94

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/dematerialized form. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited(NSDL) or Central Depository Services (India) Limited (CDSL). The system for getting the shares dematerialized is as under:

- Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to the Depository Participant (DP) with whom he/ she has opened a Depository Account;
- DP processes the DRF and generates a unique number viz. DRN;
- DP forwards the DRF and share certificates to the Company's Registrar & Share Transfer Agent;
- The Company's Registrar & Share Transfer Agent, after processing the DRF, confirms the request to the depositories by cancellation of physical share certificates; and
- Upon confirmation, the depository gives the credit to shareholder in his/her depository account maintained with DP.

The breakup of Shares in demat and physical form as on March 31, 2026 is as follows.

Particulars	No. of shares of ₹1 /- each	% of Shares
Demat Segment		
NSDL	7,96,61,467	40.73
CDSL	11,58,10,599	59.21
Sub-total	**19,54,72,066**	**99.94**
Physical Segment	1,09,750	0.06
Total	**19,55,81,816**	**100**

Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

No GDR/ADRs/ warrants or any convertible instruments have been issued by the Company during the year under review or are outstanding as at the end of the financial year 2025-26.

Commodity Price Risk or Foreign Exchange Risk and Hedging activities.

Foreign Exchange risk and hedging activities: As your Company is mostly involved in exporting, it engages in hedging of foreign exchange risk in natural ways.

The Company hedges on import payables and export receivables, keeping in view the exchange parity at the time of export or import, as the case may be.

Plant Locations:

The Company's plants along with Research and Development Units are located at:

PLANT LOCATIONS	
Unit I Shilpa Pharma Lifesciences Limited DTA – Raichur Plot Nos. 1A, 1B, 2, 2A, 3A to 3E & 4A to 4C, 5A, 5B, Deosugur Industrial Area, Deosugur - 584 170, Raichur District, Karnataka, India.	**Unit II** 100% Export-Oriented Unit - Raichur Shilpa Pharma Lifesciences Limited 33-33A, 40-47, Raichur Industrial Growth Center, Wadloor Road, Chicksugur - 584 134, Raichur District, Karnataka, India.
SEZ Unit - Jadcherla Plot No. S-20 to S-26, Pharma SEZ TSIIC Green Industrial Park, Pollepally Village, Jadcherla Mandal, Dist - Mahabubnagar - 509 301, Telangana, India.	**Shilpa Biologicals Private Limited** Plot No: 532-A, Belur Industrial Area, Dharwad, Karnataka – 580011, India.
Manufacturing unit - Bangalore Plot No. 29 A5, 4th Phase (Avverahalli) Sompura, Industrial Area, Honnenahalli Village, Dobaspet, Nelamangala, Bangalore Rural – 562 111, Karnataka, India.	**Quality Control and Bioanalytical Division** 01st and 02nd Floor, Plot No. 79, Road No. 15, Survey No. 125, IDA Mallapur, Nacharam, Uppal Mandal Medchal, Malkajgiri Dist – 500 076, Hyderabad, Telangana, India.
Therapeutics Unit - Hyderabad Plot No. 118, IDA, Phase III, Cherlapally, Hyderabad – 500051, Telangana, India.	**Unit under Construction - Kadechur** Shilpa Biocare Private Limited Plot No: 286, 287 & 288, Kadechur Industrial Area, Yadgir, Kadechur – 585221, India.

RESEARCH AND DEVELOPMENT UNITS	
R & D Unit- Raichur Plot Nos. 33-33A, 40 to 47, Raichur Industrial Growth Centre, Wadloor Road, Chiksugur Cross, Chiksugur-584134, Raichur, Karnataka, India.	**Hyderabad R&D** 01st and 02nd Floor, Plot No. 79, Road No. 15, Survey No. 125, IDA Mallapur, Nacharam, Uppal Mandal Medchal, Malkajgiri Dist – 500 076, Hyderabad, Telangana, India.

R&D Unit- Bengaluru Plot No. 29 A5, 4th Phase (Avverahalli) Sompura Industrial Area, Honnenahalli Village, Dobaspet, Nelamangala, Bangalore Rural – 562 111, Karnataka, India.	**FTF Pharma Private Limited** Block No: 193(Part) + 211 (Part), Xcelon Industrial Park, Chak-de India Weigh Bridge Road, Vasana Chacharwadi, Tal: Sanand; Ahmedabad, Gujarat-382213, India.
	Sravathi Advance Process Technologies Private Limited - R&D Plot No. 63-B, Ground Floor Bommasandra Indl. Area, Bommasandra Village, Attibele Hobli, Anekal Taluk, Bengaluru – 560099, Karnataka, India.

WIND MILLS	
Machnine-1: Madkaripura, Dist. Chitradurga	**Machine-2:** Jogimatti, Dist. Chitradurga
Machine-3: Vanivilas Sagar, Dist. Chitradurga	**Machine-4:** Kodameedipalli, Dist. Kurnool
Machine-5: Kalasapura; Dist. Gadag	

Address for Correspondence:

Registered Office$	**Shilpa Medicare Limited** 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur – 584135, Karnataka, India. $Application of shifting the Registered office from State of Karnataka to State of Maharashtra pending with RD. New Address:- Office No. 1, “A” Wing, Ground Floor, Trade Star Building , J.B. Nagar, Andheri – Kurla Road, Andheri (East), Mumbai -400059 Maharashtra
Telephone Numbers	08532-238704
Fax Number	08532-238876
Website	www.vbshilpa.com
Email-id:	cs@vbshilpa.com

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

India Rating and Research in its letter dated July 7, 2026 rated Fund-based working capital limits at IND AA-/Stable/IND A1+ with Outlook revised to Stable from Positive.

3. OTHER DISCLOSURES

A. Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of listed entity at large:

All material transactions entered into with related parties as defined under the Companies Act and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and these have been approved by the Audit Committee. The Board has approved a Policy for Related Party Transactions which has been uploaded on the Company's website at the following link: https://vbshilpa.com/pdf/related_party_policy.pdf

There have been no materially significant related party transactions between the Company and its directors, the management, subsidiaries or relatives, except for those disclosed in the Board's Report.

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

There was no instance of non-compliance pertaining to stock exchanges, statutory authority or any other capital market regulator during the preceding three years.

C. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee;

The Company has formulated a Whistle Blower Policy and has also established a vigil mechanism for employees and directors to report genuine concerns and instances of fraud/ illegal activities and no personnel had been denied access to the Audit Committee. The Policy is placed on the website of the Company under the web link: https://vbshilpa.com/pdf/Whistle_Blower_Policy.pdf. As per the Policy and Internal Code of Conduct all personnel of the Company have been given access to the Chairman of Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements enumerated in the Listing Regulations and the Companies Act, 2013 read with the rules made thereunder and is also in compliance with non-mandatory requirements to maximum extent.

E. Web link of the Policy for determining "material" subsidiaries is disclosed.

The Company has formulated a policy for determining 'material' subsidiaries and the policy is available on the Company's website under the web link: https://vbshilpa.com/pdf/Policy_on_Material_Subsidiary.pdf

F. Web link of the policy on dealing with Related Party Transactions.

The Board has formulated a policy on Related Party Transactions and has revised it from time to time in the light of amendments to the Listing Regulations and the same is available on the Company's website under the web link: https://vbshilpa.com/pdf/related_party_policy.pdf

G. Disclosure of Commodity Price Risks and Commodity Hedging Activities:

The Company is not dealing in any commodities. Generally, the risk of raw-material price volatility continues to be there in the pharmaceutical industry depending on the demand, supply and availability substitute products of the product. The Company has a system to book up-front the raw-materials based on the customer orders to mitigate the price volatility in addition to that the Company always maintains raw-materials stocks at certain level based on the past data.

H. A certificate from Mr. D.S. Rao, Practicing Company Secretary, Hyderabad stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority, has been enclosed separately to this Report

I. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year your Company has not raised any funds through preferential allotment.

Whether the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year: No

K. Fees for all services paid by the Company to the statutory auditors of the Company:

The details of payment made to the Statutory Auditors on a standalone basis are available under Note 41 of the Standalone Financial Statements for the financial year ended March 31, 2026.

L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosure pertaining to the complaints are given hereunder:

No of complaints received during the year	0
No of complaints disposed off during the year	0
No of complaints pending as on end of financial year	0

M. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested:

The listed entity has extended loans to its subsidiary Companies which forms the part of Financial Statements

N. Details of Material Subsidiaries of the Listed entity

Name of the Company: Shilpa pharma Lifesciences Limited
Date of Incorporation: May 8, 2020
Place of Incorporation: Raichur
Name of the Statutory Auditor: "B N P S and Associates, LLP (formerly Bohara Bhandari & Associates)
Date of Appointment of the Statutory Auditor: December 30, 2021

Name of the Company: Shilpa Biologicals Private Limited
Date of Incorporation: January 09, 2020
Place of Incorporation: Raichur
Name of the Statutory Auditor: "B N P S and Associates, LLP (formerly Bohara Bhandari & Associates)
Date of Appointment of the Statutory Auditor: November 20, 2021

Non-compliance of any requirement of Corporate Governance Report, with reasons thereof shall be disclosed: All the above requirements w.r.t. this Report have been complied with.

The extent to which the discretionary requirements as specified in the Part E of Schedule II have been adopted.

Discretionary Requirements

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

(i) The Board:

The office of Mr. Omprakash Inani, Non-Executive Chairperson, is maintained at the expense of the Company and he is allowed reimbursement of expenses incurred in performance of his duties, if any.

(ii) Shareholders Rights:

All quarterly financial results are submitted to both the stock exchanges and are simultaneously placed on the website of the Company at www.vbshilpa.com apart from being published in the newspapers.

(iii) Modified opinion(s) in audit report

There are no modified opinions in the Audit Report for the financial year ended March 31, 2026

(iv) Reporting of Internal Auditor:

The Internal Auditor of the Company reports directly to the Chairman of the Audit Committee, stating his observations, if any.

The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	Yes
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	Yes
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

The Company has in place a comprehensive Code of Conduct (the Code) pursuant to Regulation 17(5) of Listing Regulations which is applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities.

A copy of the Code of Conduct has been placed on the Company's website www.vbshilpa.com. All the Board members and the senior management personnel have confirmed compliance with the Code.

Declaration on compliance with Code of Conduct is annexed to this Report.

CEO and CFO Certification:

The Managing Director and Chief Financial Officer have provided a certificate in compliance with the Regulations 17(8) of the SEBI (Listing Obligations and Disclosure Requirements).

Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report:

Compliance Certificate on the compliance of conditions of corporate governance pursuant to Para E of Schedule V to the SEBI (LODR) Regulations, 2015 from Mr. D.S. Rao, Company Secretary, Hyderabad, is enclosed as an annexure to this Report.

Transfer of shares to Investor Education & Protection Fund (IEPF):

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") (as amended from time to time), the Company is required to transfer equity shares in respect of which dividends have not been claimed for a period of seven years continuously, to the IEPF. During the year at the review the company has credited ₹3,39,237 towards unpaid/unclaimed dividend amount for the financial year 2017-18 belonging to 521 shareholders, was transferred to the Investor Education and Protection Fund (IEPF). The Company has transferred 3096 Equity Shares belonging to 14 shareholders to the Investor Education and Protection Fund (IEPF).

Details of these shares are available on the Company's website: www.vbshilpa.com.

Further, shares in respect of which dividend will remain unclaimed progressively for seven consecutive years, will be reviewed for transfer to the Investor Education and Protection Fund as required by law. The Company will transfer the said shares, after sending an intimation of such proposed transfer in advance to the concerned shareholders, as well as, publish a public notice in this regard. Names of such transferees will be placed on the Company's website: www.vbshilpa.com.

Unclaimed Equity Dividends and Shares:

Section 124(5) of the Companies Act, 2013 and Rules made thereunder mandates that dividends that are not encashed or claimed within seven years from the date of their transfer to the unpaid dividend account of the Company be transferred to the Investor Education and Protection Fund (IEPF).

The Company sends periodic communication to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividend. Shareholders are informed that, in terms of Section 124(6) read with the IEPF Rules, once unclaimed dividend amount is transferred to the IEPF upon expiry of 7 years from the date of transfer to the Company's unclaimed dividend account, no claim shall lie in respect thereof with the Company.

Guidance for Investor to file claim:

The shareholders are requested to note that, after the above referred transfer(s) is made, refunds from the IEPF can be claimed only by complying with the provisions of Rule 7 of the said Rules.

Disclosures with respect to demat suspense account/ unclaimed suspense account:

The Board of Directors, at its meeting held on 13th August 2025, approved the issue of Bonus Shares to the existing shareholders of the Company in the ratio of 1:1 (One Equity Share of ₹1/- each for every one fully paid-up Equity Share held).

In respect of members holding equity shares in physical form, the Company credited the bonus equity shares to a demat suspense/escrow account, to hold such shares until they are credited to the beneficiary accounts of the concerned members.

Pursuant to the Bonus Issue during the financial year 2025–26, the details of the Demat Suspense/ Escrow Account are as follows:

Date of Allotment: 07 October 2025

Name of the Account: "Bonus Issue Suspense Escrow Demat Account"

Depository Participant: Stock Holding Corporation of India Ltd

Depository Participant (DP ID): 16010100

Client ID: 00606536

Details of outstanding shares lying in the suspense account as on 31.03.2026.

Particulars	No. of Shares
Total shares credited during the year	1,24,750
Shares credited to shareholders during the year	12,000
Balance shares lying in suspense account	1,12,750

Further 12,000 eq shares have been credited to the shareholders till date.

Further, the voting rights on these shares shall remain frozen till the rightful owners claim the shares.

Disclosure of certain types of agreements binding listed entities: Not Applicable

For and on behalf of the Board of Directors
Shilpa Medicare Limited

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Date: 5th August 2026
Place: Raichur

Annexure-6

STATEMENT OF PARTICULARS AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

S. No	Name of Director / Key Managerial Personnel and designation	% increase in the remuneration for the year ended March 31, 2026	Ratio of the remuneration of each Director to the median remuneration of the employees
1	Mr. Omprakash Inani Chairman	-	0.79
2	Mr. Vishnukant Chaturbhuj Bhutada Managing Director	-	61.40
3	Mr. Sharath Reddy Kalakota* Whole-time Director	11.00%	35.00
4	Mr. Hetal Madhukant Gandhi Independent Director	16.67%	10.53
5	Dr. Anita Bandyopadhyay** Independent Director	-	3.16
6	Mr. Ashraf Loutfy Abdelhamid Allam Independent Director	22.22%	6.14
7	Mr. Alpesh Dalal Chief Financial Officer	12.00%	34.39
8	Ms. Ritu Tiwary Company Secretary & Compliance Officer	12.00%	10.98

**Reappointed for five years by members in the 38TH AGM held on September 23, 2025 on prorated basis for part of the year.*

***Reappointed for three years by members in the 38TH AGM held on September 23, 2025 on prorated basis for part of the year.*

1. The median remuneration of employees of the Company for the year ended March 31, 2026 was ₹ 5.70 Lakhs.
2. During the year ended March 31, 2026, there was a increase of 3.5% in the median remuneration of employees.
3. As on March 31, 2026, the Company had 1132 permanent employees.
4. We affirm that payment of remuneration is as per the Remuneration policy of the Company.

For and on behalf of the
Board of Directors of
Shilpa Medicare Limited

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Date: 5th August 2026
Place: Raichur

Annexure-7

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third provision thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2026, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis are as follows:

Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Amount (₹ in Lakhs)	
Sale/Purchases				**Sales**	**Purchase**
Koanaa Healthcare GmbH, Austria	Wholly Owned Subsidiary	Not applicable	Not applicable	-	29
Koanaa Healthcare Spain, S.L. Spain	Wholly owned Subsidiary	Not applicable	Not applicable	147	364
Shilpa Biologicals Pvt. Ltd.	Wholly owned Subsidiary	Not applicable	Not applicable	199	140
FTF Pharma Pvt. Ltd.	Wholly owned Subsidiary	Not applicable	Not applicable	52	1,678
Shilpa Biocare Pvt. Ltd	Wholly owned Subsidiary	Not applicable	Not applicable	113	-
Shilpa Pharma Lifesciences Limited	Wholly owned Subsidiary	Not applicable	Not applicable	1,979	21,551
					Amount (₹ in Lakhs)
Commission Paid					
Reva Medicare Private Limited	Joint Venture	As per the sale Agreement	As per the sale Agreement		39
Koanaa Healthcare Spain, S.L. Spain	Wholly owned Subsidiary	As per the sale Agreement	As per the sale Agreement		9
Remuneration Paid					
Deepak Kumar Inani	Relative to Director	As per the terms of appointment	As per the terms of appointment		117
Ramakant Innani	Relative to Director	As per the terms of appointment	As per the terms of appointment		123
Ravi Kumar Innani	Relative to Director	As per the terms of appointment	As per the terms of appointment		85
Sagar Innani	Relative to Director	As per the terms of appointment	As per the terms of appointment		15
Interest Received					
Koanaa Healthcare GmbH Austria	Wholly Owned Subsidiary	Ongoing	Not applicable		377
Koanaa Healthcare Limited United Kingdom	Wholly Owned Subsidiary	Ongoing	Not applicable		76
Shilpa Biologicals Pvt. Ltd.	Wholly owned Subsidiary	Ongoing	Not applicable		109

Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Amount (₹ in Lakhs)
Shilpa Pharma Inc.	Wholly owned Subsidiary	Ongoing	Not applicable	128
Koanaa International FZ LLC. UAE	Wholly owned Subsidiary	Ongoing	Not applicable	48
Koanaa Healthcare Spain, S.L. Spain	Wholly owned Subsidiary	Ongoing	Not applicable	83
Shilpa Pharma Lifesciences Limited	Wholly owned Subsidiary	Ongoing	Not applicable	776
Shilpa Biocare Pvt. Ltd	Wholly owned Subsidiary	Ongoing	Not applicable	669
Pilnova Pharma INC USA	Wholly owned Subsidiary	Ongoing	Not applicable	122
Shilpa Lifesciences Private Limited	Step down Subsidiary	Ongoing	Not applicable	23
Corporate Guarantee #				
Shilpa Pharma Lifesciences Limited	Wholly Owned Subsidiary	Ongoing	Not applicable	0
Shilpa Biocare Pvt. Ltd	Wholly Owned Subsidiary	Ongoing	Not applicable	14,042
Dividend Accrued				
FTF Pharma Pvt. Ltd.	Wholly Owned Subsidiary	Ongoing	As per preference share agreement	25
Corporate Social Responsibility Expenses				
Shilpa Foundation	Trust in which key management are the board of trustees or Director are Trustee	Ongoing	Not applicable	93
Interest Paid				
Sampra Corporate Holdings Pvt Ltd. (Formerly known as Vegil Labs Private Limited)	Wholly Owned Subsidiary	Ongoing	Not applicable	109
Corporate Guarantee Income				
Shilpa Biocare Pvt. Ltd	Wholly Owned Subsidiary	Ongoing	Not applicable	140
Shilpa Pharma Lifesciences Limited	Wholly Owned Subsidiary	Ongoing	Not applicable	505

Annexure-8

Related Party Disclosure as per Schedule V of SEBI (LODR) Regulations, 2015

(₹ In Lakhs)

In the accounts of	Particulars	As on 31st March, 2026			As on 31st March, 2025		
		Loans/ Advances	Investment		Loans/ Advances	Investment	
			Equity	Preference		Equity	Preference
Shilpa Medicare Limited (Holding Company)	Reva Medicare Private Limited	-	1	-	-	1	-
	Koanaa Healthcare Spain, S.L. Spain	997	6.	-	1,168	6	-
	Koanaa Healthcare Limited,UK	1,259	0	-	954	0	-
	Koanaa Healthcare GmbH Austria	5,564	78	-	4,713	78	-
	Maia Pharmaceuticals Inc.USA	-	-	795.69	-	-	796
	Shilpa Pharma Inc. USA	2,049	1,745	-	869	0	-
	Shilpa Biocare Pvt. Ltd.	15,270	36,965	-	3,673	36,965	-
	Shilpa Biologicals Private Limited	-	71,701	-	4,970	71,701	-
	Sravathi Advance Process Technologies Pvt. Ltd.	-	2,090	-	-	3,996	
	Koanaa Healthcare Canada Inc.,	-	-	-	-	1,449	-
	Shilpa Pharma Lifesciences Limited	7,249	1,000	-	13,877	1,000	-
	Indo Biotech SDN.BHD. Malaysia	153	4	-	139	4	-
	FTF Pharma Pvt. Ltd.	-	6,578	390	-	6,578	390
	Sampra Corporate Holdings Pvt Ltd (Formerly known as Vegil labs Pvt Ltd.)	-	951	-	-	951	-
	Shilpa Lifesciences Private Limited	308		-	288.36	-	-
	Koanaa International FZ-LLC,Dubai	691	2	-	625	2	-
	Makindus Inc, USA	-	454.20	-	-	454	-
	Pilnova Pharma Inc, USA	2,153	0	-	1,241	0	-

Annexure-9

Business Responsibility & Sustainability Report

SECTION A — GENERAL DISCLOSURES

I. Details of the Listed Entity

1.	**Corporate Identity Number (CIN)**	L85110KA1987PLC008739
2.	**Name of the Listed Entity**	Shilpa Medicare Limited
3.	**Date of Incorporation**	1987
4.	**Registered Office Address**	#12-6-214/A1, Hyderabad Road, Raichur – 584 135, Karnataka, India
5.	**Corporate Address**	#12-6-214/A1, Hyderabad Road, Raichur – 584 135, Karnataka, India
6.	**E-mail**	cs@vbshilpa.com
7.	**Telephone**	+91-8532-238704
8.	**Website**	https://www.vbshilpa.com/
9.	**Financial year for which reporting is being done**	FY 2025-26
10.	**Stock Exchanges where Shares are Listed**	BSE & NSE
11.	**Paid-up Capital (in Rs)**	19,55,81,816
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of queries on the BRSR report**	
	Name	Ms. Ritu Tiwary — Company Secretary & Compliance Officer
	Contact	+91-8532-238704
	E-mail	cs@vbshilpa.com
13.	**Reporting Boundary**	Standalone basis
14.	**Whether the company has undertaken assessment or assurance of the BRSR Core**	No
15.	**Name of Assurance Provider**	Growlity Pvt. Ltd.
16.	**Type of Assurance Obtained**	Limited Assurance

II. Products & Services

17. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Main Activity	Description Business Activity	% of Turnover
1	Pharmaceuticals	Manufacture of Formulations	99.01%

18. Products / Services sold by the entity (accounting for 90% of the turnover):

Sr. No.	Product / Service	NIC Code	% of Total Turnover
1	Formulations	21001	99.01%
2	Power	21001	0.99%

NIC Code list link: https://www.ncs.gov.in/Documents/NIC_Sector.pdf

III. Operations

19. Number of locations where plants and/or operations/offices are situated:

Location	Number of Plants	Number of Offices	Total
National	3	2	5
International	-	-	-

20. Markets served by the entity

a. Number of Locations:

Location Type	Number
National (No. of States)	Pan India
International (No. of Countries)	74+ Countries

b. Export contribution as a percentage of total turnover:

83.02%

c. Types of customers:

Our business serves a diverse customer base such as wholesalers, distributors, doctors, pharmacy chains NGOs, hospitals, Pharmacy chains (Jan Aushadhi) pharmaceutical distributors, government institutions, and companies.

IV. Employees

21. Details as at the end of the Financial Year

a. Employees and Workers (including Differently Abled):

Sr. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B /A)	No. (C)	% (C / A)	No. (H)	% (H / A)
Employees								
1	Permanent (D)	1140	1087	95.35%	53	4.65%	0	0.00%
2	Other than Permanent (E)	0	0	0.00%	0	0.00%	0	0.00%
3	Total Employees (D+E)	1140	1087	95.35%	53	4.65%	0	0.00%
Workers								
4	Permanent (F)	101	81	80.20%	20	19.80%	0	0.00%
5	Other than Permanent (G)	0	0	0.00%	0	0.00%	0	0.00%
6	Total Workers (F+G)	101	81	80.20%	20	19.80%	0	0.00%

b. Differently Abled Employees & Workers:

Sr. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B /A)	No. (C)	% (C / A)	No. (H)	% (H / A)
Differently Abled Employees								
1	Permanent (D)	0	0	0.00%	0	0.00%	0	0.00%
2	Other than Permanent (E)	0	0	0.00%	0	0.00%	0	0.00%
3	Total Employees (D+E)	0	0	0.00%	0	0.00%	0	0.00%
Differently Abled Workers								
4	Permanent (F)	0	0	0.00%	0	0.00%	0	0.00%
5	Other than Permanent (G)	0	0	0.00%	0	0.00%	0	0.00%
6	Total Workers (F+G)	0	0	0.00%	0	0.00%	0	0.00%

22. Participation / Inclusion / Representation of Women:

Particulars	Total (A)	No. of Females (B)	% (B/A)
Board of Directors	6	1	16.67%
Key Management Personnel (KMP)	2	1	50.00%

23. Turnover Rate for Permanent Employees and Workers:

Category	FY 2025-26				FY 2024-25				FY 2023-24			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	29.29%	0.11%	0.00%	29.40%	53.37%	0.88%	0.00%	54.25%	34.9%	0.75%	0.00%	35.65%
Permanent Workers	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

24. Names of holding/ subsidiary/ associate companies/ joint ventures

The details of holding/ subsidiary/ associate companies/ joint ventures are given in Form AOC- 1 as 'Annexure to the Board's Report' which forms a part of the annual report.

VI. CSR Details

25. Corporate Social Responsibility:

Whether CSR is applicable under Section 135 of Companies Act, 2013	Yes
Turnover (Rs. in Crore)	635.18
Net Worth (Rs. in Crore)	2,713.4

VII. Transparency and Disclosure Compliances

26. Complaints / Grievances on any of the principles (1 to 9) under NGRBC

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No/NA) (If yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes vbshilpa.com/policies-and-codes.php	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes vbshilpa.com/policies-and-codes.php	0	0	NA	0	0	NA
Shareholders	Yes vbshilpa.com/policies-and-codes.php	1	0	NA	0	0	NA
Employees and workers	Yes vbshilpa.com/policies-and-codes.php	0	0	NA	0	0	NA
Value Chain Partners	Yes vbshilpa.com/policies-and-codes.php	0	0	NA	0	0	NA

27. Overview of the Entity's Material Responsible Business Conduct Issues:

Sr. No.	Material Issue	Risk / Opportunity	Rationale for identifying the risk/ opportunity	In Case of Risk Approach to Adapt / Mitigate	Financial Implication
1	Water & Waste Management	Risk	Inadequate management may affect water and soil quality, impacting ecosystems and public health. Water is a critical manufacturing input.	Periodic risk assessments; water efficiency strategy; waste management covering minimisation, segregation, and reuse/recycle/recovery at all facilities.	Negative
2	Research & Development	Opportunity	R&D drives green innovation and improves ESG performance; strategic disclosures build stakeholder confidence.	Green Chemistry focus: water-based reactions, greener solvents, enhanced solvent recovery, and Life Cycle Assessments (LCA).	Positive

Sr. No.	Material Issue	Risk / Opportunity	Rationale for identifying the risk/ opportunity	In Case of Risk Approach to Adapt / Mitigate	Financial Implication
3	Community Engagement	Opportunity	Constructive community engagement builds trust and ensures long-term operational licence.	Shilpa Foundation channels corporate philanthropy through primary healthcare, environmental sustainability, rural development, and education.	Positive
4	Business Ethics / Anti-Bribery & Anti-Corruption	Risk	Unethical conduct by directors, employees, or value chain partners could damage reputation and impede growth.	Business Code of Conduct and Supplier Code of Conduct implemented; anti-bribery, anti-corruption, whistleblowing, and audit controls in place.	Negative
5	Occupational Health & Safety	Risk	Employee health, safety, and well-being require a secure work environment.	EHS Policy implemented across all facilities; ISO 45001:2018 OHS Management Systems certified; Process Safety Management System at API plants.	Negative
6	Statutory & Regulatory Compliances	Risk	Non-compliance with quality standards and EHS/Labour regulations could result in observations and impair patient supply.	"Quality by Design" integrated; cGMP compliance; digitised quality assurance; legal compliance evaluation for EHS, Labour, Human Rights, and Ethics.	Negative
7	Diversity, Equity & Inclusion	Opportunity	Diversity fosters new perspectives and innovative approaches for sustainable value creation.	Increasing women representation; equal pay practice; SA 8000:2014 Social Accountability System; non-discrimination policies.	Positive
8	Talent Attraction & Retention	Risk	Knowledge-driven, technology-intensive industry makes specialist talent attraction and retention challenging.	People analytics for skill-gap identification; career development plans; reskilling and upskilling initiatives; strategic workforce planning.	Negative
9	Risk Management & Business Continuity	Opportunity	Complex geopolitical and regulatory environment creates potential disruptions across operations and supply chains.	Board-level Risk Management Committee reviews key risks periodically; sustainable supply chain prioritised; resiliency posture continuously improved.	Positive
10	Industry Risk	Risk	Sectoral and market downturns could have immediate and material impact on performance.	Regular analysis of industry and pharma-sector trends; horizon scanning; ongoing business continuity planning.	Negative
11	Sustainable EHS Work Practices	Opportunity	Sustainable EHS practices reduce climate impact, improve resource efficiency, and cut costs and waste.	Sustainable practices embedded in company culture; 24-hour EHS monitoring; wastewater treated at Zero Liquid Discharge (ZLD) facilities and recycled.	Positive
12	Access & Affordability of Medicines	Opportunity	Financial barriers in low- and middle-income countries limit patient access to life-saving medicines.	Consistent enhancement of value proposition to deliver affordable pharmaceutical formulations globally, aligned with purpose of "Innovating for Affordable Healthcare".	Positive

Sr. No.	Material Issue	Risk / Opportunity	Rationale for identifying the risk/ opportunity	In Case of Risk Approach to Adapt / Mitigate	Financial Implication
13	Supply Chain Sustainability	Risk	Environmental and social concerns in the supply chain could cause disruptions in material availability and medicine deliveries.	Environmental & Social Assessments of key suppliers; mandatory minimum compliance enforced; Supplier Code of Conduct communicated to all key suppliers.	Negative
14	Energy & GHG Emissions Management	Opportunity	Energy conservation and renewable energy adoption present significant opportunities to reduce costs and GHG emissions.	GHG-reduction projects registered with UNFCCC; Carbon Credits (CERs) earned; target of 95% renewable energy by 2030 and net-zero carbon by 2050.	Positive
15	Regulatory Compliance, Governance beyond compliance	Risk/ Opportunity	Strong ESG compliance is increasingly required by regulators, investors, and customers.	Periodic risk assessments, internal audits, and management reviews; ISO 14001, ISO 45001, ISO 50001, and SA 8000 certifications maintained.	Negative
16	Health Education & Disease Prevention	Opportunity	Health education empowers communities and reduces the burden of disease.	Patient awareness increased; healthcare professionals trained; healthcare services and hygiene awareness provided to rural communities.	Positive
17	Data Security, Privacy & Cybersecurity	Risk	Dependence on digital collaboration creates vulnerability to cyber-attacks, data breaches, and regulatory non-compliance.	ISMS based on ISO 27001; periodic independent assessments; IT disaster recovery plan; comprehensive data privacy policies.	Negative

SECTION B — MANAGEMENT AND PROCESS DISCLOSURES

This section demonstrates the structures, policies, and processes established by Shilpa Medicare Limited to adopt the nine National Guidelines on Responsible Business Conduct (NGRBC) Principles and their Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)					Yes				
b. Has the policy been approved by the Board? (Yes/ No)					Yes				
c. Web Link of the Policies, if available			https://www.vbshilpa.com/policies-and-codes.php						
2. Whether the entity has translated the policy into procedures. (Yes / No)					Yes				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					Yes				

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	1. Occupational Health & Safety Management System: ISO 45001: 2018 2. Environmental Management System: ISO 14001: 2015 3. Energy Management System: ISO 50001: 2018 4. Social Accountability Management System: SA 8000:2026 5. Quality Management System: ISO 9001:2018 6. Our facility has accreditations from various regularity authorities including USFDA, EUGMP-AGES Austria, ANVISA, Health Canada, , TGA -Australia, Ministry of Health-UAE, Bahrain; Eurasian Economic Union (EAEU) Belarus, EMA, Iraq, Nepal, Philippines, Qatar, Syria, Ukraine								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Note 1								
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	Note 2								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Note 3								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Vishnukant C Bhutada, Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Mr. Vishnukant C Bhutada, the Managing Director.								

Note 1:

- **Environmental (E):** With FY 2022-23 as the baseline, the Company has set FY 2028-29 as the target year for reducing Scope 1 & 2 GHG emissions (10%), Scope 3 emissions (8%), GHG intensity (10%), and energy intensity (7%), while increasing renewable electricity usage to 80%. The Company also aims to achieve 100% GHG reporting, 100% water monitoring, 5% reduction in freshwater consumption, ≥33% green belt coverage, 5% reduction in waste generation, 5% reduction in packaging waste and maintain zero environmental non-compliances through continual monitoring and compliance.
- **Environmental (E)** (Baseline : FY 2022–23 | Target Year: FY 2028–29)
- **Reduce GHG emissions** by achieving a **10% reduction in Scope 1 & 2 emissions**, an **8% reduction in Scope 3 emissions**, and a **10% reduction in GHG emissions intensity**.
- **Improve energy performance** by reducing **energy intensity by 7%** and increasing **renewable electricity usage to 80%**.
- **Strengthen water stewardship** by achieving **100% water monitoring** and reducing **freshwater consumption by 5%**.
- **Enhance environmental management** by maintaining **green belt coverage of at least 33%**, reducing **overall waste generation and packaging waste by 5%**, and ensuring **zero environmental non-compliances** through continual monitoring and regulatory compliance.
- **Achieve 100% GHG emissions reporting** across the Company's operations.

- **Social (S):** With FY 2022-23 as the baseline and FY 2028-29 as the target year, the Company aims to maintain zero child and forced labour incidents, conduct social compliance audits for ≥65% of high-risk suppliers, increase procurement from SMEs, women-owned and local suppliers to ≥20%, and achieve 100% employee training on sustainability, procurement, health, safety and quality. The Company also targets 100% product compliance, customer complaint closure, and product safety, with zero non-compliant product supply and recalls monitored on an ongoing basis.
- **Governance(G):** Using FY 2022-23 as the baseline, the Company has established FY 2028-29 targets to conduct sustainability assessments for ≥50% of strategic suppliers, increase ISO 14001-certified suppliers to ≥40%, engage ≥55% of strategic suppliers in GHG reporting, integrate ESG criteria into 100% of strategic procurement processes, ensure 100% Supplier Code of Conduct acknowledgement, include ESG clauses in all new supplier contracts, provide 100% procurement ethics training, and maintain zero procurement fraud, corruption and ethics violations through robust governance and supplier due diligence.
- **Social (S)** (Baseline : FY 2022–23 | Target Year: FY 2028–29)
- **Promote responsible labour practices** by maintaining **zero incidents of child labour and forced labour** across operations and the value chain.
- **Strengthen responsible sourcing** by conducting **social compliance audits for at least 65% of high-risk suppliers** and increasing procurement from **SMEs, women-owned, and local suppliers to at least 20%**.
- **Build employee capability** by achieving **100% training coverage** on sustainability, procurement, health & safety, and quality.
- **Ensure product responsibility** by maintaining **100% product compliance, product safety, and customer complaint closure**, while ensuring **zero supply of non-compliant products and zero product recalls** through continuous monitoring.
- **Governance (G)** (Baseline: FY 2022–23 | Target Year: FY 2028–29)
- **Strengthen sustainable procurement** by conducting **sustainability assessments for at least 50% of strategic suppliers**, increasing **ISO 14001-certified strategic suppliers to at least 40%**, and engaging **at least 55% of strategic suppliers in GHG emissions reporting**.
- **Integrate ESG into supplier management** by incorporating **ESG criteria into 100% of strategic procurement processes**, obtaining **100% Supplier Code of Conduct acknowledgements**, and including **ESG clauses in all new supplier contracts**.
- **Promote ethical procurement practices** by providing **100% procurement ethics training** and maintaining **zero incidents of procurement fraud, corruption, and ethics violations** through robust governance and supplier due diligence.

Note- These targets are set on group level basis and they will be further updated in upcoming Financial Years BRSR.

Note 2: The Company has established FY 2022-23 as the baseline year and FY 2028-29 as the target year for the majority of its Environmental, Social and Governance (ESG) commitments. During the reporting period, initiatives relating to greenhouse gas (GHG) emissions management, energy efficiency, renewable energy adoption, water conservation, waste management, supplier engagement, employee capacity building and responsible procurement continued to be implemented in line with the defined roadmap.

As the targets are long-term in nature, the Company is in the implementation phase and has not yet achieved all of the milestones established for FY 2028-29. Progress against each target is reviewed periodically through internal monitoring and management oversight. Certain initiatives have progressed at a slower pace than initially anticipated due to factors such as phased implementation plans, infrastructure and technology upgrade timelines, operational priorities, supplier readiness, availability of reliable ESG data across the value chain, and changing business requirements.

The Company remains committed to achieving its stated ESG objectives within the defined timeline and continues to strengthen governance mechanisms, allocate necessary resources, improve data management systems, enhance stakeholder engagement, and implement corrective and improvement measures to accelerate progress towards the FY 2028-29 targets. No material environmental, social or governance non-compliance affecting these commitments was reported during the reporting period.

Progress Against ESG Targets:

- The Company has adopted **FY 2022–23** as the baseline year and **FY 2028–29** as the target year for its key Environmental, Social and Governance (ESG) commitments.
- During the reporting period, the Company continued implementing initiatives related to **GHG emissions management, energy efficiency, renewable energy, water conservation, waste management, supplier engagement, employee capacity building, and responsible procurement**.
- As these are **long-term targets**, the Company is currently in the implementation phase, and the FY 2028–29 targets have not yet been fully achieved.
- Progress is **periodically monitored and reviewed** through internal tracking and management oversight.
- The pace of implementation for certain initiatives has been influenced by **phased execution plans, infrastructure and technology upgrades, operational priorities, supplier readiness, availability of reliable ESG data, and evolving business requirements**.
- The Company remains committed to achieving its FY 2028–29 ESG targets by strengthening **governance, resource allocation, ESG data management, stakeholder engagement, and continuous improvement measures**.
- **No material environmental, social or governance non-compliances** impacting these commitments were reported during the reporting period.

Note 3: Shilpa, established in 1987, is an integrated pharmaceutical organization with strong research, development, and manufacturing capabilities across Active Pharmaceutical Ingredients (APIs) and formulations. Guided by its vision of "Innovating for Affordable Healthcare," the Company is committed to creating long-term value through responsible and sustainable business practices.

Sustainability and ESG principles are integrated into our business strategy in alignment with the National Guidelines on Responsible Business Conduct (NGRBC). Our key ESG priorities include reducing greenhouse gas (GHG) emissions, improving energy and resource efficiency, strengthening environmental management systems, ensuring regulatory compliance, enhancing occupational health and safety, and fostering ethical governance across our operations and value chain.

The pharmaceutical industry continues to face challenges such as climate change, efficient resource utilization, evolving regulatory requirements, and sustainable supply chain management. To address these challenges, the Company has established policies, management systems, and monitoring mechanisms focused on environmental stewardship, proactive risk assessment, resource conservation, employee participation, and continuous improvement.

During the reporting period, Shilpa continued to strengthen its ESG framework by implementing sustainability initiatives, monitoring environmental performance, promoting awareness through training and stakeholder engagement, and collaborating with supply chain partners to encourage responsible and greener practices. The Company remains committed to continuously enhancing its ESG performance and contributing towards a sustainable future while delivering high-quality and affordable healthcare solutions.

