

# DRIVING SUSTAINABLE GROWTH

**Develop | Deliver | Excel**



# Contents

## INTEGRATED REPORT 01-05

### Introduction

|   |                        |
|---|------------------------|
| 2 | About the report       |
| 4 | Performance highlights |

## 06-17

### Corporate overview

|    |                              |
|----|------------------------------|
| 6  | Aurobindo Pharma at a glance |
| 10 | Product portfolio            |
| 16 | Geographic footprint         |

## 18-23

### Performance overview

|    |   |
|----|---|
| 18 | Vice Chairman & Managing Director's message |
| 20 | Key performance indicators                  |
| 22 | Business segment review                     |

## 24-39

### Value creation approach

|    |                                   |
|----|-----------------------------------|
| 24 | Value creation model              |
| 26 | Operating landscape               |
| 28 | Strategic priorities              |
| 30 | Stakeholder engagement            |
| 32 | Materiality assessment            |
| 36 | Sustainability goals and progress |
| 38 | Contribution to UN SDGs           |

## 40-44

### Governance

|    |                              |
|----|------------------------------|
| 40 | Ethics and corporate culture |
| 42 | Board of Directors           |
| 44 | Risk management              |

## 45

### Awards and recognition

## 46-97

### Capital-wise performance

|    |                                 |
|----|---------------------------------|
| 46 | Financial capital               |
| 50 | Manufactured capital            |
| 56 | Intellectual capital            |
| 62 | Human capital                   |
| 76 | Social and relationship capital |
| 86 | Natural capital                 |

## STATUTORY REPORTS 98-253

|     |   |
|-----|---|
| 98  | Notice  |
| 118 | Board's Report                                  |
| 130 | Management Discussion and Analysis              |
| 144 | Risk Management                                 |
| 152 | Business Responsibility & Sustainability Report |
| 222 | Report on Corporate Governance                  |

## FINANCIAL STATEMENTS 254-455

|     |              |
|-----|--------------|
| 254 | Standalone   |
| 354 | Consolidated |

## 456

### Commercial manufacturing units

# Driving sustainable growth

As a leading global generic pharmaceutical company, our focus on building large-scale manufacturing capabilities and backward integration have been instrumental in our growth journey. Our R&D played a key role in creating a distinctive and diverse product portfolio catering to emerging patient needs, complemented by a robust and expansive supply chain to ensure reliable access to essential medicines worldwide.

Our commitment to stringent quality assurance and disciplined risk management has not only fuelled growth but also positioned us as a trusted partner in the global pharmaceutical market.

In our pursuit of sustainable growth, we prioritise developing differentiated products, delivering on strategic objectives, and striving for excellence in all our endeavours.

# Develop

We have made significant progress in developing affordable medicines to address unmet medical needs. Our robust pipeline of biosimilars and complex generics positions us for strong revenue growth going forward.

# Deliver

We consistently deliver on our strategic objectives, translating vision into action to achieve tangible results. Through our five key strategies, we drive growth, expand our market presence, and enhance our product portfolio.

# Excel

We are committed to continuous improvement in everything we do, ensuring operational excellence through optimised capacity utilisation and a high-performance supply chain while upholding high standards of quality.



# Our integrated approach

We at Aurobindo Pharma Limited, are delighted to present our second integrated annual report, providing stakeholders with a comprehensive overview of our financial and non-financial performance, strategy and outlook.

We are focused on developing a strong pipeline and driving the commercialisation of our key projects, which gives us confidence in sustaining our growth trajectory.

The report will address key topics relevant to each stakeholder group, providing transparency in our ways of working, continuous and clear communication on all aspects, and maintaining ethical business practices.

Reporting Period:

April 1, 2023, to March 31, 2024

Feedback and contact

We value your feedback, which helps us enhance our reporting. Please email us at: [jvnreddy@aurobindo.com](mailto:jvnreddy@aurobindo.com) | [ir@aurobindo.com](mailto:ir@aurobindo.com) | [cc@aurobindo.com](mailto:cc@aurobindo.com)

**Note:** Aurobindo Pharma Limited is also referred to as Aurobindo Pharma, APL, the Company or Our Company across the Integrated Annual Report.

Framework and standards

Our reporting process is guided by the Integrated Reporting (IR) Framework, established by the International Integrated Reporting Council (IIRC). The preparation of this report involves a structured content-gathering exercise across the entire organisation, which is driven by cross-functional teams and emphasises interaction with multiple stakeholders. This comprehensive approach prioritises future business and societal objectives.

Scope and boundary

This report encompasses data from all our global product manufacturing facilities, research, and development centres and marketing operations. It includes information on ingredient sourcing, patient management, product packaging, and warehousing facilities. Sustainability performance is evaluated specifically for our manufacturing and R&D facilities, as well as initiatives undertaken by our corporate office in Hyderabad, India.

Value creation through capitals

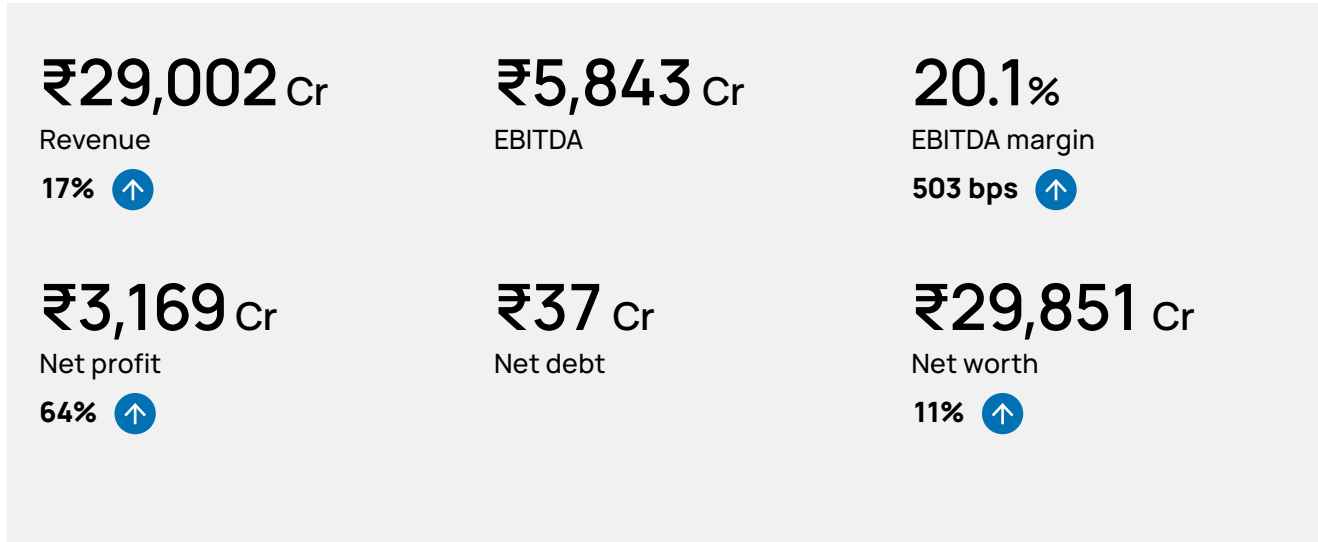
The report illustrates our integrated approach to value creation, depicting how each capital contributes to addressing material issues and creating value for stakeholders.

- Customers
- Investors
- Suppliers
- Employees
- Communities
- Healthcare professionals
- Government and regulatory bodies

Capital

| Financial capital   | Manufactured capital   | Intellectual capital   |
|---|--|--|
| <p>Demonstrating financial discipline, we allocate cash from operations, divestitures, and financing to sustain our business, invest in future capabilities, capitalise on growth opportunities, and distribute profits to shareholders.</p> <p><b>Material issues</b></p> <p>Customer welfare and satisfaction, Business ethics &amp; accountability, Governance and code of business conduct.</p> <p><b>Stakeholders impacted</b></p> <div> </div> <p>Page 46</p> | <p>Our investments in capacity expansion ensure supply chain resilience, operational flexibility, environmental control, and regulatory compliance, enabling the production of valuable products.</p> <p><b>Material issues</b></p> <p>Pharmacovigilance, Regulatory compliance, Sustainable supply chain management.</p> <p><b>Stakeholders impacted</b></p> <div> </div> <p>Page 50</p>          | <p>Our competitive edge lies in our technological prowess, operational excellence, and digital initiatives, reinforcing our foundation.</p> <p><b>Material issues</b></p> <p>R&amp;D, Intellectual property.</p> <p><b>Stakeholders impacted</b></p> <div> </div> <p>Page 56</p>   |
| Human capital   | Social and relationship capital  | Natural capital  |
| <p>Our workforce, diverse and innovative, drives continuous stakeholder value through skill retention, career development, and robust succession planning, fostering an inclusive environment.</p> <p><b>Material issues</b></p> <p>Talent Attraction and Retention, Training &amp; Development, Human rights, Diversity &amp; Inclusiveness.</p> <p><b>Stakeholders impacted</b></p> <div> </div> <p>Page 62</p>   | <p>We are dedicated to fostering a supportive environment for operations and investments, engaging stakeholders to tackle challenges and achieve strategic objectives through a multi-stakeholder approach.</p> <p><b>Material issues</b></p> <p>Affordability (Pricing), CSR, Antimicrobial resistance, Access to healthcare.</p> <p><b>Stakeholders impacted</b></p> <div> </div> <p>Page 76</p> | <p>Utilising natural resources responsibly, we develop health-promoting products while striving for self-sufficiency, resource efficiency, and renewable energy adoption to minimise environmental impact.</p> <p><b>Material issues</b></p> <p>Energy efficiency, GHG emission, Water management, Renewable energy.</p> <p><b>Stakeholders impacted</b></p> <div> </div> <p>Page 86</p> |

Financial



y-o-y growth

Non-financial





# Committed to healthier life

We are a leading, well-integrated global pharmaceutical company, dedicated to making medicines affordable and accessible for patients worldwide.

From conception to commercialisation, we have developed capabilities and capacities across formulations and active pharmaceutical ingredients (API) to deliver a wide product portfolio that caters to diverse market needs and continues to make a difference in the lives of millions of patients across the world.



## Vision

To become a leading and an admired global pharma company, ranked within the top 25 by 2030.



## Mission

To become the most valued pharma partner to the world pharma fraternity by continuously researching, developing, and manufacturing a wide range of pharmaceutical products that comply with the highest regulatory standards.

## Global leadership

#1 Largest Generic pharma company in the US by Rx dispensed\*

Ranked among Top-10 Generic companies in eight countries in Europe

2<sup>nd</sup> largest listed Indian pharma company by Revenue from operations

29

State-of-the-art commercial manufacturing facilities, with export presence in 150+ countries

9

R&D centres with 1,500+ scientists and analysts driving development

37,000+

Global workforce including both permanent employees and contractual workers



\* As per IQVIA MAT March 2024.

Business Segments

Formulations

Our formulations business focuses on developing and manufacturing a diverse range of pharmaceutical products to meet the evolving needs of patients worldwide.

With a strong emphasis on quality and continuous development, we specialise in creating medications in various dosage forms, including oral solids, liquids, and injectables. Our formulations target key therapeutic areas, including:

- Central Nervous System (CNS)
  - Cardiovascular (CVS)
  - Antibiotics
  - Anti-retroviral (ARV)
- Anti-diabetics
  - Gastroenterology
  - Oncology
  - Dermatology

16  
Formulations facilities

50 Bn+\*  
Installed capacity for Finished Dosage Forms (FDF)

\* Excludes current capacity expansion plans.

Active Pharmaceutical Ingredients (API) & Intermediates

Leveraging our expertise in process chemistry and the advantages of large-scale production, we have positioned ourselves as a cost-effective provider of API, which caters to both captive requirement and external customers.