Statement from the Director Responsible for the BRSR :

Established in **1987**, **SML** is an integrated pharmaceutical company with strong capabilities in the research, development, and manufacturing of **APIs and formulations**. Guided by its vision of **"Innovating for Affordable Healthcare,"** the Company integrates sustainability and responsible business practices into its long-term strategy in alignment with the **National Guidelines on Responsible Business Conduct (NGRBC)**.

The Company's key ESG priorities include:

- **Reducing GHG emissions** and improving **energy and resource efficiency**.
- Strengthening **environmental management systems** and ensuring **regulatory compliance**.
- Promoting **occupational health & safety** and ethical business governance.
- Encouraging **responsible supply chain practices** and stakeholder engagement.

During the reporting period, the Company continued to strengthen its ESG framework through sustainability initiatives, environmental performance monitoring, employee awareness programmes, and collaboration with value chain partners to promote responsible and greener practices. The Company remains committed to continuously enhancing its ESG performance while delivering **high-quality, affordable healthcare solutions** and creating long-term sustainable value.

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									As a practice, Polices of the Company are reviewed periodically or on need basis heads and the Directors of the Company.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Yes. The Environment Health Safety (EHS) & Labor and Human Rights (LHR) related processes including compliances are evaluated during the ISO Certification Renewal / surveillance Audit once in a year and Pharmaceutical Supply Chain Initiatives (PSCI) Audits conducted by the Customers the status of compliance is updated to the Board. EHS & LHR related policies are periodically evaluated and updated by concerned department heads / business heads and approved by the management / the Board committees / the Board

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C — PRINCIPLE-WISE PERFORMANCE DISCLOSURES

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage Coverage by Training and Awareness Programmes on NGRBC Principles during the financial year :

Segment	No. of Programmes	Topics Covered	% of Persons Covered
Board of Directors	6	Familiarization/awareness programme for the Board of Directors/ KMPs of the Company is conducted periodically, covering various areas pertaining to business, strategy, risks, operations, regulations, code of business conduct and ethics, economy and environmental, social and governance parameters. In addition, frequent updates are shared with all the Board members/KMPs to apprise them of developments in the Company, key regulatory changes, risks, compliances and legal cases.	100%
Key Managerial Personnel (KMP)	6		100%
Employees other than BOD and KMPs	120	ESG and Good Manufacturing Practices (GMP)	100%
Workers	Nil	—	Nil

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year.**

Monetary					
Particulars	**NGRBC Principle**	**Regulatory / Enforcement Agency**	**Amount (Rs.)**	**Brief of Case**	**Appeal Preferred?**
Penalty / Fine	0	0	Nil	Nil — No monetary penalties levied	—
Settlement	0	0	Nil		
Compounding Fee	0	0	Nil		

Non-Monetary				
Particulars	**NGRBC Principle**	**Regulatory / Enforcement Agency**	**Brief of Case**	**Appeal Preferred?**
Imprisonment	—	—	Nil — No non-monetary penalties imposed	—
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not applicable. No monetary or non-monetary actions were taken against the Company during the reporting period.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. The Company has an Anti-Bribery and Anti-Corruption Policy and follows a zero-tolerance approach towards bribery and corruption. We are committed to conducting business in an ethical, transparent, and responsible manner.

To prevent unethical practices, the Company has established various controls, including internal reviews, audits, compliance checks, and a Whistle Blower Policy. These mechanisms help ensure that employees and representatives comply with applicable laws and the Company's ethical standards.

The Company also expects all suppliers, contractors, and other business partners to uphold the same standards of integrity and ethical conduct while doing business with or on behalf of the Company.

Policy Link: https://vbshilpa.com/policies-and-codes.php

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Category	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

Case Details	FY (2025-26) (Current Financial Year)		PY (2024-25) (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest among the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

7. Details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable. No fines, penalties, or conflict-of-interest matters arose during the reporting period.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Metric	FY 2025-26	PY 2024-25
Number of Days of Accounts Payables	94 Days	32 Days

9. Open-ness of business-Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metric	FY 2025-26	PY 2024-25
Concentration of Purchases	a. i) Purchases from Trading Houses as % of Total Purchases	—	—
	b. Number of trading houses where purchases are made	—	—
	c. Purchases from top 10 trading houses as % of total purchases from trading houses.	—	—
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	6.60%	7.10%
	b. Number of dealers / distributors to whom sales are made	205	185
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	41.65	42.68
Share of Related Party Transactions	a. Purchases (Purchases with related parties as % of Total Purchases)	96.20%	95.48%
	b. Sales (Sales to related parties as % of Total Sales)	1.77%	2.93%
	c. Loans & advances given to related parties / Total loans & advances) %	100	100
	d. Investments in related parties / Total Investments made) %	100	100

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

Sr. No.	Total number of awareness programmes held	Topics /principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	6	Shared Supplier Code of Conduct and Business Ethics with suppliers	85%
2	4	Communicated quality standards and responsible procurement practices	90%
3	3	Shared safety and quality certification requirements	85%
4	5	Promoted responsible supply chain practices and compliance	90%

2. Processes in place to avoid/ manage conflict of interests involving members of the Board. If Yes, Provide details for the same

Yes, SML's 'Code of Conduct for Board of Directors and Senior Management" emphasis on ethical business conduct and has principles and standards that govern the actions of the Company including its subsidiaries, directors, & officers. The Board has implemented a Code of Conduct for Board & Senior Management which upholds the legal and ethical norms while pursing business goals.

The 'Code of Conduct for Board of Directors and Senior Management policy helps manage or avoid conflicts of interest involving members of the Board by requiring them to be scrupulous in avoiding 'conflicts of interest' with the Company and in cases where there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Board of Directors or any Committee / Officer nominated for this purpose by the Board and a prior written approval should be obtained.

The company also follows a 'Related Party Policy' that applies to both board members and key managerial personnel (KMPs). Under this policy, any transaction involving related parties must receive approval from the Audit Committee and the Board of Directors. To ensure transparency and fairness, any director or KMP with a vested interest is required to step aside from discussions during the decision-making process.

The Nomination and Remuneration Policy of SML helps manage or avoid conflicts of interest involving Board members by formulating clear criteria for identifying persons qualified to become Directors, Key Managerial Personnel, and Senior Management, and ensuring that all remuneration is recommended by the independent Nomination and Remuneration Committee and approved by the Board. Additionally, the policy prohibits Independent Directors from being associated with the company in any other capacity during the cooling-off period between terms, thereby reinforcing objectivity and independence.

Moreover Terms & Conditions for Appointment of Independent Directors ensures unbiased oversight of the Company's affairs and to effectively prevent, identify, and manage any actual, potential, or perceived conflicts of interest involving members of the Board. By bringing independent judgment to Board deliberations, Independent Directors help ensure that decisions are made in the best interests of the Company and its stakeholders rather than being influenced by personal or vested interests. Their presence strengthens transparency, accountability, ethical conduct, and corporate governance practices, while promoting fairness in decision-making and compliance with applicable legal and regulatory requirements.

PRINCIPLE 2 | Businesses should provide goods and services in a manner that is Sustainable and Safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	FY 2025-26	FY 2024-25	Details of Improvements
CAPEX	0.3 %	Nil	Capex expenditure directed towards the Energy Conservation projects.
R&D	100%	100%	R&D expenditure directed towards technologies that enhance the social and environmental impact of the Company's products and processes, including green chemistry initiatives

2. A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

B. If yes, what percentage of inputs were sourced sustainably?

Percentage of inputs sourced sustainably :100%. All business partners are required to adhere to baseline sustainability parameters including labour rights, health and safety, environment, ethical conduct, and data privacy. Details: https://vbshilpa.com/policies-and-codes.php

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

In line with our commitment to environmental sustainability, Shilpa Medicare Limited continuously strives to minimize waste generation at its source wherever feasible. Recognizing that a significant portion of waste generated in the pharmaceutical industry is classified as hazardous, we ensure its careful handling, monitoring, and disposal in strict compliance with applicable regulatory requirements.

We regularly assess and improve our waste management systems and procedures to ensure that waste generated across all our facilities is treated and disposed of safely and responsibly. By enhancing operational efficiency, we aim to optimize resource utilization and reduce waste generation.

The Company complies with all applicable local and national regulations, as well as internationally accepted standards, governing the safe management of emissions, effluents, and waste. Furthermore, we have established robust policies and procedures for the safe storage, handling, and end-of-life disposal of products. We also promote environmentally responsible recycling and waste recovery through authorized third-party service providers, supporting our broader sustainability objectives.

(a) **Plastics (including packaging)** - Plastic waste is segregated and sent to authorized recyclers for recycling and disposal.

(b) **E-waste** - E-waste is collected separately and disposed through authorized recyclers.

(c) **Hazardous waste** - Hazardous waste is stored and disposed through approved agencies as per regulations.

(d) **other waste** - Other waste is segregated and disposed of safely through reuse or recycling practices.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, the Extended Producer Responsibility (EPR) provisions are applicable to the Company. Shilpa Medicare Limited is in the process of obtaining EPR registration for plastic waste with the Central Pollution Control Board (CPCB) and is committed to complying with the provisions of the Plastic Waste Management Rules, 2016. The EPR registration for plastic waste is expected to be completed by September 2026.

Further, the Company has already obtained EPR registration for e-waste for its Nacharam facility, demonstrating its commitment to responsible waste management and regulatory compliance.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details

Yes. The Company is planning to conduct the Life Cycle Assessments (LCA) for two of its products to evaluate their environmental impacts across different stages of the product life cycle.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Sr. No.	Name of Product/ Service	Description of the risk/ concern	Action Taken
1	Hazardous Waste	Improper handling, storage, or disposal of hazardous waste (Deactivation liquid waste, Expired chemicals, solvents waste) can lead to soil, air pollution, and health risks to workers and community	Implemented strict hazardous waste management procedures, including segregation, labelling, and secure storage partnered with authorized waste disposal agencies. ensured compliance with environmental regulations. conducted employee trainings.

Sr. No.	Name of Product/ Service	Description of the risk/ concern	Action Taken
2	Bio Waste	Improper disposal can lead to the spread of infections, contamination of soil, foul Odor, and biomedical waste may pose serious health risks to workers	Implemented segregation of waste at source (e.g., color-coded bins), ensured safe collection and storage, and partnered with authorized bio-waste disposal agencies, ensured compliance with applicable waste management regulations
3	Effluent Waste	Discharge of untreated or inadequately treated effluents can contaminate water bodies, harm aquatic life, degrade soil quality, and pose health risks to communities	Ensured safe collection and storage, and partnered with CETP disposal agencies / Treated in the ZLD.
4	Non-hazardous waste such as paper, packaging materials, and general office waste	NA	Waste is segregated at source and disposed of through authorized municipal waste management systems. efforts are made to reduce, reuse, and recycle materials wherever possible

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Sr. No.	Indicate input material	Recycled or re-used input material to total material	
		FY (2025-26)	FY (2024-25)
Not Applicable. As per Good Manufacturing Practice (GMP) and sensitive nature of pharmaceutical products and strict regulatory guidelines, we do not reuse / recycled or reclaimed input materials in the manufacturing process is prohibited to avoid any risk of contamination.			

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Waste Categories	FY (2025-26)			PY (2024-25)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other Waste	NA	NA	NA	NA	NA	NA

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category**

Sr. No.	Indicate product category	Reclaimed products and their packaging materials as Percentage of total products sold in respective category
No Products or Packing Materials were reclaimed in the reporting period		

PRINCIPLE 3 | Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. Details of Measures for the Well-being of Employees and Workers

a. Well-being Measures — Employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent employees											
Male	1,087	130	11.96%	1,087	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	53	1	1.89%	53	100.00%	53	100.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**1,140**	**131**	**11.49%**	**1,140**	**100.00%**	**53**	**4.65%**	**0**	**0.00%**	**0**	**0.00%**
Other than permanent employees											
Male	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**0**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**

b. Well-being Measures — Workers

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent workers											
Male	81	81	100.00%	81	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	20	20	100.00%	20	100.00%	20	100.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	100.00%	0	0.00%	0	0.00%	0	0.00%
Total	**101**	**101**	**100.00%**	**101**	**100.00%**	**20**	**100.00%**	**0**	**0.00%**	**0**	**0.00%**
Other than permanent workers											
Male	0	0	0.00%	0	0.00%	0	0	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**0**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Metric	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.22%	0.23%

2. Details of Retirement Benefits:

Benefits	FY 2025-26			PY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	89.00%	100.00%	Yes	95.00%	100.00%	Yes
Gratuity	89.00%	0.00%	NA	90.00%	0.00%	NA
ESI	3.00%	100.00%	Yes	10.00%	100.00%	Yes

3. Accessibility of Workplaces- Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The Company's premises and offices, including its registered and corporate offices, are equipped with ramps to facilitate easy movement. Most offices are either located on the ground floor or are accessible via elevators and other infrastructure designed to support differently abled individuals.

4. Equal Opportunity Policy - Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company's Code of Business Conduct and Ethics (COBE) incorporates a comprehensive Equal Opportunity Policy that fosters an inclusive workplace and ensures fair and equitable treatment of all employees. The policy prohibits discrimination on the basis of gender, age, disability, religion, sexual orientation, race, caste, or any other protected characteristic, thereby promoting diversity, inclusion, and equal opportunities across the organization.

Policy: https://www.vbshilpa.com/policies-and-codes.php

5. Return to Work and Retention Rates after Parental Leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0.00	NA	0.00	NA
Female	0.00	NA	0.00	NA
Other	0.00	NA	0.00	NA
Total	**0.00**	**NA**	**0.00**	**NA**

6. Mechanism for Receiving and Redressing Grievances of Employees and Workers:

Category	Mechanism in Place	Details
Permanent Workers	Yes	The Policy provides avenues to report concerns directly to the compliance team. Code of Business Conduct and Ethics link: https://www.vbshilpa.com/policiesand-codes.php
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. Membership of Employees and Workers in Associations or Unions:

Category	FY 2025-26			PY 2024-25		
	Total employees/ workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union	%	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union	%
Total Permanent Employees	0	0	0.00%	0	0	0.00%
Male	0	0	0.00%	0	0	0.00%
Female	0	0	0.00%	0	0	0.00%
Other	0	0	0.00%	0	0	0.00%
Total Permanent Workers	0	0	0.00%	0	0	0.00%
Male	0	0	0.00%	0	0	0.00%
Female	0	0	0.00%	0	0	0.00%
Other	0	0	0.00%	0	0	0.00%

8. Details of Training Imparted on Health & Safety and Skill Upgradation:

Category	FY 2025-26					PY 2024-25				
	Total	On Health and safety measures		On Skill upgradation		Total	On Health and safety measures		On Skill upgradation	
		No.	%	No.	%		No.	%	No.	%
Employees										
Male	1,087	1,087	100.00%	1,087	100.00%	851	851	100.00%	851	100.00%
Female	53	53	100.00%	53	100.00%	47	47	100.00%	47	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	**1,140**	**1,140**	**100.00%**	**1,140**	**100.00%**	**898**	**898**	**100.00%**	**898**	**100.00%**
Workers										
Male	81	81	100.00%	81	100.00%	76	76	100.00%	76	100.00%
Female	20	20	100.00%	20	100.00%	24	24	100.00%	24	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	**101**	**101**	**100.00%**	**101**	**100.00%**	**100**	**100**	**100.00%**	**100**	**100.00%**

9. Details of Performance and Career Development Reviews

Category	FY 2025-26			PY 2024-25		
	Total	No.	%	Total	No.	%
Employees						
Male	1,087	1,087	100.00%	851	851	100.00%
Female	53	53	100.00%	47	47	100.00%
Other	0	0	0.00%	0	0	0.00%
Total	**1,140**	**1,140**	**100.00%**	**898**	**898**	**100.00%**
Workers						
Male	81	81	100.00%	76	76	100.00%
Female	20	20	100.00%	24	24	100.00%
Other	0	0	0.00%	0	0	0.00%
Total	**101**	**101**	**100.00%**	**100**	**100**	**100.00%**

10. Health and Safety Management System

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No/ NA). If yes, the coverage such system?

Yes, All the units have implemented ISO 45001:2018 Occupational Health & Safety Management Systems and are certified for same standard

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes, all the units are having occupational Health Centre, which provides healthcare services for both occupational and non-occupational medical needs.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks?

Yes. We have implemented processes reporting unsafe conditions, unsafe practices, and near-miss incidents. Workers are encouraged to proactively identify and report workplace hazards through designated reporting channels.

All reported concerns are promptly reviewed, investigated, and addressed through appropriate corrective and preventive actions to eliminate or mitigate identified risks. This process enables the Company to strengthen its safety culture, prevent potential incidents, and maintain a safe and healthy working environment for all employees and workers

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes. All the units are having occupational Health Centre, which provides healthcare services for both occupational and non-occupational medical needs.

11. Details of Safety-Related Incidents:

Safety Incident / Metric	Category	PY 2025-26	FY 2024-26
Lost Time Injury Frequency Rate (LTIFR) per Million Person-Hours Worked	Employees	0.00	0.00
	Workers	0.00	0.00
Total Recordable Work-Related Injuries	Employees	0.00	0.00
	Workers	0.00	0.00
Number of Fatalities	Employees	0.00	0.00
	Workers	0.00	0.00
High-Consequence Work-Related Injury or Ill-Health (excluding fatalities)	Employees	0.00	0.00
	Workers	0.00	0.00

**Including in the contract workforce.*

12. Measures to Ensure a Safe and Healthy Workplace

At SML, we are committed to achieving zero work-related injuries and ill health while ensuring the safety, health, and well-being of our employees, contractors, visitors, and communities surrounding our operations.

The Company adopts a proactive approach towards Occupational Health and Safety (OHS), with a strong focus on risk assessment, effective communication, consultation and participation, employee training, and fostering a safe work culture. We also place significant emphasis on process safety management wherever applicable to prevent incidents and enhance operational reliability.

To strengthen monitoring and governance of EHS performance, the Company regularly tracks key EHS indicators through a comprehensive dashboard. This includes monitoring of personal protective equipment (PPE) compliance, unsafe acts and conditions, work-related injuries and illnesses, process safety incidents, near-miss events, fire incidents, environmental incidents, safety observations, permit-to-work compliance, emergency and fire drills, management of change activities, toolbox talks, training programs, and site periphery inspections. These measures enable timely identification of areas for improvement and support continual enhancement of EHS performance.

The Company proactively identifies workplace hazards, conducts risk assessments, and implements suitable control measures to prevent and mitigate risks arising from its operations. Good Industrial Hygiene practices are followed across all facilities. Appropriate containment systems are employed for the handling of potent molecules, and local dust extraction systems connected to pulse-jet bag filters are installed to control airborne contaminants. Additionally, equipment wash areas are connected to local exhaust ventilation systems to effectively manage vapor and emissions, thereby protecting employee health and the environment.

To ensure preparedness for emergencies and operational disruptions, the Company has established Business Continuity Plans (BCP) and On-Site Emergency Plans (OSEP) for all its manufacturing units. These plans have been approved by the Department of Factories, Boilers & Industrial Safety and are periodically tested through mock drills and rehearsals. Regular reviews and exercises help enhance emergency response capabilities, strengthen preparedness, and ensure business continuity during unforeseen situations.

13. Number of Complaints Made by Employees and Workers:

Complaint Type	FY 2025-26			PY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0			0		
Health & Safety						

14. Assessments for the Year:

Area Assessed	% of Plants and Offices Assessed
Health and Safety Practices	100%
Working Conditions	100%

15. Corrective Actions Taken / Underway for Safety-Related Incidents:

The Company has established a structured process for reporting, investigating, and addressing safety-related incidents across its operations. All incidents, including near misses, are promptly reported and investigated by competent and trained personnel to determine their underlying causes.

Incident investigations are conducted using a Root Cause Analysis (RCA) methodology to systematically identify the fundamental factors contributing to the incident, rather than only addressing immediate causes. Based on the findings of the RCA, appropriate Corrective and Preventive Actions (CAPAs) are developed to eliminate identified risks and prevent recurrence.

The implementation of CAPAs is closely monitored, and their effectiveness is periodically evaluated to ensure that the desired improvements have been achieved. Insights gained from incident investigations are communicated to relevant stakeholders and integrated into operational practices, training programs, and risk management processes, thereby supporting continual improvement in occupational health, safety, and process safety performance.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees or Workers?

(A) Employees - Yes

(B) Workers - Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues as applicable to the transactions within its remit are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY (2025-26)	PY (2024-25)	FY (2025-26)	PY (2024-25)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Yes, the company provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	90%
Working Conditions	90%

100% of Key Active Pharmaceutical Ingredients (APIs), Excipients, Packing Materials suppliers (Covering about 90% purchase value) are assessed at regularly defined intervals or as and when required) as part of Vendor management procedure covering PSCI principles.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   The Company is committed to promoting high standards of occupational health, safety, and working conditions across its value chain. Periodic assessments, audits, inspections, and interactions with suppliers, contractors, and other value chain partners are undertaken to identify potential risks and areas requiring improvement.

PRINCIPLE 4 | Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Process for Identifying Key Stakeholder Groups:**

   The Company's purpose of "Innovating for Affordable Healthcare" extends to all its stakeholders, who are considered integral partners in its journey towards sustainable growth and value creation. Recognizing the importance of meaningful stakeholder relationships, the Company has established robust processes to foster open, transparent, and constructive engagement with diverse stakeholder groups.

   Over the years, the Company has developed formal policies and procedures for stakeholder engagement, which play a key role in shaping its strategic direction and decision-making processes. Through regular engagement, the Company seeks to understand stakeholder perspectives, address their needs and expectations, and identify opportunities to create long-term value for all stakeholders.

   The identification and classification of stakeholders are based on their level of interest, influence, impact, and participation in the Company's operations, as well as their relevance to environmental, social, and governance (ESG) matters. The Company recognizes that meeting stakeholder expectations is fundamental to its business success and sustainability objectives.

   To facilitate effective engagement, the Company has established multiple channels for communication, consultation, and participation. These mechanisms enable continuous dialogue with stakeholders, helping the Company understand emerging concerns, gather valuable feedback, strengthen relationships, and incorporate stakeholder insights into its business strategies and operational practices.

   Through proactive stakeholder engagement, the Company strives to build trust, enhance accountability, and create shared value while advancing its commitment to affordable healthcare, responsible business practices, and sustainable development.

2. List of Key Stakeholder Groups and Frequency of Engagement:

Stakeholder Group	Vulnerable / Marginalised?	Channels of Communication	Frequency	Purpose and Scope of Engagement
Employees	No	1. Formal induction at the time of joining. 2. Communication from Senior Management. 3. Town hall meetings 4. Communication through Emails. 5. Safety meetings, Canteen committee meeting. 6. Feedback, Suggestion Box, Toolbox meetings 7. Celebrations of Independence Day, Republic Day, Safety Week, World Environment Day. 8. Review meetings, Notice Boards. 9. Reward & Recognition programs, Spot awards programs, cultural programs. 10.Training, get togethers, Appreciation meetings, Daily, Monthly review meetings; Exit Suggestions in sealed covers, Risk assessment activities	Continuous	1. Employee engagement, operational efficiencies, improvement opportunities, long-term strategy plans, training and awareness on safety/ behavioral safety, motivation, personality development, on job & classroom training; innovations, sharing of knowledge, learning. 2. Performance, training and career development reviews. 3. Seeking feedback on work culture. 4. Building a safe, diverse and inclusive work environment.
Community	No	Physical visits and digital channels	Frequent / Need-based	With giving back to society. CSR and volunteering programmes targeting education, health, livelihood, and environmental sustainability. We engage with local community to understand their challenges and work for their sustainability development.
Government & Regulatory Authorities	No	Emails, meetings, and formal submissions	Need-based	Regulatory compliance, product approvals, policy advocacy, and healthcare ecosystem strengthening.
Suppliers & Partners	No	On-site and virtual meetings; supplier forums; calls; email; website	Frequent / Quarterly Governance Calls / Annual Meet	Alignment on compliance, environmental practices, and healthcare value chain impact
Customers	No	Physical and virtual meetings; calls; email; website	Need-based	Regular product supply, new product updates, bid and tender participation, outreach maximisation
Shareholders & Investors	No	Investor meetings; calls; conferences; press releases; stock exchange intimations; annual reports; website	Frequent / Need-based	Business and financial performance updates; strategy; ESG goals; material event disclosures

Leadership Indicators

2. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has established multiple channels to engage with its internal stakeholders and obtain their feedback before implementing any significant decisions that may affect them. It also actively consults with relevant stakeholders to understand the economic, environmental, and social impacts of its operations, while seeking their suggestions and inputs. The feedback received is duly evaluated and considered while taking appropriate actions and making informed decisions.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company conducted a materiality assessment through a structured stakeholder engagement process to determine the ESG topics that are most relevant to its business and stakeholders. Based on the assessment, the following areas were identified as the Company's key material topics:

   - Water & Waste Management
   - Research & Development
   - Community Engagement
   - Anti-Bribery & Anti-Corruption
   - Occupational Health & Safety
   - Statutory & Regulatory Compliances
   - Diversity, Equity & Inclusion
   - Talent Attraction & Retention
   - Risk Management & Business Continuity
   - Industry Risk
   - Sustainable EHS Work Practices
   - Access & Affordability of Medicines
   - Supply Chain Sustainability

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company through **Shilpa Foundation** actively engages with vulnerable and marginalized communities to identify their critical needs and subsequently implement targeted interventions to address them. These stakeholder engagements are carried out through regular field visits, community meetings, collaboration with local government bodies, and feedback mechanisms integrated into project implementation.

   Some Instances of Engagement:

   - Donations of desks to Government Schools
   - Providing Scholarships to Students
   - Funding Green Raichur for Plantation, maintenance and monitoring in Raichur District.
   - Coordinating with Government for supporting the TB Controlling.
   - Women Empowerment Program
   - Water Conservation projects
   - Animal Welfare

PRINCIPLE 5 | Businesses should respect and promote Human Rights

Essential Indicators

1. **Numbers of Employees and Workers who have been provided training on Human Rights Issues and Policies:**

Category	FY 2025-26			PY 2024-25		
	Total	No. of employees/ workers covered	%	Total	No. of employees/ workers covered	%
Employees						
Permanent	1,140	1,140	100.00%	898	898	100.00%
Other than permanent	0	0	0.00%	0	0	0.00%
Total Employees	1,140	1,140	100.00%	898	898	100.00%
Workers						
Permanent	101	101	100.00%	100	100	100.00%
Other than permanent	0	0	0.00%	0	0	0.00%
Total Workers	101	101	100.00%	100	100	100.00%

2. **Details of Minimum Wages Paid to Employees and Workers:**

Category	FY 2025-26					PY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C /A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent	1,140	0	0.00%	1,140	100.00%	-	0	0.00%	-	0.00%-
Male	1,087	0	0.00%	1,087	100.00%	851	0	0.00%	851	100.00%
Female	53	0	0.00%	53	100.00%	47	0	0.00%	47	100.00%
Other	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Other than Permanent	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Male	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Female	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Other	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Workers										
Permanent	101	101	100.00%	0	0.00%	-	0	0.00%	-	0.00%
Male	81	81	100.00%	0	0.00%	76	0	0.00%	76	100.00%
Female	20	20	100.00%	0	0.00%	24	0	0.00%	24	100.00%
Other	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Other than Permanent	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Male	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Female	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%
Other	0	0	0.00%	0	0.00%	-	0	0.00%	-	0.00%

3. Details of Remuneration / Salary / Wages:

a. Median Remuneration by Category and Gender

Category	Male		Female		Other	
	Number	Median Remuneration (₹)	Number	Median Remuneration (₹)	Number	Median Remuneration (₹)
Board of Directors	5	60,00,000	1	18,00,000	0	0
Key Managerial Personnel (KMP)	1	1,95,99,996	1	62,59,680	0	0
Employees (other than BoD and KMP)	1,081	5,72,004	51	4,40,004	0	0
Workers	81	2,36,988	20	1,69,488	0	0

b. Gross Wages Paid to Females as % of Total Wages

Metric	FY 2025-26	PY 2024-25
Gross wages paid to females	5,10,10,008	4,53,98,124
Total wages	1,14,50,63,709	93,80,10,960
Gross wages paid to females	4.45%	4.80%

4. Does the entity have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. A designated focal point (HR team) is responsible for addressing human rights impacts and issues caused or contributed to by the business.

5. Internal Mechanisms for Redressing Human Rights Grievances:

The company has enforced various policies which take care of human rights and any grievance shall be escalate to the HR team which is basically responsible to implement the policies and accordingly HR team shall take suitable measures to redress grievances relating to violation of human rights if any.

6. Number of Complaints on Human Rights Issues Made by Employees and Workers:

Category	FY 2025-26			PY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

7. Complaints Filed under the POSH Act, 2013 :

Metric	FY 2025-26	FY 2024-25
Total complaints under POSH	0	0
Average number of female employees/workers at the beginning of the year and as at end of the year	0	0
Complaints as % of female employees / workers	0.00%	0.00%
Complaints upheld	0	0

8. Mechanisms to Prevent Adverse Consequences to Complainants:

Discrimination has no place within our organization, and we maintain a zero-tolerance policy towards all forms of discrimination, including sexual discrimination. We actively encourage employees, contractors, and suppliers to report any instances of discrimination they witness. We promptly and effectively address these Discrimination has no place within our organization, and we maintain a zero-tolerance policy towards all forms of discrimination, including sexual discrimination. We actively encourage employees, contractors, and suppliers to report any instances of discrimination they witness. We promptly and effectively address these reports, ensuring that appropriate action is taken.

9. Human Rights Requirements in Business Agreements and Contracts:

Yes. Human rights requirements are embedded in the Company's business agreements and contractual arrangements with partners, suppliers, and service providers.

10. Assessments of Human Rights Practices for the Year:

Category Assessed	% of Plants and Offices Assessed
Child Labour	100%
Forced / Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at Workplace	100%
Wages	100%

11. Corrective Actions Arising from Human Rights Assessments:

No significant risks or concerns were identified during the assessments. No corrective actions are pending.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Business processes were not modified/introduced as result of addressing human rights grievances/complaints, as no concerns/risks were observed.

2. Details of the scope and coverage of any Human rights due diligence conducted

Shilpa Medicare Limited has a dedicated Human Rights policy and complies fully with applicable industrial laws and regulations. We are committed to promoting a respectful workplace culture, ensuring fair employment practices, and safeguarding the health and safety of all employees.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The Company is committed to providing an inclusive and accessible workplace for all. Its offices and operational premises are equipped with appropriate accessibility features, wherever applicable, in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016. The Company continues to enhance accessibility by providing a safe, convenient, and barrier-free environment for differently abled employees, visitors, and other stakeholders.

4. Details on assessment of value chain partners:

Metric	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	90.00%
Discrimination at workplace	90.00%
Child Labour	90.00%
Forced Labour/Involuntary Labour	90.00%
Wages	90.00%

5. **Details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   At present, no concerns have been raised. In case it arises, we undertake appropriate improvement measures and corrective actions and keep necessary checks and balances in place to address significant risks/concerns.

PRINCIPLE 6 | Businesses should respect and make efforts to Protect and Restore the Environment

Essential Indicators

1. **Details of Total Energy Consumption and Energy Intensity:**

Parameter	Unit	FY 2025-26	FY 2024-25
From Renewable Sources			
Total Electricity Consumption (A)	Gigajoule (GJ)	5,977.89	5,506.29
Total Fuel Consumption (B)	Gigajoule (GJ)	40,025.86	33,367.86
Energy from Other Sources (C)	Gigajoule (GJ)	0.00	0.00
Total Energy from Renewable Sources (A+B+C)	Gigajoule (GJ)	46,003.75	38,874.15
From Non-Renewable Sources			
Total Electricity Consumption (D)	Gigajoule (GJ)	53,434.84	55,625.24
Total Fuel Consumption (E)	Gigajoule (GJ)	4,646.39	5,762.16
Energy from Other Sources (F)	Gigajoule (GJ)	0.00	0.00
Total Energy from Non-Renewable Sources (D+E+F)	Gigajoule (GJ)	58,081.23	61,387.42
Total Energy Consumed (A+B+C+D+E+F)	Gigajoule (GJ)	1,04,084.98	1,00,261.57
Energy Intensity per Rs. of Turnover (Total energy consumed / Revenue from operations)	Gigajoule (GJ)/Rs.	0.000016	0.000018
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Gigajoule (GJ)/ Rs.	0.0004	0.0005
Energy intensity in terms of physical Output (Total GJ Consumed / Million Doses of Production)	Gigajoule (GJ)/ MD	1,674.41	3,752.44
Energy intensity (optional)		NA	NA

Note: No independent assessment / assurance by an external agency has been undertaken.

2. **Designated Consumers (DCs) under PAT Scheme:**

   No. The Company does not have any sites identified as Designated Consumers under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Water Withdrawal and Consumption:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
Surface Water	0.00	0.00
Ground Water	6,891.00	8,385.00
Third-Party Water	39,714.00	32,593.00
Seawater / Desalinated Water	0.00	0.00
Others	0.00	5,112.00
Total Water Withdrawal	46,605.00	46,090.00
Total Water Consumption	46,605.00	46,090.10
Water Intensity per Rs. of Turnover (Total water consumption / Revenue from operations)	0.000007	0.000008
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000158	0.000216

Parameter	FY 2025-26	FY 2024-25
Water intensity in terms of physical output (KL / Million doses of Production)	749.73	1,724.99
Water intensity	NA	NA

Note: No Independent Assessment/Evaluation/Assurance has been carried out by an external agency.

4. Water Discharge Details:

Parameters	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
To Surface Water	—	—
No treatment	—	—
With treatment – please specify the level of treatment	3204.00	—
To Ground Water	—	—
No treatment	—	—
With treatment – please specify the level of treatment	—	—
To Seawater	—	—
No treatment	—	—
With treatment – please specify the level of treatment	—	—
Sent to Third Parties	—	—
No treatment	—	—
With treatment – please specify the level of treatment	10,135.00	10,228.31
Others.	—	—
No treatment	—	—
With treatment – please specify the level of treatment	—	—
Total Water Discharged	13,339.00	10,228.31

Note: No Independent Assessment/Evaluation/Assurance has been carried out by an external agency.

5. Zero Liquid Discharge (ZLD) Mechanism:

The Company's Two operational units are not designed as ZLD. As per the SPCB Directions, we are disposing wastewater to the common effluent treatment plants authorized by State Pollution Control Board (SPCB).

We maintain Zero Liquid Discharge Systems and Effluent Treatment Plants to ensure that the effluents generated are treated to minimize the environmental impact and reuse resources wherever possible. The treated water is suitably recycled back and reused. About 24.02% of our wastewater is recycled and reused in the operations through our ZLD system.

6. Air Emissions (other than GHG Emissions):

Parameter	Unit	FY 2025-26	FY 2024-25
NOx	Tonnes/Year	7.13	4.28
SOx	Tonnes/Year	3.67	2.20
Particulate Matter (PM)	Tonnes/Year	8.03	3.35
Persistent Organic Pollutants (POP)	Tonnes/Year	0.00	0.00
Volatile Organic Compounds (VOC)	Tonnes/Year	0.00	0.00
Hazardous Air Pollutants (HAP)	Tonnes/Year	0.00	0.00

Note: No independent assessment/Evaluation/Assurance has been carried out by an external agency.

7. Greenhouse Gas Emissions (Scope 1 and Scope 2) and Intensity:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 Emissions	tCO2e	7,183.35	3,234.18
Total Scope 2 Emissions	tCO2e	17,973.36	16,394.59
Total Scope 1 + 2 Emissions per Rs. of Turnover	tCO2e/rupee	19,061.4	655.8
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	tCO2e / rupee	0.000086	0.000092
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO2e / Million doses of production	404.69	734.64
Total Scope 1 and Scope 2 emission intensity (optional)		NA	NA

Note - The higher emissions reported in FY 2025–26 is primarily due to improved data collection and reporting maturity compared to the previous year

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

-Yes, Growlity Inc.

8. Projects to Reduce Greenhouse Gas Emissions:

Yes. In line with the Company's commitment to achieving **Carbon Neutrality by 2030**, Shilpa Medicare Limited is actively pursuing initiatives to reduce its environmental footprint and transition towards a low-carbon future. The Company is focused on enhancing energy conservation and energy efficiency across its operations while increasing the adoption of renewable energy and cleaner fuel alternatives.

As part of this commitment, the Company is implementing various projects aimed at increasing the share of renewable energy sources, including renewable electricity and biofuels, within its overall energy mix. These initiatives are designed to reduce dependence on conventional fossil-fuel-based energy sources and improve the sustainability of operations.

9. Details related to Waste Management: Waste Generated, Recycled, Reused, and Disposed

Waste Category	FY 2025- 26	FY 2024- 25
Total Waste Generated (in metric tonnes)		
Plastic Waste (A)	0.00	1.53
E-Waste (B)	0.99	0.00
Bio-Medical Waste (C)	7.581	7.47
Construction and Demolition Waste (D)	0.00	0.00
Battery Waste (E)	0.00	0.00
Radioactive Waste (F)	0.00	0.00
Other Hazardous Waste (G)	25.17	28.07
Other Non-Hazardous Waste (H)	57.29	119.12
Total Waste Generated (A+B+C+D+E+F+G+H)	**91.031**	**156.19**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000014	0.000000029
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated /Revenue from operations adjusted for PPP)	0.00000031	0.00000073
Waste intensity in terms of physical output (MT / MT of Production)	404.69	734.63
Waste intensity(optional)- the relevant metric may be selected by the entity	NA	NA

Waste Category	FY 2025- 26	FY 2024- 25
Total Waste Recovered (Recycling / Re-use / Other Recovery)		
Re-cycled	58.28	2.22
Re-used	0.00	104.33
Other Recovery Operations	0.00	0.00
Total Recovered	**58.28**	**106.54**
Total Waste Disposed (by Disposal Method)		
Incineration	35.194	10.98
Landfilling	0.60	20.87
Other Disposal Operations	0.00	15.79
Total Disposed	**35.794**	**47.64**

Note: No independent assessment/Evaluation/Assurance has been carried out by an external agency.

10. Waste Management Practices:

The Company has established a comprehensive waste management system across all its facilities to ensure the safe handling, treatment, recycling, and disposal of waste generated from its operations. E-waste generated at Company locations is channeled only to authorized recyclers for environmentally responsible recovery and recycling.

SML has consistently strengthened its waste management practices by focusing on waste minimization at source, reducing waste generation, enhancing resource efficiency, and ensuring environmentally sound disposal of waste through authorized **Treatment, Storage and Disposal Facilities (TSDFs)**. These efforts reflect the Company's commitment to sustainable operations and responsible environmental stewardship.

11. Operations in / around Ecologically Sensitive Areas:

Not applicable. The Company has no operations in or around ecologically sensitive areas.

If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with?	If no, the reasons thereof and corrective action taken, if any.
		Not Applicable		

12. Environmental Impact Assessments (EIA):

Not applicable. No new projects requiring an EIA were undertaken during the current financial year.

Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Sr. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			Not Applicable			

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA).

Yes, the entity compliant with the applicable environmental law/ regulations/ guidelines in India.