We manufacture 52% of our API requirements in-house.

Our API business covers a wide range of therapeutic areas, contributing to the profitability and growth of our formulations segment. Additionally, we are among the few companies present across beta-lactams and non-beta lactams. Within beta lactams, we offer both sterile and non-sterile Penicillin, Cephalosporins, and Penems.

13  
APIs & intermediates facilities

19,000 MT\*  
Installed API capacity

3,600 MT  
Installed 6-APA capacity

15,000 MT  
Installed Pen-G capacity

\* Excludes current capacity expansion plans.



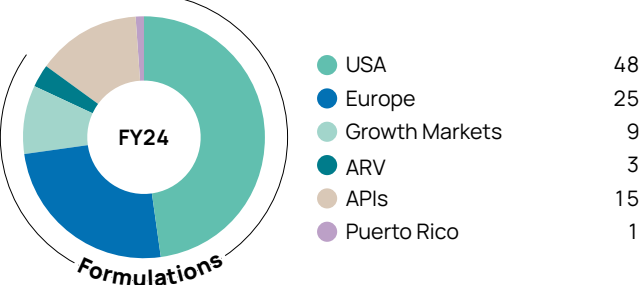
Segment-wise revenue breakup

Revenue (₹ in crores)

| Segment                 |        |
|-------------------------|--------|
| Formulations            | 24,419 |
| USA                     | 13,867 |
| Europe                  | 7,166  |
| Growth Markets          | 2,517  |
| ARV                     | 868    |
| API                     | 4,241  |
| Puerto Rico             | 342    |
| Revenue from operations | 29,002 |

Segment-wise contribution

Total revenue (%)

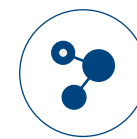
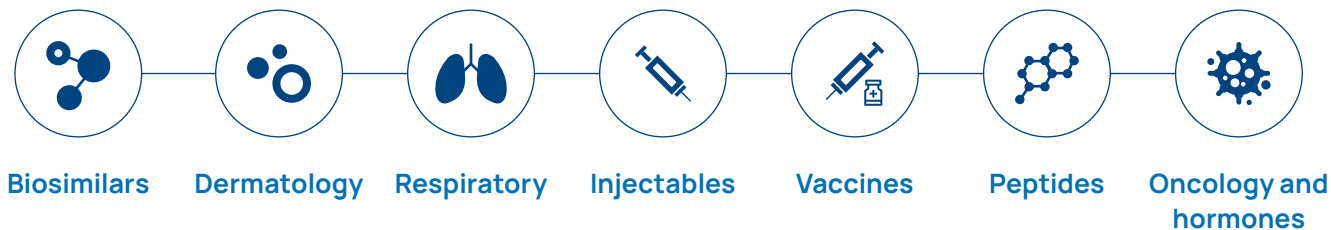




# Enhancing patient care through continuous development

We are expanding and diversifying our product pipeline, particularly in specialty and complex generics, leveraging our in-house development capabilities and through targeted acquisitions. Our development programs for biosimilars and vaccines will further serve evolving patient needs.

## Diverse product portfolio



## Biosimilars

CuraTeQ Biologics (a wholly owned subsidiary of Aurobindo Pharma) is a biopharmaceutical company focused on developing cost-effective biosimilars for treating patients affected by life-threatening and debilitating diseases.

Biosimilars can be a safe alternative by providing the same benefits as already licensed biologic drugs and have the potential to democratise access to life saving therapies. CuraTeQ's portfolio of 14 biosimilars, primarily in oncology and immunology segments, can deliver long-term and sustainable benefit to patients, health care systems, and shareholders. CuraTeQ has completed licensure clinical trials for three oncology biosimilars, which are filed with the European Medicines Agency. Four more biosimilars are in global Phase 3 clinical trials, of which at least two biosimilars will complete their clinical study requirements and will enter the filing phase in the next year. CuraTeQ has received marketing authorisation from the

Central Drugs Standard Control Organisation (CDSCO, India) for biosimilar trastuzumab, a humanised monoclonal antibody that is used in the treatment of early-stage and metastatic breast cancers. Our trastuzumab biosimilar product was developed using a "totality of evidence approach" to establish equivalence in terms of quality, safety, and efficacy to the originator product. The biosimilar was subjected to extensive analytical comparability testing, PK/PD assessment in healthy volunteers, and an efficacy clinical trial in 690 metastatic breast cancer patients.



14

Biosimilars are in our product pipeline

## Immunology and oncology

Target therapeutic segments

4

Products in global phase 3 clinical trials



## Dermatology

In our pursuit of developing advanced formulations, we are dedicated to developing drug delivery solutions through the dermal route, including topical and transdermal products.

### Topical products

Topical formulations are essential in dermatological care, offering targeted treatment directly to affected areas of the skin. These formulations include creams, foams, shampoos, and specialised products tailored to address various skin conditions. Our in-house capabilities enable efficient in-vitro studies, reducing development timelines while ensuring efficacy.

44

Products in the portfolio including those under development

### Transdermal Patches

Transdermal patches deliver medications directly through the skin for systemic effects. These patches provide a controlled, sustained release of medications into the bloodstream. Our portfolio includes patches for diverse indications, backed by successful pharmacokinetic studies. We anticipate regulatory submissions for these patches soon, aiming to address unmet medical needs.

8

Products in the portfolio including those under development



### Outlook

With a robust pipeline and a strategic focus on continuous development, we are poised for significant growth in topical products. Our ongoing efforts aim to bring effective and accessible topical drug products to patients worldwide, driving positive clinical outcomes.



## Depot injections

Depot injections represent a vital segment of our pharmaceutical development, offering sustained-release formulations for prolonged therapeutic effects. Our focus on continuous development has led to significant progress in this area. Leveraging a nano-suspension platform, we have successfully manufactured exhibit batches for one of our depot injectables. Currently, we are in the process of finalising the clinical strategy for the product to ensure its efficacy and safety profile.



## Respiratory

Respiratory disorders demand precise delivery of medications directly to the affected areas. Nasal sprays and inhalers provide targeted treatment, offering relief from symptoms and improving patient outcomes.

### Nasal Sprays

Nasal sprays offer a rapid and efficient route for delivering medications directly to the nasal cavity. Our ongoing efforts are focused on enhancing our portfolio through new device-based nasal products.

### Inhalers

Inhalers are crucial in respiratory therapy, facilitating the delivery of medications directly into the lungs. With a focus on metered dose inhalers (MDI) and dry powder inhalers (DPI), we aim to address respiratory

disorders through rigorous clinical trial requirements and adherence to reference-listed drug standards. Our state-of-the-art manufacturing facility in Raleigh, USA, ensures quality and efficiency in the production of the inhaler drug device combination.

16

Products in the portfolio including those under development



### Outlook

Our commitment to respiratory health drives continuous development and advancement in nasal spray and inhaler formulations. With ongoing efforts and regulatory submissions, we anticipate meeting the evolving needs of patients with acute and chronic respiratory conditions.



## Vaccines

We have managed to achieve momentum in our vaccine portfolio with four development programs. We are focused on developing vaccine candidates that can help address public health problems in low-and-middle-income countries. In September 2023, our Company entered into a license agreement with Hilleman Laboratories Singapore Pte. Ltd. to develop, manufacture, and commercialise a pentavalent vaccine candidate used for vaccination in children against meningitis.





## Peptides

Peptide-based drugs, which are short chains of amino acids with molecular weights typically ranging from 500 to 5,000 Da, have gained traction in the pharmaceutical industry due to advancements in chemical synthesis techniques.

# 14

DMFs

Submitted with the US FDA

AuroPeptides is our subsidiary developing peptide-based generic APIs with a focus on oncology and diabetology segments. We expect GLP-1 receptor agonists to have a steady increase in market demand as this class of drugs will be increasingly used in treating diabetes and obesity. To that effect, we are continuing our focus on our three products in the GLP-1 API portfolio and are aligning additional new capacities to support their manufacturing.

## Oncology and Diabetology

Target therapeutic segments

By the end of FY24, we have filed 14 peptide API DMFs with the US FDA. Out of which, our DMFs have contributed to five ANDA approvals thus far. The peptides' manufacturing facility was inspected by the US FDA during the year, and the inspection concluded with zero observations. Subsequently, the facility received an Establishment Inspection Report (EIR) from the US FDA with a classification of 'No Action Indicated (NAI)'.

# 5

ANDA

Approvals using our peptide APIs



## Oncology and Hormones

Eugia Pharma has witnessed significant growth in its business operations, marked by robust financial performance and strategic expansions. Eugia Pharma has been expanding its manufacturing footprint with capacity expansions at the existing plants as well as greenfield expansion towards building the new sterile facility. Despite certain regulatory challenges, Eugia Pharma has maintained a strong trajectory of growth and efficiency across its operations.

### Key Highlights FY24

#### Commercialisation of new sterile facility

Eugia Pharma commercialised its sterile facility in Anakapally district with an estimated peak utilisation capacity of 285 million units. This facility is expected to cater to Europe, the US, and Growth Markets. The facility was recently inspected by the US FDA.

#### Product approvals

Eugia Pharma obtained approvals for over 20 products during FY24 across various therapeutic segments, underscoring its commitment to continuous development and expanding its portfolio.

#### Geographic expansion

Eugia Pharma has strategically expanded its presence into new markets, notably Australia and New Zealand, where it has initiated product filings and received

approvals. Eugia Pharma commenced commercialisation activities in Australia, leveraging its growing product portfolio.

#### Audit performance

Unit-III of Eugia Pharma faced certain regulatory challenges. We are in the process of addressing the issues raised by the US FDA and have promptly engaged third-party consultants for the implementation of the proposed CAPA. The operations of the plant were temporarily impacted, and all the lines were restarted in a phased manner after addressing the issues and ensuring the quality of the product.

Notably, the Eugia-I facility received an outstanding outcome of the audit with zero observations, reflecting Company's commitment to quality and compliance. Further, in June 2024, the injectable facility of Eugia SEZ Pvt. Ltd. was classified as Voluntary Action Indicated (VAI) by the US FDA.

#### Facility operations

Eugia Pharma's plants have been running at full capacity, although there were certain temporary shutdowns taken at Eugia Unit-III for reassessment and corrective measures to address the issues highlighted during the regulatory inspection. With reasonable assurance, the unit has resumed operations. Further, the sterile unit at Anakapally has commenced its operations, which will support the increased volume demand and growth plans across the markets.

#### Financial growth

Specialty and Injectables has experienced substantial revenue growth, with a 35% increase over the previous year, amounting to a total revenue of ₹4,480 crores. Further, increased volumes, on the back of improved plant utilisation, and a focus on operational efficiencies have aided the margins of the specialty business.



### Outlook

Eugia Pharma is set to continue its growth trajectory, aided by capacity enhancements, new plant commercialisation and new product approvals, despite Eugia unit-III audit challenges. It continues to focus on efficiency improvements and cost optimisation initiatives to drive long-term success and shareholder value.

# Enhancing accessibility through global reach

Our extensive geographic coverage across developed and developing markets enables us to serve patients globally. This gives us a competitive advantage in understanding customer needs and ensuring faster delivery.

This extensive reach not only enhances our capability to understand and meet diverse consumer needs but also strengthens our ability to deliver novel and agile solutions promptly.



150+   
Countries export presence



Map not to scale.

# Pushing boundaries as we evolve

.....

Our focus remains on developing, delivering, and excelling in the competitive landscape, and seizing upcoming opportunities. We are well-positioned to continue our growth trajectory and deliver substantial value to our stakeholders in the years ahead.

.....



## Dear Stakeholders,

It gives us immense pleasure to share that Aurobindo Pharma made significant progress in FY24 on multiple fronts. Our unwavering dedication has empowered us to navigate demanding market circumstances and emerge even more resilient. Looking back on the past year, from delivering our highest-ever growth in reported sales and profitability to advancing our sustainability goals, we have achieved a strong feat in the global pharmaceutical industry.