Leadership Indicators

Name of the area- Jadcherla, Nacharam (Hyderabad) & Dabaspet (Bangalore)

Nature of operations- Manufacturing, R&D and Analytical Development

1. **Water withdrawal, consumption and discharge in areas of water stress in the following format**

Parameter (In Kilolitres)	FY 2025-26	FY 2024-25
(i) Surface water	0.00	0.00
(ii) Groundwater	6,891.00	8,385.00
(iii) Third party water	39,714.00	32,593.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	5,112.00
Total volume of water withdrawal (in kilolitres)	46,605.00	46,090.00
Total volume of water consumption (in kilolitres)	46,605.00	46,090.10
Water intensity per rupee of turnover (Water consumed / turnover)	0.000007	0.000008
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
No treatment	0.00	0.00
With treatment – please specify level of treatment	3204.00	0.00
(ii) Into Groundwater		
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iii) Into Seawater		
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third parties		
No treatment	0.00	0.00
With treatment – please specify level of treatment	10,135.00	10,228.31
(v) Others		
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
Total water discharged (in kilolitres)	**13,339.00**	**10,228.31**

2. **Total Scope 3 emissions & its intensity:**

Parameter	Unit	FY (2025-26)	FY (2024-25)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	54,603.17	14,917.91
Total Scope 3 emissions per rupee of turnover	tCO2e/Rs.	0.000009	0.000003
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note - The higher emissions reported in FY 2025–26 are primarily due to improved data collection and reporting maturity compared to the previous year

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

-Yes, Growlity Inc.

3. Details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable. Our company does not operate in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
01	Purchase of Renewable Energy through PPA	We procured 1476.215 MWh of Electricity for Unit -6 at Dabaspet unit.	1048.113 tCO2e of GHG emissions avoided.
02	Replacement of Steam Traps	Replacement of Steam Traps reduced the 547.5 MT of Briquette Consumption at Unit -4, Jadcherla unit.	1002 tCO2e of GHG emissions avoided
03	Replacement of Air Preheater (APH) tubes in the 3 TPH FO fired Boiler	Replacement of Air Preheater (APH) tubes in the 3 TPH FO fired Boiler reduced the 12,000 Liters of Furnace Oil Consumption at Unit -4, Jadcherla unit.	37.3 tCO2e of GHG emissions avoided
04	Installation of high-efficiency Energeia Chiller	Installation of high-efficiency Energeia Chiller reduced the 1200 units (MWH) Energy Consumption at Unit -4, Jadcherla unit.	872.4 tCO2e of GHG emissions avoided
05	Monitoring of Room Temperatures to Optimize the Chillers Running Hours	Monitoring of Room Temperatures to Optimize the Chiller Running Hours reduced the 328.5 units (MWH) Energy Consumption at Unit -4, Jadcherla unit.	238.8 tCO2e of GHG emissions avoided

5. Does the entity have a business continuity and disaster management plan? If yes, provide the details of entity at which business continuity and disaster management plan is placed or weblink.

At SML our Business Continuity and Disaster Management Plan is an integral part of our overall Risk Management Framework, aimed at ensuring resilience across all business units and functions during unexpected disruptions. In line with our Risk Management Plan, which identifies environmental risks as a key area of concern, this plan outlines comprehensive strategies for mitigating and managing risks that could impact business continuity. The plan outlines the company's emergency preparedness, including control protocols, and response procedures. It also addresses critical elements such as environmental assessments, evacuation strategies, shutdown methods, and emergency coordination charts.

6. Details of any significant adverse impact to the environment, arising from the value chain of the entity and mitigation or adaptation measures taken by the entity in this regard.

During the reporting periods, the Company did not encounter any significant adverse environmental impact incidents attributable to its value chain operations. Through proactive engagement and collaboration with suppliers, we continue to uphold its commitment to sustainable and responsible sourcing practices across the supply chain. Our Sustainable Procurement Policy focuses on minimizing environmental impact across its value chain. This policy acknowledges areas where sustainability improvements are necessary.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We have established a predefined checklist for our value chain partners during their onboarding, which outlines the relevance and integration of our environmental sustainability standards within procurement practices. In addition, we are actively developing a formal evaluation system to measure and monitor the environmental performance and impact of our value chain partners, aiming to enhance accountability and drive continuous improvement across the supply chain

8. Details of Green Credits generated or procured:

a. By the listed entity: **Nil**

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: **Nil**

PRINCIPLE 7 | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is Responsible and Transparent

Essential Indicators

1. **Trade and Industry Chamber / Association Memberships:**
   a. Number of Affiliations with Trade and Industry Chambers / Associations: 5
   b. List of Trade and Industry Chamber / Association Memberships

SL No.	Name of Trade / Industry Chamber or Association	Reach
1	Raichur Chamber of Commerce & Industry	State
2	Pharmexcil, Hyderabad	National
3	Raichur Chemical Manufacturers Association	State
4	Federation of Karnataka Chambers of Commerce & Industry	State
5	Export Promotion Council for EOU and Special Economic Zones	National

2 **Corrective Actions on Anti-Competitive Conduct:**

Sr. No.	Name of authority	Brief of the case	Corrective action taken
		Nil	

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

Sr. no.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board	Web Link, if available
1	Advocacy and support for policies and regulatory framework that support R&D and intellectual property protections	IPA (Indian Pharmaceutical Alliance)	No	The Board reviews on need basis	https://www.ipa-india.org/
2	Policy advocacy to help make medicines more affordable and accessible	Representation made directly or through industry chambers / associations	No	The Board reviews on need basis	No
3	Policy advocacy on reduction in counterfeiting & non-standard quality drugs, Uniform Code of Pharmaceuticals Marketing Practices	IPA (Indian Pharmaceutical Alliance)	No	The Board reviews on need basis	https://www.ipa-india.org/

PRINCIPLE 8 | Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Social Impact Assessments (SIA) of Projects:**

   During FY 2025-26, the Company continued to monitor the outcomes and impacts of its CSR initiatives through internal review mechanisms, with the findings being presented during CSR Committee meetings. However, no new projects or capacity expansion of existing projects requiring a **Social Impact Assessment (SIA)** under the applicable regulatory framework were undertaken during the reporting period. Accordingly, this disclosure is **not applicable** for the year.

2. **Ongoing Rehabilitation and Resettlement (R&R) Projects:**

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Nil						

3. **Mechanisms to Receive and Redress Community Grievances:**

All CSR and community activities are carried out in discussion with community members. Community leaders may reach out to the Company's designated Point of Contact (POC) at each unit. Depending on the nature of the complaint, relevant stakeholders are engaged to ensure timely and effective resolution.

4. **Percentage of Input Material Sourced from Identified Suppliers:**

Particulars	FY 2025-26	FY 2024-25
Directly sourced from MSMEs / small producers	35%	35%
Sourced from within the district and neighbouring districts (Local)	48%	42%
Sourced from outside local area (non-local)	45%	48%

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

(In ₹)

Particulars	FY (2025-26)	FY (2024-25)
1. Rural		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	32,39,17,902	24,94,21,200
ii) Total Wage Cost	1,16,70,32,961	94,82,71,560
iii) % of Job creation in Rural areas	27.8%	26.3%
2. Semi-urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	19,41,62,307	15,49,58,088
ii) Total Wage Cost	1,16,70,32,961	94,82,71,560
iii) % of Job creation in Semi-Urban areas	16.6%	16.3%
3. Urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	26,09,70,576	22,42,30,620
ii) Total Wage Cost	1,16,70,32,961	94,82,71,560
iii) % of Job creation in Urban areas	22.4%	23.6%
4. Metropolitan		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	38,79,82,176	31,96,61,652
ii) Total Wage Cost	1,16,70,32,961	94,82,71,560
iii) % of of Job creation in Metropolitan area	33.2%	33.7%

Leadership Indicators

1. Actions taken to mitigate any negative social impacts identified in the Social Impact Assessments:

Sr. No.	Details of negative social impact identified	Corrective action taken
	Nil	

2. CSR projects undertaken:

Sr. No.	State	Aspirational District	Amount spent (In INR)
1	Karnataka	Raichur	93,11,223

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No/NA):

-Yes

(b) From which marginalized /vulnerable groups do you procure?

- MSMEs, small local manufacturers & distributors

(c) What percentage of total procurement (by value) does it constitute?

- 10%

4. Details of Benefits derived and shared from the intellectual properties owned or acquired:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		Not Applicable		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Sr. No.	Name of authority	Brief of the Case	Corrective action taken
		Not Applicable	

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Health	6,500	65.00%
2.	Education	6,383	55.00%
3.	Environment	85,000	72.00%
4.	Water conservation	63,000	52.00%

PRINCIPLE 9 | Businesses should engage with and provide value to their consumers in a Responsible Manner

Essential Indicators

1. Mechanism for Receiving and Responding to Consumer Complaints and Feedback:

Yes. The Company has established a Standard Operating Procedure (SOP) for the effective management of customer complaints and feedback, ensuring timely response, thorough investigation, and regulatory compliance.

All complaints received through designated channels, including email, are formally recorded and subjected to a detailed evaluation and investigation process. Each complaint is reviewed from the perspectives of (i) product quality, (ii) product safety, or (iii) both quality and safety, as applicable.

The investigation process involves identifying the root cause of the issue, assessing its potential impact, and determining appropriate corrective and preventive actions where necessary. Based on the findings, suitable responses are provided to the complainant, and any required regulatory actions are undertaken in accordance with applicable requirements and internal procedures.

A complaint is formally closed only after the investigation has been completed, all necessary actions have been implemented, and compliance with relevant regulatory obligations has been ensured. Through this structured grievance-handling mechanism, the Company seeks to maintain high standards of product quality, patient safety, customer satisfaction, and continuous improvement.

2. Turnover of Products / Services Carrying Sustainability-Related Information:

Particulars	As a % of Total Turnover
Environmental and social parameters relevant to the product	100% — Social parameters relevant to responsible, safe, and prescribed usage are incorporated into all products
Safe and responsible usage information	100% — All products carry usage directions and safety information on leaflets / packaging
Recycling and / or safe disposal information	Not separately disclosed

3. Number of Consumer Complaints:

Complaint Category	FY 2025-26		Remark	PY 2024-25		Remark
	Received	Pending		Received	Pending	
Data Privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cybersecurity	0	0	Nil	0	0	Nil
Delivery of Essential Services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Others	0	0	Nil	0	0	Nil

4. Details of Product Recalls on Account of Safety Issues:

Particulars	Number	Reasons for Recall
Voluntary Recalls	Nil	Not applicable
Forced Recalls	Nil	Not applicable

5. Framework / Policy on Cybersecurity and Data Privacy:

Yes. The Company has established a Privacy Policy that is applicable across all its legal entities and business operations. The policy outlines the principles and requirements for the collection, use, storage, processing, and protection of personal and sensitive information and is publicly accessible on the Company's website at www.vbshilpa.com.

To safeguard information assets and maintain data confidentiality, integrity, and availability, the Company has implemented a robust Information Security Management System (ISMS) based on the ISO 27001 framework. The ISMS is supported by a comprehensive technology control framework that incorporates information security policies, procedures, risk management practices, access controls, cybersecurity measures, and incident management processes.

The effectiveness of the Company's information security controls is periodically evaluated through independent assessments and reviews to ensure alignment with applicable standards, regulatory requirements, and evolving cybersecurity risks. Through these measures, the Company strives to protect stakeholder information, strengthen cyber resilience, and maintain trust in its business operations and digital systems.

https://www.vbshilpa.com/Privacy_Policy.php

6. Corrective Actions on Consumer-Related Issues:

The Company adopts a proactive approach to identifying and addressing issues related to product advertising, delivery of essential services, cybersecurity, data privacy, product quality, product recalls, and regulatory safety actions. Robust systems, policies, and procedures are in place to ensure compliance with applicable regulatory requirements and to safeguard the interests of customers, patients, and other stakeholders.

Any concerns relating to these areas are promptly reviewed and addressed through established governance mechanisms, corrective action processes, and risk management frameworks. The Company continuously monitors its operations to identify potential risks and implement appropriate preventive and corrective measures to maintain high standards of product quality, safety, data protection, and customer service.

During FY 2025–26, no material incidents or substantiated complaints were reported relating to advertising practices, delivery of essential services, cybersecurity breaches, data privacy violations, product recalls, or regulatory safety actions. This reflects the effectiveness of the Company's internal control systems, compliance framework, and commitment to responsible business practices.

7. Data Breach Information:

Information	Details
Number of instances of data breaches (along with impact)	Nil
Percentage of data breaches involving personally identifiable information of customers	Not applicable
Impact of data breaches, if any	Nil

Leadership Indicators

1. Channels / platforms where information on products and services can be accessed.

The information on products and services of the company can be found on the following links: https://vbshilpa.com/formulations-shilpa-medicare-limited.php &

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

We comply with the regulatory requirements of the respective countries by providing package leaflets/package inserts in English and, where applicable, in multiple languages, including the local language of the importing country. These leaflets contain essential information on product indications, dosage and administration, precautions, contraindications, potential adverse effects, and other relevant details to ensure the safe and effective use of the product by healthcare professionals and end users.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The pharmaceutical market comprises several manufacturers offering comparable products, ensuring the continued availability of alternatives. Therefore, the withdrawal or discontinuation of any product by the Company is not expected to adversely affect the continuity or accessibility of essential healthcare services for the wider community.

As part of the regulatory compliance, the Company adheres to the requirements of the **National Pharmaceutical Pricing Authority (NPPA)** by providing prior intimation of the discontinuation of any scheduled formulation. This includes issuing a public notice to relevant stakeholders and notifying the Government before the proposed discontinuation date.

4. Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief.

We supply our products with country-specific packaging that fully complies with the applicable regulatory requirements and guidelines of the respective countries. All packaging components, including labels, cartons, and package inserts/leaflets, are designed and developed in accordance with local regulatory requirements. Prior to commercialization or distribution, the packaging materials and associated product information are reviewed and approved by the respective regulatory authorities, wherever required, to ensure compliance with applicable regulations and facilitate the safe and effective use of the products.

5. Survey carried out with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?

We are doing survey with our customers on Half yearly basis on various aspects like service, product basket, response time, supply time and various other aspects to analyze the improvision aspects and understand our distributors requirements and challenges they are facing in market. This helps us to improve our customer satisfaction level and enhance their presence in respective markets.

MANAGING DIRECTOR AND CFO CERTIFICATE

To

The Board of Directors,
Shilpa Medicare Limited

We, Vishnukant C Bhutada, Managing Director and Alpesh Dalal, CFO of Shilpa Medicare Limited, certify that:

We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2026 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and Audit Committee:

- Significant changes in internal control over financial reporting during the year.
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
- That there have been no instances of significant fraud of which we have become aware, involving of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

	Sd/-	Sd/-
Place: Raichur	**Vishnukant C. Bhutada**	**Alpesh Dalal**
Date: 5th August 2026	Managing Director	CFO

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGERIAL PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Vishnukant C Bhutada, Managing Director, hereby declare that the Company has received declarations from all the Board Members and Senior Managerial Personnel affirming Compliance with the Code of Conduct for the Members of the Board and Senior Managerial Personnel for the year ended March 31, 2026.

Sd/-

Place: Raichur
Vishnukant C. Bhutada

Date: 5th August 2026.
Managing Director

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
SHILPA MEDICARE LIMITED
#12-6-214/A1, Hyderabad Road,
Raichur, Karnataka- 584135

I have examined the compliance of the conditions of Corporate Governance by Shilpa Medicare Limited (hereinafter referred to as "the Company") for the year ended March 31, 2026, as stipulated in Chapter IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have conducted examination of the Corporate Governance Report in accordance with the established systems and procedures selected by me depending on my judgment, including assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but are not limited to, verification of secretarial records and other information of the Company, as I deem necessary to arrive at an opinion.

Based on the procedures performed by me as mentioned above and according to the information and explanations provided to me, I am of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended March 31, 2026.

I further state that such compliance is neither an assurance as to the financial viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
D. S. RAO
ACS No.: 12394 CP. No.: 14487
UDIN: A012394H001014307
PEER REVIEW CER NO.: 1817/2022

Date: 5th August 2026
Place: Hyderabad

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To

The Members,

SHILPA MEDICARE LIMITED

#12-6-214/A1, Hyderabad Road,

Raichur, Karnataka- 584135

I have examined the relevant records, forms, returns, and disclosures received from the directors of SHILPA MEDICARE LIMITED having CIN: L85110KA1987PLC008739 and having registered office at #12-6-214/A1, Hyderabad Road, Raichur, Karnataka- 584135 (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub-clause 10(i) of Para C of Schedule V to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and the explanations furnished to us by the Company & its officers, we hereby certify that none of the directors on the Board of the Company for the financial year ended March 31, 2026 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority.

Sr. No.	Name of Director	Nature/ Category of Directorship	DIN
1	Mr. Vishnukant Chaturbhuj Bhutada	Managing Director	01243391
2	Mr. Omprakash Inani@	Chairman, Non-Executive Director	01301385
3	Mr. Sharath Reddy Kalakota#	Whole-time Director	03603460
4	Mr. Hetal Madhukant Gandhi	Independent Director	00106895
5	Mr. Ashraf Loutfy Abdelhamid Allam*	Independent Director	11192531
6	Dr. Anita Bandyopadhyay&	Independent Director	08672071
7	Dr. Kamal Kishore Sharma^	Independent Director	00209430

@ Re-appointed as Non-Executive Director w.e.f.23/09/2025.

 # Re-appointed as Whole-time director w.e.f.01/10/2025.

^ Retired due to completion of term w.e.f.23/09/2025.

& Re-appointed as independent director w.e.f.23/09/2025.

** Appointed as additional independent director w.e.f. 13/08/2025 and regularized as Independent Director w.e.f. 23/09/2025.*

Ensuring eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

D. S. RAO

ACS No.: 12394 CP. No.: 14487

UDIN: A012394H001014340

PEER REVIEW CER NO.: 1817/2022

Date: 5th August 2026

Place: Hyderabad

Independent Auditor's Report

To the Members of **Shilpa Medicare Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Shilpa Medicare Limited** ("the company"), which comprise the standalone Balance Sheet as at March 31, 2026, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profits and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matter	How the matter was addressed in our audit
Revenue from sale of products and services	**Principal audit procedures**
Refer to Note 1.1 (L) of the summary of significant accounting policies to the standalone Ind AS financial statements. Revenue is recognised when the entity has transferred the control for the promised goods or Services or on completion of performance obligation. The Company has a large number of customers operating in various geographies and sale contracts with customers have different terms relating to the recognition of revenue. Terms of sales arrangement, including the timing of transfer of control, Inco terms and identification of Performance obligations in case of service contracts require significant judgement in determining revenue. We identified the recognition of revenue from sale of products and services as a key audit matter as revenue is a key performance indicator and there could be a risk that revenue is recognised in the incorrect period.	Our audit procedures included the following: • We evaluated the Company's accounting policies related to revenue recognition and assessed its compliance in terms of Ind-AS 115 'Revenue from contracts with customers'; • We performed a walkthrough, evaluated the design and tested the operating effectiveness of controls related to the revenue recognition process;For revenue from sale of products, we selected samples (including year-end testing of cut-off transactions) and tested the underlying documents, including customer contracts, invoices and shipping documents to assess and analyze the timing of recognition of revenue and contractual terms; Performed trend analysis over revenue as compared to previous periods. • Assessing journal entries posted to revenue to identify unusual items not already covered by our audit testing. • For revenue from sale of services, we selected samples and tested underlying documents and read, analysed the distinct performance obligations in these contracts. • We assessed the disclosures in accordance with Ind AS 115"Revenue from contracts with customers"

The key audit matter	How the matter was addressed in our audit
Assessment of carrying value of Investment and Loans to Subsidiaries, Associates and Joint Ventures The Company has investments of Rs. 12,275 Lakhs in equity and preference shares in subsidiaries, associates and joint ventures as at March 31, 2026. Further the Company has granted loans having a carrying value of Rs. 33,160 Lakhs as at March 31, 2026. The carrying value of investments in and loans to subsidiaries, associates and joint ventures will be recovered through future cash flows and there is inherent risk that these assets will be impaired if these cash flows do not meet the Company's expectations. Refer to note 1.1 (d) in the Standalone Financial Statements for details of accounting policies on impairment of assets and related disclosures. Valuation of investment in and loans to subsidiaries, associates and joint ventures is a key audit matter due to: • The inherent complexity in auditing the forward-looking assumptions applied to recoverable value given the significant judgements involved. The key assumptions in the cash flow models include the forecast revenue, margins, terminal growth and discount rates.	**Principal audit procedures** Our audit procedures include the following substantive procedures: • Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS, and around valuation of the business to determine recoverable value of the said investment.Assessed the appropriateness of methodology and valuation model used by the management to estimate the recoverable value of investments. • Assessed cash flow forecasts to ensure consistency with current operations of the Company and performed sensitivity analysis on key assumptions used in management's calculated recoverable value • Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc. based on historical results, current developments and future plans of the business estimated by management using expertise of our valuation specialist on required parameters. • Performed sensitivity analysis of the key assumptions, including future revenue growth rates, future gross margins, and the discount rate applied in the recoverable value and considering the resulting impact on the impairment testing and whether selection of these key assumptions is appropriate. • Based on our procedures, we also considered the adequacy of disclosures in respect of investment in and loans to the said subsidiaries, associates and joint venture in the notes to the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Board's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

When we read the other sections of the Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India. 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process of each Company.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by 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 A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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 paragraph 2(vi) below on reporting under Rule 11(g).

   c) The Standalone Balance Sheet, the standalone statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

   e) On the basis of written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of Section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

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

v. During the year, the company has not declared any interim dividend during the year. However, the company has paid dividend pertaining to previous year.

The Board of Directors of the Company has proposed final dividend for the financial year 2025-2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act as applicable.

vi. Based on our examination, which included test checks, and relying on the representations / explanations from the Company, the Company has used accounting software for maintaining its books of account for the financial year ended March 31,2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with in respect of accounting software.

Additionally, the audit trail, where enabled, has been preserved and retained by the company as per the statutory requirements for record retention.

for **B N P S And Associates LLP.**
Chartered Accountants
Firm's Regn No. 008127S/S200013

CA. Yogesh R Bung
Partner
Membership No. 143932
UDIN: 26143932AQJEDE4577

Place: Raichur
Date: 22-05-2026

Annexure - A to the Independent Auditor's Report

(Referred to in Para 1 under the heading "Report on Other Legal and Regulatory Requirements" section of our report of even date)

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment located in different units in a phased manner over a period of 3 years. In accordance with this programme, property, plant and equipment of certain units were verified during the year as part of its programme. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company:

Description of the property	Gross Carrying value (in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not held in name
Leasehold land located in Jadcherla, Telangana measuring 9 acres	349	Raichem Lifesciences Pvt. Ltd.	No	Since 2012	The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Andhra Pradesh dated August, 31, 2012.

d. The company did not revalue its Property, Plant and Equipment (including right of use assets) or intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

e. According to the information and explanations given to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanation given to us and the records of the Company examined by us during the course of the audit, the Company has filed original / revised quarterly returns / statements with banks or financial institutions which are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments by way of subscription to common shares in 02 foreign subsidiaries during the year. The Company has not granted any advances in the nature of loans, secured or unsecured to companies other than subsidiary companies, limited liability partnership, and other parties during the year. Further, The Company has not provided any guarantee or security to any parties during the year.

a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the company has provided loans and stood guarantee to subsidiaries as below:

(Rs. in lakhs)

Particulars	Guarantees	Loans
Aggregate amount granted / provided during the year – Subsidiaries	-	21,280
Balance outstanding as at balance sheet date – Subsidiaries (Net)	9,652	33,160

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and stood guarantee to a party other than subsidiaries.

b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. However, the company has not provided any guarantee during the year.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments if any, have been regular as per stipulation.

d) In respect of loans granted by the Company, there is no overdue amount for more than ninety days. Further, the Company has not given any advances in the nature of loans to any party during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no other loans which have been granted and falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.

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 during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a) According to the records, the company is generally regular in depositing 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 all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2026 outstanding for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues which have not been deposited on account of any disputes.

viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us, the company has taken term loans for general purposes and the same have been utilized for the purposes for which they were obtained.

d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

x. a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, para 3 (x)(a) of the Order is not applicable to the Company.

b) Based on examination of the books and records of the Company and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, para 3 (x)(b) of the order is not applicable to the company.

xi. a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, para 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;

b) We have considered the reports of the Internal Auditors issued till date for the period under audit.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, Para 3(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, para 3 (xvi)(b) of the Order is not applicable to the Company.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence Para 3(xvi) (c) of the said Order is not applicable to the Company.

d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, para 3(xvi) (d) of the said Order is not applicable to the Company.

xvii. The company has not incurred any cash losses in the current and in the immediately preceding financial year.

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

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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. According to the information and explanations given to us, the Company does not have any unspent amount towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under Para 3(xx) of the Order is not applicable to the Company.

for **B N P S And Associates LLP.**
Chartered Accountants
Firm's Regn No. 008127S/S200013

CA. Yogesh R Bung
Partner
Membership No. 143932
UDIN: 26143932AQJEDE4577

Place: Raichur
Date: 22-05-2026

Annexure – B to the Independent Auditor's Report

on the standalone financial statements of Shilpa Medicare Limited for the year ended 31 March 2026.

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

We have audited the internal financial controls with reference to standalone financial statements of Shilpa Medicare Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, 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 standalone financial statements was established and maintained and if such controls operated effectively in all material aspects.

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial control with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal controls 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 ICAI.

for **B N P S And Associates LLP.**
Chartered Accountants
Firm's Regn No. 008127S/S200013

CA. Yogesh R Bung
Partner
Membership No. 143932
UDIN: 26143932AQJEDE4577

Place: Raichur
Date: 22-05-2026

Innovating for affordable healthcare

Standalone Balance Sheet

as at 31.03.2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Notes	As at 31.03.2026	As at 31.03.2025
A ASSETS			
Non- Current Assets			
(a) Property, plant & equipment.	2	46,287	44,071
(b) Right of use - Lease Assets	2A	1,993	1,978
(c) Goodwill		385	-
(d) Capital work- in- progress	3	3,680	3,854
(e) Intangible assets	4	15,208	10,969
(f) Intangible assets under development	5	26,015	23,976
(g) Financial assets	6		
(i) Investments		122,277	123,590
(ii) Loans		33,160	38,870
(iii) Other financial assets		307	271
(h) Other non-current assets	7	917	733
Total Non- Current Assets		**250,229**	**248,311**
Current Assets			
(a) Inventories	8	17,503	14,858
(b) Financial assets	9		
(i) Investment		-	-
(ii) Trade receivables		22,266	17,677
(iii) Cash and cash equivalents		915	291
(iv) Other bank balance		173	159
(v) Others financial assets		6,106	7,165
(c) Other current assets	10	4,899	4,593
(d) Current tax assets (net)	11	764	775
Total Current Assets		**52,626**	**45,518**
Total Assets		**302,855**	**293,829**
B EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	1,956	978
(b) Other equity	13	269,382	263,716
Total Equity		**271,338**	**264,694**
Liabilities			
Non- Current Liabilities			
(a) Financial Liabilities	14		
(i) Borrowings		1,429	1,408
(ii) Lease Liabilities		132	125
(b) Provisions	15	526	398
(c) Deferred Tax Liabilities (Net)	16	1,577	3,876
(d) Other Non-Current Liabilities	17	211	706
Total Non- Current Liabilities		**3,874**	**6,512**
Current Liabilities			
(a) Financial Liabilities	18		
(i) Borrowings		11,571	8,243
(ii) Lease Liabilities		57	14
(iii) Trade Payables			
Total outstanding dues of micro and small enterprises		504	135
Total outstanding dues of creditors other than micro and small enterprises		8,001	3,876
(iv) Other Financial Liabilities		4,413	4,969
(b) Other Current Liabilities	19	1,727	1,657
(c) Provisions	20	1,370	3,730
Total Current Liabilities		**27,643**	**22,624**
Total Equity & Liabilities		**302,855**	**293,829**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/
S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Notes	For the Year ended 31.03.2026	For the Year ended 31.03.2025
INCOME			
(a) Revenue from operations	21 & 22	59,703	47,740
(b) Other Income	23	3,815	6,967
Total Income		**63,518**	**54,707**
EXPENSES			
(a) Cost of materials consumed	24	20,599	9,983
(b) Purchases of stock-in-trade	25	2,211	1,468
(c) Change in inventories of finished goods, work-in-progress and stock-in- trade	26	(364)	600
(d) Employee benefits expense	27	11,099	8,995
(e) Finance costs	28	1,004	587
(f) Depreciation and amortisation expense	2,2A & 4	5,511	4,886
(g) Other expenses	29	10,586	13,082
Total Expenses		**50,646**	**39,600**
Profit before Exceptional item and tax		**12,871**	**15,107**
Exceptional Items: (income) / expense	30	(1,942)	4,574
Profit before tax		**14,813**	**10,533**
Tax Expenses			
Current Tax		2,235	4,708
Current Tax Pertains to Earlier Year		(1,138)	-
Deferred Tax (Net of MAT Credit)		766	(964)
Deferred Tax Pertains to Earlier Year (Net of MAT Credit)		(349)	-
Total Tax Expenses		**1,515**	**3,743**
Profit for the Period		**13,298**	**6,790**
Other comprehensive Income			
(a) Items that will not be reclassified subsequently to Profit or /(Loss)			
Remeasurement of the net defined benefit liability/ (asset)		(16)	(299)
Income Tax relating to the above		5	104
(b) Items that will be reclassified subsequently to Profit or /(Loss)		-	-
Total Other comprehensive Income(OCI) for the period		**(11)**	**(194)**
Total comprehensive income for the period		**13,287**	**6,595**
Earning per equity share, par value of Rs 1/- each			
Basic (Rs)		6.80	3.48
Diluted (Rs)		6.80	3.48

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/ S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

A. Equity Share Capital

Particulars	Total
Balance as at 01 April, 2024	**868**
Changes in equity share capital during the year	110
Balance as at 31 March, 2025	**978**
Changes in equity share capital during the year	978
Balance as at 31 March, 2026	**1,956**

B. Other Equity

Particulars	Securities Premium	General Reserves	Retained Earnings	Other Comprehensive Income (OCI)		Gain on forfeiture of equity shares	Total
				Cash flow hedge reserve	Remeasurement of defined benefit plan		
Balance as at 01 April, 2024	**72,495**	**5,183**	**1,30,727**	**-**	**(185)**	**9**	**2,08,229**
Profit for the year	-	-	6,790	-	-	-	6,790
Other Comprehensive income, net of tax	-	-	-	-	(194)	-	(194)
Premium on issue of equity shares	49,890	-	-	-	-	-	49,890
Share issue expenses	(999)	-	-	-	-	-	(999)
Balance as at 31 March, 2025	**1,21,387**	**5,183**	**1,37,517**	**-**	**(379)**	**9**	**2,63,716**
Profit for the year	-	-	13,298	-	-	-	13,298
Other Comprehensive income, net of tax	-	-	-	-	(11)	(1)	(12)
Effect of Scheme of Arrangement	-	-	-	-	31	-	31
Dividends	-	-	(978)	-	-	-	(978)
Addition/Deletion during the year	-	-	(5,695)	-	-	-	(5,695)
Bonus Issue during the year (Refer Note 54)	(978)	-	-	-	-	-	(978)
Balance as at 31 March, 2026	**1,20,409**	**5,183**	**1,44,142**	**-**	**(359)**	**8**	**2,69,382**

The accompanying notes form an integral part of the standalone financial statements

Note:

1. **Securities premium:** This reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
2. **General Reserve:** This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised in accordance with the provisions of the Companies Act, 2013.
3. **Retained Earnings:** This Reserve represents the cumulative profits of the Company. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.
4. **Cash flow hedge reserve:** This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.
5. **Remeasurements of the net defined benefits plan:** This reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.
6. **Gain on Forfeiture:** This reserve represents the amount forfeited on account of cancellation/forfeiture of equity instruments issued by the Company, where the amounts received are not refundable. The reserve has been created in accordance with the applicable provisions of the Companies Act, 2013 and relevant accounting principles governing equity transactions. The reserve forms part of Other Equity and may be utilised in accordance with the provisions of the Companies Act, 2013 and other applicable laws.

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Standalone Statement of Cash Flow

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Cash Flows from Operating Activities		
Profits Before Tax (PBT)	14,813	10,533
Adjustment for:		
Finance cost	1,004	587
Depreciation & Amortisation expenses	5,511	4,886
Provision for Gratuity & Compensated absence	169	113
Bad debts / Advances written off (net)	(1)	31
Provision for doubtful debts	65	-
Liabilities written back	(71)	(128)
Government Grant	(4)	(3)
(Profit)/ Loss on sale of Property, plant and equipment	(475)	(112)
Unrealized foreign exchange (Gain) / Loss (net)	(2,650)	(519)
Corporate guarantee fees	(645)	(587)
Interest Income	(2,446)	(6,126)
Dividend Income	(25)	(286)
Gain on lease liability written back	(4)	-
Provision for Interest accrued on loans to subsidiaries	291	180
Reversal of provision for Impairment on Investment	-	(102)
Inventories written off	962	1,062
Provision for impairment loss on advances in subsidiaries	131	1,586
Gain on Sale of Investment in Joint Venture	(3,059)	-
Operating profit before working capital changes	**13,566**	**11,114**
Movement in working capital		
(Decrease) / Increase in financial & non-financial liabilities	(2,859)	6,478
Decrease / (Increase) in Financial & non-financial Assets	(20)	(5,367)
Decrease / (Increase) in Inventory	(3,462)	(4,729)
Decrease / (Increase) in Trade receivables	(3,486)	(4,746)
(Decrease) / Increase in Trade payables	4,321	(2,917)
Net Cash flow generated from Operations	**8,060**	**(168)**
Taxes paid	(2,060)	(1,737)
Net Cash flow generated from Operating activities (A)	**6,000**	**(1,905)**
Cash Flows From Investing Activities		
Purchase of Property,plant and equipment including intangible assets (Refer Note No 2)	(12,744)	(5,744)
Loan given to Subsidiaries (Net)	(1,043)	(36,021)
Proceeds from sale of assets	1,202	1,458
Investments in Group Companies and Others	(1,735)	(11,903)
Proceeds from Sale of Investments in Joint venture /Subsidiary (net)	4,964	-
Interest received	2,641	8,885
Net cash used in Investing Activities (B)	**(6,716)**	**(43,325)**

Standalone Statement of Cash Flow

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Cash Flows From Financing Activities		
Interest paid	(936)	(608)
Payment of Lease Liabilities	(58)	(25)
Long-term loans and borrowings (net)	21	(314)
Short-term loans and borrowings (net)	3,327	(3,004)
Dividend Paid	(978)	-
Proceeds from Issue of Equity	-	48,961
Net Cash earned from Financing Activities (C)	**1,376**	**45,009**
Net Increase/(decrease)in Cash and Cash Equivalents	**660**	**(221)**
Effect of exchange differences on cash and cash equivalents held in foreign currency	(48)	222
Cash & Cash Equivalents at the Beginning of the year	476	449
Cash & Cash Equivalents at the end of the period	**1,088**	**450**

Components of Cash and Cash Equivalents	For the year ended 31.03.2026	For the year ended 31.03.2025
- Cash in Hand	16	10
- Balances with banks - on current accounts	899	280
- Balances with banks - on unpaid dividend accounts #	15	17
- Fixed deposits having maturity less then 12 month held as margin money	158	143
Total Cash and Cash Equivalents	**1,088**	**450**

 # The Company can utilise these balances only towards settlement of the respective unpaid dividend liabilities

The accompanying notes form an integral part of the standalone financial statements

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31, 2026

Particulars	Opening balance April 1, 2025	Cash flows	Non-cash movement	Closing balance March 31, 2026
Non-current borrowings (including current maturities)	1,408	21	-	1,429
Current borrowings	8,243	3,327	1	11,571
Interest accrued but not due	63	(936)	988	115
Lease liabilities (including current)	138	(58)	108	189
Total liabilities from financing activities	**9,852**	**2,354**	**1,098**	**13,304**

Standalone Statement of Cash Flow

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Opening balance April 1, 2024	Cash flows	Non-cash movement	Closing balance March 31, 2025
Non-current borrowings (including current maturities)	3,002	(314)	(1,280)	1,408
Current borrowings	11,253	(3,004)	(5)	8,243
Interest accrued but not due	93	(608)	578	63
Lease liabilities (including current)	180	(25)	(16)	138
Share Capital	868	110	-	978
Securities Premium	72,536	48,851	-	121,387
Total liabilities from financing activities	**87,932**	**45,009**	**(724)**	**132,217**

Notes:

1. Previous year figures have been reclassed wherever necessary.
2. Purchase and sale of property, plant and equipment and intangibles represents additions and deletions to property, plant and equipment, intangibles, intangibles under development further adjusted for movement of capital work in progress, capital advances, capital creditors during the year.
3. During the current year, the Company accounted for the merger pursuant to a scheme of arrangement in accordance with Appendix C of Ind AS 103, Business Combinations. Accordingly, the financial statements for the current year have been prepared after giving effect to the merger. Hence, the Cash Flow Statement for the current year is not comparable with the corresponding previous year figures, which do not include the effects of the merger.
4. Cash flow statement has been prepared under indirect method as per Ind AS-7 "Statement of Cash Flows" as prescribed under Companies (Accounting Standard) Rules, 2015.

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/
S200013

Yogesh. R. Bung
Partner
M.No.143932

Place : Raichur
Date : 22.05.2026

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

CORPORATE INFORMATION

Shilpa Medicare Limited (SML) is a listed Company engaged in the manufacturing of API, Formulation and Development service. Shilpa Medicare Limited (SML) started its operations as API manufacturer way back in 1987 at Raichur, Karnataka- India. The Company started its commercial production in November 1989. In November 1993, Shilpa Medicare Limited was converted into a Public Limited Company. The Company was listed on Bombay Stock Exchange on June 19, 1995 and National Stock Exchange (NSE) on December 03, 2009. Subsequently Shilpa Medicare has gained World Health Organization-Good Manufacturing Practices (GMP) Certificate recognition.

SML is presently dealing in high-quality Active Pharmaceutical Ingredients (APIs), Intermediates, Formulations, New Drug Delivery Systems, Peptides / Biotech products and Specialty Chemicals etc. using sophisticated technology meticulously in order to comply with laid down international standards/ specifications. Today SML is among the world's leading suppliers of Oncology/Non-Oncology APIs and intermediates.

1. Basis of Preparation of Financial Statements

I. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules 2016 to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the Company.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date March 31, 2026. The accounting policies are applied consistently to all the periods presented in the financial statements. The Standalone financial statements of the Company for the year ended 31 March, 2026 were approved by the Board of Directors on May 22, 2026.

II. Basis of Measurement

The financial statements have been prepared on the historical cost convention and on accrual basis, except for the following assets and liabilities which have been measured at fair value wherever applicable

- Derivative financial instruments
- Certain financial assets / liability measured at fair value,
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

III. Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency of the Company. All amounts have been rounded-off to the nearest lakhs unless otherwise stated.

IV. Current v/s Non-current classification

The assets and liabilities in the balance sheet are presented based on current/non-current classification.

An asset is current when it satisfies the below mentioned criteria:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle, or

(ii) Held primarily for the purpose of trading, or

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it satisfies the below mentioned criteria:

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(i) Expected to be settled in normal operating cycle, or

(ii) Held primarily for the purpose of trading, or

(iii) Due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current.

1.1 Material Accounting Policies

Critical accounting Estimates and Judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligation (Note 1.1 (h))
- Estimation of Useful life of Property, plant and equipment and intangibles (Note 1.1(a))
- Recognition of deferred taxes (Note 1.1 (q))
- Estimation of impairment (Note 1.1 (d))
- Estimation of provision and contingent-liabilities (Note 1.1 (r))
- Business Combination (Note-1.1(e))

a) **Property, Plant and Equipment & Depreciation:**

i. Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation on Fixed Assets is provided on ascertain useful life of assets under Straight Line Method (SLM) prescribed in Schedule II of the Companies Act 2013, with exception of those assets whose useful life is ascertain by the management.

v. The Company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year.

b) **Intangible Assets:**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible Assets are stated at cost less accumulated amortization. Cost includes only such expenditure that is directly attributable to making the asset ready for its intended use.

Intangible assets are amortized over their useful life over a period of 10 years

Intangible Assets include capitalized expenditure on filing and registration of any Drug Master File (DMF) or Abbreviated New Drug Application (ANDA) and compliance with regulatory procedures of the USFDA, in filing such DMF or ANDA, which are in respect of products for which commercial value has been established by virtue of third party agreements/ arrangements. The cost of each DMF/ANDA is amortized over its estimated useful life from the date on which the amount has been capitalized.

c) **Research and Development:**

All expenditure on research activities are recognized in the Profit and Loss Statement when incurred. Expenditure on development activities are also recognized in the Profit and Loss Statement in the year such expenditure is incurred. However, development expenditure is capitalized only in cases where such costs can be measured reliably, the technological feasibility has been established in respect of the product or process for which costs are incurred, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed product are capitalized. The Company's criteria for capitalization of such assets are consistent with the guidance given in paragraph 25 of Ind AS 38 (receipt of economic benefit out of the separately purchased transaction is considered to be probable).

Acquired research and development intangible assets that are under development are recognized as Intangible Assets under Development. These assets are not amortized, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Where a determination of impairment in respect of any such asset is made, the impairment of such asset is recognized in the Profit and Loss Statement in the year in which such determination is made. Where a determination is made to the effect that future economic benefits are probable, the total cost is capitalized in the year in which such determination is made.

Amortization of capitalized development expenditure is recognized on a straight-line basis, over the useful life of the asset

d) **Impairment of Assets:**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired.

e) **Business Combination and Goodwill:**

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises on account of such business combination is tested annually for impairment.

f) **Non-Current asset held for sale:**

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as "Assets Held for Sale".

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

g) Inventory:

Inventories are valued at the lower of cost and net realisable value. The cost is determined on FIFO basis. Cost of finished goods and work in- progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

h) Employee Benefits:

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution plans

Contribution towards Provident Fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution schemes as the Company does not carry any further obligations, apart from the Contributions made on a monthly basis.

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. A portion of the employee benefit obligations is funded through LIC-managed schemes, while the remaining obligations are unfunded and are met by the Company as and when they fall due.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense/(income) on the net defined (liability)/assets is computed by applying the discount rate, used to measure the net defined (liability)/asset. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss

i) Cash and Cash Equivalent:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk. Cash flow statement is prepared under the indirect method as per Ind AS 7, For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

j) Dividends to Shareholders:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors, Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

k) Leases:

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

a) The contract involves use of an identified asset;

b) The Company has substantially all the economic benefits from the use of the asset through the period of lease; and

c) The Company has the right to direct the use of an asset.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

At the date of commencement of lease, the Company recognises a Right-of-use asset ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

l) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Sale of products:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, Amount disclosed as revenue are excluding goods and service tax (GST), sales tax or value added taxes or service taxes or duties collected on behalf of the government, and net off returns, trade discounts, rebates and any amount collected on behalf of third parties.

ii. Development Revenue:

Development revenue are recognized over the time period of the development activity and are recognized on the completion of each milestones as per term of the agreement.

iii. Recognition of Export benefits:

Export benefit entitlements in respect of incentive schemes including Merchandise Export Incentive Scheme (MEIS) and Focus Product Scheme (FPS) of the government of India are recognized in the period in which they are approved.

iv. Milestone payments and out licensing arrangements

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of these obligations, the Company recognise or defer the upfront payments received under these arrangements. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones.

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting a license to product- or technology- related intellectual property (IP). Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the Milestones are considered substantive, or over the period we have continuing performance obligations, if the milestones are not considered substantive.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the company transfers the promised goods or services to the customer."

Other Income:

v. Interest Income is recognized using the Effective interest rate (EIR) method.

vi. Dividend income is recognized when right to receive is established.

vii. The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with and the grants is received. Government grants received in relation to assets are recognised as deferred income and amortized over the useful life of such asset. Grants related to income are recognised in the profit & loss account under other income.

m) Foreign Currency Transactions/ Translations:

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Translations

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange Differences

The exchange difference arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized in the Statement of Profit and Loss in the period in which they arise as income or as expense.

n) Government Grant:

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income.

Government grants relating to the purchase of property, plant and equipment are included in non- current liabilities as 'Deferred Government Grant' and are credited to profit & loss account under other income on a straight-line basis over the expected lives of the related assets.

o) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments are reduced from the borrowing cost.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

p) Financial Instrument:

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

I) Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

(a) Financial Asset measured at amortized Cost

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

- Trade receivables
- Loans
- Other financial assets

(b) Financial Assets measured at fair value through other comprehensive income (FVTOCI) financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss

(c) Financial Assets at fair value through profit or loss (FVTPL)

Financial Assets are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The classification is made on initial recognition and is irrevocable

Investments in subsidiaries, associates and joint venture:

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

De-recognition of financial Assets:

Financial assets are derecognized when the contractual rights to the cash flows from the financial

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the statement of Profit & Loss.

Impairment of financial Assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- Financial Assets that are debt instruments and are measured at FVTOCI.
- Lease receivables under Ind AS 17.
- Trade receivables or any contractual right to receive cash or another financial asset
- Loan commitments which are not measured at FVTPL
- Financial guarantee contracts which are not measured at FVTPL

Investments are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of each investment. When the recoverable amount of the investment is less than its carrying amount, an impairment loss is recognised.

The recoverable amounts of the above investments have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the business. Initially, a post- tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Company has based its determinations of value-in-use include :

a) Estimated cash flows based on internal budgets and industry outlook for a period of five years and a terminal growth rate thereafter.

b) A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using a constant long- term growth rate ranging from 1-3%. This long term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.

c) The after tax discount rates used reflect the current market assessment of the risks specific to the investment, the discount rate is estimated based on the weighted average cost of capital for respective investment. After tax discount rate used range from 11%-12%

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

II) Financial Liability:

Initial recognition and measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other financial liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

III. Derivative financial instrument and hedge accounting:

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivative financial instruments are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of profit and loss as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

A. Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs.

The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of profit and loss.

B. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities.

Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

q) Taxes on Income:

Tax expense comprises of current and deferred tax.

I. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Tax Act.

II. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

III. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent it is reasonably certain that the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

r) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost. Contingent Liabilities are not recognized but are disclosed in the notes.

s) Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

t) Earnings per share:

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

u) Operating cycle

The operating cycle is 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.

v) Exceptional Items:

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

1.2 Recent Indian Accounting Standards (Ind AS): Standards Issued.

"The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time.

In May 2025, the MCA notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and, based on its evaluation, determined that it does not have any significant impact on its financial statements. In August 2025, the MCA notified the following amendments:

Ind AS 1 – Presentation of Financial Statements: The Company has adopted the amendments to Ind AS 1, Presentation of Financial Statements, effective April 1, 2025. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period. The Company has evaluated its loan arrangements and associated covenants. Since the Company's right to defer settlement of its noncurrent liabilities is not subject to any compliance breaches of substantive covenants existing at the reporting date, these amendments do not have any impact on the classification of liabilities in the Company's financial statements for the year ended March 31, 2026.

Ind AS 7 and Ind AS 107: Supplier Finance Arrangements (SFA): The Company has evaluated the recent amendments to Ind AS 7 and Ind AS 107 regarding Supplier Finance Arrangements, effective from April 1, 2025. These amendments require enhanced disclosures regarding the nature, carrying amounts, and liquidity risks associated with arrangements where a finance provider pays the Company's suppliers on its behalf. As the Company does not currently utilize any supplier finance or reverse factoring arrangements for its working capital requirements, these amendments do not have any impact on the Company's financial position, cash flows, or liquidity risk disclosures for the year ended March 31, 2026."

Ind AS 118 Presentation and Disclosure in Financial Statements: Ind AS 118 will replace Ind AS 1 ""Presentation of Financial Statements"" and is effective for annual reporting periods beginning on or after 1 April 2027. Ind AS 118 introduces revised presentation requirements in the statement of profit and loss and enhanced disclosure requirements. The standard is expected to impact presentation and disclosures but not the recognition and measurement. The Company is currently evaluating the impact of this standard on the accompanying standalone financial statements. Ind AS 1 – Presentation of Financial Statements: MCA vide notification dated 13 August 2025, has introduced amendment under Paragraph 74 of Ind AS 1 which requires the entity to classify the liability as current under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 01 April 2026 retrospectively in accordance with Ind AS 8.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2. Property, Plant & Equipment

Particulars	Gross Block					Depreciation / Adjustment					Net Block
	As at 01 April, 2025 SML	Opening on STPL merger	Additions	Deduction/ Adjustment during the Year	As at 31 March, 2026	As at 01 April, 2025	Opening on STPL merger	For the Period	Deduction/ Adjustment during the Year	As at 31 March, 2026	As at 31 March, 2026
Tangible Assets											
i) Owned											
a) Borewell	12	-	-	-	12	11	-	1	-	11	1
b) Building	14,933	705	0	-	15,638	2,824	184	496	-	3,503	12,135
c) Canteen Equipment	69	-	-	-	69	52	-	10	-	63	7
d) Computer	840	61	64	(19)	946	729	55	48	(18)	813	133
e) Network Server Equipment	308	-	8	(9)	307	207	-	37	(9)	235	72
f) Electrical Installation	4,039	256	375	-	4,670	2,317	153	313	-	2,783	1,887
g) ETP Machinery	127	-	-	-	127	25	-	6	-	31	96
h) Furniture	1,682	87	137	(5)	1,900	1,064	58	125	(3)	1,245	656
i) Land & Green Field	790	47	0	(338)	499	-	-	-	-	-	499
j) Lab Equipments	9,250	209	1,109	(538)	10,030	3,781	124	834	(232)	4,508	5,522
k) Office Equipment	159	5	6	(0)	169	136	3	13	(0)	153	16
l) P/M (Power Generation Unit)	3,843	-	-	-	3,843	2,628	-	104	-	2,732	1,111
m) Pipeline	1,408	-	68	-	1,476	458	-	66	-	523	953
n) Plant & Machinery	30,215	2,090	2,549	(52)	34,801	9,626	822	1,573	(21)	12,000	22,800
o) Pollution Control Equipment	9	-	-	-	9	1	-	0	-	2	8
p) Vehicle	291	8	216	(83)	432	123	8	31	(36)	125	308
q) EHS Equipment	118	17	9	-	144	46	6	12	-	63	81
r) Vehicles Electrical Operated	41	-	-	-	41	37	-	1	-	38	3
Total	**68,134**	**3,484**	**4,541**	**(1,045)**	**75,114**	**24,064**	**1,412**	**3,670**	**(318)**	**28,828**	**46,287**

Innovating for affordable healthcare

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Gross Block				Depreciation / Adjustment				Net Block
	As at 01 April, 2024	Additions	Deduction/ Adjustment during the Year	As at 31 March, 2025	As at 01 April, 2024	For the Period	Deduction/ Adjustment during the Year	As at 31 March, 2025	As at 31 March, 2025
Tangible Assets									
i) Owned									
a) Borewell	12	-	-	12	10	1	-	11	1
b) Building	14,791	141	-	14,933	2,352	472	-	2,824	12,109
c) Canteen Equipment	69	-	-	69	41	11	-	52	17
d) Computer	809	34	(3)	840	675	57	(3)	729	111
e) Network Server Equipment	308	-	-	308	168	39	-	207	101
f) Electrical Installation	4,163	19	(142)	4,039	2,059	308	(51)	2,317	1,722
g) ETP Machinery	127	-	-	127	19	6	-	25	102
h) Furniture	1,679	5	(1)	1,682	941	123	(1)	1,064	619
i) Land & Green Field	773	17	-	790	-	-	-	-	790
j) Lab Equipments	10,651	254	(1,655)	9,250	3,410	908	(536)	3,781	5,468
k) Office Equipment	158	0	-	159	122	14	-	136	22
l) P/M (Power Generation Unit)	3,843	-	-	3,843	2,524	104	-	2,628	1,215
m) Pipeline	1,367	41	-	1,408	394	64	-	458	951
n) Plant & Machinery	30,309	134	(228)	30,215	8,291	1,437	(102)	9,626	20,589
o) Pollution Control Equipment	9	-	-	9	1	0	-	1	8
p) Vehicle	291	-	-	291	94	29	-	123	168
q) EHS Equipment	118	-	-	118	35	11	-	46	72
r) Vehicles Electrical Operated	41	-	-	41	36	1	-	37	4
Total	**69,519**	**645**	**(2,029)**	**68,134**	**21,172**	**3,584**	**(692)**	**24,064**	**44,071**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2A Right to use of asset

Particulars	Gross Block				Accumulated Depreciation/Amortisation				Net block
	As at 01.04.2025	Additions	Disposals	As at 31.03.2026	As at 01.04.2025	For the period	Deductions/ Other adjustments	As at 31.03.2026	As at 31.03.2026
Leasehold Land	2,206	5	-	2,212	235	38	0	274	1,938
Leasehold Building	121	94	-	215	115	46	-	160	55
Total	**2,328**	**99**	**-**	**2,427**	**349**	**84**	**0**	**434**	**1,993**

Particulars	Gross Block				Accumulated Depreciation/Amortisation				Net block
	As at 01.04.2024	Additions	Disposals	As at 31.03.2025	As at 01.04.2024	For the period	Deductions/ Other adjustments	As at 31.03.2025	As at 31.03.2025
Leasehold Land	2,206	-	-	2,206	188	46	0	235	1,971
Leasehold Building	121	-	-	121	74	40	-	115	7
Total	**2,328**	**-**	**-**	**2,328**	**263**	**87**	**0**	**349**	**1,978**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

3. Capital Work- in- progress

Particulars	As at 01 April, 2025	Additions	Deletions/ Transfer	As at 31 March, 2026
i) Machinery under erection	416	2,185	2,424	177
ii) Projects under erection	3,437	2,346	2,281	3,503
Total	**3,854**	**4,531**	**4,705**	**3,680**

Particulars	As at 01 April, 2024	Additions	Deletions/ Transfer	As at 31 March, 2025
i) Machinery under erection	169	538	290	416
ii) Projects under erection	823	3,078	464	3,437
Total	**992**	**3,616**	**754**	**3,854**

4. Intangible Assets

Particulars	Gross Block					Depreciation / Adjustment				Net Block	
	As at 01 April, 2025	Assets acquired under Scheme of Merger	Additions	Deduction/ Adjustment during the Year	As at 31 March, 2026	As at 01 April, 2025	Acquired under the scheme of Merger	For the Period	Deduction/ Adjustment during the Year	As at 31 March, 2026	As at 31 March, 2026
a) Computer software	1,264	25	103	-	1,392	837	23	168		1,028	363
b) Technical Know How	12,984	-	5,869	-	18,852	2,558	-	1,542		4,101	14,752
c) DMF/ANDA/Patents Fees	647	34	-	-	681	530	9	48		587	93
Total	**14,895**	**58**	**5,971**	**-**	**20,925**	**3,926**	**33**	**1,757**	**-**	**5,716**	**15,208**

Particulars	Gross Block				Depreciation / Adjustment			Net Block	
	As at 01 April, 2024	Additions	Transfer	As at 31 March, 2025	As at 01 April, 2024	For the Period	Deduction/ Adjustment during the Year	As at 31 March, 2025	As at 31 March, 2025
a) Computer software	1,230	35	-	1,264	673	164	-	837	427
b) Technical Know How	9,057	3,927	-	12,984	1,566	992	-	2,558	10,425
c) DMF/ANDA/Patents Fees	647	-	-	647	472	58	-	530	117
Total	**10,933**	**3,962**	**-**	**14,895**	**2,712**	**1,215**	**-**	**3,926**	**10,969**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

5. Intangible Assets Under Development (Refer No 51(B)

Particulars	As at 01 April, 2025	Additions	Deletions/ Transfer	As at 31 March, 2026
i) Software under installation	27	7	34	0
ii) Product under development	23,949	7,935	5,869	26,015
iii) ANDA Fees/Patents filing*	0			0
Total	**23,976**	**7,941**	**5,902**	**26,015**

Particulars	As at 01 April, 2024	Additions	Deletions/ Transfer	As at 31 March, 2025
i) Software under installation	42	3	19	27
ii) Product under development	21,788	5,167	3,006	23,949
iii) ANDA Fees/Patents filing*	2	-	2	0
Total	**21,832**	**5,170**	**3,026**	**23,976**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

6 Financial Assets

(i) Investments

Particulars	As at 31.03.2026	As at 31.03.2025
a) Investments in Equity Instruments (Unquoted)(At Cost)		
I) In Subsidiary Companies		
i) Nil (1,837,634) Shares Rs 10/- each - Shilpa-Therapeutic (P) Ltd, Hyderabad.) (Refer Note 55)	-	1,112
ii) 56,28,462 (56,28,462) shares of 100/- each in Shilpa Biologicals Pvt. Ltd., Hubli.	71,340	71,340
iii) Deemed investment in Shilpa Biologicals Pvt. Ltd, Hubli	361	361
iv) 4,54,97,500 (4,54,97,500) shares face value of 10/- each in Shilpa Biocare Pvt. Ltd, Kadechur	36,965	36,965
v) Deemed investment in Shilpa Biocare Pvt Ltd, Kadechur	52	52
vi) 1,00,00,000 (1,00,00,000) shares of 10/- each in Shilpa Pharma Lifesciences Limited, Raichur	1,000	1,000
vii) 95,10,000 (95,10,000) equity shares face value of 10/- each in Sampra corporate holdings Pvt Ltd (formerly known as Vegil Labs Pvt Ltd),Raichur	951	951
viii) 3,07,697 (3,07,697) equity shares of Rs 10 each in FTF Pharma Pvt. Ltd. Gujarat.	6,578	6,578
II) In Associate Companies	-	-
42,890(81,996) shares of Rs.10/- of Sravathi Advance Process Technologies Pvt Ltd Bangalore	2,090	3,996
III) In Joint Venture		
5,001 (5,001) Equity share of Rs 10/- each of Reva Medicare Pvt Limited Raichur	1	1
III) Others(At Cost)		
2000(2000) shares of Rs 100 /- of Mana effluent treatment Plant Ltd	2	2

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31.03.2026	As at 31.03.2025
b) Investments in Common Stock (Unquoted)(At Cost)		
I) In Subsidiary Companies		
i) Investment in 18,92,308 (18,92,308) common stock @ par value of 0.001 USD of Makindus LLC, USA	454	454
ii) 100(100) shares of 1 GBP each in Koanaa Healthcare Limited, UK*	0	0
iii) 1,00,000 (1,00,000) common shares of Euro 10/- in Koanaa Healathcare GMBH, Austria	78	78
iv) 10 (10) shares of AED 1000 each in Koanaa International FZ-LLC, Dubai	2	2
v) 20,00,100 (100) shares of USD 1 each in Shilpa Pharma INC., USA*	1,745	0
vi) Nil (239,71,020) common shares of CAD 0.1 each at par in Koanaa Healthcare Canada Inc., Canada	-	1,449
vii) 25,000 (25,000) shares of RM 1 each in Indo Biotech SDN. BHD. Malaysia	4	4
viii) 7,000 (7,000) common shares of Euro 1 each in Koanaa Healthcare-Spain S.L, Spain	6	6
ix) 100 (100) Shares of USD 1 each of Pilnova Pharma INC USA*	0	0
c) Investments in Preference Instruments (Unquoted)(At Cost)		
I) In Subsidiary Companies		
i) Nil (4,00,000) of cumulative shares Rs 10/- each - Shilpa Therapeutic (P) Ltd Hyderabad (Refer Note 55)	-	40
ii) 39,00,012 (39,00,012) Convertible Preference shares of Rs 10/- each of FTF Pharma PVt Ltd. Ahemadabad	390	390
II) In Associates Companies		
14,00,000 (14,00,000) Preferred Stock at par value of 0.0001 USD of MAIA Pharmaceuticals INC. USA	796	796
d) In government securities (unquoted)		
i) National Savings Certificate*	0	0
Total	**122,815**	**125,578**
Less: Provision for impairment loss in the value of Investment in Subsidiaries/ Associates	(538)	(1,988)
Total value of unquoted investment	**122,277**	**123,590**
Aggregate value of unquoted investment	**122,277**	**123,590**
Aggregate amount of impairment in the value of investments in the unquoted equity shares	**538**	**1,988**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(ii) Loans

Particulars	As at 31.03.2026	As at 31.03.2025
Loans to Related Parties		
Considered good,unsecured		
a) Shilpa Therapeutics Pvt. Ltd. Hyderabad (Wholly owned subsidiary) (Refer Note 55)	-	8,457
b) Shilpa Pharma Lifesciences Limited Raichur (Wholly owned subsidiary)	7,249	13,876
c) Koanaa Health Care GMBH, Austria (Wholly owned subsidiary)	5,564	4,713
d) Koanaa Health Care Limited, UK (Wholly owned subsidiary)	1,259	954
e) Shilpa Biologicls Pvt. Ltd. (Wholly owned subsidiary)	-	4,970
f) Shilpa Pharma Inc., USA ((Wholly owned subsidiary)	2,049	869
g) Indo Biotech SDN.BHD, Malaysia (Wholly owned subsidiary)	153	139
h) Koanaa Health Care Limited, UAE (Wholly owned subsidiary)	691	625
i) Koanaa Healthcare Spain S.L, Spain (wholly owned subsidiary)	997	1,168
j) Shilpa Biocare Pvt Ltd, Kadechur (Whole owned Subsidiary)	15,270	3,673
k) Shilpa Lifesciences Pvt Ltd, Raichur (Whole owned Subsidiary)	308	288
l) Pilnova Pharma Inc, Delaware,USA (Whole owned Subsidiary)	2,153	1,241
Total(Gross)	**35,694**	**40,974**
Less: Provision for impairment in advance in Subsidiaries	(2,534)	(2,104)
Total(Net)	**33,160**	**38,870**

(iii) Other Financial Asset

Particulars	As at 31.03.2026	As at 31.03.2025
a) Security deposits (unsecured considered good)		
i) Electricity deposits	275	248
ii) Rental deposits	23	20
iii) Telephone deposits*	0	0
iv) Miscellaneous deposits	3	2
	301	**270**
Less: Provision for Doubtful Deposits		
Total (a)	**301**	**270**
b) Share Application Money with pending for allotment with Koanaa Healthcare Canada Inc, Canada	-	137
c) Fixed deposits having maturity more than 12 months held as Security	7	1
Total(a+b+c)	**307**	**408**
Less: Provision for impairment loss in value of Application money with pending for allotment with Koanaa Healthcare Canada Inc, Canada*	-	(137)
Total	**307**	**271**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

7 Other Non-Current Assets

Particulars	As at 31.03.2026	As at 31.03.2025
a) Capital advances(Refer Note 48)		
i) Unsecured, considered good	1,085	901
Less: Loss allowance	(168)	(168)
Total (a)	**917**	**732**
b) Others		
i) Prepaid Expenses*	0	0
Total (b)	**0**	**0**
Total (a+b)	**917**	**733**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

8 Inventories

Particulars	As at 31.03.2026	As at 31.03.2025
a) Raw materials	10,034	7,732
b) Work-in-progress	448	622
c) Finished goods	1,694	1,307
d) Stock-in-trade	789	624
e) Stores and Spares	3,015	1,706
f) Packing materials	1,438	1,108
g) Stock in transit	84	1,759
Total	**17,503**	**14,858**

9 Financial Assets

i) Current Investments

Particulars	As at 31.03.2026	As at 31.03.2025
Investment in mutual funds / Bond's		
Investment in IL & FS Bonds (Refer Note 30 (b))	1,336	1,336
Total	**1,336**	**1,336**
Less : Provision for diminution in the value of Investment	(1,336)	(1,336)
Total Value of unquoted investment	-	-
Aggregate value of unquoted investments	-	-

ii) Trade Receivables(Refer No 50)

Particulars	As at 31.03.2026	As at 31.03.2025
(a) Trade Receivables considered good - Unsecured	22,266	17,677
(b) Trade Receivables - credit impaired	112	17
	22,377	**17,694**
Allowance for expected credit loss	(112)	(17)
Net trade receivables	**22,266**	**17,677**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Expected Credit Losses (ECL)	As at 31.03.2026	As at 31.03.2025
Opening Balance	17	40
Provision acquired pursuant to merger	33	-
Considered during the period	62	-
Charged off	-	(23)
Closing Balance	**112**	**17**

Note: Trade Receivable in above note no:9 (ii)(a) includes Rs 1115.52 Lakhs(PY 1959.20 Lakhs) receivable from related parties(refer note no 45 Related Party Transaction)

(iii) Cash And Cash Equivalents

Particulars	As at 31.03.2026	As at 31.03.2025
a) Cash on Hand	16	10
b) Balance with Banks in Current Account	899	280
Total	**915**	**291**

(iv) Other Bank Balances

Particulars	As at 31.03.2026	As at 31.03.2025
Earmarked balances		
a) Unclaimed Dividend account	15	17
b) Fixed deposits having maturity less than 12 months held as margin money	158	143
Total	**173**	**159**

(v) Other Financial Assets

Particulars	As at 31.03.2026	As at 31.03.2025
a) Unbilled Revenue	4,517	2,913
b) Staff advance (Refer Note No 48)	31	17
c) Tender deposits	49	30
e) Dues Receivables-Sale of Fixed Assets	25	1,375
f) Interest accrued but not due	2,199	3,243
g) Dividend accrued on preference shares	69	79
Total	**6,890**	**7,658**
Less Provision for Impairment Loss - Interest accrued	(783)	(493)
Total	**6,106**	**7,165**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

10 Other Current Assets

Particulars	As at 31.03.2026	As at 31.03.2025
a) Prepaid Expenses	1,467	1,100
b) RODTEP Script in Hand	17	17
c) Advances to suppliers/Receivable	385	1,102
d) Excess TDS deposited with the Income Tax Department*	-	0
e) GST Receivable	2,870	1,729
f) GST Refund Receivable	160	646
Total	**4,899**	**4,593**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

11 CURRENT TAX ASSETS/(LIABILITY)

Particulars	As at 31.03.2026	As at 31.03.2025
Income Tax (Net)	764	775
Total	**764**	**775**

12 Equity Share Capital

Particulars	As at 31.03.2026	As at 31.03.2025
Authorised share capital		
560,000,000 (PY 110,000,000) shares face value of Re. 1/- each	5,600	1,100
	5,600	**1,100**
Issued, subscribed and fully paid-up		
19,55,81,816 (PY 9,77,90,908) shares of Re. 1/- each	1,956	978
	1,956	**978**

(a) Reconciliation of the number of shares.

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	97,790,908	978	86,801,898	868
Add : Bonus shares issued during the year	97,790,908	978	-	-
Add: Issued to QIB during the year	-	-	1,09,89,010	110
Shares outstanding at the end of the year	**195,581,816**	**1,956**	**97,790,908**	**978**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(b) Rights, preference and restriction attached to each class of shares :

Equity Shares:

The Company has only one class of equity shares having par value of Re .1/- per share. Each holder of equity shares is entitle to one vote per share.

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

(c) Shareholders holding more than 5% shares in the Company

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	No. of Shares	% Holding	No of Shares	% Holding
(i) Vishnukant .C. Bhutada	12,731,220	6.51	6,365,610	6.51
(ii) Dharmavati Bhutada	12,415,592	6.35	6,207,796	6.35

(d) Promoters Share Holding

Sl no	Name of the Share Holder	Number of shares held at the beginning of the year 2025	Shareholding as a % of total no. of shares as on 31.03.2025	Number of shares held at the end of the year 2026	Percentage of shares held to total shares 31.03.2026	change in shareholding in the year 2025-26 (*Issue of Bonus Shares in proportion of 1:1)	change in percentage of shares held to total shares in the year 25-26
1	VISHNUKANT CHATURBHUJ BHUTADA	6,365,610	6.51	12,731,220	6.51	6,365,610	-
2	DHARMAVATI BHUTADA	6,207,796	6.35	12,415,592	6.35	6,207,796	-
3	RAVI KUMAR INANI	4,006,370	4.10	8,012,740	4.10	4,006,370	-
4	SURAJ KUMAR INANI	3,980,695	4.07	-	-	(3,980,695)	(4.07)
5	OM PRAKASH INANI	2,867,691	2.93	5,735,382	2.93	2,867,691	-
6	DEEPAK KUMAR INANI	2,733,960	2.80	5,467,920	2.80	2,733,960	-
7	KANTADEVI INANI	2,540,096	2.60	5,080,192	2.60	2,540,096	-
8	KESHAV BHUTADA	2,000,000	2.05	4,000,000	2.05	2,000,000	-
9	MADHAV VISHNUKANT BHUTADA	2,000,000	2.05	4,000,000	2.05	2,000,000	-
10	RAMAKANT INANI	1,497,778	1.53	2,995,556	1.53	1,497,778	-
11	VISHNUKANTH C BHUTADA . -HUF	1,336,130	1.37	2,672,260	1.37	1,336,130	-
12	TARADEVI INANI	1,249,998	1.28	2,499,996	1.28	1,249,998	-
13	VISHNUKANTA INANI	1,212,498	1.24	2,424,996	1.24	1,212,498	-
14	BRIJGOPAL INANI	1,174,866	1.20	2,349,732	1.20	1,174,866	-
15	NATAMAL INANI	1,131,232	1.16	2,262,464	1.16	1,131,232	-
16	SHAKUNTALABAI INANI	1,129,186	1.15	2,258,372	1.15	1,129,186	-
17	SAGAR INANI	1,000,000	1.02	2,000,000	1.02	1,000,000	-
18	TRIVENI INANI	294,810	0.30	589,620	0.30	294,810	-
19	PRIYA INANI	180,696	0.17	-	-	(180,696)	(0.17)
20	KAMALKISHORE INANI	165,236	0.17	330,472	0.17	165,236	-
21	MANJULATHA INANI	157,546	0.16	315,092	0.16	157,546	-
22	KEERTI INANI	155,021	0.16	310,042	0.16	155,021	-
23	NAMRATA BHUTADA	22,500	0.02	45,000	0.02	22,500	-
	Total	**43,409,715**	**44.39**	**78,496,648**	**40.15**	**35,086,933**	**(4.24)**

Note: Reclassified Mr. Suraj Kumar Inani and Ms. Priya Inani from the "Promoter Group" category to the "Public" category under Regulation 31A of the SEBI (LODR) Regulations, 2015 w.e.f 26 September 2025.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

13 OTHER EQUITY

Particulars	As at 31.03.2026	As at 31.03.2025
a) Securities Premium Account	120,409	121,387
b) General Reserves	5,183	5,183
c) Retained Earnings	144,142	137,517
d) Other comprehensive income (OCI)		
i) Remeasurement of defined benefit plan	(359)	(379)
e) Gain on forfeiture of Equity share	8	9
Total	**269,382**	**263,716**

14 FINANCIAL LIABILITIES

(i) Long Term Borrowings

Particulars	As at 31.03.2026	As at 31.03.2025
From Related parties (Unsecured)		
Sampra Corporate Holdings Private Limited (Formerly known as Vegil Labs Private Ltd)	1,429	1,408
Terms of Repayment & Interest Rate:		
Repayable in 12 equal quarterly instalments commencing from 02 April 2029, upon completion of the five-year moratorium period, together with interest, if any, as and when due. The applicable rate of interest is 7.50% per annum.		
Total	**1,429**	**1,408**

(ii) Lease Liability

Particulars	As at 31.03.2026	As at 31.03.2025
Land and Building	132	125
Total	**132**	**125**

15 Provisions

Particulars	As at 31.03.2026	As at 31.03.2025
Provision for employee benefits		
a) Provision for gratuity	526	398
Total	**526**	**398**

16 Deferred Tax Liability (Net)

Particulars	As at 31.03.2026	As at 31.03.2025
Deferred tax liability		
(Difference in tax base of property, plant, equipment & others)	11,387	10,290
Deferred tax asset	-	-
(On account of disallowable items under Income Tax Act)	(2,063)	(1,638)
MAT Credit Availment.	(7,747)	(4,776)
Total	**1,577**	**3,876**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

17 Other Non-Current Liability

Particulars	As at 31.03.2026	As at 31.03.2025
a) Capital subsidy	39	39
b) Deferred Revenue	172	667
Total	**211**	**706**

18 FINANCIAL LIABILITY

(i) Borrowings

Particulars	As at 31.03.2026	As at 31.03.2025
Secured Loan		
Working capital loan		
From Banks		
i) ICICI Bank-Cash Credit [refer note 'a' & 'c(i)' below]	1,955	1,800
ii) ICICI Bank-Working Capital Demand Loan [refer note 'a' & 'c(ii)' below]	3,000	-
iii) Axis Bank-Working Capital Demand Loan [refer note 'b' & 'c(iii)' below]	5,500	4,500
iv) Axis Bank-Cash Credit [refer note 'a' & 'c(iv)' below]	1,116	1,943
Nature of Security		
a) Working capital loan from ICICI Bank is secured by first pari passu charge on the entire current assets of the Company in line with other working capital banks by way of hypothecation.The sanction facility is inter changeable as PCFC/Cash Credit/WCDL and the applicable interest will be charged.		
b) Working capital loan from Axis Bank (Axis) is secured by first pari passu charge on current assets (current and future) of the Company with additional collateral security given to other banks. The sanction facility is inter changeable as PCFC/Cash Credit/WCDL and applicable interest will be charged.		
c) interest rate as at March 31, 2026 is as under:		
i) ICICI Bank-Cash Credit-8.50% (PY2025 8.85%)		
ii) ICICI Bank-WCDL -8.10% (PY 2025-8.85%)		
iii) Axis Bank-WCDL -8.00% (PY 2025-8.85%)		
iv) Axis Bank-Cash Credit- 8.00% (PY 2025-9.10%)		
Total	**11,571**	**8,243**

(ii) Lease Liability

Particulars	As at 31.03.2026	As at 31.03.2025
Land and Building	57	14
Total	**57**	**14**

(iii) Trade Payables (Refer Note:48)

Particulars	As at 31.03.2026	As at 31.03.2025
a) Total outstanding dues of Micro and Small enterprises	504	135
b) Total outstanding dues of creditors other than Micro and Small enterprises	8,001	3,876
Total	**8,505**	**4,011**

Note Trade payable in above note: 18 (iii)(b) includes Rs 641.54 Lakhs (PY 570.87 Lakhs) is payable to related parties (refer note no 45 Related Party Transaction)

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(iv) Other Financial Liability

Particulars	As at 31.03.2026	As at 31.03.2025
a) Advance against Sale of capital assets	-	635
b) Interest accrued but not due on borrowings.	115	63
c) Unclaimed dividends	15	17
d) Employee benefit liability	1,129	872
e) Deferred Consideration Payable	500	500
f) Deferred Revenue	140	290
g) Capital Creditors	2,508	2,589
h) Others	6	3
Total	**4,413**	**4,969**

19 Other Current Liability

Particulars	As at 31.03.2026	As at 31.03.2025
a) Advances from Customers	1,198	1,221
b) Tax deduction at source	317	276
c) Current maturities of capital subsidy	4	3
d) Custom Duty	7	5
e Security Trade Deposit	1	1
f) Provident fund payable	112	80
g) ESI, Professional Tax and other statutory dues	4	3
h) Unclaimed Bonus & Salary	85	69
Total	**1,727**	**1,657**

20 Provisions

Particulars	As at 31.03.2026	As at 31.03.2025
a) Provision for employee benefits		
i) Gratuity	459	191
b) Provision for other		
i) Provision for Claim Settlement (Refer Note 30 (d))	-	2,910
c) Others	911	628
Total	**1,370**	**3,730**

21 Revenue From Operation-Goods

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
a) Sales of Products	50,031	28,200
b) Sales of FPS / MEIS Licences	-	17
c) Energy Sales	432	472
Total	**50,463**	**28,689**
Abstract		
a) Formulation	46,682	26,149
b) Export Incentives	-	17
c) Power	432	472
d) Trading and Others	3,349	2,051
Total	**50,463**	**28,689**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

22 Revenue From Operations-Services And License Fees

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
Product development revenue	9,240	19,051
Total	**9,240**	**19,051**

23 Other Income

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
a) Interest on :		
i) Deposit with bank	14	701
ii) Others	2,432	5,351
b) Liabilities written back	71	128
c) Corporate Guarantee Fees	645	587
d) Capital Subsidy (Grants)	4	3
e) Reimbursement of Expenses	-	12
f) Miscellaneous Income	103	41
g) Dividend on preference shares	25	26
h) Gain on sale /assets discarded	500	118
i) Business Support Services	17	-
j) Lease liability written back	4	-
Total	**3,815**	**6,967**

24 Cost Of Material Consumed

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
Inventory at the beginning of the year*	10,629	6,863
Add: Purchases	21,525	13,719
Less: Inventory at the end of the year	11,556	10,599
Cost of raw materials and packing materials consumed	**20,599**	**9,983**
Material consumed comprises of :		
a) Raw material	19,356	9,039
b) Packing material	1,243	943
Total	**20,599**	**9,983**

Includes ₹30 lakhs arising pursuant to the Scheme of Merger of Shilpa Therapeutics Private Limited (STPL) with the Company.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

25 Purchases of stock-in-trade

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
Purchase of Medicines / Bulk Drugs/ Others	2,201	1,439
Packing Material	11	29
Total	**2,211**	**1,468**

26 Changes in inventories of finished goods,traded goods and work-in-process

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
Opening Inventories		
(i) Finished goods*	1,936	3,004
(ii) Work-In-process*	632	149
Closing Inventories		
(i) Finished goods	2,484	1,930
(ii) Work-In-process	448	622
(Increase) / decrease in inventory	**(364)**	**600**

Finished Goods include ₹6 lakhs and Work-in-Progress include ₹10 lakhs recognised pursuant to the Scheme of Merger of Shilpa Therapeutics Private Limited (STPL) with the Company.