This is our second Integrated Report, through which we want to present our holistic approach to our value creation journey, detailing our financial growth, sustainability advancements, key operational developments, challenges, and strategic initiatives from the past year. Looking ahead, our focus remains on developing, delivering, and excelling in the competitive landscape, and seizing upcoming opportunities. With a focus on continual improvement and proactive adaptation, we are poised to leverage emerging trends and market dynamics to our advantage.

In FY24, our operational revenue achieved a remarkable 17% y-o-y growth, reaching ₹29,002 crore. This growth was driven by our strategic expansion into new growth markets, a consistent focus on launching new products, and a stable pricing environment. Through a series of efficiency-improvement initiatives and the alleviation of pressures from input pricing, we achieved substantial margin expansion. Further, our resolute focus and investments in R&D and capital projects helped us gain a competitive edge and maintain sustained growth. India's robust fundamentals and supportive policies enabled us to stay resilient and contribute to economic growth in a continuously evolving macro-economic environment. Our diversified product portfolio and extensive global market presence played a pivotal role in delivering a strong performance, showcasing the robustness of our business model and strategies. As we continue to expand our manufacturing footprint and bolster backward integration efforts, we are well-positioned to continue our growth trajectory and deliver substantial value to our stakeholders in the years ahead.

## Strategic vision for sustainable growth

In pursuing sustainable growth, our Company has outlined five strategic priorities. First and foremost, we aim to fortify our supply chain through backward integration, particularly by commercialising Pen-G and 6-APA facilities. At the same time, we are expanding our manufacturing footprint by establishing new facilities, which, cumulatively, can produce over 50 billion doses annually. We are also focusing on extending our geographical presence and tapping into promising growth markets. Furthermore, we are gearing up for the future by venturing into biosimilars, with several products in late-stage development. Lastly, to maintain a well-diversified product portfolio, we have 830 US ANDAs, ensuring our presence across various therapeutic categories. Through these strategic initiatives, we are poised to achieve sustainable growth and leadership in the pharmaceutical industry.

# ₹29,002 Cr

Revenue from operations

## Progressive change for a better future

At Aurobindo, we are committed to sustainable and responsible business practices in various aspects of our operations across the value chain. Our ongoing rise in adoption of eco-friendly packaging techniques, resulted in savings of 340 tonnes of packaging materials in FY24. In pursuit of decarbonisation, we undertook various targeted initiatives which helped us reduce our Company's carbon footprint by ~16%. We have successfully implemented solar power generation capabilities, leading to the generation and utilisation of 43,000 MWh of solar energy in FY24. Additionally, our proactive approach to tackling off-site water contamination and combating antimicrobial resistance (AMR) through wastewater treatment measures at our API manufacturing and formulation facilities resulted in about 23% reuse of treated wastewater. Our overarching objective remains responsible management of resources, furthering our commitment to nurture a healthier ecosystem.

## Nurturing growth and cultivating excellence

We believe that cultivating a robust and diverse workforce is essential for organisational success and growth. Our commitment to diversity extends to actively recruiting individuals from various backgrounds and promoting inclusivity in all aspects of our operations.

In pursuit of excellence, we have established collaborative partnerships with esteemed institutions such as ICFAI University and other renowned entities to foster the development of emerging leaders. As part of our unwavering commitment to recognising and rewarding outstanding performance, we have implemented a comprehensive

Performance Management System (PMS) under our Reward and Recognition initiative. This system meticulously evaluates employee performance, providing a structured framework for acknowledging and rewarding individuals based on their accomplishments.

To maintain our competitive edge in talent retention, we regularly conduct benchmark studies, comparing our compensation and rewards practices with those of other respected pharmaceutical companies. Our ethos emphasises active employee engagement to cultivate a culture of value, motivation, and empowerment, fostering collaboration for mutual growth.

Furthermore, we prioritise the creation of a learner-centric environment where both individual and organisational growth are not only encouraged, but also valued and duly rewarded. Learning stands as a cornerstone of our organisational ecosystem, fostering continuous development and driving innovation.

## Empowering communities for a better tomorrow

As responsible corporate entity, we have positively impacted the lives of 8.59 lakh individuals through various CSR initiatives ranging from malnutrition prevention to education and skill development, healthcare, sanitation, rural development, public safety and sustainable agriculture. Our CSR initiatives are more than just projects; they are a commitment to making a meaningful impact in the communities we serve. Through Aurobindo Pharma Foundation, we constantly refine our approach to ensure that our efforts truly transform lives. From understanding the unique needs of each community to crafting innovative solutions in collaboration with local stakeholders, we are dedicated to maximise the effectiveness of our initiatives.

## Forward together

As we embark on another promising year, our commitment to excellence remains firm, and we are ready to reach even greater heights.

As I conclude, I extend my heartfelt gratitude to our dedicated team, esteemed shareholders, valued partners, and supportive stakeholders. Your ongoing support underscores our shared vision, and we are genuinely grateful for the trust you have placed in us. Together, we will pursue our endeavor of making a positive impact guided by a common purpose of "Committed to healthier life".