27 Employee benefits expense

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
a) Salaries, wages, allowances and bonus	10,194	8,282
b) Contribution to provident and other funds	775	604
c) Staff welfare expenses	130	108
Total	**11,099**	**8,995**

28 Finance costs

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
Interest expense on :		
a) Working capital facility	873	488
b) Lease Liability	16	14
c) Unsecured Loan	109	54
d) Others	6	32
Total	**1,004**	**587**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

29 OTHER EXPENSES

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
a) Power and fuel	1,893	1,789
b) Repairs and maintenance		
i) Buildings	165	142
ii) Plant and machinery	1,559	865
iii) Others	169	41
c) Rent	2	2
d) Foreign exchange Loss / (Gain) Net	(4,164)	(926)
e) Rates and taxes	118	117
f) Insurance	108	135
g) Travelling and conveyance	622	587
h) Contractor labour charges	203	174
i) Legal & Professional fees	2,860	1,900
j) Facility fees	1,873	1,373
k) Payments to auditors (Refer note: 41)	31	27
l) Quality Control / Research and development	1,877	4,538
m) Transportation Charges	46	38
n) Brokerage and Commission	716	395
o) Directors Sitting fees	5	6
p) Sales promotion and advertisement	345	228
q) Bad debts / advance written-off	(1)	31
r) Clearing and forwarding expenses	733	488
s) Loss on sale /discard of assets.	25	5
t) Custom duty & GST expenses	107	126
u) CSR expenditure	93	133
v) Technology Transfer Expenses	31	-
w) Claim Settlement	83	-
v) Miscellaneous expenses	1,026	871
y) Provision for expected credit loss	62	-
Total	**10,586**	**13,082**

30 Exceptional (Income) / Expense

Particulars	For the Period ended 31.03.2026	For the Year ended 31.03.2025
a) Provision for ECL on Interest accrued on loans to subsidiaries	721	180
b) Partial reversal of impairment provision on investments in IL & FS Mutual Fund on partial receipt of settlement amount	-	(102)
c) Loss on Impairment of Investment and advances in subsidiaries	131	1,586
d) Provision for Claim Settlement	-	2,910
e) Gain on Disinvestment	(3,059)	-
f) Gratuity for past service cost	265	-
Total	**(1,942)**	**4,574**

Note: Exceptional Loss (gain) for the year ended March 31, 2026 of Rs. (1,942) Lakhs (PY 4,574 Lakhs) is on account of:

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars
a) Expected Credit Loss (ECL) allowance/(reversal) on loans and related accrued interest thereon to wholly owned foreign subsidiaries
b) Incremental gratuity expenses of Rs 265 Lakhs recognisied pursuant to implementation of the new Labour Code notified by the Government of India, resulting from the resassessment of the Company's gratuity liability. Considering the material and non-recurring nature of impact, the same has been presented as an exceptional items.
c) Loss on sale of Koanaa Healthcare, Canada consequent to transfer of controlling interest.
d) Gain on sale of 31% stake in Sravathi Advance Process Technologies Pvt Ltd (SAPL) (Joint Venture)
Total

31 Contingent Liabilities and Commitments

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Bank guarantees / Corporate guarantee(Refer Note 1 below)	14,052	49,066
b) Claims against the Company not acknowledged as debt (Refer Note 2 below)	2,380	10
c) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	7,065	1,181
Total	**23,497**	**50,256**

1. Corporate guarantees issued by the Company in favour of banks/NCD holders on behalf of its subsidiaries aggregated to ₹14,052 lakhs as at 31 March 2026 (31 March 2025: ₹49,066 lakhs). The outstanding borrowings covered under these guarantees were ₹9,652 lakhs (31 March 2025: ₹20,664 lakhs).

2. The Company is involved in disputes, lawsuits, proceedings etc. including patent and commercial matters that arise from time to time in the ordinary course of business. Management is of the view that above matters are not tenable and will not have any material adverse effect on the Company's financial position and results of operations.

32 Employee Benefit Defined Contribution Plans

Particulars	As at 31st March, 2026	As at 31st March, 2025
Defined Contribution Plan		
Provided fund	**563**	**462**
Movement of present value of the defined benefit obligation		
i) Change in defined benefit obligation		
Obligations at year beginning	589	445
Service cost	371	90
Interest on defined benefit obligation	40	24
Benefits settled	(83)	(220)
Actuarial (gain)/loss	68	249
Obligations at year end	**985**	**589**
ii) Change in plan assets		
Plans assets at year beginning, at fair value	83	48
Expected return on plan assets	-	-
Benefits Payout	(83)	(48)
Actuarial gain/(loss)	-	-
Plans assets at year end, at fair value	**-**	**(0)**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
iii) Amount recognised in the balance sheet		
Closing BPO	985	589
Closing fair value of plan assets	-	(0)
Net asset/(liability) recognized in the balance sheet	**985**	**589**
iv) Expenses recognised in the statement of P & L account		
Service cost	371	90
Interest cost	40	24
Expected return on plan assets	-	-
Expenses recognised in the statement of Other Comprehensive income		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	(2)	(8)
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	(29)	(48)
Actuarial (Gain)/ Losses due to Experience on DBO	67	355
Return on Plan Assets (Greater) / Less than Discount rate	-	-
Total actuarial (gain)/loss included in OCI	**37**	**299**
v) Assets Information		
i) Non fund based (Company manages at its own)	985	589
%	100	100
vi) Principal actuarial assumptions		-
Interest rate		-
Discount rate (based on the market yields available on Government bond at the accounting date with a term that matches that of the Liabilities)	7.8%	7.0%
Expected rate of return on assets		-
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	6.5%	7.0%
Attrition rate of employees	36.3%	34.3%
Retirement age of employees (Years)	58	58

Actuarial gain / loss is recognised immediately. The estimates of salary increase,inflation, promotion, Seniority etc taken in account. The Company has various schemes (funded/unfunded) for payment of gratuity to all eligible employees calculated at specific no. of days (ranging from 15 days to 1 month) of the last drawn salary depending upon tenure of service for each year of completed service subject to minimum of five years payable at the time of separation upon superannuation or on exit otherwise.

Sensitivity Analysis

The Sensitivity of the defined benefit obligation to changes in the weighted principal assumption are as below

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Decrease	Increase	Decrease	Increase
Discounted rate	2.2%	(2.1%)	2.5%	(2.4%)
Salary increase	(2.2%)	2.3%	(2.8%)	2.9%
Attrition rate	0.1%	(0.1%)	0.3%	(0.2%)

Sensitivity of signification actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by 100 basis points keeping all other actuarial assumption constant.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

33 Fair Value Measurement Hierarchy:

Particulars	As at 31 March, 2026								As at 31 March, 2025							
	Carrying Amount								Carrying Amount							
	Amortised Cost	FVTPL			FVTOCI			Total	Amortised Cost	FVTPL			FVTOCI			Total
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
FINANCIAL ASSETS																
I. At Amortized Cost																
Non-current investments	122,277	-	-	-	-	-	-	122,277	123,590	-	-	-	-	-	-	123,590
Loans	33,160	-	-	-	-	-	-	33,160	38,870	-	-	-	-	-	-	38,870
Trade receivable	22,266	-	-	-	-	-	-	22,266	17,677	-	-	-	-	-	-	17,677
Cash & bank balance	915	-	-	-	-	-	-	915	291	-	-	-	-	-	-	291
Other bank balance	173	-	-	-	-	-	-	173	159	-	-	-	-	-	-	159
Other financial assets	6,414	-	-	-	-	-	-	6,414	7,436	-	-	-	-	-	-	7,436
Total	**185,204**	**-**	**-**	**-**	**-**	**-**	**-**	**185,204**	**188,023**	**-**	**-**	**-**	**-**	**-**	**-**	**188,023**
FINANCIAL LIABILITIES																
Borrowings	13,000	-	-	-	-	-	-	13,000	9,651	-	-	-	-	-	-	9,651
Trade payables	8,505	-	-	-	-	-	-	8,505	4,011	-	-	-	-	-	-	4,011
Other financial liabilities	4,413	-	-	-	-	-	-	4,413	4,969	-	-	-	-	-	-	4,969
Lease Liability	189	-	-	-	-	-	-	189	138	-	-	-	-	-	-	138
Total	**26,107**	**-**	**-**	**-**	**-**	**-**	**-**	**26,107**	**18,769**	**-**	**-**	**-**	**-**	**-**	**-**	**18,769**

Level 1: Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation technique used to determine fair value:

1) The use of quoted market prices or dealer quotes for similar instruments

2) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

3) The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

34 Financial Risk Management

The Company activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The company's focuses on minimizing potential adverse effect on its financial performance.

A) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The changes in the values of financial assets/liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price Risk).

(i) Foreign Currency Risk

The Company operates internationally and a major portion of the business is transacted in USD, EURO & GBP currencies and consequently, the Company is exposed to foreign exchange risk through operating and borrowing activities in foreign currency.

Particulars	As at 31 March, 2026				As at 31 March, 2025			
	USD	EURO	GBP	Others	USD	EURO	GBP	Others
Loan	53	60	10	-	34	64	9	-
Trade receivables	101	81	1	1	118	66	1	1
Other Current Financial Assets*	5	2	1	-	2	6	1	0
Cash and cash equivalents*	5	0	0	0	1	1	0	-
Trade payables*	(1)	(5)	-	(0)	(1)	(1)	-	(0)
Other Current Financial Liabilities*	(0)	(12)	-	(0)	-	(3)	-	-
Net Foreign Currency Risk	**162**	**126**	**12**	**1**	**154**	**132**	**11**	**1**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

Sensitivity analysis

Sensitivity analysis of 1% change in exchange rate at the ending of the reporting period net of hedges

Particulars	Impact on Profit & Loss		Impact on other component of equity	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
USD-Sensitivity				
Increase by 1% (gain/(loss))	153	132	-	-
Decrease by 1% (gain/(loss))	(153)	(132)	-	-
Euro-Sensitivity				
Increase by 1% (gain/(loss))	138	122	-	-
Decrease by 1% (gain/(loss))	(138)	(122)	-	-
GBP-Sensitivity				
Increase by 1% (gain/(loss))	15	1	-	-
Decrease by 1% (gain/(loss))	(15)	(1)	-	-

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest expenses/ income and to manage the interest rate risk, the Company weighted average balance manage its interest rate risk by having portfolio of fixed / variable interest rate on long / short term borrowings. The analysis is prepared assuming the amount of liability outstanding at the ending of the reporting period is the average weighted balance of the respective reporting period.

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

According to the Company interest rate risk exposure is only for floating rate borrowings, change in 0.5% in the interest rate component applicable to the short term borrowings would effect the Companies net profit before tax at the end of the reporting period year ended 31 March, 2026 and 31 March, 2025 respectively.

Particulars	31-Mar-26	31-Mar-25
Change in 0.50% interest on WCL	58	41

(iii) Price Risk

Company does not have any exposure to price risk , as there is no market based equity investment made by the Company.

B) Credit Risk

Credit risk is the risk that a counterparty will fail to meet its obligations under a financial instrument or customer contract, resulting in a financial loss to the Company. Credit risk arises primarily from trade receivables and financing activities. The Company manages customer credit risk through continuous assessment of customers' creditworthiness and periodic review of credit limits. The Company has also implemented an automated system-based control that blocks further sales to customers with overdue receivables. The Chief Financial Officer (CFO) is authorized to block customers with overdue payment defaults, and such customers are reactivated only upon approval of the Managing Director (MD). These controls strengthen the Company's credit risk management framework.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs 22,266(March 31, 2025: Rs. 17,677). The movement in allowance for impairment in respect of trade and other receivables during the year is as follows:

Expected credit loss assessment

The Company reviewed customers outstanding at the end of each reporting period and determine incurred and expected credit losses. Past trend of impairment of trade receivables do not reflect any significant credit losses.The movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

Allowance for Impairment	31-Mar-26	31-Mar-25
Balance beginning of year	17	40
Provision acquired pursuant to merger	33	-
Provision made during the year	62	8
Trade receivables written off during the year	-	(31)
Balance end of year	**112**	**17**

Long outstanding receivables from customers are regularly monitored, and transactions with such customers are generally secured through letters of credit. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables. One customer accounted for more than 10% of the trade receivables as at 31 March 2026, while two customers accounted for more than 10% as at 31 March 2025. As the Company has maintained long-standing business relationships with these customers, management does not consider there to be any significant credit risk associated with these balances.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations of its financial liability. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making liability when they are due, under normal and stressed condition without incurring losses and risk.

The present available working capital facility is sufficient to meet its current requirment. Accordingly no liquidity risk is perceived. In addition, the Company maintains the following line of credit facility

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2026 :

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	11,571	-	-	-
Long term borrowings	-	-	1,429	-
Trade and other payable	-	8,505	-	-
Lease Liability	-	57	132	-
Other Financial Liability	-	4,413	-	-
Total	**11,571**	**12,975**	**1,561**	**-**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2025 :

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	8,243	-	-	-
Long term borrowings	-	-	1,408	-
Trade and other payable	-	4,011	-	-
Lease Liability	-	14	125	-
Other Financial Liability	-	4,969	-	-
Total	**8,243**	**8,994**	**1,532**	**-**

35 Capital Management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods.

Company's vision is to Maintain the ratio below 1.00 and its adjusted net debt to equity ratio is as follows:

Particulars	31-Mar-26	31-Mar-25
Total Debts(A)	13,000	9,651
Total equity (B)	271,338	264,694
Net Debt to Equity Ratio A/B	0.05	0.04

36 Earnings Per Share ('EPS')

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Profit for the year	13,298	6,790
Shares		
Weighted average shares used for computing basic EPS	195,581,816	194,859,251
Weighted average shares used for computing diluted EPS	195,581,816	194,859,251
Earnings Per Share		
Basic (in Rs)	6.80	3.48
Diluted (in Rs)	6.80	3.48

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

37 Research And Development Expenses Eligible for Weighted Deduction under Income Tax Act, 1961

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
	Bengaluru Facility	Hyderabad Facility	Bengaluru Facility	Hyderabad Facility
A) ELIGIBLE EXPENSES				
a) Capital Expenditure	1,657	372	79	191
b) Revenue Expenditure				
i) Employee Cost	1,470	1,084	1,278	900
ii) Research & Development expenses	234	566	3,779	273
iii) Equipment Maintenance	93	26	32	105
iv) Power & Fuel	0	99	1	93
v) Other Expenses	112	104	17	59
Total	**3,567**	**2,252**	**5,186**	**1,621**
Less : Revenue Income	1,889	139	6,817	(29)
Less : Sale of Assets	310	1	1,343	28
Total (A)	**1,367**	**2,111**	**(2,975)**	**1,621**
B) IN-ELIGIBLE EXPENSES				
a) Revenue Expenditure				
i) Misc. Expenses	93	193	92	151
ii) Depreciation	921	409	965	396
Total	**1,014**	**601**	**1,056**	**547**
b) Capital Expenditure	1,092	30	112	25
Total (B)	**2,107**	**631**	**1,169**	**572**
Total (A+B)	**3,474**	**2,743**	**(1,806)**	**2,193**

38 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, has to spend 2% of its average net profits of three immediate preceding financial year. The Company has formed trust by name 'Shilpa Foundation' to commit the expenditure under the various activity like pure and safe drinking water, Orphanage home, Education promotion, Hospital/ Medical facility. Swatch bharat, Green Prroject with local bodies/NGO to make eco-friendly environment.

Particulars	For the year 2025-26	For the year 2024-25
A) Amount required to be spent by the company during the year	93	133
B) Amount of expenditure on construction/acquisition of any asset	-	-
C) Amount of expenditure other than B above	93	133
D) Short fall at the end of the year	-	-
E) Total of previous year shortfall	-	-
F) Details of related party transaction	93	133

The Company has transferred Rs. 93 Lakhs (Rs. 133 Lakhs) to "Shilpa Foundation". The amount of earmarked fund is insufficient to kick start the project, the committee has set aside the fund to take on the specified project when sufficient funds are available for initiating the project.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

39 Distribution of Dividend

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Dividend on equity shares declared and paid :		
Final dividend for the year ended March 31, 2025 : Rs 1 per share (March 31, 2024: Nil)	978	-
Proposed Dividend on equity shares :		
Proposed dividend on equity shares for the year ended on March 31, 2026:Rs.0.60 per share (March 31, 2025 : 1.00 per share)	1,173	978

40 Reconciliation of Tax Expenses

(I) Income Tax

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Statement of Profit and loss Account		
Current Tax	1,098	4,708
Deferred Tax (Net of earlier years period Taxes)	417	(964)
Amount recognised in statement of profit & loss account	**1,515**	**3,743**
Profit/(Loss) before tax from continuing operation after exceptional item	14,813	10,533
Profit before tax from operations	**14,813**	**10,533**
Tax at enacted tax rate in India C.Y. @ 34.944% (P.Y. 34.944%)	5,176	3,681
Effect of:		
Exempt Income & others(Net)	-	(468)
Tax Effect on account of Merger	(2,222)	419
Tax on Capital loss on against past impairment	(246)	-
Tax on Capital gain on Lower rate	(1,027)	-
Others	(167)	111
Income tax expense reported in the profit or loss relating to operations	**1,515**	**3,743**

(II) Recognised Deferred Tax Assets / Liabilities

Movement of Deferred Tax Assets / Liabilities	As at 31 March, 2026	As at 31 March, 2025
Deferred Tax Liabilities		
Property, plant and equipment and intangible assets	11,387	10,290
Gross Deferred Tax Liabilities	**11,387**	**10,290**
Deferred Tax Assets		
Defined benefit obligations/Employees benefit liability	344	206
MAT Credit Entitlement Benefit	7,747	4,776
On Business Losses	-	367
On doubtful loans & investments	1,218	727
Others	501	339
Gross Deferred Tax Assets	**9,810**	**6,414**
Net Deferred Liabilities	**1,577**	**3,876**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Movement of Deferred Tax Assets / Deferred Tax Liabilities	As at 01 April, 2025	Recognised in statement of profit & loss	Recognised in OCI	Mat Credit/ Merger	As at 31 March, 2026
Deferred Tax Assets					
Defined benefit obligations / Employees benefit liability	206	133.00	5		344
MAT Credit Entitlement Benefit	4,776	1,999		973	7,747
On Business Losses	367	(367)			-
On provision loans, Investment & Advances	727	491			1,218
On account of STPL merger	-	(1,739)		1,739	-
Others	339	162		-	501
Total	**6,414**	**680**	**5**	**2,711**	**9,810**
Deferred Tax Liabilities					
Property, plant and equipment, and intangible assets	10,290	1,097			11,387
Total	**10,290**	**1,097**	**-**		**11,387**
Net Deferred Liabilities recognised	**3,876**	**417**	**(5)**	**(2,711)**	**1,577**

Movement of Deferred Tax Assets / Deferred Tax Liabilities	As at 01 April, 2024	Recognised in statement of profit & loss	Recognised in OCI	Mat Credit Utilised	As at 31 March, 2025
Deferred Tax Assets					
Defined benefit obligations / Employees benefit liability	139	(38)	104	-	206
MAT Credit Entitlement Benefit	7,600	-	-	(2,824)	4,776
On Business Losses	235	132	-	-	367
On provision loans, Investment & Advances	110	617	-	-	727
Others	205	134	-	-	339
Total	**8,289**	**845**	**104**	**(2,824)**	**6,414**
Deferred Tax Liabilities					
Property, plant and equipment, and intangible assets	10,776	(486)	-	-	10,290
Total	**10,776**	**(486)**	**-**	**-**	**10,290**
Net Deferred Liabilities recognised	**2,487**	**(1331)**	**(104)**	**2,824**	**3,876**

41 Payments To Auditors

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
For Statutory audit fees	16	15
For Tax audit	6	5
For Certification	9	7
Total	**31**	**27**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

42 Segment Information

In accordance with paragraph 3 of Indian Accounting Standard (Ind AS) 108 - Operating Segments, segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

43 OPERATING LEASE

The Company has entered into lease agreements for use of land for its production and R&D facility which expires over a period. Future minimum lease payments and payment profile of non-cancellable operating leases are as under:

(a) Land

Particulars	As at 31 March, 2026	As at 31 March, 2025
Not later than one year	33	33
Later than one year and not later than five year	134	134
Later than five years	1,680	1,714
Total	**1,848**	**1,881**

(b) Building

Particulars	As at 31st March, 2026	As at 31st March, 2025
Not later than one year	50	48
One to Five Year	8	58
Total	**58**	**106**

(c) The following are the amounts recognised in the statement of Profit or Loss :

Particulars	As at 31st March, 2026	As at 31st March, 2025
Depreciation expenses on right of use-assets	83	87
Interest expenses on lease liabilities	16	14
Total amount recognised in Profit or loss	**99**	**100**

(d) The following is the movement in lease liabilities during the year ended March 31, 2026

Particulars	Land	Buildings	Total
Balance as the beginning	130	9	138
Addition during the year	-	92	92
Finance cost accrued during the year	12	4	16
Disposals	-	-	-
Payment of lease liabilities	(10)	(48)	(58)
Balance as at March 31, 2026	**131**	**58**	**189**

(d) The following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	Land	Buildings	Total
Balance as the beginning	129	52	180
Addition during the year	-	-	-
Finance cost accrued during the year	11	2	14
Disposals	-	-	-
Payment of lease liabilities	(10)	(45)	(55)
Balance as at March 31, 2025	**130**	**9**	**138**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(e) The following is the breakup of current and non current lease liability:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current lease liabilities	57	14
Non current lease liabilities	132	125
Total	**189**	**138**

44 Foreign Earnings And Outgo

(i) Earning in Foreign Currency

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Products & Services	49,564	43,821
Others	831	842
Total	**50,395**	**44,663**

(ii) Expenditure in foreign currency

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Import of raw material	925	1,685
Others	7,246	8,530
Total	**8,171**	**10,215**

45 Related party transactions

Related parties where control exists and related parties with whom transactions have taken place during period 01st April 2025 to 31st Mar 2026 are listed below;

(All amounts are in Indian rupees in Lakhs unless otherwise stated)

List of Related Parties

1. Associates

   a) Maia Pharmaceuticals INC. USA
   b) Sravathi AI Technology Pvt. Ltd. (step down associate)
   c) Sravathi Advance Process Technologies Pvt. Ltd. (associate w.e.f 18.03.2026)

2. Subsidiaries

   a) Shilpa- Therapeutics Pvt. Ltd. (Wholly-owned Subsidiary, merged with Shilpa Medicare Limited w.e.f 01.04.2025)
   b) Koanaa Healthcare Ltd. U.K (Wholly-owned Subsidiary)
   c) Koanaa Healthcare GMBH. Austria (Wholly- owned Subsidiary)
   d) Makindus LLC. USA. (Subsidiary)
   e) Shilpa Pharma Inc. (Wholly-owned Subsidiary)
   f) Shilpa Biocare Pvt. Ltd (Wholly-owned Subsidiary)
   g) Shilpa Biologicals Pvt. Ltd. (Wholly-owned Subsidiary)
   h) Shilpa Pharma Lifesciences Limited (Wholly-owned Subsidiary)
   i) Koanaa Healthcare Canada Inc. (Wholly-owned Subsidiary, disposed off with effect from 16 January 2026)
   j) Indo Biotech SDN. BHD (Wholly-owned Subsidiary)
   k) FTF Pharma Private Limited (Wholly-owned Subsidiary)
   l) Koanaa International FZ LLC. UAE (Wholly-owned Subsidiary)
   m) Koanaa Healthcare Spain S.L. Spain (Wholly-Owned Subsidiary)

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

n) Sampra Corporate Holdings Private Limited (erstwhile Vegil Labs Private Limited -Wholly-owned Subsidiary)

o) Shilpa Lifesciences Private Limited (Step down Subsidiary of WOS)

p) Pilnova Pharma INC USA (Wholly-owned Subsidiary)

3. Joint Venture (JV)

a) Reva Medicare Pvt. Ltd.

b) Oncosol Ltd (Step down JV)

4. (i) Key Management Personnel-(KMP)

a) Vishnukant C. Bhutada - Managing Director

b) Kalakota Sharath Reddy - Whole Time Director

c) Alpesh Dalal - Chief Financial Officer

d) Ritu Tiwary- Company secretary

ii) Chariman & Independent Directors

a) Omprakash Inani - Chairman

b) Hetal Gandhi - Independent Director

c) Anita Bandyopadhyay- Independent Women Director

d) Ashraf Loutfy Abdelhamid Allam - Independent Director (appointed effective from 13.08.2025)

e) Kamal Kishore Sharma - Independent Director (retired effective from 23.09.2025)

5. Relatives

a) Deepak Kumar Inani

b) Ramakant Inani

c) Sagar Inani

d) Ravi Kumar Inani

6. Enterprises having Directors as Board of Trustees

a) Shilpa Foundation

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2025 to 31st Mar 2026	Balance as at 31st Mar 2026	01st April 2024 to 31st Mar 2025	Balance as at 31st Mar 2025
				Transaction	Receivable/ (Payable)	Transaction	Receivable/ (Payable)
A	Remuneration paid to Key Management Personnel						
i)	Vishnukant.C. Bhutada	Managing Director	Remuneration	350	(14)	350	(12)
B	Remuneration paid to other Directors						
i)	Omprakash Inani	Chairman	Sitting Fees	5	(1)	6	(1)
C	Relative						
i)	Deepak Inani	Promoter group	Remuneration	117	(6)	100	(5)
ii)	Ramakant Inani	Promoter group	Remuneration	123	(7)	105	(5)
iii)	Ravi Kumar Inani	Promoter group	Remuneration	85	(5)	72	(3)
iv)	Sagar Inani	Promoter group	Remuneration	15	(1)	15	(1)

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2025 to 31st Mar 2026	Balance as at 31st Mar 2026	01st April 2024 to 31st Mar 2025	Balance as at 31st Mar 2025
				Transaction	Receivable/ (Payable)	Transaction	Receivable/ (Payable)
D	Others						
i)	Koanaa Healthcare GMBH, Austria	Wholly owned Subsidiary	Service fee paid	9	-	-	-
			Reimbursement of Expense	-	-	3	-
			Interest Income (Loan)	377	-	344	-
			Loan given during the year	-	-	94	-
			Loan Receivable	-	5,564	-	4,713
			Receivable	-	-	-	3
			Trade payable (incl prov for exp)	-	(1,286)	-	(1,095)
			Interest accrued but not received (Loan)	-	140	-	587
			Investment in equity Shares	-	78	-	78
			Purchase of Capital Goods	29	-	1,095	-
ii)	Koanaa Healthcare Ltd, United Kingdom	Wholly owned Subsidiary	Interest Income (Loan)	76	-	69	-
			Service fee paid	46	-	-	-
			Loan given during the year	173	-	-	-
			Loan Receivable	-	1,259	-	954
			Interest accrued but not received (Loan)	-	258	-	155
			Investment in equity Shares	-	0	-	0
			Purchases of Capital goods	-	-	566	-
			Trade payable (inc Prov for exp)	-	-	-	(566)
iii)	Shilpa Therapeutics Pvt. Ltd. (merged with Shilpa Medicare Ltd w.e.f 01.04.2025)	Wholly owned Subsidiary	Purchases of Goods or Service	-		(0)	-
			Purchases of Capital goods			69	-
			Sales of Goods or Service	-	-	2	-
			Other Income	-	-	3	-
			Sales of Capital Goods	-	-	9	-
			Interest Income (Loan)	-		621	-
			Dividend Income (Preference shares)	-	-	3	-
			Loan given during the year	-		573	-
			Loan repaid during the year			81	-
			Loan Receivable		-	-	8,457
			Interest accrued but not received (Loan)		-	-	559
			Dividend accrued but not received (Pref Share)	-	-	-	35
			Investment in equity Shares		-	-	1,112
			Investment in Preference equity Shares		-	-	40
iv)	Reva Medicare Pvt. Ltd.	Joint Venture	Commission charges	39	-	42	-
			Other Income	4	-	4	-
			Trade Payable	-	(9)	-	(49)
			Commission Accrued but not paid	-	(47)	-	(58)
			Receivable	-	-	-	2
			Investment in equity shares	-	1	-	1
v)	Maia Pharmaceuticals INC. USA	Associate	Investment in Pref shares	-	796	-	796

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2025 to 31st Mar 2026 Transaction	Balance as at 31st Mar 2026 Receivable/ (Payable)	01st April 2024 to 31st Mar 2025 Transaction	Balance as at 31st Mar 2025 Receivable/ (Payable)
vi)	Shilpa Pharma INC. USA	Wholly-owned Subsidiary	Interest Income (Loan)	128	-	99	-
			Interest accrued but not received (Loan)	-	249	-	101
			Loan Given during the year	996	-	638	-
			Loan repaid during the year	-	-	2,225	-
			Loan Receivable	-	2,049	-	869
			Investment in equity shares (application money converted into equity)	1,745	1,745	-	0
			Paid towards Share Application money	-	-	-	-
vii)	Sravathi Advance Process Technologies Pvt. Ltd.	Associate	Investment in equity shares	-	2,090	-	3,996
viii)	Shilpa Biocare Pvt. Ltd	Wholly-owned Subsidiary	Sales of Capital Goods	13	-	138	-
			Other income	1	-	21	-
			Sales -Wind Energy	100	-	-	-
			Interest Income (Loan)	669	-	1,257	-
			Loan given during the year(incl Interest accrued till last year)	11,597	-	12,803	-
			Loan given recd back during the year	-	-	0	-
			Loan Receivable	-	15,270	-	3,673
			Interest accrued but not received (Loan)	-	0	-	19
			Receivable	-	-	-	0
			Corp Guarantee to Banks **(new)	-	14,042	14,042	14,042
			Corporate Guarantee Income	140	-	113	-
			Investment in equity shares	-	36,965	4,368	37,017
			Advance to Vendor	-	-	-	1
			Loans converted into Equity	-	-	30,597	-
ix)	Shilpa Biologicals Pvt. Ltd.	Wholly-owned Subsidiary	Sales of Goods or Service	19	-	38	-
			Sales of Capital Goods	180	-	32	-
			Other income	-	-	1	-
			Purchases of Goods or Service	69	-	87	-
			Purchases of Capital goods	71	-	60	-
			Interest Income (Loan)	109	-	1,433	-
			Receivable	-	0	-	48
			Trade Payable	-	(5)	-	(39)
			Loan given during the year(incl Interest accrued till last year)	4,332	-	11,829	-
			Loan given received back	9,303	-	1,415	-
			Conversion of Loan into Equity	-	-	60,840	-
			Loan Receivable	-	-	-	4,970
			Interest accrued but not received (Loan)	-	12	-	202
			Corp Gaurantee income	-	-	79	-
			Investment in equity shares	-	71,701	7,500	71,701
			Advance to Vendor	-	-	-	0
			Advance received	5	(5)	-	-
x)	Shilpa Foundation	Enterprises having Directors as Board of Trustees	Corporate Social Responsibility Expenses	93	-	133	-

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2025 to 31st Mar 2026 Transaction	Balance as at 31st Mar 2026 Receivable/ (Payable)	01st April 2024 to 31st Mar 2025 Transaction	Balance as at 31st Mar 2025 Receivable/ (Payable)
xi)	FTF Pharma Pvt Ltd	Wholly-owned Subsidiary	Sales of Goods or Service	52	-	1	-
			Sales of Capital Goods	-	-	1,058	-
			Sale of Consumables	-	-	3	-
			Other Income	-	-	2	-
			Purchases of Goods or Service	280	-	33	-
			Purchases of Capital Goods	1,398	-	430	-
			Advance to Vendor	-	-	-	0
			Receivable	-	0	-	1,254
			Investment in Equity shares	-	6,578	-	6,578
			Investment in Pref shares	-	390	-	390
			Dividend on Pref Shares	25	-	23	-
			Dividend accrued but not received (Preference shares)	-	69	-	44
			Trade Payable	-	(253)	-	(62)
xii)	Koanaa Healthcare Canada INC	Wholly-owned Subsidiary	Interest Income (Loan)	-	-	92	-
			Loan given during the year	-	-	231	-
			Conversion of Loan into Inv in Equity (incl interest accrued)	-	-	1,449	-
			Interest accrued but not received (Loan)	-	-	-	17
			Investment in equity shares(disposed during the year)	141	-	-	1,586
xiii)	Shilpa Pharma Lifesciences Limited	Wholly owned Subsidiary	Sales -(cross charges)	1,331	-	1,275	-
			Sales of Goods	413	-	13	-
			Sales -Wind Energy	163	-	273	-
			Sales of Capital Goods	72	-	213	-
			Electrical Charges -reimbursement received	17	-	18	-
			Purchase of goods/services	20,380	-	14,380	-
			R&D Expense (Product Analysis charges)	203	-	-	-
			Purchase of Capital Goods	1,171	-	-	-
			Interest Income (Loan)	776	-	1,131	-
			Interest accrued but not received (Loan)	-	698	-	1,018
			Trade Payable(including transit Pur)	-	(4,530)	-	(1,804)
			Loan given during the year	4,873	-	23,026	-
			Loan given received back	11,500	-	9,150	-
			Loan Receivable	-	7,249	-	13,876
			Receivable	-	677	-	127
			Investment in Equity shares	-	1,000	-	1,000
			Loan Repaid	-	-	1,377	-
			Corporate Guarantees to Banks/NCD *	-	-	-	7,500
			Corporate Guarentee Income	505	-	396	-
xiv)	Indo Biotech SDN. BHD	Wholly owned Subsidiary	Interest Income (Loan)	-	-	57	-
			Interest accrued but not received (Loan)	-	315	-	285
			Loan Receivable	-	153	-	139
			Investment in equity shares	-	4	-	4
			Loan repaid during the year	-	-	835	-
xv)	Koanaa International FZ LLC. UAE	Wholly owned Subsidiary	Interest Income (Loan)	48	-	46	-
			Interest accrued but not received (Loan)	-	210	-	143
			Loan Receivable	-	691	-	625
			Investment in Equity shares	-	2	-	2
			Advance to Vendor	-	-	-	9

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2025 to 31st Mar 2026	Balance as at 31st Mar 2026	01st April 2024 to 31st Mar 2025	Balance as at 31st Mar 2025
				Transaction	Receivable/ (Payable)	Transaction	Receivable/ (Payable)
xvi)	Koanaa Healthcare Spain S.L. Spain	Wholly owned Subsidiary	Sales of Goods or Service	147	-	125	-
			Interest Income (Loan)	83	-	76	-
			Interest accrued but not received (Loan)	-	109	-	77
			Purchase of Capital Goods	364	-	531	-
			Service fee paid	378	-	146	-
			Commission Charges	9	-	-	-
			Loan given during the year	-	-	274	-
			Loan repaid during the year	358	-	-	-
			Loan Receivable	-	997	-	1,168
			Investment in Equity shares	-	6	-	6
			Receivable	-	-	-	129
			Trade Payable	-	(375)	-	(421)
xvii)	Sampra Corporate Holdings Pvt Ltd (erstwhile Vegil Labs Private Limited)	Wholly owned Subsidiary	Investment in Equity shares	-	951	-	951
			Loan Received (inc accrued interest till last year)	48	-	807	-
			Loan repaid	27	-	50	-
			Loan Payable	-	(1,429)	-	(1,408)
			Interest Paid (Loan)	109	-	54	-
			Interest due but not paid (Loan)	-	(98)	-	(48)
xviii)	Shilpa Lifesciences Private Limited	Step down Subsidiary	Interest Income (Loan)	23	-	22	-
			Interest accrued but not received (Loan)	-	-	-	19
			Loan given during the year(incl Interest accrued till last year)	19	-	18	-
			Loan Receivable	-	308	-	288
xix)	Makindus LLC USA	Wholly owned Subsidiary	Investment in Equity shares	-	454	-	454
xx)	Pilnova Pharma INC USA	Wholly owned Subsidiary	Investment in Equity shares	-	0	-	0
			Loan given during the year	733	-	929	-
			Loan receivable	-	2,153	-	1,241
			Interest Income (Loan)	122	-	59	-
			Interest accrued but not received (Loan)	-	199	-	60
			Sales of Goods or Service	-	-	386	-
			Receivable	-	437	-	396

a) *The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.*

b) *As the provisions for gratuity are obtained on an actuarial basis for the Company as a whole amounts pertaining to the Key Management Personnel are not specifically identified and hence not included in the above.*

**the outstanding liabilities against corporate guarantee given to Non-convertible Debenture holders on behalf of Shilpa Pharma Lifesciences Ltd. is for the financial period ended 31.03.2026 is Rs.0.00 (As on 31.03.2025 Rs. 7500.00)*

*** the outstanding liabilities against corporate guarantee given to banks on behalf of Shilpa Biocare Pvt Ltd. is for the financial period ended 31.03.2026 is Rs.9652 (As on 31.03.2025 Rs. 13164)*

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

46 a) Trade payables Ageing Schedule as at March 31, 2026

S NO	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
a)	MSME*	504	0	-	0	504
b)	Others	7,985	-	-	16	8,001
	Total	**8,489**	**0**	**-**	**17**	**8,505**

* Amounts are not presented since the amounts are rounded off to Rupees in Lakhs like earlier pages

Trade payables Ageing Schedule as at March 31, 2025

S NO	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
a)	MSME	135	-	-	-	135
b)	Others	3,827	12	4	33	3,876
	Total	**3,961**	**12**	**4**	**33**	**4,011**

(b) Disclosure required under section 22 of MSMED Act, 2006

Particulars	FY 2025-26 (₹ in Lakhs)	FY 2024-25 (₹ in Lakhs)
Principal amount remaining unpaid to MSME suppliers as at year end	504	135
Interest due thereon remaining unpaid to MSME suppliers as at year end	-	-
Interest paid during the year under Section 16 of MSMED Act	-	-
Payment made to suppliers beyond appointed day during the year (Principal)	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Further interest remaining due and payable in succeeding years (excluding already recognized interest)	-	-

Note: The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers. The company has not provided for any interest on balances of trade payables outstanding for more than 45 days based on the historical data where no such claims have been made against the company by any of its vendors / suppliers.

(c) The Company's exposure to liquidity, interest rate and currency risks are disclosed in note 34.

47 Investments are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of each investment. When the recoverable amount of the investment is less than its carrying amount, an impairment loss is recognised.

The recoverable amounts of the above investments have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the business. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Company has based its determinations of value-in-use include :

a) Estimated cash flows based on internal budgets and industry outlook for a period of five years and a terminal growth rate thereafter.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

b) A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using a constant long-term growth rate ranging from 1-3%. This long term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.

c) The after tax discount rates used reflect the current market assessment of the risks specific to the investment, the discount rate is estimated based on the weighted average cost of capital for respective investment. After tax discount rate used range from 11% to 12%.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

48 Balance of trade receivables/ trade payables/advances and security deposits are subject to confirmation

49 Additional disclosures required by Schedule III (amendments dated 24 March 2021) to the Companies Act, 2013;

1)

Description of the property	Gross Carrying value (in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not held in name
Leasehold land located in Jadcherla, Telangana admeasuring 9 acres	349	Raichem Lifesciences Pvt. Ltd.	No	Since 2012	The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Andhra Pradesh dated August, 31, 2012

2) The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.

3) The Company do not have any transactions with companies struck off under section 248 of the Companies Act 2013 or Section 560 of Companies Act. 1956 during the financial year.

4) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

5) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

6) The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.

7) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds, other the in the ordinary course of business by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

9) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

10) The Company has sanctioned borrowings / facilities from bank on the basis of security of current assets for the year ended 31 March 2026 and 31 March 2025. The monthly returns or statements of current assets filed by the Company with bank are in agreement with the books of account.

11) The Company has not invested in the any entities with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in ther persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries).