Regards,

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director

Profit and loss metrics



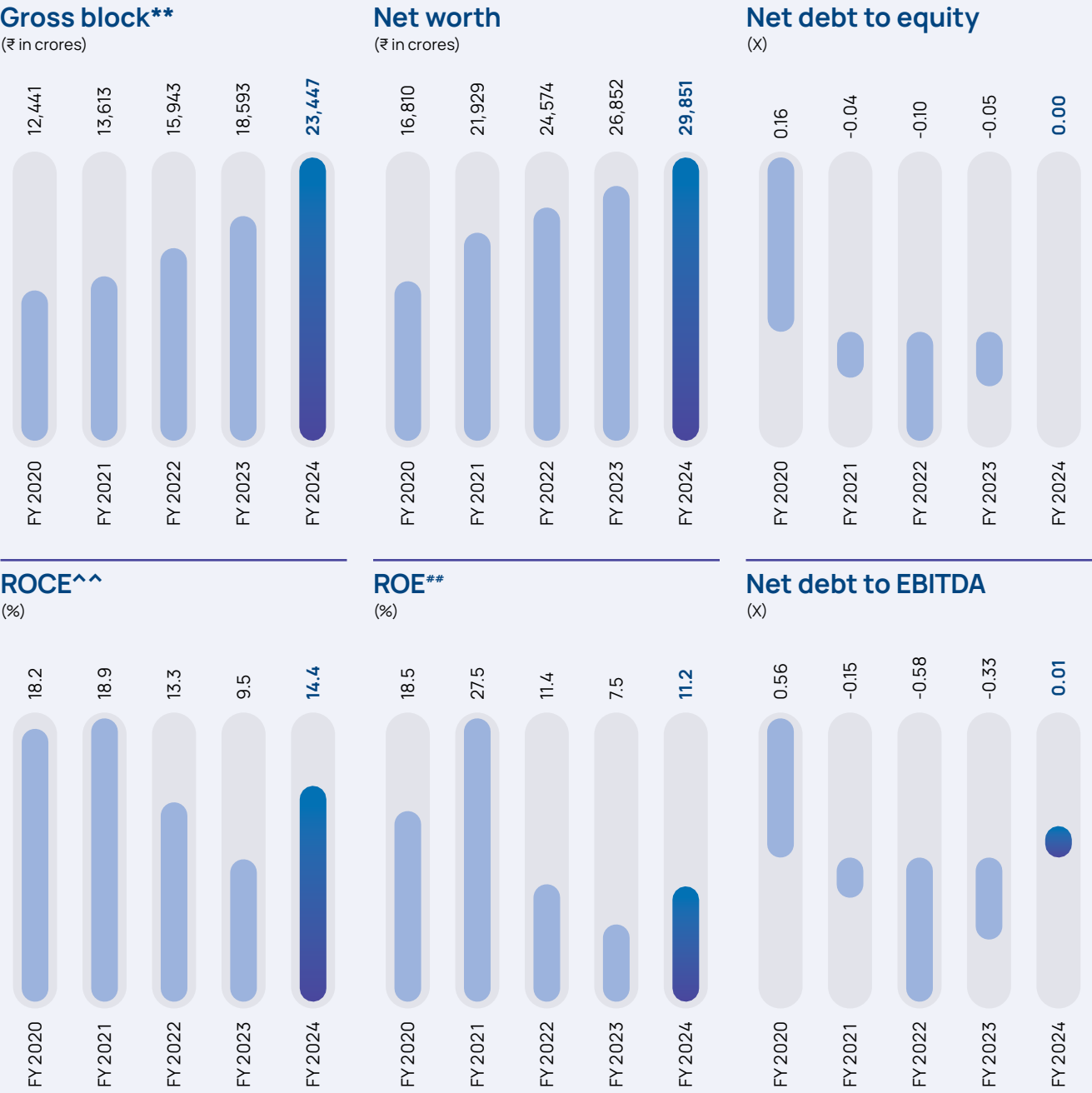
# Includes exceptional items gain of ₹2,340 crores (Net of tax) on sale of Natrol.

\* Numbers post FY22 do not include Natrol.

^ Excluding exceptional items, EPS for FY21 stood at ₹51.6 per share.

® EBITDA = Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the Profit before share of profit of Joint Ventures, Associates, Exceptional Items and Tax for the year and adding back finance costs, depreciation and amortisation expense and reducing other income.

Balance sheet metrics



\*\* Represents gross carrying value of Property Plant & Equipment, Goodwill, Other Intangible Assets and Right of Use Assets

^^ Return on Capital Employed (ROCE) = Earnings before interest and taxes (EBIT) / average capital employed (CE); CE = Equity + Short term debt + Long term debt + Current portion of long term debt

## Return on Equity (ROE) = Profit after tax / average equity



Delivering excellence  
across businesses

FY24 highlights

Formulations

| US   | Europe                                       | Growth Markets                              | Antiretroviral Drugs (ARVs)                 |
|--|--|---|---|
| ₹13,867 Cr<br>Revenue                        | ₹7,166 Cr<br>Revenue                         | ₹2,517 Cr<br>Revenue                        | ₹868 Cr<br>Revenue                          |
| 24%<br>y-o-y growth                          | 12%<br>y-o-y growth                          | 29%<br>y-o-y growth                         | -11%<br>y-o-y growth                        |
| 48%<br>Contribution to the total revenue mix | 25%<br>Contribution to the total revenue mix | 9%<br>Contribution to the total revenue mix | 3%<br>Contribution to the total revenue mix |
| 9%<br>5-year CAGR                            | 8%<br>5-year CAGR                            | 12%<br>5-year CAGR                          | -2%<br>5-year CAGR                          |

Active Pharmaceutical Ingredients (API)

|  |                     |
|--|---------------------|
| ₹4,241 Cr<br>Revenue from APIs               | 10%<br>y-o-y growth |
| 15%<br>Contribution to the total revenue mix | 4%<br>5-year CAGR   |





# Adapting to evolving industry landscape

In the highly regulated pharmaceutical landscape, continual evolution and adherence to stringent quality standards are crucial. Our ability to adapt to emerging market context and robust risk management ensures optimal value creation for all stakeholders amidst this dynamic environment.

## Global pharmaceutical market

The global pharmaceutical industry experienced notable shifts in medicine usage and spending in 2023, setting the stage for robust expansion ahead. Despite lower vaccination and therapeutic spending, the industry showcased resilience and agility, embracing novel therapies and increased overall medicine usage as the pandemic transitioned to an endemic phase.