50 Ageing schedule for receivables as at March 31,2026 is as follows:

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	11,699	6,940	2,327	1,289	8	2	22,266
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	5	5	29	22	1	2	65
Disputed Trade receivables - considered good	-	-	-		-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	47	47
Total	**11,705**	**6,945**	**2,356**	**1,311**	**10**	**50**	**22,377**
Less : Allowed for Credit loss	-	-	-	-	-	-	(112)
Grand Total	**11,705**	**6,945**	**2,356**	**1,311**	**10**	**50**	**22,266**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Ageing schedule for receivables as at March 31,2025 ia as follows

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	9,486	5,855	2,308	27	2	-	17,677
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	4	13	17
Total	**9,486**	**5,855**	**2,308**	**27**	**6**	**13**	**17,694**
Less : Allowed for Credit loss	-	-	-	-	-	-	(17)
Grand Total	**9,486**	**5,855**	**2,308**	**27**	**6**	**13**	**17,677**

51 a) Capital Work in Progress (CWIP) Ageing Schedule as at March 31,2026

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	599	3,038	1	42	3,680
b)	Project temporarily suspended					-
	Total	**599**	**3,038**	**1**	**42**	**3,680**

Capital Work in Progress (CWIP) Ageing Schedule as at March 31,2025

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	3,380	3	2	16	3,401
b)	Project temporarily suspended	-	-	-	452	452
	Total	**3,380**	**3**	**2**	**468**	**3,854**

b) Intangible assets under development (IUAD) as at March 31, 2026

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	7,090	3,466	1,202	14,256	26,015
b)	Project temporarily suspended	-	-	-	-	-
	Total	**7,090**	**3,466**	**1,202**	**14,256**	**26,015**

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Intangible assets under development (IUAD) as at March 31, 2025

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	4,623	2,068	1,986	15,300	23,976
b)	Project temporarily suspended	-	-	-	-	-
	Total	**4,623**	**2,068**	**1,986**	**15,300**	**23,976**

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Sr No	Particular	Numerator	Denominator	31st March 2026	31st March 2025	Change in ratio	Reasons for variance
1	Current Ratio	Current Assets	Current Liabilities	1.90	2.01	(5.38%)	
2	Debt Equity Ratio	Total Debt	Share holder equity	0.05	0.04	31.41%	This is mainly on account of additional amount of working capital limit utilization during the year
3	Debt service coverage ratio	Earnings available for debt service	debt service	18.59	20.43	(9.00%)	
4	Inventory turnover ratio	Cost of Goods sold	Average inventory	1.39	0.93	49.94%	The ratio improved primarily due to a significant increase in cost of goods sold, driven by higher sales, while inventory increased at a comparatively lower rate.
5	Return on equity	Net profit after taxes	Average shareholders equity	4.96%	2.84%	75.01%	This is mainly on account of higher sales with better margin
6	Trade receivable turnover ratio	Revenue	Average Trade Receivables	2.99	2.98	0.38%	
7	Trade payable turnover ratio	Purchase of trade and services	Average Trade Payables	5.28	5.42	(2.55%)	
8	Net Capital turnover ratio	Revenue	Average Working Capital	2.49	2.43	2.73%	
9	Net Profit ratio	Net Profit	Revenue	20.9%	12.1%	73.52%	This is mainly on account of higher sales with better margin
10	Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	7.92%	8.46%	(6.34%)	
11	Return on investment	Income generated from investments	Investments	NA	NA		

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

53 Capital infusion through "Qualified Institutions Placement (QIP):

On April 13, 2024, the Company has issued 1,09,89,010 Equity shares of face value Rs.1 each at a issue price of Rs.455.00 per equity share pursuant to Qualified Institutions Placement (QIP) under the provisions of Chapter VI of the Securities and Exhcnage Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), and section 42 and 62 of the Companies Act, 2013, including the rules made thereunder, each as amended. The promoter's shareholding has decreased from 50.01% to 44.39% pursuant to the QIP issue. Further, as at December 31, 2024, the entire amount has been utilised for the purpose for which the same was raised.

54 Bonus Shares Issued During the Current Financial Year:

On October 6, 2025, the Company had allotted 9,77,90,908 bonus equity shares of Re. 1 each (fully paid-up) in the proportion of 1 bonus equity share for every 1 fully paid-up equity share to the eligible shareholders whose names appeared in the Register of Members / Register of Beneficial Owners as on October 3, 2025, being the record date fixed for this purpose, pursuant to the approval received from the Members at the 38th Annual General Meeting held on September 26, 2025.

The said bonus equity shares rank pari passu in all respects with the existing equity shares of the Company. As a result of the bonus issue, the issued, subscribed and paid-up equity share capital of the Company increased to ₹19,55,81,816 comprising 19,55,81,816 equity shares of Re. 1 each from ₹9,77,90,908 comprising 9,77,90,908 equity shares of Re. 1 each. The paid-up capital on account of the bonus issue of ₹9,77,90,908 has been appropriated from the Securities Premium Account.

55 Pursuant to the Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the Hon'ble National Company Law Tribunal ("NCLT"), Bengaluru Bench, has approved the Scheme of Amalgamation of Shilpa Therapeutics Private Limited ("Transferor Company"), a wholly owned subsidiary of Shilpa Medicare Limited ("Transferee Company"), with Shilpa Medicare Limited.

The Scheme became effective upon filing of the certified copy of the NCLT Order with the Registrar of Companies. The Appointed Date of the Scheme is 1 April 2025.

Pursuant to the Scheme of Merger by Absorption under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the Hon'ble National Company Law Tribunal ("NCLT"), Bengaluru Bench, vide its Order dated 18 June 2025, sanctioned the Scheme of Merger by Absorption of INM Technologies Private Limited ("INM"), a wholly owned subsidiary of the Company, with Shilpa Medicare Limited ("the Company"). The Scheme has an Appointed Date of 1 April 2024.

Accordingly, the Company has accounted for the amalgamation in accordance with Appendix C to Ind AS 103 – Business Combinations of Entities under Common Control, applying the Pooling of Interests Method.

Consequently:

- The assets, liabilities and reserves of the Transferor Company have been recorded by the Transferee Company at their existing carrying amounts as appearing in the books of the Transferor Company on the Appointed Date.
- The financial statements have been prepared after giving effect to the Scheme from the Appointed Date in accordance with the requirements of Appendix C to Ind AS 103.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

- As the Transferor Company was a wholly owned subsidiary of the Company, no consideration was payable under the Scheme and no shares were issued by the Company pursuant to the amalgamation.
- The investment held by the Company in the equity shares of the Transferor Company stands cancelled upon the Scheme becoming effective.
- The difference, if any, arising between the carrying amount of the investment cancelled and the share capital of the Transferor Company has been adjusted in equity in accordance with the accounting treatment prescribed under the Scheme and Appendix C to Ind AS 103

The amalgamation is expected to result in simplification of the Group structure, operational efficiencies, optimisation of resources, reduction in administrative and compliance costs and better utilisation of synergies across the businesses.

The impact of the Scheme on the financial statements is summarised below:

Particulars	Standalone Previous year ended March 31, 2025
Total Income:	
As published in respective period	56118
As restated for the effect of the merger and reclassification	54708
Profit/(loss) before tax:	
As published in respective period	10724
As restated for the effect of the merger	10533
Total Comprehensive Income:	
As published in respective period	6786
As restated for the effect of the merger	6594
Total Assets	
As published in respective period	300666
As restated for the effect of the merger and reclassification	293829
Total Liabilities	
As published in respective period	30607
As restated for the effect of the merger and reclassification	29135
Equity	
As published in respective period	270059
As restated for the effect of the merger and reclassification	264694
Cash flow From Opertaing Activities	
As published in respective period	(1,905)
As restated for the effect of the merger and reclassification	(1,905)
Cash flow From Investing Activities	
As published in respective period	(43,325)
As restated for the effect of the merger and reclassification	(43,328)
Cash flow From Financing Activities	
As published in respective period	45,009
As restated for the effect of the merger and reclassification	45,010

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

56 Events after the reporting period:

On 22 May 2026, the Board of Directors of the company recommended a final dividend of Rs.0.60 per equity share of Rs.1/-. The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting.

57 Figures of the previous year have been regrouped/rearranged wherever necessary.

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/
S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Independent Auditor's Report

To the Members of **Shilpa Medicare Limited**

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of SHILPA MEDICARE LIMITED (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint Ventures, which comprise the Consolidated Balance sheet as at March 31, 2026, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of changes in equity and consolidated statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements / financial information of such subsidiaries, associates and joint ventures as were audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those SA's are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and Joint Venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
Impairment of intangible assets under development	**Principal audit procedures**
The Group has significant intangible assets under development where certain products are under development or in their early stage of commercialization in certain key developed markets as of 31 March 2026. As the products are yet to be launched or in their initial stages of commercialization revenue and profitability are yet to reach its desired levels and hence, there is a risk of impairment in the event the carrying amount of the aforesaid assets are lower than its recoverable value. Company's assessment of recoverable value to test for impairment contains a number of parameters which involve significant judgements and estimates including weighted average cost of capital, revenue growth, expected market share and price erosion. Changes in these assumptions could lead to an impairment to the carrying value of these assets.	• Tested the design and operating effectiveness of the Group's controls around the impairment testing; • Evaluating assumptions used by the Company in assessing the recoverability of assets - in particular, revenue and cash flow projections; • We evaluated the valuation methodologies and assumptions used by the Company; • Evaluating Company's assessment of key inputs by considering third party sources and the impact on future cash inflows due to actions by competitors or changes in relevant market conditions;

Key Audit Matters	Auditor's Response
For further information on the carrying value of intangible assets refer to: • Material accounting policies which includes General accounting principles, Key accounting judgements, estimates and assumptions – Note.1.1(a), and • financial disclosures as disclosed in Intangible assets • Note.04 of the Consolidated Financial Statements for the year ended March 31, 2026.	• Inquired with the Company about potential impact of USFDA warning letter situation and its assessment of the likelihood of delay in product approvals, thereby impacting valuation; • Evaluating the sensitivity analysis carried out by the Company in respect of certain key estimates to assess the level of sensitivity to key assumptions.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Board's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

When we read the other sections of the Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group, and its associates and joint ventures covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of 01 subsidiaries whose financial statement reflect total assets of Rs. 4,148 Lakhs as at March 31, 2026, total revenue of Rs. 2,580 Lakhs, total net (loss) after tax of Rs. (38) Lakhs, total comprehensive loss of Rs. (34) and net cash flows of Rs. 82 Lakhs for the year ended on that date as considered for the consolidated financial statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate and joint ventures covered under the Act, is based solely on the reports of the other auditors.

We did not audit the financial statements of nine subsidiaries whose financial statement reflect total assets of Rs. 9608 Lakhs as at March 31, 2026 and total revenue of Rs. 2668 Lakhs, total net (loss) after tax of Rs. (983) Lakhs, and net cash flows of Rs. 29 Lakhs for the year ended on that date as considered for the consolidated financial statements.

The Consolidated Financial Results also include the Group's share of profit after tax of Rs. 1821 Lakhs for the year ended March 31, 2026, respectively, in respect of one (01) foreign associate. The financial statements of the said associate for the year ended March 31, 2026 have not been finalized and, accordingly, have not been made available to us by the Management. Consequently, the Group's share of profit and the carrying value of investment in the said associate included in the Consolidated Financial Results are based on the financial information available for the period ended December 31, 2025.

These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of subsection (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate to the extent covered under the Act, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements information are not material to the Group.

In case of one (01) Foreign Step-down Joint Venture, financial statements for the year ended March 31, 2026 are based on the financial information prepared by the management and our opinion on the consolidated financial results, in so far as it relates to the above amounts and disclosures included in respect of this entity, is based solely on the review of financial information made available to us. According to the information and explanations given to us by the Management, this financial information is not material to the Group. Our conclusion on the statement is not modified in respect of the above matter.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done by and reports of other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

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

   (b) |In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and reports of other auditors except for the matters stated in paragraph 2(h) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian

Accounting Standards (Ind AS) specified under Section 133 of the Act.

(e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiaries, associate and joint ventures incorporated in India, none of the directors of the Group Companies, associate and joint ventures companies incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Companies Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiaries, associate, and joint ventures incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure A."

(g) With respect to the Managerial remuneration to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiaries covered under the Act to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the report of the other auditors on the separate financial statements and other financial information of the subsidiaries, associates and joint ventures:

i. The Consolidated financial statements disclose the impact of pending litigations if any, on the consolidated financial position of the group and its associates and joint ventures.

ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 143(3)(1)(vii) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

iii. The Holding Company and its subsidiaries have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iv. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company incorporated in India.

v. (a) The respective Managements of the Holding Company, its subsidiaries, associate and joint Ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associate and joint ventures to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company, its subsidiaries, associate and joint Ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries, associate and joint ventures from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company, its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

vi. During the year, neither the Holding Company nor any of its subsidiary companies have declared any interim dividend for the current financial year. However, the holding company has paid dividend relating to the previous financial year.

Further, the Board of Directors of the Holding Company have proposed final dividend for financial year 2025-2026, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act as applicable.

vii. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, The Holding company, its subsidiaries, associates and joint ventures have used an 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 respective software.

Further, during the course of our audit, we and respective auditors of the subsidiaries, did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail, where enabled, has been preserved by the company, its subsidiaries, associates and joint ventures as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and by the auditors of other Companies included in the consolidated financial statements of the Holding Company, no unfavourable answers or qualifications or adverse remarks have been reported in their CARO reports.

for **B N P S And Associates LLP.**
Chartered Accountants
Firm's Registration No.008127S/S200013

CA. Yogesh R Bung
Partner
Membership No. 143932
UDIN: 26143932ITBWRY5519

Place: Raichur
Date: 22.05.2026

Annexure – A to the Consolidated Auditor's Report

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

In conjunction with our audit of the consolidated financial statements of the Shilpa Medicare Limited (" the Holding Company) and its subsidiaries (the Holding Company and its subsidiaries together referred to as the Group), its associates and joint Ventures as at for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, associate and joint ventures which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of Group, its associates and joint ventures which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated 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, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material aspects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiaries, associates and joint ventures which are incorporated in India, in terms of their reports referred in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Group, it associates and joint ventures which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026 based on the internal control over financial reporting criteria established by the Holding 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 ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 02 subsidiary companies, which are incorporated in India, is based on the corresponding reports of the auditors of such companies.

for **B N P S And Associates LLP.**
Chartered Accountants
Firm's Registration No.008127S/S200013

CA. Yogesh R Bung
Partner
Membership No. 143932
UDIN: 26143932ITBWRY5519

Place: Raichur
Date: 22.05.2026

Consolidated Balance Sheet

as at 31.03.2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Notes	As at 31.03.2026	As at 31.03.2025
A ASSETS			
Non- Current Assets			
(a) Propety, plant & equipment.	2	132,434	118,604
(b) Capital work-in-progress	3	43,120	46,252
(c) Goodwill		4,686	4,623
(d) Right-of-use asset	2A	2,656	2,640
(e) Intangible assets	4	19,536	15,917
(f) Intangible assets under development	5	45,285	35,925
(g) Financial assets	6		
(i) Investments		5,794	3,454
(ii) Other financial assets		730	621
(h) Deferred tax asset (net)	7	1,689	1,297
(I) Other Non- Current Assets	8	3,654	3,284
Total Non- Current Assets		**259,584**	**232,617**
Current Assets			
(a) Inventories	9	36,679	34,793
(b) Financial assets	10		
(i) Investment		-	-
(ii) Trade receivables		51,885	44,079
(iii) Cash and cash equivalents		4,126	2,555
(iv) Other bank balance		392	302
(v) Others financial assets		4,651	3,002
(c) Other current assets	11	12,445	13,247
(d) Current tax assets (net)	12	799	473
Total Current Assets		**110,977**	**98,451**
Total Assets		**370,561**	**331,068**
B EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	1,956	978
(b) Other equity	14	257,164	235,292
Equity attributable to owners of the Company		**259,120**	**236,270**
(c) Non-controlling interest		-	104
Total Equity		**259,120**	**236,374**
Liabilities			
Non- Current Liabilities			
(a) Financial liabilities	15		
(i) Borrowings		18,381	23,196
(ii) Lease Liability		132	125
(b) Provisions	16	3,320	2,554
(c) Other non-current liability	17	4,802	1,400
Total Non- Current Liabilities		**26,635**	**27,275**
Current Liabilities			
(a) Financial Liabilities	18		
(i) Borrowings		47,416	35,441
(ii) Lease Liability		57	14
(iii) Trade payables			
- Total outstanding dues of micro and small enterprises		1,239	823
-Total outstanding dues of creditors other than micro and small enterprises		13,008	9,668
(iv) Other financial liabilities		14,416	12,219
(b) Other current liabilities	19	4,559	4,326
(c) Provisions	20	4,111	4,928
Total Current Liabilities		**84,806**	**67,419**
Total Equity & Liabilities		**370,561**	**331,068**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/ S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Note	For the year ended 31.03.2026	For the year ended 31.03.2025
INCOME			
(a) Revenue from operations	21 & 22	153,887	128,643
(b) Other income	23	984	2,333
Total Income		**154,871**	**130,976**
EXPENSES			
(a) Cost of materials consumed	24	47,100	35,083
(b) Purchases of stock-in trade	25	2,563	2,195
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	26	(3,622)	3,761
(d) Employee benefits expense	27	33,488	29,271
(e) Finance costs	28	5,879	7,553
(f) Depreciation and amortisation expenses	2,2A & 4	11,972	11,299
(g) Other Expenses	29	30,887	26,396
Total Expenses		**128,268**	**115,558**
Profit before share of profit/(loss) of an associates/a joint venture, exceptional items and tax		**26,603**	**15,418**
Share of profit / (loss) of an associate/ joint venture, net of tax		1,712	(127)
Profit/(loss) before exceptional items and tax		**28,315**	**15,291**
Exceptional Items- (Income) / Expense	30	(1,216)	3,058
Profit before tax		**29,531**	**12,233**
Tax Expenses			
(a) Current tax		5,840	7,335
(b) Current tax adjustment for earlier years		(1,171)	-
(c) Deferred tax (net of MAT Credit)		879	(2,931)
(d) Deferred tax adjustment for earlier years (Net of MAT credit)		(349)	-
Total Tax Expenses		**5,199**	**4,404**
Profit for the year		**24,333**	**7,829**
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit (liability)/asset		511	(346)
Income Tax relating to the above		(124)	116
(b) Items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income/(loss) for the year (net of tax)		**387**	**(230)**
Total Comprehensive Income/(Loss) for the year		**24,719**	**7,599**
Profit for the year attributable to:			
a) Owners of the Company		24,333	7,829
b) Non Controlling Interest*		-	0
Other Comprehensive Income for the year attributable to:			
a) Owners of the Company		387	(230)
b) Non Controlling Interest		-	-
Total Comprehensive Income for the year attributable to:			
a) Owners of the Company		24,719	7,599
b) Non Controlling Interest*		-	0
Earning per equity share, par value of Re. 1/- each			
Basic (Rs)		12.44	4.02
Diluted (Rs)		12.44	4.02

**Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/
S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Innovating for affordable healthcare

Consolidated Statement of Changes in Equity

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

A. Equity Share Capital

Particulars	Total
Balance as at 01 April, 2024	**868**
Changes in equity share capital during the year	110
Balance as at 31 March, 2025	**978**
Changes in equity share capital during the year	978
Balance as at 31 March, 2026	**1,956**

B. Other Equity

Particulars	Securities Premium	General Reserves	Retained Earnings	Other Comprehensive Income (OCI)		Debenture redemption reserve	Foreign Currency Monetory Translation Difference Account	Gain on forfeiture of equity shares	Total
				Cash flow hedge reserve	Remeasurement of defined benefit plan				
Balance as at 01 April, 2024	**72,495**	**5,183**	**103,385**	**(3)**	**(301)**	**-**	**(761)**	**9**	**180,007**
Addition/Deletion during the year	-	-	(2,458)	-	-	1,500	(157)	-	(1,115)
Profit for the year	-	-	7,829	-	(230)	-	-	-	7,599
Premium on issue of equity shares	49,890	-	-	-	-	-	-	-	49,890
share issue expenses	(1,089)	-	-	-	-	-	-	-	(1,089)
Balance as at 31 March, 2025	**121,296**	**5,183**	**108,757**	**(3)**	**(531)**	**1,500**	**(919)**	**9**	**235,292**
Addition/Deletion during the year	-	-	1,416	-	-	(1,500)	(807)	-	(1,868)
Profit for the year	-	-	24,333	-	387	-	-	-	24,719
Dividend	-	-	(978)	-	-	-	-	-	(978)
Bonus Issue during the year (Refer Note 49)	(978)	-	-	-	-	-	-	-	(978)
Balance as at 31 March, 2026	**120,318**	**5,183**	**133,528**	**(3)**	**(145)**	**-**	**(1,725)**	**9**	**257,164**

The accompanying notes form an integral part of the consolidated financial statements

Consolidated Statement of Changes in Equity

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Note:

1. **Securities premium:** This reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

2. **General Reserve:** This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised in accordance with the provisions of the Companies Act, 2013.

3. **Retained Earnings:** This Reserve represents the cumulative profits of the Company. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

4. **Cash flow hedge reserve:** This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

5. **Remeasurements of the net defined benefits plan:** This reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

6. **Debenture redemption reserve:** This reserve is created to ensure a Company has sufficient funds available to repay debenture holders when their debentures mature, thereby protecting investors from the risk of default.This Debenture Redemption Reserve (DRR) can only be utilized for the redemption of debentures for which it was created

7. **Gain on Forfeiture of shares:** This represents the amount originally received from shareholders on shares that were subsequently forfeited due to non-payment of call money and later reissued by the Company. In accordance with the provisions of the Companies Act, 2013, the surplus arising on reissue of such forfeited shares has been transferred to Capital Reserve and is not available for distribution as dividend.

As per our report of even date attached
for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/
S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Innovating for affordable healthcare

Consolidated Statement of Cash Flows

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Cash Flows from Operating Activities		
Profits Before Tax (PBT)	29,531	12,233
Adjustment for:		
Finance cost	4,768	7,553
Depreciation & Amorisation expenses	11,972	11,299
Provision for Gratuity & Compensated absence	2,013	497
Bad debts / Advances written off	759	447
Provision for doubtful debts	229	138
Liabilities written back	(85)	(833)
Government Grant	(145)	(150)
Government Grant Received (Net of refund)	51	-
(Profit)/ Loss on sale of Assets	(466)	(27)
Unrealized foreign exchange (Gain) / Loss	(2,847)	(431)
Share of (profit) / Loss of associates and Joint Ventures	(1,712)	127
Interest Income	(67)	(796)
Impairment of property, plant & equipment	563	250
MTM gain	1,112	(12)
Reversal of provision for Impairment on Investment	-	(102)
Gain on lease Liability Write back	(4)	-
Inventories written off	1,813	1,932
Profit on sale of investments	(3,709)	(387)
Operating profit before working capital changes	**43,776**	**31,738**
Movement in working capital		
(Decrease) / Increase in financial & non-financial liabilities	2,886	5,463
Decrease / (Increase) in Financial & non-financial Assets	481	(4,495)
Decrease / (Increase) in Inventory	(3,699)	(2,232)
Decrease / (Increase) in Trade receivables	(6,652)	(5,545)
(Decrease) / Increase in Trade payables	3,467	(7,000)
Net Cash flow generated from Operations	**40,258**	**17,929**
Taxes paid	(6,041)	(4,702)
Net Cash flow generated from Operating activities (A)	**34,218**	**13,227**
Cash Flows From Investing Activities		
Purchase of Property,plant and equipment including intangible assets (Refer Note No.ii)	(37,063)	(24,368)
Proceeds from sale of assets	1,325	2,751
Investments in Group Companies and Others	(1,893)	94
Sale of Investments in Joint venture / Associate	4,974	805
Interest received	65	805
Net cash used in Investing Activities (B)	**(32,592)**	**(19,913)**
Cash Flows From Financing Activities		
Interest paid	(4,760)	(7,673)
Payment of Lease liabilities (Net)	(61)	(55)
Long-term loans and borrowings (net)	(3,315)	(29,530)
Short-term loans and borrowings (net)	10,476	(5,387)
Dividend Payout	(978)	-
Proceeds from Issuance of share capital (Net of issue expenses)	-	48,910
Net Cash earned from Financing Activities (C)	**1,362**	**6,265**
Net Increase/(decrease)in Cash and Cash Equivalents	**2,988**	**(421)**
Change in foreign currency translation arising on consolidation	(1,327)	102
Cash & Cash Equivalents at the Beginning of the year	2,857	3,176
Cash & Cash Equivalents at the end of the period	**4,518**	**2,857**

Consolidated Statement of Cash Flows

for the year ended 31.03.2026

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Components of Cash and Cash Equivalents	For the year ended 31.03.2026	For the year ended 31.03.2025
- Cash in Hand	38	25
- Balances with banks - on current accounts	3,588	2,505
- on unpaid dividend accounts#	15	17
- Deposits with original maturity of less than 03 months	500	25
- Fixed deposits having maturity less than 12 months and held as margin money	377	285
Total Cash and Cash Equivalents	**4,518**	**2,857**

 # The Company can utilise these balances only towards settlement of the respective unpaid dividend liabilities

Reconciiation between opening and closing balance sheet for liabilities arising from financing activities

Particulars	Opening balance April 1, 2025	Cash flows	Non-cash movement	Closing balance March 31, 2026
Non- current borrowings (including current maturities)*	27,956	(3,315)	0	24,641
Current borrowings*	30,681	10,476	0	41,156
Interest accrued but not due	73	(4,760)	4,752	64
Lease liabilities (including current)	138	(61)	111	189
Share capital (including security premium)	122,274	-	-	122,274
Total liabilities from financing activities	**181,121**	**2,340**	**4,863**	**188,324**

Particulars	Opening balance April 1, 2024	Cash flows	Non-cash movement	Closing balance March 31, 2025
Non- current borrowings (including current maturities)*	57,486	(29,530)	0	27,956
Current borrowings*	36,068	(5,387)	0	30,681
Interest accrued but not due	205	(7,673)	7,540	73
Lease liabilities (including current)	180	(55)	14	138
Share capital (including security premium)*	73,363	48,910	0	122,274
Total liabilities from financing activities	**167,302**	**6,265**	**7,554**	**181,121**

**Amounts are not presented since the amounts are rounded off to Rupee Lakhs.*

Notes:

i. Previous year figures have been reclassed wherever necessary.

ii. Purchase and sale of property, plant and equipment and intangibles represents additions and deletions to property, plant and equipment, intangibles, intangibles under development further adjusted for movement of capital work in progress, capital advances, capital creditors during the year.

iii. Cash flow statement has been prepared under indirect method as per Ind AS-7 "Statement of Cash Flows" as prescribed under Companies (Accounting Standard) Rules, 2015.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/ S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Raichur
Date : 22.05.2026

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

I. Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules 2016 to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the Company.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date March 31, 2026.The accounting policies are applied consistently to all the periods presented in the financial statements. The consolidated financial statements of the Company for the year ended March 31, 2026 were approved by the Board of Directors on May 22, 2026.

II. Functional and presentation currency

These consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the parent Company. All amounts have been rounded-off to the nearest in Lakhs, unless otherwise indicated. In respect of subsidiaries and associates whose operations are self-contained and integrated, the functional currency has been determined to be the currency of the primary economic environment in which the entity operates.

III. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost convention and on accrual basis, except for the following assets and liabilities which have been measured at fair value wherever applicable

- Derivative financial instruments
- Certain financial assets/liability measured at fair value,
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

IV. Current Vs Non-current classification

The assets and liabilities in the balance sheet are presented based on current/non-current classification.

An asset is current when it satisfies the below mentioned criteria:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle, or

(ii) Held primarily for the purpose of trading, or

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it satisfies the below mentioned criteria:

(i) Expected to be settled in normal operating cycle, or

(ii) Held primarily for the purpose of trading, or

(iii) Due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current

V. Principles of consolidation

The consolidated financial statements relate to Shilpa Medicare Limited ('the Company'), and its subsidiaries, associates and joint ventures ("the Group").

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Subsidiaries

The Consolidated financial statements have been prepared on the following basis:

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group Companies are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, Income Taxes. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

(b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Associates and joint arrangements

(equity accounted investees)

The Group's interests in equity accounted investees comprise interests in associates and a joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investment in Associates and Joint Ventures has been accounted under the equity method as per Ind AS 28 –

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

The Company accounts for its share of post-acquisition changes in net assets of associates and joint ventures, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates Statement of Profit and Loss and through its reserves for the balance based on available information.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

I) The subsidiaries considered in the Consolidated Financial Statements are as under:

Sl. No.	Name of the Subsidiary	Country	Extent of Holding
1	Makindus. Inc ('Makindus')	Delaware (USA)	55.78%
2	Koanaa Healthcare Limited	United Kingdom	100.00%
3	Koanaa Healthcare GmbH	Austria	100.00%
4	Shilpa Pharma Inc.	USA	100.00%
5	Shilpa Biologicals Private Limited	India	100.00%
6	Shilpa Biocare Private Limited	India	100.00%
7	Shilpa Pharma Lifesciences Limited	India	100.00%
8	FTF Pharma Private Limited	India	100.00%
9	Koanaa International FZ LLC	Dubai	100.00%
10	Indo Biotech SDN. BHD	Malaysia	100.00%
11	Koanaa Healthcare Spain S.L	Spain	100.00%
12	Sampra Corporate Holdings Private Limited(Formerly known as Vegil Labs Private Limited)	India	100.00%
13	Pilnova Pharma Inc	USA	100.00%
14	Shilpa Lifesciences Pvt Ltd, (Step-down subsidiary)	India	100.00%

II) The Associates considered in the Consolidated Financial Statements are as under:

Sl. No.	Name of the Associate	Country	Extent of Holding
1	Maia Pharmaceuticals INC.	USA	34.79%
2	Sravathi Advance Process Tech Private Limited (w.e.f. 18.03.2026)	India	34.00%
3	Sravathi AI Technologies Private Limited (Step down Associate)	India	26.50%

III) The Joint Venture considered in the Consolidated Financial Statements are as under:

Sl. No.	Name of the Joint Venture	Country	Extent of Holding
1	Reva Medicare Private Limited	India	50.001%
2	Oncosol Limited (Step-down Joint venture)	UK	50.000%

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

1.1 Significant Accounting Policies

a) Critical accounting estimates and judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligation (Note 1.1 (h))
- Estimation of useful life of property, plant and equipment and intangibles (Note 1.1(a))
- Recognition of deferred taxes (Note 1.1 (r))
- Estimation of impairment (Note 1.1 (d))
- Estimation of provision and contingent liabilities (Note 1.1 (s))
- Business Combination (Note-1.1(e))

a) Property, Plant and Equipment & Depreciation:

i. Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation on Fixed Assets is provided on ascertain useful life of assets under Straight Line Method (SLM) prescribed in Schedule II of the Companies Act 2013, with exception of those assets whose useful life is ascertain by the management.

v. The Company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year.

b) Intangible Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible Assets are stated at cost less accumulated amortization. Cost includes only such expenditure that is directly attributable to making the asset ready for its intended use.

Intangible assets are amortized over their useful life.

Intangible Assets include capitalized expenditure on filing and registration of any Drug Master File (DMF) or Abbreviated New Drug Application (ANDA) and compliance with regulatory procedures of the USFDA, in filing such DMF or ANDA, which are in respect of products for which commercial value has been established by virtue of third party agreements/ arrangements. The cost of each DMF/ANDA is amortized over its estimated useful life from the date on which the amount has been capitalized.

c) Research and Development:

All expenditure on research activities are recognized in the Profit and Loss Statement when incurred. Expenditure on development activities are also recognized in the Profit and Loss Statement in the year such expenditure is incurred. However, development expenditure is capitalized only in cases where such costs can be measured reliably, the technological feasibility has been established in respect of the product or process for which costs are incurred, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed product are capitalized. The Company's criteria for capitalization of such assets are consistent with the guidance given in paragraph 25 of Ind AS 38 (receipt of economic benefit out of the separately purchased transaction is considered to be probable).

Acquired research and development intangible assets that are under development are recognized as Intangible Assets under Development. These assets are not amortized, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Where a determination of impairment in respect of any such asset is made, the impairment of such asset is recognized in the Profit and Loss Statement in the year in which such determination is made. Where a determination is made to the effect that future economic benefits are probable, the total cost is capitalized in the year in which such determination is made.

Amortization of capitalized development expenditure is recognized on a straight-line basis, over the useful life of the asset

d) **Impairment of Assets:**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired.

e) **Business Combination and Goodwill**

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises on account of such business combination is tested annually for impairment.

f) **Non-Current assets held for sale:**

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as "Assets Held for Sale".

g) **Inventory:**

Inventories are valued at the lower of cost and net realisable value. The cost is determined on FIFO basis. Cost of finished goods and work in- progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business,

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

less the estimated costs of completion and selling expenses.

h) Employee Benefits:

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution plans

Contribution towards Provident Fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. A portion of the employee benefit obligations is funded through LIC-managed schemes, while the remaining obligations are unfunded and are met by the Company as and when they fall due.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

i) Cash and Cash Equivalent.

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk. Cash flow statement is prepared under the indirect method as per Ind AS 7, For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits net of book overdraft.

j) Dividend to Shareholders:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors, Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

k) Leases

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

a) The contract involves use of an identified asset;

b) The Company has substantially all the economic benefits from the use of the asset through the period of lease; and

c) The Company has the right to direct the use of an asset.

At the date of commencement of lease, the Company recognises a Right-of-use asset ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

l) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Sale of products:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, Amount disclosed as revenue are inclusive of excise duty, excluding goods and service tax (GST), sales tax or value added taxes or service taxes or duties collected on behalf of the government, and net off returns, trade discounts, rebates and any amount collected on behalf of third parties.

(ii) Development Revenue:

Development revenue are recognized over the time period of the development activity and are recognized on the completion of each mile- stones as per term of the agreement.

(iii) Recognition of Export benefits

Export benefit entitlements in respect of incentive schemes including Merchandise Export Incentive Scheme (MEIS) and Focus Product Scheme (FPS) of the government of India are recognized in the period in which they are approved.

(iv) Milestone payments and out licensing arrangements

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of these obligations, the Company recognise or defer the upfront payments received under these arrangements. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones.

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting a license to product- or technology- related intellectual property (IP). Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the Milestones are considered substantive, or over the period we have continuing performance obligations, if the milestones are not considered substantive.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the company transfers the promised goods or services to the customer."

m) other Income

i. Interest Income is recognized using the Effective interest rate (EIR) method.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

ii. Dividend income is recognized when right to receive is established.

iii. The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with and the grants is received. Government grants received in relation to assets are recognised as deferred income and amortized over the useful life of such asset. Grants related to income are recognised in the profit & loss account under other income.

n) Foreign Currency Transactions/Translations: Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Translations

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange Differences

The exchange difference arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized in the Statement of Profit and Loss in the period in which they arise as income or as expense.

o) Government Grant

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as 'Deferred Government Grant' and are credited to profit & loss account under other income on a straight line basis over the expected lives of the related assets.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

p) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments are reduced from the borrowing cost.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

q) Financial Instrument:

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

I) Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by

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regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI).

(a) Financial Asset measured at amortized cost

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

- Trade receivables
- Loans
- Other Financial Assets

(b) Financial Assets Measured at fair value through other comprehensive income (FVTOCL)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Financial Assets at fair value through profit or loss (FVTPL)

Financial Assets are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The classification is based on initial recognition and is irrevocable

De-recognition of Financial Assets:

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the statement of Profit & Loss.

Impairment of Financial Assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- Financial Assets that are debt instruments and are measured at FVTOCI.
- Lease receivables under Ind AS 17.
- Trade receivables or any contractual right to receive cash or another financial asset
- Loan commitments which are not measured at FVTPL
- Financial guarantee contracts which are not measured at FVTPL

II) Financial Liability

Initial recognition and measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other financial liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

III) Derivative financial instrument and hedge accounting:

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivative financial instruments are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of profit and loss as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

A. Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that

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the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of profit and loss.

B. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities.

Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

r) Taxes on Income:

Tax expense comprises of current and deferred tax.

i. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Tax Act

ii. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

iii. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent it is reasonably certain that the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

s) Provisions, Contingent Liabilities and Contingent Assets.

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost. Contingent Liabilities are not recognized but are disclosed in the notes.

t) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

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for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

u) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

v) Operating cycle

The Group classifies an asset as current asset when: it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to settle the liability or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents The Group's normal operating cycle is twelve months.

w) Exceptional Items:

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

1.1 Recent Indian Accounting Standards (Ind AS): Standards Issued.

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time. In May 2025, the MCA notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and, based on its evaluation, determined that it does not have any significant impact on its financial statements. In August 2025, the MCA notified the following amendments: Ind AS 1 – Presentation of Financial Statements: The Group has adopted the amendments to Ind AS 1, Presentation of Financial Statements, effective April 1, 2025. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period. The Group has evaluated its loan arrangements and associated covenants. Since the Company's right to defer settlement of its noncurrent liabilities is not subject to any compliance breaches of substantive covenants existing at the reporting date, these amendments do not have any impact on the classification of liabilities in the Company's financial statements for the year ended March31, 2026. Ind AS 7 and Ind AS 107: Supplier Finance Arrangements (SFA): The Group has evaluated the recent amendments to Ind AS 7 and Ind AS 107 regarding Supplier Finance Arrangements, effective from April 1, 2025. These amendments require enhanced disclosures regarding the nature, carrying amounts, and liquidity risks associated with arrangements where a finance provider pays the Company's suppliers on its behalf. As the group does not currently utilize any supplier finance or reverse factoring arrangements for its working capital requirements, these amendments do not have any impact on the Group's financial position, cash flows, or liquidity risk disclosures for the year ended March 31, 2026." Ind AS 118 Presentation and Disclosure in Financial Statements: Ind AS 118 will replace Ind AS 1 ""Presentation of Financial Statements"" and is effective for annual reporting periods beginning on or after 1 April 2027. Ind AS 118 introduces revised presentation requirements in the statement of profit and loss and enhanced disclosure requirements. The standard is expected to impact presentation and disclosures but not the recognition and measurement. The Group is currently evaluating the impact of this standard on the accompanying standalone financial statements. Ind AS 1 – Presentation of Financial Statements: MCA vide notification dated 13 August 2025, has introduced amendment under Paragraph 74 of Ind AS 1 which requires the entity to classify the liability as current under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 01 April 2026 retrospectively in accordance with Ind AS 8.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2 Property, Plant and Equipment

Particulars	Gross Block					Depreciation / Adjustment					Net Block
	As at 01.04.2025	Additions	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2026	As at 01.04.2025	For the Year	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2026	As at 31.03.2026
i) Borewell	38	-	-	-	38	28	2	-	-	31	7
ii) Building	33,450	3,458	-	-	36,908	6,983	1,053	-	-	8,036	28,872
iii) Canteen Equipment	79	-	-	-	79	61	10	-	-	72	7
iv) Computer*	1,913	151	19	0	2,046	1,601	123	18	0	1,707	339
v) Electrical Installation	10,890	2,681	12	-	13,560	5,715	846	8	-	6,553	7,007
vi) ETP Building	584	-	-	-	584	278	19	-	-	297	288
vii) ETP Machinery	910	1	-	-	911	351	41	-	-	392	519
viii) EHS Equipment	247	48	-	-	295	103	23	-	-	127	168
ix) Furniture	3,552	411	13	1	3,950	1,934	278	7	1	2,206	1,745
x) Land & Green Field*	3,308	0	338	-	2,970	-	-	-	-	-	2,970
xi) Lab Equipments	21,987	4,031	725	-	25,293	9,991	1,768	320	-	11,439	13,854
xii) Network Server Equipment	386	1,067	9	-	1,444	263	44	9	-	298	1,146
xiii) Office Equipment*	479	19	0	8	506	369	46	0	2	417	89
xiv) P/M (Power Generation Unit)	3,843	-	-	-	3,843	2,628	104	-	-	2,732	1,111
xv) Pipeline	9,991	1,295	-	-	11,286	2,894	484	-	-	3,378	7,908
xvi) Plant & Machinery	84,638	10,243	92	-	94,789	24,687	4,063	35	-	28,715	66,074
xvii) Pollution Control Equipment	46	-	-	-	46	34	1	-	-	35	11
xviii) Vehicle	355	216	94	-	477	177	32	47	-	162	315
xix) Vehicles Electrical Operated	41	-	-	-	41	37	1	-	-	38	3
xx) Weigh bridge	8	-	-	-	8	8	0	-	-	8	0
Total	**176,745**	**23,621**	**1,303**	**10**	**199,073**	**58,142**	**8,938**	**444**	**4**	**66,640**	**132,434**

Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.