# \$2.3 Tn

in total medicine spending by 2028 with a CAGR of 6-9% between 2024-2028

Source: IQVIA Report on Global Use of Medicines 2024

## Indian pharmaceutical market

The Indian pharmaceutical market is on a trajectory of significant expansion, driven by a burgeoning demand for healthcare products and services. In 2023, the market showcased notable improvements in acute therapies such as anti-infectives and vitamins/minerals, indicating a growing focus on addressing immediate health concerns. Concurrently, chronic therapies like those targeting cardiac and respiratory conditions continued to exhibit resilience, reflecting sustained demand for long-term treatment solutions.

# \$38-42 Bn

in total medicine spending by 2028 with a CAGR of 7-10% between 2024-2028

## Emerging trends shaping the pharmaceutical industry

### Growing importance of specialty medicines

Specialty medicines, catering to chronic, complex, and rare diseases, are gaining prominence globally. Despite their higher costs, they constitute a growing share of spending in higher-income and upper-middle-income countries, presenting both challenges and opportunities for pharmaceutical companies.

### Complex generics

The demand for complex generic drugs, characterised by intricate formulations or delivery mechanisms, is on the rise. These generics offer cost-effective alternatives to branded drugs and provide opportunities for market differentiation and higher margins for manufacturers focused on complex generics.

### Growth of biosimilars

According to Mordor Intelligence, the worldwide biosimilars market is estimated to be worth US\$35 billion in 2024, which is expected to reach US\$82 billion by 2029, with a CAGR of 18% over 2024-2029. Furthermore, the growing burden of cancer and increasing deaths due to it, create the need for affordable treatment and thus driving the growth of biosimilars market.

### Oncology leading the global medicine spending

Oncology remains a key therapeutic area in the pharmaceutical industry. With a surge in research and development, breakthrough therapies addressing unresolved cancers are expected, making oncology the largest area of drug spending worldwide.

### Digital transformation and Pharma 4.0

Digital delivery of healthcare services is becoming increasingly integral, driven by need for improved accessibility and efficiency. Additionally, the integration of cyber-physical systems into pharmaceutical manufacturing, known as Pharma 4.0, is revolutionising the industry. Digital transformation, including real-time data analytics, predictive technologies, and artificial intelligence, is enhancing productivity and efficiency in manufacturing processes.

### APL's edge

#### Cost competitive, high capacities and vertical integration

Our focus on achieving the cost competitiveness enables us garner higher market share and be profitable. The cost competitiveness is achieved with economies of scale and vertical integration. With commercialisation of our Penicillin-G and 6-APA facilities, we have further backward integrated in to the KSM and intermediate spaces.

#### Specialisation in complex generics

Our focus on developing and manufacturing complex generic drugs positions us as a leader in providing cost-effective

alternatives to branded medications, driving market differentiation and higher margins.

#### Expansion into biosimilars through CuraTeQ

Through our subsidiary CuraTeQ biologics, we are actively involved in the development of biosimilars. It has a pipeline of 14 products with a current market size of approximately US\$50 billion. In FY24, we accelerated our biosimilar development programme, allocating around 37% of our total research and development (R&D) expenditure to this area. We are working towards commercialisation of our biosimilar pipeline starting FY25, based on the outcome of the regulatory inspections.

#### Eugia's oncology focus

Eugia, our specialty and injectables division is dedicated to advancing oncology research and development, demonstrating our Company's commitment to addressing unmet medical needs and driving development in cancer care.

#### Investment in digital transformation

We are investing in digital technologies to enhance operational efficiency, quality assurance and cost management across our manufacturing processes, enhancing our competitiveness in the evolving pharmaceutical landscape.

Source: Biosimilar Market Size - Mordor Intelligence

# A roadmap to sustainable growth and market leadership

We aim to expand our footprint, enhance our product offerings, and fortify our position in key markets. Over the past few years, we have evolved with our dynamic approach, focused investments, and strategic initiatives. Our commitment to excellence showcases every aspect of our strategic endeavours, ensuring that we deliver value to our stakeholders while driving long-term success.

## Accelerating biosimilars

We continue to advance our biosimilar development programmes at CuraTeQ Biologics and have completed licensure clinical trials for three oncology biosimilars, which are filed with the European Medicines Agency. CuraTeQ has also received marketing authorisation from the Central Drugs Standard Control Organisation (CDSCO, India) for biosimilar trastuzumab, a humanised monoclonal antibody that is used in the treatment of early-stage and metastatic breast cancers.

Four more biosimilars are in global Phase 3 clinical trials, of which at least two will complete their clinical study requirements and enter the filing phase in the next year. Our ongoing Phase 3 trial for bevacizumab, an oncology biosimilar, is progressing as planned. Another significant opportunity for us is the biosimilar to Xolair (omalizumab) within the respiratory and dermatology spaces. We have successfully completed the Phase 1 clinical studies for the product and have initiated a global Phase 3

clinical study in chronic spontaneous urticaria subjects, in FY24. Additionally, a separate Phase 3 clinical trial in asthma patients is being carried out in the Indian population. CuraTeQ also entered into an exclusive license agreement with BioFactura Inc., USA, to commercialise BFI-751, a proposed biosimilar to Stelara (ustekinumab), a recombinant monoclonal antibody used for treating Crohn’s disease, ulcerative colitis, plaque psoriasis, and psoriatic arthritis.