Innovating for affordable healthcare

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Gross Block					Depreciation / Adjustment					Net Block
	As at 01.04.2024	Additions	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2025	As at 01.04.2024	For the Year	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2025	As at 31.03.2025
i) Borewell	33	5	-	-	38	27	2	-	-	28	9
ii) Building	32,292	1,177	19	-	33,450	5,957	1,026	-	-	6,983	26,467
iii) Canteen Equipment	79	-	-	-	79	50	12	-	-	61	18
iv) Computer*	1,750	169	6	0	1,913	1,505	103	6	(0)	1,601	312
v) Electrical Installation	10,291	761	162	-	10,890	4,981	792	58	-	5,715	5,175
vi) ETP Building	584	-	-	-	584	259	19	-	-	278	306
vii) ETP Machinery*	910	0	-	-	910	310	41	-	-	351	559
viii) EHS Equipment	222	25	-	-	247	83	20	-	-	103	144
ix) Furniture*	3,261	293	3	(0)	3,552	1,654	281	2	0	1,934	1,618
x) Land & Green Field	3,291	17	-	-	3,308	-	-	-	-	-	3,308
xi) Lab Equipment	21,549	2,174	1,736	-	21,987	8,815	1,742	566	-	9,991	11,996
xii) Network Server Equipment	379	7	-	-	386	217	46	-	-	263	123
xiii) Office Equipment*	433	46	1	(1)	479	318	52	1	0	369	110
xiv) P/M (Power Generation Unit)	3,843	-	-	-	3,843	2,524	104	-	-	2,628	1,215
xv) Pipeline	9,391	601	-	-	9,991	2,455	440	-	-	2,894	7,098
xvi) Plant & Machinery	78,247	6,700	309	-	84,638	21,037	3,788	138	-	24,687	59,951
xviii) Pollution Control Equipment	46	-	-	-	46	33	1	-	-	34	12
xviii) Vehicle	355	-	-	-	355	147	31	-	-	177	178
xix) Vehicles Electrical Operated	41	-	-	-	41	36	1	-	-	37	4
xx) Weigh bridge	8	-	-	-	8	7	0	-	-	8	1
Total	**167,006**	**11,975**	**2,237**	**(1)**	**176,745**	**50,414**	**8,498**	**771**	**0**	**58,142**	**118,604**

**Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2A Right to use of asset

Particulars	Gross Block				Accumulated Depreciation/Amortisation				Net block
	As at 01.04.2025	Additions	Disposals	As at 31.03.2026	As at 01.04.2025	For the period	Deductions/ Other adjustments	As at 31.03.2026	As at 31.03.2026
Leasehold Land*	2,879	5	-	2,884	245	38	0	284	2,601
Leasehold Building	121	94	-	215	115	46	-	160	55
Total	**3,000**	**99**	**-**	**3,099**	**360**	**84**	**0**	**444**	**2,656**

Particulars	Gross Block				Accumulated Depreciation/Amortisation				Net block
	As at 01.04.2024	Additions	Disposals	As at 31.03.2025	As at 01.04.2024	For the period	Deductions/ Other adjustments	As at 31.03.2025	As at 31.03.2025
Leasehold Land*	2,879	-	-	2,879	199	46	0	245	2,634
Leasehold Building	121	-	-	121	74	40	-	115	7
Total	**3,000**	**-**	**-**	**3,000**	**273**	**87**	**0**	**360**	**2,640**

**Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

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3 Capital Work- in- progress

Particulars	As at 01.04.2025	Additions	Deletions/ Transfer	As at 31.03.2026
i) Machinery under erection	3,601	5,397	6,960	2,037
ii) Projects under erection	42,651	16,882	18,450	41,083
Total	**46,252**	**22,278**	**25,410**	**43,120**

Particulars	As at 01.04.2024	Additions	Deletions/ Transfer	As at 31.03.2025
i) Machinery under erection	4,416	3,841	4,657	3,601
ii) Projects under erection	35,884	14,154	7,387	42,651
Total	**40,300**	**17,995**	**12,043**	**46,252**

4. Intangible Assets

Particulars	Gross Block					Depreciation / Adjustment					Net Block
	As at 01.04.2025	Additions	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2026	As at 01.04.2025	For the Year	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2026	As at 31.03.2026
i) Computer software	2,085	118	-	-	2,203	1,531	201	-	-	1,732	470
ii) DMF/ANDA/Patents Fees*	4,985	-	-	-	4,985	2,133	421	-	0	2,554	2,432
iii) Non compete Agreement	3,023	-	766	-	2,257	1,045	-	-	-	1,045	1,212
iv) Others/Technical knowhow	13,138	6,452	-	-	19,591	2,605	1,564	-	-	4,168	15,422
Total	**23,231**	**6,571**	**766**	**-**	**29,036**	**7,314**	**2,186**	**-**	**0**	**9,500**	**19,536**

Particulars	Gross Block					Depreciation / Adjustment					Net Block
	As at 01.04.2024	Additions	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2025	As at 01.04.2024	For the Year	Deduction/ Adjustment during the Year	FCTR	As at 31.03.2025	As at 31.03.2025
i) Computer software	2,003	82	-	-	2,085	1,337	194	-	-	1,531	553
ii) DMF/ANDA/Patents Fees	4,723	1,330	1,078	(11)	4,985	1,414	714	-	5	2,133	2,853
iii) Non compete Agreement	3,788	-	766	-	3,023	1,045	-	-	-	1,045	1,978
iv) Others/Technical knowhow	9,497	3,927	286	-	13,138	1,706	1,040	141	-	2,605	10,534
Total	**20,011**	**5,339**	**2,130**	**(11)**	**23,231**	**5,502**	**1,948**	**141**	**5**	**7,314**	**15,917**

**Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

5. Intangible Assets Under Development

Particulars	As at 01.04.2025	Additions	Deletions/ Transfer	As at 31.03.2026
i) Software under installation	28	29	57	-
ii) Product under development	35,795	15,842	6,355	45,282
iii) DMF,ANDA & Patent Fees	102	-	99	3
Total	**35,925**	**15,871**	**6,511**	**45,285**

Particulars	As at 01.04.2024	Additions	Deletions/ Transfer	As at 31.03.2025
i) Software under installation	43	38	54	28
ii) Product under development	29,632	9,068	2,905	35,795
iii) DMF,ANDA & Patent Fees	1,903	79	1,880	102
Total	**31,578**	**9,185**	**4,838**	**35,925**

6 Financial Assets

I) Non-Current Investment

Particulars	As at 31.03.2026	As at 31.03.2025
Trade Investments (Unquoted) (At Cost) fully paid up		
i) In associate companies		
a) Investments in equity instruments (unquoted)		
i) 63,728(55,000) Equity shares of Rs. 10/- each in Sravathi AI Technology Private Limited, Bangalore	-	32
ii) 42,890 (81,996) shares of Rs.10/- each of which 26,147 (26,147) shares with premium of Rs.15,250/- each in Sravathi Advance Process Technologies Private Limited, Bangalore	1,394	2,747
ii) In joint venture companies		
a) Investments in equity instruments (unquoted)		
i) 5001(5001) share of Rs 10/- each in Reva Medicare Private Limited,Raichur	152	141
b) Investments in preference instruments (unquoted) (At Cost)		
i) 14,00,000 (14,00,000) Preferred Stock at par value of 0.0001 USD of MAIA Pharmaceuticals INC .USA	1,821	-
iii) Investments in Government Securities (Unquoted)		
i) National Savings Certificate *	0	0

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31.03.2026	As at 31.03.2025
iv) Others		
i) 2000 (2000) shares of Rs.100/- each in Mana Effluent Treatment Plant Limited., Hyderabad	2	2
ii) 1,35,335 (1,35,335) of Rs.100/- each in Atria Wind Power (Chitradurga) Private Limited issued at a premium of Rs.151/-.	340	340
iii) 99,457 (99,457) of Rs.100/- each in Atria Wind Power (Basavana Bagewadi) Private Limited issued at a premium of Rs.93.28 each	192	192
iv) Investment in safe instrument(Alveolus Bio)	1,893	-
Aggregate value of Unquoted investment	**5,794**	**3,454**
Aggregate value of impairment in the value of investment in the unquoted equity shares	**5,794**	**3,454**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

II) Other Financials Assets (Refer Note 41)

Particulars	As at 31.03.2026	As at 31.03.2025
a) Security Deposits (Unsecured Considered Good)		
i) Electricity deposits	558	542
ii) Rental deposits	31	31
iii) Telephone deposits	1	1
iv) Miscellaneous deposits	43	33
Total (a)	**634**	**607**
b) Fixed deposits having maturity more than 12 months held as Security	96	14
Total (a+b)	**730**	**621**

7 Deferred Tax Asset (Net)

Particulars	As at 31.03.2026	As at 31.03.2025
i) Deferred Tax Liability	(19,052)	(17,767)
(Difference in tax base of property, plant, equipment & others)		
ii) Deferred Tax Asset	12,935	14,039
(On account of disallowable items under Income Tax Act & Business Losses)		
iii) MAT Credit Entitlement Benefit	7,806	5,025
TOTAL	**1,689**	**1,297**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

8 Other Non-Current Assets

Particulars	As at 31.03.2026	As at 31.03.2025
a) Capital Advances (Refer Note 41)		
i) Unsecured, considered good	3,801	3,332
Less: Loss allowance	(168)	(168)
TOTAL (a)	**3,633**	**3,163**
b) Others		
i) Prepaid Expenses	18	9
ii) Unamortised -NCD Expenses	-	109
iii) Interest accrued but not due	3	2
TOTAL (b)	**21**	**120**
TOTAL (a+b)	**3,654**	**3,284**

9 Inventories

Particulars	As at 31.03.2026	As at 31.03.2025
i) Raw materials	12,776	15,870
ii) Work-in-progress	5,781	6,129
iii) Finished goods	8,871	4,590
iv) Stock-in-trade	926	1,238
v) Stores and Spares	6,422	5,156
vi) Packing materials	1,902	1,810
TOTAL	**36,679**	**34,793**

10 Inventories

(i) Current investment

Particulars	As at 31.03.2026	As at 31.03.2025
Investment in mutual funds / Bond's		
Investment in IL & FS Bonds	1,336	1,336
Total	**1,336**	**1,336**
Less : Provision for diminution in the value of Investment	(1,336)	(1,336)
Aggregate value of unquoted investment	**-**	**-**

(ii) Trade Receivables (Refer Note 41 & 43)

Particulars	As at 31.03.2026	As at 31.03.2025
(a) Trade Receivables considered good - Unsecured	51,885	44,079
(b) Trade Receivables - credit impaired	411	261
	52,296	**44,340**
Allowance for expected credit loss	(411)	(261)
Net trade receivables	**51,885**	**44,079**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Expected Credit Losses (ECL)	As at 31.03.2026	As at 31.03.2025
Opening Balance	261	146
Considered during the period	229	138
Charged off	(80)	(23)
Closing Balance	**411**	**261**

Note: Trade receivable in above note no 10 (ii) (a) includes Rs.1210.78 Lakhs (Rs.799.47 Lakhs) in receivable from related parties (refer note no: 40 Related Party Transaction)

(iii) Cash And Cash Equivalents

Particulars	As at 31.03.2026	As at 31.03.2025
i) Cash on Hand	38	25
ii) Balance with Banks in Current Account	3,588	2,505
iii) Deposit with original maturity of less than 3 months	500	25
TOTAL	**4,126**	**2,555**

(iv) Other Bank Balances other than (iii) above

Particulars	As at 31.03.2026	As at 31.03.2025
Earmarked Balances		
i) Unclaimed dividend accounts	15	17
ii) Fixed deposits having maturity less than 12 months and held as margin money	377	285
Total	**392**	**302**

(v) Other Financial Assets

Particulars	As at 31.03.2026	As at 31.03.2025
i) Income accrued and due	4,517	2,916
ii) Staff advance	51	32
iii) Tender deposits	49	30
iv) Dues Receivables-Sale of Fixed Assets	8	-
v) Interest accrued on fixed deposit/advances	26	24
TOTAL	**4,651**	**3,002**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

11 Other Current Assets

Particulars	As at 31.03.2026	As at 31.03.2025
i) Prepaid expenses	1,817	1,558
ii) VAT receivable	50	45
iii) Advances to supplier/receivables	1,069	2,358
iv) Unbilled revenue	-	70
v) Export incentive receivables	87	164
vi) Refund receivables from customs	85	85
vii) CGST /SGST /IGST Receivable	8,708	7,761
viii)GST Refund receivables	759	1,300
ix) Derivative asset	-	12
	12,575	**13,354**
Less: Provision for doubtful advances	(130)	(107)
TOTAL	**12,445**	**13,247**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

12 Current Tax Assets (Net)

Particulars	As at 31.03.2026	As at 31.03.2025
Income Tax (Net)	799	473
TOTAL	**799**	**473**

13 Equity Share Capital

Particulars	As at 31 March, 2026	As at 31 March, 2025
Authorised share capital		
560,000,000 (PY 110,000,000) shares face value of Re. 1/- each	5,600	1,100
	5,600	**1,100**
Issued, subscribed & fully paid up		
19,55,81,816 (PY 9,77,90,908) shares of Re. 1/- each	1,956	978
	1,956	**978**

(a) Reconciliation of the number of shares

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	97,790,908	978	86,801,898	868
Add: Issued to QIB during the year	-	-	10,989,010	110
Add: Bonus issued during the year	97,790,908	978	-	-
Shares outstanding at the end of the year	**195,581,816**	**1,956**	**97,790,908**	**978**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(b) Rights, preference and restriction attached to each class of shares :

Equity Shares:

The Company has only one class of equity shares having par value of Re .1/- per share. Each holder of equity shares is entitle to one vote per share.

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

(c) Shareholders holding more than 5% shares in the Company

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	No. of Shares	% Holding	No of Shares	% Holding
(i) Vishnukant .C. Bhutada	12,731,220	6.51	6,365,610	6.51
(ii) Dharmavati Bhutada	12,415,592	6.35	6,207,796	6.35

(d) Promoters Share Holding

Sl no	Name of the Share Holder	Number of shares held at the beginning of the year 2025	Shareholding as a % of total no. of shares as on 31.03.2025	Number of shares held at the end of the year 2026	Percentage of shares held to total shares 31.03.2026	change in shareholding in the year 2025-26 (*Issue of Bonus Shares in proportion of 1:1)	change in percentage of shares held to total shares in the year 2025-26
1	VISHNUKANT CHATURBHUJ BHUTADA	6,365,610	6.51	12,731,220	6.51	6,365,610	-
2	DHARMAVATI BHUTADA	6,207,796	6.35	12,415,592	6.35	6,207,796	-
3	RAVI KUMAR INNANI	4,006,370	4.10	8,012,740	4.10	4,006,370	-
4	SURAJ KUMAR INNANI	3,980,695	4.07	-	-	(3,980,695)	(4.07)
5	OM PRAKASH INANI	2,867,691	2.93	5,735,382	2.93	2,867,691	-
6	DEEPAK KUMAR INNANI	2,733,960	2.80	5,467,920	2.80	2,733,960	-
7	KANTADEVI INANI	2,540,096	2.60	5,080,192	2.60	2,540,096	-
8	KESHAV BHUTADA	2,000,000	2.05	4,000,000	2.05	2,000,000	-
9	MADHAV VISHNUKANT BHUTADA	2,000,000	2.05	4,000,000	2.05	2,000,000	-
10	RAMAKANT INNANI	1,497,778	1.53	2,995,556	1.53	1,497,778	-
11	VISHNUKANTH C BHUTADA . -HUF	1,336,130	1.37	2,672,260	1.37	1,336,130	-
12	TARADEVI INNANI	1,249,998	1.28	2,499,996	1.28	1,249,998	-
13	VISHNUKANTA INANI	1,212,498	1.24	2,424,996	1.24	1,212,498	-
14	BRIJGOPAL INNANI	1,174,866	1.20	2,349,732	1.20	1,174,866	-
15	NATAMAL INNANI	1,131,232	1.16	2,262,464	1.16	1,131,232	-
16	SHAKUNTALABAI INNANI	1,129,186	1.15	2,258,372	1.15	1,129,186	-
17	SAGAR INNANI	1,000,000	1.02	2,000,000	1.02	1,000,000	-
18	TRIVENI INANI	294,810	0.30	589,620	0.30	294,810	-
19	PRIYA INNANI	180,696	0.08	-	-	(180,696)	(0.08)
20	KAMALKISHORE INNANI	165,236	0.17	330,472	0.17	165,236	-
21	MANJULATHA INNANI	157,546	0.16	315,092	0.16	157,546	-
22	KEERTI INNANI	155,021	0.16	310,042	0.16	155,021	-
23	NAMRATA BHUTADA	22,500	0.02	45,000	0.02	22,500	-
	Total	**43,409,715**	**44.30**	**78,496,648**	**40.00**	**35,086,933**	**(4.15)**

Note: Reclassified Mr. Suraj Kumar Innani and Ms. Priya Innani from the "Promoter Group" category to the "Public" category under Regulation 31A of the SEBI (LODR) Regulations, 2015 w.e.f 26 September 2025.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

14 Other Equity

Particulars	As at 31.03.2026	As at 31.03.2025
i) Securities Premium Account	120,318	121,296
ii) General Reserves	5,183	5,183
iii) Retained Earning	133,528	108,757
iv) Debenture redemption reserve	-	1,500
v) Gain on forfeiture of equity shares	9	9
vi) Others		
a) Cash flow hedge reserve	(3)	(3)
b) Remeasured of defined benefit plan	(145)	(531)
vii) Foreign Currency Monetary Translation Difference Account	(1,725)	(919)
TOTAL	**257,164**	**235,292**

15 Financial Liabilities

I. Long Term Borrowings

Particulars	As at 31.03.2026	As at 31.03.2025
Term Loans		
i. From Banks (secured)		
a) Axis Bank Limited-Term Loan	6,140	9,652
Nature of Security		
Shilpa Biocare Private Limited: The term loan of Rs. 14,042 Lakhs was sanctioned by the bank on 22.10.2024. The said loan is repayable in 16 quarterly installments. The term loans is secured by way of first charge on Current assets & Fixed assets of the company (both present & future) with Corporate Guarantee, provided by Shilpa Medicare Limited (Holding Co).		
Terms of Repayment & Interest Rate		
Interest is charged at the rate of 7.35% p.a calculated on the basis of repo rate + 2.1%		
b) Axis Bank Limited-Term Loan	4,796	6,044
Nature of Security		
Shilpa Pharma Lifesciences Limited: Term loan of Rs. 7,500 Lakhs taken from Axis Bank, Bangalore and is secured by first pari passu charge on the movable fixed assets at Unit1,Deosugur & Unit 2, Chicksugur, Raichur.		
Terms of Repayment & Interest Rate		
The term loan is repayable in 71 equal monthly installments of Rs. 104 Lakhs each, followed by a final instalment of Rs. 116 Lakhs, commencing from the date of first disbursement, with the last instalment falling due in December 2030. Interest is payable monthly in arrears.		
c) ICICI Bank Limited-Term Loan	5,000	
Nature of Security		
Shilpa Pharma Lifesciences Limited: Term Loan of Rs. 7,500 Lakhs sanctioned by ICICI Bank Limited and secured by security interest/arrangements as stipulated in the Security Template acceptable to the Bank. The borrower is required to maintain a security cover of 1.00x throughout the tenure of the facility.		

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars		As at 31.03.2026	As at 31.03.2025
	Terms of Repayment & Interest Rate		
	Term loan is repayable in 60 equal monthly installments from the date of first disbursement, in accordance with the agreed repayment schedule. Final repayment shall be made within five years from the date of first disbursement, i.e. by July 2030. Interest is chargeable at I-MCLR-1Y plus a spread of 0.10% (presently 8.95% per annum), subject to annual reset.		
d)	**CSB Bank Limited**	2,445	-
	Nature of Security		
	Shilpa Biocare Private Limited-The term loan of Rs. 50 Cr was sanctioned by the bank on 24.07.2025. The said loan is repayable in 16 quarterly installments. The term loan is secured by way of first charge on Current assets & Fixed assets of the company (both present & future) and Corporate Guarantee provided by its Holding company, Shilpa Medicare Limited.		
	Terms of Repayment & Interest Rate:		
	Interest is charged at the rate of 8.41 % p.a.		
ii.	**Bonds / Debentures**		
a)	**Redeemable Non-Convertible Debentures (Secured)**		
	a) 12.53% NCD-OCM Asia Credit I Pte Ltd (22500 Non Convertible Debenture of 1,00,000/- each payable @ par) -Series 2. During the current financial year the group has prepaid the amount of Rs. 7,500 Lakhs	-	7,500
	Nature of security		
	i. First charge on all movable & immovable Fixed Assets of Shilpa Pharma Lifesciences Limited (SPLL) wholly owned subsidiaries and hypothecation of all receivables /loans from inter-company made by SPLL to other group entities.		
	ii. Second charge on all current assets of SPLL .		
	iii. Pledge of 100% equity shares of SPLL.		
	iv. Corporate guarantee provided by the holding Company.		
	Terms of Repayment & Interest Rate:		
	During the FY-23-24 Company has issued 45,000 redeemable Non Convertible Debentures (NCD) in 2 series each having a face value of Rs 1,00,000 with agreed coupon rate of 13.05% p.a. for series-1 and 12.53% p.a. for series 2 respectively. They are redeemable over a period of 5 years starting from 27th month and ending at 60th month from the date of allotment or earlier based on agreed terms of the debenture trust deed. Catalyst Trusteeship Limited is appointed as Debenture Trustee for the said issue. The company has fully repaid NCD availed from OCM Asia Credit I Pte Limited during previous year.		
	TOTAL	**18,381**	**23,196**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

II. Lease Liability

Particulars	As at 31.03.2026	As at 31.03.2025
Land and Building	132	125
TOTAL	**132**	**125**

16 Provisions

Particulars	As at 31.03.2026	As at 31.03.2025
a) Provision for employee benefits		
i) Provision for gratuity	2,986	2,240
ii) Provision for leave encashment	334	314
TOTAL	**3,320**	**2,554**

17 Other Non-Current Financial Liabilities

Particulars	As at 31.03.2026	As at 31.03.2025
i) Capital subsidy/Deferred government grant	1,306	1,400
ii) Deferred Revenue	3,496	-
TOTAL	**4,802**	**1,400**

18 Financial Liabilities

(i) Borrowings

Particulars	As at 31.03.2026	As at 31.03.2025
a) Secured Loans from banks - repayable on demand		
i) Axis Bank Limited-WCDL(SML) [refer note 'a' & f(i) below]	5,500	4,500
ii) Axis Bank Limited-WCDL(SPLL)[refer note 'b' & f(ii) below]	8,985	8,475
iii) ICICI Bank Limited-WCDL(SML)[refer note 'e'& f(vi) below]	3,000	-
iv) ICICI Bank Limited-WCDL(SPLL)[refer note 'e' & f(vii) below]	13,500	6,000
v) Axis Bank Limited-Cash Credit(SML) [refer note 'a' & f(iii) below]	1,116	1,943
vi) Axis Bank Limited-Cash Credit [SPLL] [refer note 'b' & f(iv) below]	4,629	5,317
vii) Axis Bank Limited-Cash Credit(SBPL) [refer note 'c'& f(v) below]	1,247	-
viii)ICICI Bank Limited-Cash Credit(SPLL) [refer note 'e' & f(ix) below]	1,223	2,645
ix) ICICI Bank Limited-Cash Credit(SML) [refer note 'd' & f(viii) below]	1,955	1,800
Nature of Security		
a) Axis Bank Limited: The working capital facility is secured by a first pari passu charge on the current assets of the Company, both present and future, along with additional collateral security shared with other banks. The sanctioned facility is interchangeable between PCFC, Cash Credit and WCDL, and interest is charged at the rate applicable to the facility availed.		

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31.03.2026	As at 31.03.2025
b) Working capital from Axis Bank Limited (Axis) is secured by a first pari passu charge on all current assets of the Company and present and future.		
c) Working capital demand loan from Axis Bank Limited (Axis) was sanctioned by the bank on 23.10.2025. The said loan is repayable on demand. However, the bank has extended the credit period by 120 days. The working capital loan is secured by way of first charge on the entire inventory and trade receiavbles of the company (both present and future).		
d) Working capital loan from ICICI Bank Limited is secured by first pari passu charge on the entire current assets of the Company in line with other working capital banks by way of hypothecation.The sanction facility is inter changeable as PCFC/Cash Credit/WCDL and the applicable interest will be charge.		
e) Working capital from ICICI Bank Limited (ICICI) is secured First Pari Passu charge on all the Current Assets of the Company and Second Pari Passu charge on all the Movable Fixed Assets of company (Present and future) and personal Guarantee of Two (2) Directors in all matters of it's Holding Company.		
f) Interest rate as at March 31, 2026 is as under:		
(i) Axis Bank-WCDL-8% (PY 2025- 8.50%)		
(ii) Axis Bank-WCDL(SPLL)-8% (PY 2025-8.50%)		
(iii) Axis Bank-Cash Credit-8% (PY- 9.15%)		
(iv) Axis Bank-Cash Credit(SPLL)-8.00% (PY- 9.15%)		
(v) Axis Bank-Cash credit(SBPL)-5.25% (PY 2025-Nil%)		
(vi) ICICI Bank-WCDL-8.10% (PY 2025 Nil%)		
(vii) ICICI Bank-WCDL(SPLL)-8.35% (PY 2025 8.75%)		
(viii) ICICI Bank-Cash Credit-8% (PY - 8.60%)		
(ix) ICICI Bank-Cash Credit(SPLL)-8.50% (PY - 8.60%)		
b) Current maturities of long term debt	6,260	4,760
TOTAL	**47,416**	**35,441**

(ii) Lease Liability

Particulars	As at 31.03.2026	As at 31.03.2025
a) Land and Building	57	14
TOTAL	**57**	**14**

(iii) Trade Payables (Refer Note. 41 & 44)

Particulars	As at 31.03.2026	As at 31.03.2025
a) Total outstanding dues of micro and small enterprises	1,239	823
b) Total outstanding dues of creditors other than Micro and Small enterprises	13,008	9,668
TOTAL	**14,247**	**10,491**

Note: Trade payable in above note no: 18 (iii) (b) includes Rs 76.00 Lakhs (PY Rs.48.78 Lakhs) payable to related parties (refer note no: 40 Related Party Transaction)

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(iv) Other Financial Liabilities

Particulars	As at 31.03.2026	As at 31.03.2025
i) Current maturities of government grants	131	131
ii) Interest accrued but not due on borrowings.	64	73
iii) Unclaimed dividends	15	17
iv) Employee benefit liability	3,853	2,857
v) Deferred Revenue	393	-
vi) Advance against sale of investment/asset	-	635
vii) Capital creditors	8,354	7,958
viii) Deferred consideration payable	500	500
ix) Derivative Liability	1,100	-
x) Others	6	49
TOTAL	**14,416**	**12,219**

19 Other Current Liabilities

Particulars	As at 31.03.2026	As at 31.03.2025
i) Advances from customers	1,672	1,420
ii) Tax deduction at source	1,159	1,141
ii) ESI, professional tax, etc.	10	7
iv) Provident fund payable	248	196
v) Other Payable*	0	0
vi) Capital subsidy	14	14
vii) Security / trade deposit	1	1
viii) Unclaimed bonus & salary	109	89
ix) Custom duty Payable	7	5
x) Other advances	1,341	1,453
TOTAL	**4,559**	**4,326**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

20 Provisions

Particulars	As at 31.03.2026	As at 31.03.2025
a) Provision for employee benefits		
i) Leave encashment	129	105
ii) Gratuity	1,108	652
b) Provision for Others		
i) Claim Settlement	-	2,910
ii) Others	2,874	1,262
TOTAL	**4,111**	**4,928**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

21 Revenue from Operations - Goods

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
a) Sales of goods		
i) Sales of Products	126,998	97,392
ii) Export incentives	88	164
ii) Energy Sales	169	200
Total	**127,255**	**97,757**
Abstract		
i) Bulk Drugs/Intermediates	69,749	64,344
ii) Formulations	46,419	26,324
iii) Export Incentives	88	164
iv) Power	169	200
v) Trading	4,689	3,355
vi) Others	6,141	3,369
Total	**127,255**	**97,757**

22 Revenue From Operations-Services and License Fees

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Product development and License fees	26,632	30,887
TOTAL	**26,632**	**30,887**

23 Other Income

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
i) Interest Income on:		
a) Deposit with banks	30	721
b) Others	37	82
ii) Liabilities written back	85	852
iii) Gain on sale of Investment in step down Joint Venture	-	387
iv) Realised gain on derivatives instruments	-	3
v) MTM gain on derivatives instruments	-	12
vi) Reimbursement of Expenses	-	4
vii) Government grant	145	150
viii) Profit on sale of Assets (Net).	492	15
ix) Miscellaneous Income	196	107
TOTAL	**984**	**2,333**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

24 Cost Of Material Consumed

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Inventory at the beginning of the year	17,680	14,802
Add: Purchases	44,099	37,960
Less: Inventory at the end of the year	14,678	17,680
Cost of raw materials and packing materials consumed	**47,100**	**35,083**
Material consumed comprises of :		
i) Raw Material / Chemiclas	45,356	33,813
ii) Packing Material	1,744	1,270
TOTAL	**47,100**	**35,083**

25 Purchase of Stock-in-Trade

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
i) Purchase of Medicines/Bulk Drugs/Others	2,553	2,161
ii) Purchase of Packing Material	11	33
TOTAL	**2,563**	**2,195**

26 Change In Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Opening Inventories		
i) Finished goods	5,827	8,764
ii) Work-in-progress	6,129	6,955
Closing Inventories		
i) Finished goods	9,797	5,827
ii) Work-in-progress	5,781	6,129
(Increase) / Decrease in Inventory	**(3,622)**	**3,761**

27 Employee Benefit Expenses

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
i) Salaries, wages, allowances and bonus	30,968	27,147
ii) Contribution to provident fund/gratuity and other funds	1,997	1,637
iii) Staff welfare expenses	523	487
TOTAL	**33,488**	**29,271**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

28 Finance Cost

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
i) Interest expense on:		
a) Working capital facility	2,898	2,135
b) Lease liability	16	14
c) Term loans	852	242
d) Factoring Charges	296	388
e) Non-Convertible Debenture		
i) Interest	400	3,486
ii) Finance cost	185	1,178
f) Others	13	111
ii) MTM Loss on Derivatives instruments	1,112	-
ii) Realised Loss on Derivatives instruments	107	-
TOTAL	**5,879**	**7,553**

29 Other Expenses

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
i) Power and fuel	5,924	5,374
ii) Repairs & maintenance		
a) Buildings	766	668
b) Plant and machinery	4,772	3,195
c) Others	593	504
iii) Rent	132	147
iv) Exchange loss / (gain)-net	(5,381)	(1,312)
v) Rates and taxes	277	297
vi) Insurance	296	347
vii) Traveling and conveyance	1,123	911
viii) Contract labour charges	1,512	1,440
ix) Legal and professional fees	3,683	2,381
x) Facility fees	2,088	1,555
xi) Payments to auditor	70	61
xii) Research and development expenses	6,124	4,837
xiii) Transportation charges	600	315
xiv) Brokerage and commission	2,053	717
xv) Directors sitting fees	5	6
xvi) Sales promotion and advertisement	862	456
xvii) Bad Debts	759	459
xviii) Clearing and forwarding expenses	1,284	904
xix) Loss on sale of assets (Net)	26	42
xx) Custom duty & GST expenses	378	575
xxi) CSR Expenses	329	318
xxii) Product filing fees/patent application fees	32	34
xxiii) Tech transfer expenses	31	-
xxiv) Provision for expected credit losses	229	138
aa) Claim Settlement expenses	83	-
ab) Service Expenses	47	164
ac) Miscellaneous Expenses	2,189	1,863
TOTAL	**30,887**	**26,396**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

30 Exceptional item: Income/(Expenses)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
i) Claim Settlement Expenses	638	2,910
ii) Impairment of Plant & Machinery	563	250
iii) Gain on disinvestment in foreign subsidiaries / Joint Venture	(3,700)	-
iv) Gratuity past service	1,292	-
v) Provision for Impairment on Investment / Advances in subsidiaries	(10)	-
vi) Excess provision for impairment on Investment	-	(102)
TOTAL	**(1,216)**	**3,058**

Note: Exceptional loss for the year ended March 31, 2026 of Rs.(1216) Lakhs (PY exceptional gain of Rs.3058 Lakhs) is on account of

a) Rs.638 Lakhs (PY Rs. Nil) towards provision for legal settlement obligation as mutually agreed in respect of vendor claim, pending formal execution of compromise petition.

Rs. Nil (PY Rs. 2910 Lakhs (USD 3.4 million)) provision has been made towards claim settlement agreement with Celtrion Inc vide its agreement dated April 17th, 2025, committing over 04 instalments starting from Apr'25 till Jul'25 to resolve its ongoing legal dispute of the execution petition of the Arbitral Award passed by the ICC International Court of Arbitration, Arbitral Tribual on 22nd January 2024.

b) Rs. 563 Lakhs (PY Rs. 250 Lakhs) towards impairment of plant & Machinery.

c) Gain of Rs. 3700 Lakhs towards sale of 31% stake in sravati advance process technologies private Limited ("SAPL")(Joint Venture), as a Result of this "SAPL" has been reclassified as an "Associate" in the investments.

d) Incremental gratuity expense of Rs. 1292 lakhs recognized pursuant to the implementation of the new Labour Codes notified by the Government of India, resulting from the reassessment of the Company's gratuity liability. Considering the material and non-recurring nature of the impact, the same has been presented as an exceptional item.

e) Loss on sale of Koanaa Healthcare, Canada consequent to transfer of controlling interest.

f) Rs. Nil (PY Rs. 102 Lakhs) reversal of impairment provision on investments in IL & FS Mutual Fund following the receipt of partial settlement amount.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

31 Contingent Liabilities and Commitments

Particulars	As at 31 March, 2026	As at 31 March, 2025
i) Foreign letter of credit	436	659
ii) Bank guarantees	336	306
iii) Claims against the Company not acknowledged as debt (Refer Note 1 below)	3,335	3,036
iv) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	11,894	3,621
Total	**16,001**	**7,622**

1. The Company is involved in disputes, lawsuits, proceedings etc. including patent and commercial matters that arise from time to time in the ordinary course of business. Management is of the view that above matters are not tenable and will not have any material adverse effect on the Company's financial position and results of operations.

32 Employee Benefit Defined Contribution Plans

Particulars	As at 31 March, 2026	As at 31 March, 2025
Defined Contribution Plan		
Provided fund	1,273	1,078
Movement of present value of the defined benefit obligation		
i) Change in defined benefit obligation		
Obligations at year beginning	2,861	2,518
Past Service Cost	1,003	
Service cost	632	318
Interest on defined benefit obligation	193	168
Benefits settled	(230)	(379)
Actuarial (gain)/loss	(438)	269
Obligations at year end	**4,021**	**2,894**
ii) Change in plan assets		
Plans assets at year beginning, at fair value	84	65
Expected return on plan assets*	0	(17)
Benefits Payout	(123)	(64)
Actuarial gain/(loss)	-	-
Plans assets at year end, at fair value	**(39)**	**(15)**
iii) Amount recognised in the balance sheet		
Closing BPO	4,124	2,894
Closing fair value of plan assets	1	1
Net asset/(liability) recognized in the balance sheet	**4,122**	**2,893**
iv) Expenses recognised in the statement of P & L account		
Service cost	719	310
Interest cost	192	166
Expected return on plan assets		
Expenses recognised in the statement of Other Comprehensive income		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	(2)	(7)
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	(82)	(43)
Actuarial (Gain)/ Losses due to Experience on DBO	(386)	320
Return on Plan Assets (Greater) / Less than Discount rate*	0	17
Total actuarial (gain)/loss included in OCI	**(470)**	**287**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March, 2026	As at 31 March, 2025
v) Assets Information		
i) Insured (fund is managed with Life insurance corporation of India)	(39)	(15)
%	(1%)	(1%)
ii) Non fund based (Company manages at its own)	4,122	2,893
%	100%	100%
vi) Principal actuarial assumptions		
Interest rate		
Discount rate (based on the market yields available on Government bond at the accounting date with a term that matches that of the Liabilities)	6%	7%
Expected rate of return on assets	7%	7%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	7%	9%
Attrition rate of employees	18%	20%
Retirement age of employees (Years)	58	58

Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.

Actuarial gain / loss is recognised immediately. The estimates of salary increase,inflation, promotion, Seniority etc taken in account. The Company has various schemes (funded/unfunded) for payment of gratuity to all eligible employees calculated at specific no. of days (ranging from 15 days to 1 month) of the last drawn salary depending upon tenure of service for each year of completed service subject to minimum of five years payable at the time of separation upon superannuation or on exit otherwise.

Sensitivity Analysis

The Sensitivity of the defined benefit obligation to changes in the weighted principal assumption are as below

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Decrease	Increase	Decrease	Increase
Discounted rate	1.99%	(1.64%)	2.96%	(2.43%)
Salary increase	(1.25%)	1.46%	(2.13%)	2.39%
Attrition rate	0.37%	(0.13%)	0.95%	(0.31%)

Sensitivity of signification actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by 100 basis points keeping all other actuarial assumption constant.

Innovating for affordable healthcare

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

33 Fair Value Measurement Hierarchy:

Particulars	As at 31 March, 2026								As at 31 March, 2025							
	Carrying Amount								Carrying Amount							
	Amortised Cost	FVTPL			FVTOCI			Total	Amortised Cost	FVTPL			FVTOCI			Total
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
FINANCIAL ASSETS																
I. At Amortized Cost																
Non-current investments	5,794	-	-	-	-	-	-	5,794	3,454	-	-	-	-	-	-	3,454
Trade receivable	51,885	-	-	-	-	-	-	51,885	44,079	-	-	-	-	-	-	44,079
Cash & bank balance	4,126	-	-	-	-	-	-	4,126	2,555	-	-	-	-	-	-	2,555
Other bank balance	392	-	-	-	-	-	-	392	302	-	-	-	-	-	-	302
Other financial assets	5,381	-	-	-	-	-	-	5,381	3,623	-	-	-	-	-	-	3,623
Total	**67,579**	**-**	**-**	**-**	**-**	**-**	**-**	**67,579**	**54,013**	**-**	**-**	**-**	**-**	**-**	**-**	**54,013**
FINANCIAL LIABILITIES																
Borrowings	65,797	-	-	-				65,797	58,637	-	-	-	-	-	-	58,637
Trade payables	14,247	-	-	-				14,247	10,491	-	-	-	-	-	-	10,491
Other financial liabilities	19,218	-	-	-				19,218	13,619	-	-	-	-	-	-	13,619
Lease Liability	189	-						189	139							139
Total	**99,451**	**-**	**-**	**-**				**99,451**	**82,885**	**-**	**-**	**-**	**-**	**-**	**-**	**82,885**

Level 1: Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation technique used to determine fair value:

1) The use of quoted market prices or dealer quotes for similar instruments

2) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

3) The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

34 Financial Risk Management

The Group activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The company's focuses on minimizing potential adverse effect on its financial performance.

A) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The changes in the values of financial assets/liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price Risk).

(i) Foreign Currency Risk

The Group operates internationally and a major portion of the business is transacted in USD, EURO & GBP currencies and consequently, the Company is exposed to foreign exchange risk through operating activities in foreign currency. The Company holds derivative instruments such as foreign exchange forward, interest rate swaps and option contracts to mitigate the risk of changes in exchange rates and foreign currency exposure.

Particulars	As at 31 March, 2026				As at 31 March, 2025			
	USD	EURO	GBP	Others	USD	EURO	GBP	Others
Trade receivables (+)	274	89	1	1	230	99	1	4
Other Current Assets *	5	2	1	343				
Cash and cash equivalents (+)	7	0	0	5	2	1	0	2
Trade payables (-)*	(30)	(4)	-	(7)	(46)	(3)	-	(0)
Other Financial Liability (-)	(3)	(2)	-	(6)	(2)	(2)	-	(7)
Net Foreign Currency Risk*	**253**	**85**	**2**	**337**	**184**	**95**	**1**	**(0)**

**Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

Sensitivity analysis

Sensitivity analysis of 1% change in exchange rate at the ending of the reporting period net of hedges

Particulars	Impact on Profit & Loss		Impact on other component of equity	
	31.03.2026	31.03.2025	31.03.2025	31.03.2024
USD-Sensitivity				
Increase by 1% (gain/(loss))	240	158	-	-
Decrease by 1% (gain/(loss))	(240)	(158)	-	-
Euro-Sensitivity				
Increase by 1% (gain/(loss))	93	88	-	-
Decrease by 1% (gain/(loss))	(93)	(88)	-	-
GBP-Sensitivity				
Increase by 1% (gain/(loss))	2	1	-	-
Decrease by 1% (gain/(loss))	(2)	(1)	-	-

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest expenses/ income and to manage the interest rate risk, the Company weighted average balance manage its interest rate risk by having portfolio of fixed / variable interest rate on long / short term borrowings. The analysis is prepared assuming the amount of liability outstanding at the ending of the reporting period is the average weighted balance of the respective reporting period.

According to the Company interest rate risk exposure is only for floating rate borrowings, change in 0.5% in the interest rate component applicable to the short term borrowings would effect the Companies net profit before tax at the end of the reporting period year ended 31 March, 2026 and 31 March, 2025 respectively.

Particulars	31-Mar-26	31-Mar-25
Change in 0.50% interest on WCL	205.78	153.40

(iii) Price Risk

Company does not have any exposure to price risk , as there is no market based equity investment made by the Company.

B) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises from its operation activity primarily from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted. The Chief Financial Officer (CFO) is authorized to block customers who are irregular in making payments or whose outstanding dues exceed the approved credit terms. Any such customer account, once blocked, shall be released only upon obtaining the approval of the Managing Director (MD).

Long outstanding receivable from customer are regularly monitored and transaction with such customer are covered under letter of credit. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivable. Two customers are accounted for more than 10% of the trade receivable as of 31 March, 2026 and two customer for 31 March, 2025. Since the Company is dealing with the customer from past several years, there is no concordent risk in dealing with said customers.

The Group establishes an allowance for impairment that represents its estimate of expected credit loss in respect of trade and other receivables. The maximum exposure to credit risk at reporting date is primarily from trade receivables amounting to Rs. 51,885(March 31, 2025: Rs. 44079). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Expected credit loss assessment

The Group reviewed customers outstanding at the end of each reporting period and determine incurred and expected credit losses . Past trend of impairment of trade receivables do not reflect any significant credit losses.The movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

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for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Allowance for Credit Loss	31-Mar-26	31-Mar-25
Opening Balance	138	76
Allowance for Credit Loss recognised/(Reversed)	91	62
Closing Balance	229	138
%	0.44	0.31

C) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations of its financial liability. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making liability when they are due, under normal and stressed condition without incurring losses and risk.

The present available working capital facility is sufficient to meet its current requirement. Accordingly no liquidity risk is perceived. In addition, the group maintains the following line of credit facility

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2026 :

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	11,571	35,845	-	-
Long term borrowings	-	-	18,381	
Trade and other payable	-	14,248	-	-
Lease liability	-	57	132	-
Other Financial Liability	-	14,416	4,802	-
Total	**11,571**	**64,565**	**23,315**	**-**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2025 :

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	8,243	27,197	-	-
Long term borrowings	-		23,196	-
Trade and other payable	-	10,491	-	-
Lease liability	-	14	125	-
Other Financial Liability	-	4,326	1,400	-
Total	**8,243**	**42,028**	**24,720**	**-**

35 Capital Management

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Group.

The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods.

Company's vision is to keep the ratio below 1.00 and its adjusted net debt to equity ratio was as follows

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	31-Mar-26	31-Mar-25
Total Debts(A)	65,797	58,636
Total equity attributable to the equity shareholders of the Group (B)	2,59,120	2,36,374
As a percentage of Total Capital	80%	80%
Net Debt to Equity Ratio A/B	0.25	0.25

36 Earnings Per Share ('EPS')

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Profit for the year	24,333	7,830
Shares		
Weighted average shares used for computing basic EPS (Refer Note 49)	19,55,81,816	19,48,59,251
Weighted average shares used for computing diluted EPS (Refer Note 49)	19,55,81,816	19,48,59,251
Earnings Per Share		
Basic (in Rs)	12.44	4.02
Diluted (in Rs)	12.44	4.02

37 Reconciliation of Tax Expenses

(I) Income Tax

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Amount recognised in statement of profit and loss		
Current Tax	4,669	7,335
Deferred Tax	530	(2,931)
Amount recognised in statement of profit and loss account	**5,199**	**4,404**
Profit before tax	**29,531**	**12,233**
Tax at Enacted tax rate in India C.Y. @ 34.944% (P.Y. 34.944%)	10,319	4,275
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:		
Difference in overseas/domestic tax rates	(1602)	267
Tax on Capital loss on against past impairment	(246)	-
Tax on Capital gain on Lower rate	(1,027)	-
Tax Effect on account of Merger	(2255)	-
Exempt income & Other deductions	(3)	(567)
Non-deductible expenses for tax purpose	201	620
Others	(190)	(191)
Income tax expense	**5,199**	**4,404**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(II) Recognised Deferred Tax Assets / Liabilities

Movement of Deferred Tax Assets / Liabilities	As at 31 March, 2026	As at 31 March, 2025
Deferred Tax Liabilities		
Property, plant and equipment and intangible assets	19,052	17,767
Gross Deferred Tax Liabilities	**19,052**	**17,767**
Deferred Tax Assets		
Defined benefit obligations/Employees benefit liability	1,236	943
MAT Credit Entitlement Benefit	7,806	5,025
On Business Losses	7,814	9,179
Government grants	239	253
Stock Reserves	1,700	1,628
Provision	1,328	727
Others	618	1,309
Gross Deferred Tax Assets	**20,741**	**19,064**
Net Deferred Liabilities	**(1,689)**	**(1,297)**

Recognised Deferred Tax (Assets) / Liabilities	As at 01 April, 2025	Recognised in statement of profit & loss	Recognised in OCI	MAT credit utilised	As at 31 March, 2026
Deferred tax (assets)/ Liabilities					
Property, plant and equipment and intangible assets	(17,767)	(1,285)	-	-	(19,052)
Defined benefit obligations/ Employees benefit liability	943	418	(124)	-	1,237
MAT Credit Entitlement Benefit	5,025	2,782	-	-	7,806
Business Losses	9,179	(1,365)	-	-	7,814
Provisions (loans, Investment & Advances)	727	601	-	-	1,328
Government Grants	253	(13)	-	-	239
Stock Reserve	1,628	72	-	-	1,700
Others	1,309	(691)	-	-	618
Net Deferred tax (assets)/ Liabilities	**1,297**	**517**	**(124)**	**-**	**1,689**

Recognised Deferred Tax (Assets) / Liabilities	As at 01 April, 2024	Recognised in statement of profit & loss	Recognised in OCI	MAT credit utilised	As at 31 March, 2025
Deferred tax (assets)/ Liabilities					
Property, plant and equipment and intangible assets	(17,589)	(178)	-	-	(17,767)
Defined benefit obligations/ Employees benefit liability	721	106	116	-	943
MAT Credit Entitlement Benefit	7,671	131	-	(2,777)	5,025
Business Losses	8,136	1,043	-	-	9,179
Provisions (loans, Investment & Advances)	110	617	-	-	727
Government Grants	282	(29)	-	-	253

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Recognised Deferred Tax (Assets) / Liabilities	As at 01 April, 2024	Recognised in statement of profit & loss	Recognised in OCI	MAT credit utilised	As at 31 March, 2025
Stock Reserve	946	682	-	-	1,628
Others	759	551	-	-	1,309
Net Deferred tax (assets)/ Liabilities	**1,035**	**2,922**	**116**	**(2,777)**	**1,297**

38 Segment Information

The Company is primarily engaged in the manufacturing of pharmaceutical products & Wind Generation unit. The Chief Operating Decision Maker (CODM) reviews the Company's performance and allocates resources considering the Company as a single business segment. Accordingly, the Company has identified a single reportable segment, namely manufacturing of pharmaceutical products, in accordance with Ind AS 108, Operating Segments. Hence, separate business segment information is not applicable.

The geographical segment information, based on the location of customers, is provided below:

(a) Information about Products and Services:

Particulars	As at 31 March, 2026	As at 31 March, 2025
Pharmaceutical product and services	1,53,629	1,28,277
Power sales	169	200
others	89	166
Total	**1,53,887**	**1,28,643**

(b) Information about geographical areas

Particulars	As at 31 March, 2026	As at 31 March, 2025
(i) Revenues		
(A) Within India	54,620	48,050
(B) Outside India		
(i) USA	15,853	23,459
(ii) Europe	44,306	30,082
(iii) ROW	39,108	27,053
Total	**1,53,887**	**1,28,643**
(ii) Non-current Assets		
(A) Within India	2,51,330	2,27,209
(B) Outside India	42	36
Total	**2,51,372**	**2,27,244**

Note: Non-current Assets excludes financial assets

(c) Information about major customer

The Company has one customers who contributed more than 10% of the Company's total revenue during the current year and two customers during the previous year.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

39 OPERATING LEASE

The Company has entered into lease agreements for use of land for its production and R&D facility which expires over a period. Future minimum lease payments and payment profile of non-cancellable operating leases are as under:

(a) Land

Particulars	As at 31 March, 2026	As at 31 March, 2025
Not later than one year	33	33
Later than one year and not later than five year	134	134
Later than five years	1,680	1,714
Total	**1,848**	**1,881**

(b) Building

Particulars	As at 31 March, 2026	As at 31 March, 2025
Not later than one year	50	48
One to Five Year	8	58
Total	**58**	**106**

(c) The following are the amounts recognised in the statement of Profit or Loss :

Particulars	As at 31 March, 2026	As at 31 March, 2025
Depreciation expenses on right of use-assets	83	87
Interest expenses on lease liabilities	16	14
Total amount recognised in Profit or loss	**99**	**100**

(d) The following is the movement in lease liabilities during the year ended March 31, 2026

Particulars	Land	Buildings	Total
Balance as the beginning	130	9	138
Addition during the year	-	92	92
Finance cost accrued during the year	12	4	16
Disposals	-	-	-
Payment of lease liabilities	(10)	(48)	(58)
Balance as at March 31, 2026	**131**	**58**	**189**

(d) The following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	Land	Buildings	Total
Balance as the beginning	129	52	180
Addition during the year	-	-	-
Finance cost accrued during the year	11	2	14
Disposals	-	-	-
Payment of lease liabilities	(10)	(45)	(55)
Balance as at March 31, 2025	**130**	**9**	**138**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(e) The following is the breakup of current and non current lease liability:

Particulars	As at 31 March, 2026	As at 31 March, 2025
Current lease liabilities	57	14
Non current lease liabilities	132	125
Total	**189**	**138**

40 Consolidated Related party transactions

Related parties where control exists and related parties with whom transactions have taken place during period 01st April 2025 to 31st Mar 2026 are listed below ;

List of Related Parties

1. Associates
   a) Maia Pharmaceuticals INC. USA
   b) Sravathi Advance Process Technologies Private Limited (associate with effect from 18.03.2026)
   c) Sravathi AI Technologies Private Limited (step down associate)

2. Joint Venture (JV)
   a) Reva Medicare Private Limited
   b) Oncosol Ltd (Stepdown JV)

3. (i) Key Management Personnel-(KMP)
   a) Vishnukant C. Bhutada - Managing Director
   b) Kalakota Sharath Reddy - Whole Time Director
   c) Ramakant Innani-Managing Director-Shilpa Biologicals Private Ltd
   d) Madhav Bhutada-Managing Director -Shilpa Biocare Private Ltd
   e) Keshav Bhutada -Director -Shilpa Pharma Lifesciences Limited
   f) Seshu Akula-Director Pilnova Pharma INC
   g) Gurpreet Sing Sandu-Director-Reva Medicare Private Limited
   h) Michel Roy-Director-Koana Healthcare Canada
   i) Jayant Shrikant Karajgi -Director FTF Pharma Private Ltd
   j) Alpesh Dalal - Chief Financial Officer
   k) Dr.Sridevi -CEO-Shilpa Biologicals Private Ltd
   l) Ritu Tiwari- Company secretary
   m) Anushiya Bhandari -Company Secretory-Shilpa Biologicals Private Ltd
   n) Triveni Banda -Company Secretory-Shilpa Biocare Private Ltd (appointed w.e.f 24.01.2026)
   o) Sangeetha Lakshmi Kandari -Company Secretory-Shilpa Biocare Private Ltd (retired w.e.f 24.01.2026)
   p) Venkatesh Sharma -Chief Financial Officer -Shilpa Biologicals Private Ltd
   q) Amarnath Sulakhe -Chief Financial Officer-Shilpa Biocare Private Ltd

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(ii) Remuneration paid to Directors

a) Omprakash Inani - Chairman

b) Hetal Gandhi - Independent Director

c) Anita Bandyopadhyay- Independent Women Director

d) Ashraf Loutfy Abdelhamid Allam - Independent Director (appointed effective from 13.08.2025)

e) Kamal Kishore Sharma - Independent Director (retired effective from 23.09.2025)

4. Relatives

a) Deepak Kumar Innani

b) Ramakant Innani

c) Sagar Innani

d) Ravi Innani

5. Enterprises having key management as Directors/Board of Trustees

a) Shilpa Foundation

b) Mohini Infra Private Limited

Sl. No.	Name of the related party	Description of transaction	01st April 2025 to 31st March 2026	Balance as at 31st March 2026	01st April 2024 to 31st March 2025	Balance as at 31st March 2025
			Transaction	Receivable/ (Payable)	Transaction	Receivable/ (Payable)
A	**Remuneration paid to Key Management Personnel**					
i)	Vishnukant.C. Bhutada	Remuneration & Managerial commission	1,030	(429)	803	(465)
ii)	Madhav Bhutada	Remuneration	100	(8)	100	(6)
iii)	Keshav Bhutada	Remuneration & Managerial commission	216	(76)	88	(6)
B	**Remuneration paid to other Directors**					
i)	Omprakash Inani	Sitting Fees	5	(1)	6	(1)
C	**Relative**					
i)	Deepak Kumar Inani	Salary and perquisites	117	(6)	100	(5)
ii)	Ramakant Innani	Salary and perquisites	123	(7)	105	(5)
iii)	Ravi Kumar Innani	Salary and perquisites	85	(5)	72	(3)
iv)	Sagar Innani	Salary and perquisites	15	(1)	15	(1)
D	**Others**					
i)	Reva Medicare Private Limited					
		Commission charges	115	-	102	-
		Sales of Goods or Service	4	-	4	-
		Trade Payable	-	(75)	-	(49)
		Commission Accrued but not paid	-	(93)	-	(58)

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Description of transaction	01st April 2025 to 31st March 2026	Balance as at 31st March 2026	01st April 2024 to 31st March 2025	Balance as at 31st March 2025
			Transaction	Receivable/ (Payable)	Transaction	Receivable/ (Payable)
		Trade Receivable	-	-	-	2
		Investment in equity shares	-	1	-	1
ii)	Maia Pharmaceuticals INC. USA					
		Investment in equity shares**	-	796	-	796
		Trade receivable written off	-	-	202	-
iii)	Sravathi Advance Process Technologies Private Limited					
		Investment in equity shares	-	2,090	-	3,996
		Advance paid receivable	-	86	90	86
iv)	Shilpa Foundation					
		Corporate Social Responsibility Expenses	329	-	308	-
v)	Mohini Infra Private Limited					
		Godown Rent	8	-	9	-
		Trade Payable	-	(1)	-	-
vi)	Sravathi AI Technology Private Limited	Investment in Equity Shares	-	482	-	482
		Preference shares converted into Equity	-	-	900	-
		Sale consideration received from sale of equity shares at premium	-	-	811	-
vii)	Oncosol Limited	Product Development Income	839	-	861	-
		Trade recievable	-	1,211	-	798

a) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.

b) As the provisions for gratuity are obtained on an actuarial basis for the Company as a whole amounts pertaining to the Key Management Personnel are not specifically identified and hence not included in the above.

c) Managerial Commission to Managing Director for FY 2025-26 Rs. 680.39 Lakhs and for FY 2024-25 Rs. 452.00 Lakhs

d) Managerial Commission to Mr.Keshav Bhutada for FY 2025-26 Rs. 115.95 Lakhs and for FY 2024-25 NA

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

41 Balance of trade receivables/ trade payables/advances and security deposits are subject to confirmation

42 Additional regulatory information

1) The Group do not have any Benami property and neither any proceedings have been initiated or is pending against the group for holding any Benami property.

2) The Group does not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

3) The Group has not traded or invested in Crypto currency or Virtual Currency for the year ended 31 March 2026 and 31 March 2025.

4) The Group has not received any fund from any person(s) or entity(is) for the year ended 31 March 2026 and 31 March 2025, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

5) The Group has not made any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income for the year ended 31 March 2026 and 31 March 2025 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).

6) The Group has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.

7) The Group has complied with the number of layers prescribed under section 2(87) of the Act during the year ended 31 March 2026 and 31 March 2025.

8) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year other than that referred to in Note.47 of these financial statements.

9) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds, other the in the ordinary course of business by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10) Borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

43 Ageing schedule for receivables as at March 31,2026 is as follows

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	28,873	16,070	2,929	2,994	37	30	50,932
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivable – credit impaired	14	20	40	35	6	17	133
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	953	953
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	1	1	1	192	28	55	278
Total	**28,887**	**16,090**	**2,970**	**3,221**	**72**	**1,056**	**52,296**
Less: Allowance for credit loss							411
Net receivables							**51,885**

Ageing schedule for receivables as at March 31,2025 is as follows

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	25,223	13,231	3,447	285	606	198	42,989
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivable – credit impaired	-	-	-	83	55	25	163
(iv) Disputed Trade receivables - considered good	-	-	-	-	140	962	1,102
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	4	82	86
Total	**25,223**	**13,231**	**3,447**	**368**	**806**	**1,267**	**44,340**
Less: Allowance for credit loss							261
Net receivables							**44,079**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

44 Trade payables Ageing Schedule as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,173	63	1	2	1,239
(ii) Others	12,644	77	90	197	13,008
Total	**13,817**	**141**	**90**	**199**	**14,247**

Trade payables Ageing Schedule as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	819	2	1	2	823
(ii) Others	9,292	171	25	180	9,668
Total	**10,111**	**173**	**26**	**181**	**10,491**

45 Capital Work in Progress (CWIP) Ageing Schedule as at March 31,2026

Sum of Less Than 1 Year	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
(i) Project in Progress	20,474	15,653	4,150	665	40,942
(ii) Project temporarily suspended*	-	-	0	2,177	2,178
Total	**20,474**	**15,653**	**4,151**	**2,843**	**43,120**

Capital Work in Progress (CWIP) Ageing Schedule as at March 31,2025

Sum of Less Than 1 Year	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
(i) Project in Progress	12,845	25,358	4,863	533	43,598
(ii) Project temporarily suspended*	24	0	2,149	480	2,654
Total	**12,869**	**25,358**	**7,011**	**1,014**	**46,252**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

46 Intangible assets under development (IUAD) as at March 31, 2026

Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
(i) Project in Progress	15,154	7,362	3,113	19,656	45,285
(ii) Project temporarily suspended	-	-	-	-	-
Total	**15,154**	**7,362**	**3,113**	**19,656**	**45,285**

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Intangible assets under development (IUAD) as at March 31, 2025

Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
(i) Project in Progress	2,804	3,285	4,460	25,112	35,661
(ii) Project temporarily suspended*	58	0	-	206	264
Total	**2,862**	**3,285**	**4,460**	**25,318**	**35,925**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

47 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT,2013 OF COMPANY CONSOLIDATED AS SUBSIDIARY/ASSOCIATES/JOINT VENTURE.

For FY 2025-26

	Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit & Loss Account		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
A	**Holding Company**								
	Shilpa Medicare Limited	70	2,71,338	52	13,298	(3)	(11)	55	13,287
B	**(A) Subsidiaries -Indian**								
1	Shilpa Biologicals Private Limited	14	55,760	14	3,522	7	29	15	3,551
2	Shilpa Biocare Private Limited*	9	36,124	(1)	(256)	0	1	(1)	(255)
3	Shilpa Pharma Lifesciences Limited-Consolidated	7	26,738	32	8,068	94	364	35	8,431
4	FTF Pharma Private Limited*	1	3,416	(0)	(38)	1	4	(0)	(34)
5	Sampra Corporate Holdings Private Limited(Formerly known as Vegil Labs Private Limited)*	0	1,698	0	78	-	-	0	78
	(B) Subsidiaries - Foreign								
1	Mankindus.INC*	-	-	-	-	-	-	-	-
2	Koanaa Healthcare Limited(UK)*	(0)	(603)	(0)	(72)	-	-	(0)	(72)
3	Koanaa Healthcare GMBH(Austria)*	(1)	(2,295)	1	176	-	-	1	176
5	Koanaa Healthcare Spain,S.L*	(0)	(360)	0	107	-	-	0	107
6	Shilpa Pharma Inc.*	(0)	(896)	(1)	(161)	-	-	(1)	(161)
7	Koanaa Healthcare Canada Inc.*	-	-	(1)	(176)	-	-	(1)	(176)
8	Indo Biotech SDN.BHD*	0	2	(0)	(3)	-	-	(0)	(3)
9	Koanaa International FZ LLC.*	(0)	(882)	(0)	(57)	-	-	(0)	(57)
10	Pilnova Pharma Inc*	(1)	(2,042)	(3)	(798)	-	-	(3)	(798)
C	**Non Controlling Interests in all Subsidiaries**	-	-	-	-			-	-
D	**Joint Ventures (Investment as per equity method) - Indian**								
1	Reva Medicare Private Limited*	-	-	0	11	-	-	2	11
E	**Associate**	-	-	-	-	-	-	-	-
1	Sravathi Advance Process Technologies Private Limited (with effect from 18.03.2026)*	-	-	0	88	0	0	0	88
2	Maia Pharmaceuticals INC	-	-	7	1,821	-	-	7	1,821
	Gross Total	**100**	**387,997**	**100**	**25,609**	**100**	**387**	**100**	**25,995**
Adjustment arising on consolidation		-	(128,877)	-	(1,276)	-	(0)	-	(1,277)
Total			**2,59,120**		**24,333**		**387**		**24,719**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

For FY 2024-25

	Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit & Loss Account		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
A	**Holding Company**								
	Shilpa Medicare Limited*	74	2,70,059	67	6,980	86	(194)	67	6,786
B	**(A) Subsidiaries -Indian**								
1	Shilpa Therapeutics Private Limited*	(1)	(4,574)	(7)	(676)	0	(0)	(7)	(676)
2	INM Technology Private Limited*	(1)	(4,991)	(2)	(189)	-	-	(2)	(189)
3	Shilpa Biologicals Private Limited*	14	52,209	(17)	(1,738)	0	(0)	(17)	(1,739)
4	Shilpa Biocare Private Limited*	10	36,365	(6)	(621)	1	(1)	(6)	(623)
5	Shilpa Pharma Lifesciences Limited-Consolidated*	5	18,539	60	6,277	9	(20)	62	6,257
6	FTF Pharma Private Limited*	1	3,450	4	398	6	(14)	4	384
7	Vegil Labs Private Limited-Consol*	0	1,620	3	353	-	-	3	353
	(B) Subsidiaries - Foreign								
1	Mankindus.INC*	0	0	4	412	-	-	4	412
2	Koanaa Healthcare Limited(UK)*	(0)	(463)	(1)	(129)	-	-	(1)	(129)
3	Koanaa Healthcare GMBH(Austria)*	(1)	(2,109)	2	170	-	-	2	170
4	Zatoria Holding Limited*	-	-	-	-	-	-	-	-
5	Koanaa Healthcare Spain,S.L*	(0)	(404)	0	6	-	-	0	6
6	Shilpa Pharma Inc.*	(1)	(2,365)	(2)	(219)	-	-	(2)	(219)
7	Koanaa Healthcare Canada Inc.*	0	46	(3)	(336)	-	-	(3)	(336)
8	Indo Biotech SDN.BHD*	0	4	4	372	-	-	4	372
9	Koanaa International FZ LLC.*	(0)	(745)	(0)	(47)	-	-	(0)	(47)
10	Pilnova Pharma Inc*	(0)	(946)	(7)	(738)	-	-	(7)	(738)
C	**Non Controlling Interests in all Subsidiaries**	**(0)**	**(853)**	**(0)**	**(0)**			**(0)**	**(0)**
D	**Joint Ventures (Investment as per equity method) - Indian**								
1	Reva Medicare Private Limited*	-	-	(0)	(33)	-	-	(0)	(33)
2	Sravathi Advance Process Technologies Private Limited*	-	-	1	139	(2)	5	1	144
	Gross Total	**100**	**3,64,843**	**100**	**10,381**	**100**	**(225)**	**100**	**10,156**
	Adjustment arising on consolidation		**(1,28,473)**		**(2,552)**		**(5)**		**(2,557)**
Total			**2,36,370**		**7,829**		**(230)**		**7,599**

** Amounts are not presented since the amounts are rounded off to Rupees in Lakhs.*

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

48 Figures of the previous year have been regrouped/rearranged wherever necessary.

49 On October 6, 2025, the Company had allotted 9,77,90,908 bonus equity shares of Re. 1 each (fully paid-up) in the proportion of 1 bonus equity share for every 1 fully paid-up equity share to the eligible shareholders whose names appeared in the Register of Members / Register of Beneficial Owners as on October 3, 2025, being the record date fixed for this purpose, pursuant to the approval received from the Members at the 38th Annual General Meeting held on September 26, 2025.

The said bonus equity shares rank pari passu in all respects with the existing equity shares of the Company. As a result of the bonus issue, the issued, subscribed and paid-up equity share capital of the Company increased to ₹19,55,81,816 comprising 19,55,81,816 equity shares of Re. 1 each from ₹9,77,90,908 comprising 9,77,90,908 equity shares of Re. 1 each. The paid-up capital on account of the bonus issue of ₹9,77,90,908 has been appropriated from the Securities Premium Account.

50 Events after the reporting period:

On 22 May 2026, the Board of Directors of the company recommended a final dividend of Rs.0.60/- per equity share of Rs.1/-. The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting.

The accompanying notes form an integral part of the consolidated financial statements

for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/S200013

Yogesh. R. Bung
Partner
M.No.143932

Place : Raichur
Date :22.05.2026

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Ritu Tiwary
Company Secretary
Membership No:A19056

Alpesh Maheshkumar Dalal
Chief Financial Officer

Notice

Notice is hereby given that the 39th Annual General Meeting ("AGM") of the members of Shilpa Medicare Limited will be held on Friday, September 11, 2026 at 11.00AM(IST) through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the company for the financial year ended 31 March 2026, together with the report of Board of Directors and Auditors thereon.
2. To declare final dividend of ₹ 0.60/- per equity shares for the financial year ended March 31, 2026.
3. To appoint a Director in place of Mr. Sharath Reddy Kalakota (DIN:03603460), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Ratification of remuneration of Cost Auditors:**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a remuneration of ₹ 75000/- (Rupees Seventy Five Thousand only) (Excluding taxes, as applicable), in addition to reimbursement of all out of pocket expenses at actuals, if any, be paid to M/s.V.J. Talati & Co, Cost Accountants (Regd. No. M/2203), to audit the cost records maintained by the Company for the financial year ending March 31, 2027 be and is hereby approved and ratified.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts deeds and things as may be necessary to give effect to this resolution."

5. **Payment of Commission to Mr. Madhav Vishnukant Bhutada (DIN No: 08222055), Non-Executive Director of Shilpa Biologicals Private Limited, a Material Subsidiary.**

   To consider and if thought fit, to pass, with or without modification(s), may pass the following resolution as Ordinary Resolution:-

   "**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder, Regulation 17(6)(e) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of Nomination and Remuneration Committee, Audit Committee & the Board, approval of the members be and is hereby accorded for payment of commission upto 1% of the net profits computed in accordance with the provisions of Section 197 of the Companies Act, 2013, to Mr. Madhav Vishnukant Bhutada (DIN: 08222055), Non Executive Director of Shilpa Biologicals Private Limited, a material subsidiary of Shilpa Medicare Limited w.e.f 1st April 2026.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, and to execute all such documents, instruments and writings as may be considered necessary, desirable or expedient to give effect to this resolution."

By order of the Board of Directors
For Shilpa Medicare Limited

Sd/-
Ritu Tiwary
Company Secretary

Date: 5th August 2026
Place: Raichur

EXPLANATORY STATEMENT IN ACCORDANCE WITH SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO.4

The Board, on the recommendations of the Audit Committee, has approved the appointment of M/s. V.J. Talati & Co, Cost Accountants (Regd. No. M/2203), to conduct the audit of the cost records of the Company for the financial year 2026 -27 at a remuneration of ₹75000/- (Rupees Seventy Five Thousand only).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought by way of Ordinary resolution for ratification of the remuneration payable to the cost auditors for the financial year ending March 31, 2027.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested, financially or otherwise in the above resolution.

ITEM NO 5

Mr. Madhav Bhutada has played a significant role in providing strategic leadership, strengthening operational capabilities and overseeing key business initiatives of the Company. He has been consistently contributing to the business through his strategic inputs, industry insights and business guidance and has been actively participating in matters relating to business expansion, technology investments, partnerships and long-term growth strategies. It is under his able guidance that the Company continues to make progress across biologics, ADCs and novel biologics. Therefore, in view of the complexity and global operations of Biologics requiring significant attention and higher level of oversight, the Board of Directors in its meeting held on 5th August 2026 on recommendation of Nomination and Remuneration Committee recommend that he may be paid a remuneration by way of commission upto 1% (one percent) of the net profits of Shilpa Biologicals Private Limited.

He is the son of Mr. Vishnukant Chaturbhuj Bhutada, Promoter and Managing Director of Shilpa Medicare Ltd & holds 40,00,000 eq.sh i.e 2.05% of the shareholding of Shilpa Medicare Ltd.

Except Mr. Madhav Bhutada, Mr. Vishnukant Chaturbhuj Bhutada and their relatives, none of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested financially or otherwise in the above resolution.

Members approval is sought by way of Ordinary resolution.

By order of the Board of Directors
For Shilpa Medicare Limited

Sd/-
Ritu Tiwary
Company Secretary

Date: 5th August 2026
Place: Raichur

NOTES:

1. The explanatory statement setting out all the material facts in respect of the special business as set out in the Notice, pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.

2. Ministry of Corporate Affairs General Circular No.03/2025 dated September 22, 2025 and applicable SEBI Circulars has permitted the holding of the Annual General Meeting ("AGM") through Video Conference/Other Audio Visual Means, without the physical presence of the Members at a common venue.

   Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circulars issued by MCA and SEBI, the 38th AGM of the Company is being conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) herein after called as "e-AGM".

   e-AGM: The Company has appointed KFin Technologies Limited (KFintech), Registrars and Transfer Agents, to provide Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility for the Annual General Meeting.

3. Pursuant to the provisions of the circulars on the VC/ OAVM (e-AGM):

   a. Members can attend the meeting through login credentials provided to them to connect to Video Conference (VC) / Other Audio-Visual Means (OAVM). Physical attendance of the Members at the Meeting venue is not required.

   b. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

4. As the AGM shall be conducted through VC/ OAVM, the facility for appointment of Proxy by Members is not available and hence, Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

5. Members can join the AGM through VC/OAVM mode 15 minutes before the scheduled time of commencement of the meeting by following the procedure mentioned in this Notice.

6. The attendance of the Members (member's logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. In line with Ministry of Corporate Affairs General Circular No.03/2025 dated September 22, 2025 and applicable SEBI Circulars, the Notice calling the e-AGM and Annual Report has been uploaded on the website of the Company at https:// vbshilpa.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at https://www.bseindia.com and https:// www.nseindia.com respectively. The Notice and Annual Report is also available on the website of e-voting agency KFin Technologies Limited at the website address https://evoting.kfintech.com.

   The Annual Report for the Financial year ended March 31, 2026 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's Report or other documents required to be attached therewith (together referred to as Annual Report).

8. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited at einward.ris@kfintech.com. Members are requested to submit a request letter mentioning the Folio No. and Name of Shareholder along with scan copy of the Share Certificate (front and back) and self-attested copy of PAN card for updating of email addresses. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.

9. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit/Nomination & Remuneration/ Stakeholders' Relationship Committees, Auditors, etc., who are allowed to attend the AGM without restriction of first come first served basis.

10. Shareholders who would like to express their views/ask questions during the meeting should register themselves as a speaker by sending a request mentioning their name, demat account number/folio number, email id, mobile number at cs@vbshilpa.com from Monday, September 07, 2026 at 09:00 am to Tuesday, September 8, 2026 up to 5.00 pm.

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

12. In terms of Sections 124 of the Companies Act, 2013, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF.

13. The Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service ("ECS"), NEFT, RTGS facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders account, elimination of loss of instruments in transit or fraudulent encashment, etc. The Shareholders holding shares in Physical form are requested to update their Bank Account details by submitting the Electronic Clearing Service ("ECS") form available on the website of the Company at https://www.vbshilpa.com/

14. Corporate Members / Institutional intending to authorize their representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting. Such documents can be sent to info@vcancs. com, with a copy marked to cs@vbshilpa.com & evoting@kfintech.com.

15. An Explanatory Statement, in compliance with the provisions of Section 102 of the Act and Rules made thereunder, Secretarial Standards on General Meetings (SS-2) and Listing Regulations, wherever applicable, in respect of Special Business to be transacted at the AGM is annexed and forms part of this Notice.

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

    Members holding shares in dematerialised form who acquire shares after dispatch of the Notice and holding shares as of the cut-off date i.e. September 04, 2026 are requested to follow steps mentioned in this Notice under 'Access to NSDL e-Voting system'. Members holding shares in physical form and non-individual shareholders, who acquire shares after dispatch of this Notice and holding shares as of the cut-off date, are requested to obtain the login ID and password by sending request to evoting@nsdl.co.in.

17. **INSTRUCTIONS FOR THE MEMBERS ATTENDING THE e-AGM THROUGH VIDEO CONFERENCE/ OTHER AUDIO VISUAL MODE**

    E-AGM: Company has appointed KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.

    In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

    Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, M/s KFin Technologies Limited. Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.

    Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.

The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by giving a prior notice to the Company. Members who wish to inspect the register are requested to write to the Company by sending an email to cs@vbshilpa.com.

The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with their respective Depository Participants. Members who hold shares in physical form are requested to fill and send the required details to the Registrar and Share Transfer Agent, M/s. KFin Technologies Limited at Karvy Selenium, Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, Telangana.

With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.

Members (Physical / Demat) who have not registered their email addresses with the Company can register and obtain the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form)

i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

    a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.

    b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin Technologies Limited by sending an e-mail request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions.

ii. Those members who have not registered their email addresses with the Company / Depository Participants, as the case may be, are requested to visit the website of the Company www.vbshilpa.com and click on 'Click here for temporary registration of email id of https:// ris.kfintech.com/email_registration/ for 36th AGM and follow the process as mentioned on the landing page to receive the Annual Report, AGM Notice and Voting Instructions. In case of any queries, shareholder may write to einward.ris@kfintech.com.

iii. Those members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/ update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company, in case the shares held in physical form.

VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations, 2015, shareholders are provided with the facility to cast their vote electronically, through the Remote e-voting services provided by KFin

Technologies Limited, in respect of all resolutions set forth in this Notice.

Mr. Santosh Kumar Gunemoni, Partner of VCAN & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the Remote e-voting process in a fair and transparent manner.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., September 04, 2026 only shall be entitled to avail the facility of remote e-voting.

The remote e-voting period commences on September 07, 2026 at 09:00 AM and ends on September 10, 2026 at 05:00 PM IST. The remote e-voting module shall be disabled for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

Members, who are present in meeting through video conferencing facility and have not casted their vote on resolution through remote e-voting, shall be allowed to vote through e-voting system during the meeting

PROCEDURE FOR REMOTE E-VOTING

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii. However, in pursuant to SEBI circular no. SEBI/ HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The remote e-Voting period commences from Monday, September 07, 2026 to Thursday, September 10, 2026.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

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

Step 3 : Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 **3. Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasitoken/home/login OR URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasitoken/home/login OR URL: www.cdslindia.com II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e **KFintech** where the e- Voting is in progress.

Type of shareholders	Login Method
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **Kfintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Details on Step 2 are mentioned below:

II) **Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., '39th SHILPA MEDICARE LIMITED- AGM" and click on "Submit".

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or

"AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id info@vcans.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based ion SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/isrforms.aspx

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or

b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

c) Through electronic mode with e-sign by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx#

Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id. Questions /queries received by the Company till Tuesday, 08 September 2026 shall only be considered and responded during the AGM.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC / OAVM shall be available for at least 1000 members on first come first served basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

I. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will opened from 07 September, 2026 to 08 September, 2026. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from September 07, 2026 to September 08, 2026.

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Mr. Anandan, at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 04, 2026, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

i. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

Annexure

Details of directors seeking appointment/ re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 (Secretarial Standards on General Meetings):

Particulars	Details	Details
Name of the Director	Mr. Kalakota Sharath Reddy	Mr. Madhav Vishnukant Bhutada
Age	58 yrs	31 years
Relationship with Directors	Not related to any Director inter se	Related to Managing Director
Date of Initial appointment	October 1, 2019	January 24, 2022 as Managing Director of Shilpa Biocare Private Limited
Qualification	Bachelor degree from Raichur Gulbarga University in pharmacy from Birla Institute of technology & Science. Pilani Rajasthan	B.E Chemical
Expertise in specific functional areas	Mr. Kalakota Sharath Reddy has been with Shilpa Medicare Limited since 1991 and is having an enriched experience in pharmaceutical API manufacturing & operations & execution of Greenfield & brown filed projects for over 31 + years in Shilpa Medicare Limited with diverse focus on active pharmaceutical ingredients intermediate, Effluent Treatment R&D, quality control facilities designing & commission function area	Mr. Madhav plays a pivotal role in steering the course of the company towards its widespread operations in the Company with focus on recombinant albumin & large-scale microbial fermentation facility & has more than 10 years of experience in Pharmaceutical Industry
Terms and conditions of appointment or re-appointment	As set forth in the resolution His retirement by rotation will not result in any discontinuity in Directorship of the Company.	As set forth in the resolution
Directorship on the Boards of other companies	Shilpa Pharma Lifesciences Ltd Shilpa Biocare Pvt Ltd	KMN Investments Pvt Ltd Shilpa Biocare Pvt Ltd
Chairmanship of the Committees of Boards of other companies	Nil	Nil
Membership on the Committees of Boards of other companies	Nil	Nil
No. of meetings of the Board attended during the year	4	NA
Number of shares held in the Company as on the date of notice	56,178 equity shares of Re. 1/- each	40,00,000 equity shares of Re. 1/- each

** For additional details on skills, expertise, knowledge and competencies of Directors, please refer to Corporate Governance Report forming part of the Annual Report.*

Note

Information pertaining to remuneration paid to the Directors who are being appointed/ re-appointed and the number of Board Meetings attended by them during the year 2025-26 have been provided in the Corporate Governance Report forming part of the Annual Report.

Innovating for
affordable healthcare

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