We have strategically focused on building a fully integrated biosimilar organisation and have expanded our capacity in both our microbial and mammalian drug substance manufacturing facilities to support our future product launches. The additional Microbial drug substance manufacturing capacities have already been commissioned for use in FY23, while the two new Mammalian production lines will be ready for use in 2024.

| Strategic priorities | Expanding manufacturing footprint  | Backward integration to build a resilient supply chain  | Extending geographical presence with Growth Markets   |
|----------------------|--|---|---|
| Overview             | Increase access to affordable medicines and ensuring timely and reliable supplies by increasing the manufacturing capacities vide green field and brown field expansion      | Build internal capabilities for key strategic raw materials to reduce import dependence at competitive unit economics   | Expand presence in key markets such as Indonesia and India, driving growth through organic and inorganic strategies   |
| Initiatives          | <ul style="list-style-type: none"><li>Capacity enhancements</li><li>De-bottlenecking</li><li>New facility creation</li></ul>   | <ul style="list-style-type: none"><li>New facilities built to manufacture key strategic raw materials and their forward derivatives</li></ul>   | <ul style="list-style-type: none"><li>Establish a strong foothold in high-potential markets</li><li>Pursue organic growth initiatives and strategic acquisitions</li></ul>  |
| Progress             | <ul style="list-style-type: none"><li>Manufacturing capacity of 50 billion+ units</li><li>4 new plants commercialised</li><li>29 manufacturing plants in operation</li></ul> | <ul style="list-style-type: none"><li>Commercial production started at the Pen-G and 6-APA facilities in Kakinada, Andhra Pradesh</li><li>Annual capacities of 15,000 MT for Pen-G and 3,600 MT for 6-APA</li><li>Expected to be operational at full capacity in FY25</li></ul> | <ul style="list-style-type: none"><li>Acquired Viatris branded portfolio of 17 products in Indonesia in December 2023.</li><li>Ongoing efforts to strengthen presence and drive performance in other Growth Markets</li></ul> |

| Well diversified product portfolio  | Future ready with expansion into biosimilars   |
|---|--|
| Be present across different therapeutic areas and develop complex products etc.   | Focused on developing cost-effective biosimilars for treating patients affected by life threatening and debilitating diseases. |
| <ul style="list-style-type: none"><li>Continued focus on investments in R&amp;D, invested ₹1,471 crore (~5% of sales) in FY24</li></ul>   | <ul style="list-style-type: none"><li>37% of the total R&amp;D spend towards biosimilar product development</li></ul>          |
| <ul style="list-style-type: none"><li>830 US ANDA filings</li><li>3,642 Europe filings</li><li>664 Growth Markets filings</li><li>291 US DMF filings</li><li>Strong product pipeline of 172 products pending for approval</li></ul> | <ul style="list-style-type: none"><li>14 biosimilars under development</li></ul>   |





# Fostering trust through collaboration

We strongly believe that engaging with our stakeholders is essential for fostering trust, accountability and mutual understanding. Our stakeholders’ interests guide our actions, ensuring that we address their needs and expectations.

## Aligning with stakeholders’ priorities

Our stakeholder engagement efforts are centred around key focus areas that can drive positive impact across various dimensions. These focus areas include ethical business practices, environmental stewardship, social responsibility, and product quality and safety. By aligning our operations with stakeholder priorities, we aim to create shared value and contribute to the well-being of society while delivering sustainable returns to our investors.



### Why we engage with stakeholders?

### Engagement mode

### Focus areas



#### Customers

Understanding the customers’ needs is crucial. We aim to provide high-quality medicines to customers while ensuring affordability and accessibility

- Highly qualified and dedicated salesforce
- Network of wholesalers and distributors
- Regulatory authorities

- Affordability of medicines
- Accessibility of medicines



#### Healthcare professionals

Engaging with healthcare professionals enables us to understand patient needs and gather feedback on medication development and administration, ensuring maximum patient benefit

- Meeting
- Conferences
- Seminars

- Affordable medicines
- Identifying unmet patient needs



#### Employees

Employees play a key role in driving our growth and success. We prioritise employee growth and development, which not only benefits our employees but also help us achieve our Company’s objectives

- Employee engagement initiatives
- HR communication initiatives
- Direct interaction with senior leadership

- Diversity
- Occupational health and safety
- Succession planning
- Technical upskilling
- Learning and development
- Code of conduct



#### Investors

We engage with investors to secure financial capital for business operations and growth, promote good corporate governance, and provide transparency

- Earnings call
- AGM
- Regulatory disclosures
- Investor meetings, conferences and presentations
- Website

- Capital allocation
- Reporting and disclosure
- Economic performance



#### Suppliers

We engage with different suppliers including API suppliers, input material providers, and service providers to ensure supply chain continuity and optimise business operations

- Meetings
- Audits
- Facility visits

- Incorporation of industry best practices
- Economic growth and financial stability



#### Communities, NGOs, and Government bodies

We engage with communities, NGOs, and government organisations to create mutually beneficial relationships and drive sustainable solutions

- Interacting with communities to identify their needs and CSR activities
- Partnerships with NGOs
- Collaboration with government bodies in various ways

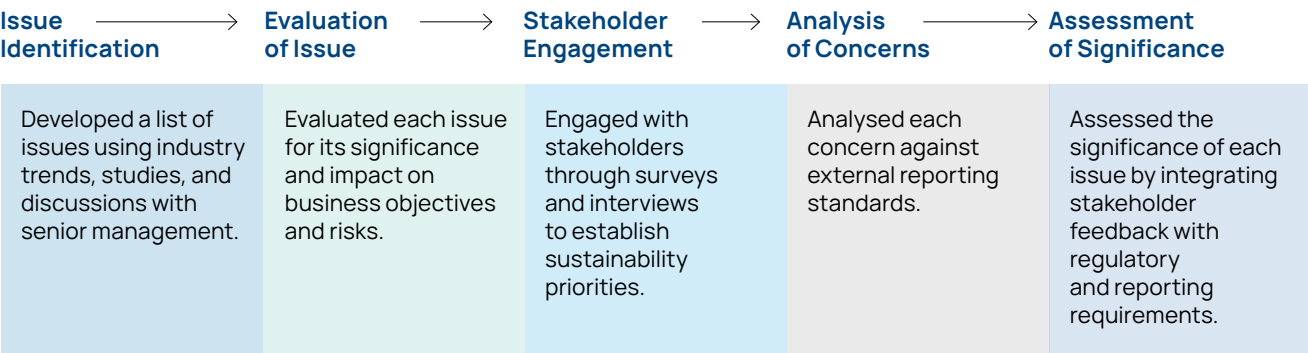
- Education and skill development
- Eradication of hunger and poverty
- Sustainable agriculture and environment protection
- Disaster and healthcare relief programmes
- Other rural development activities



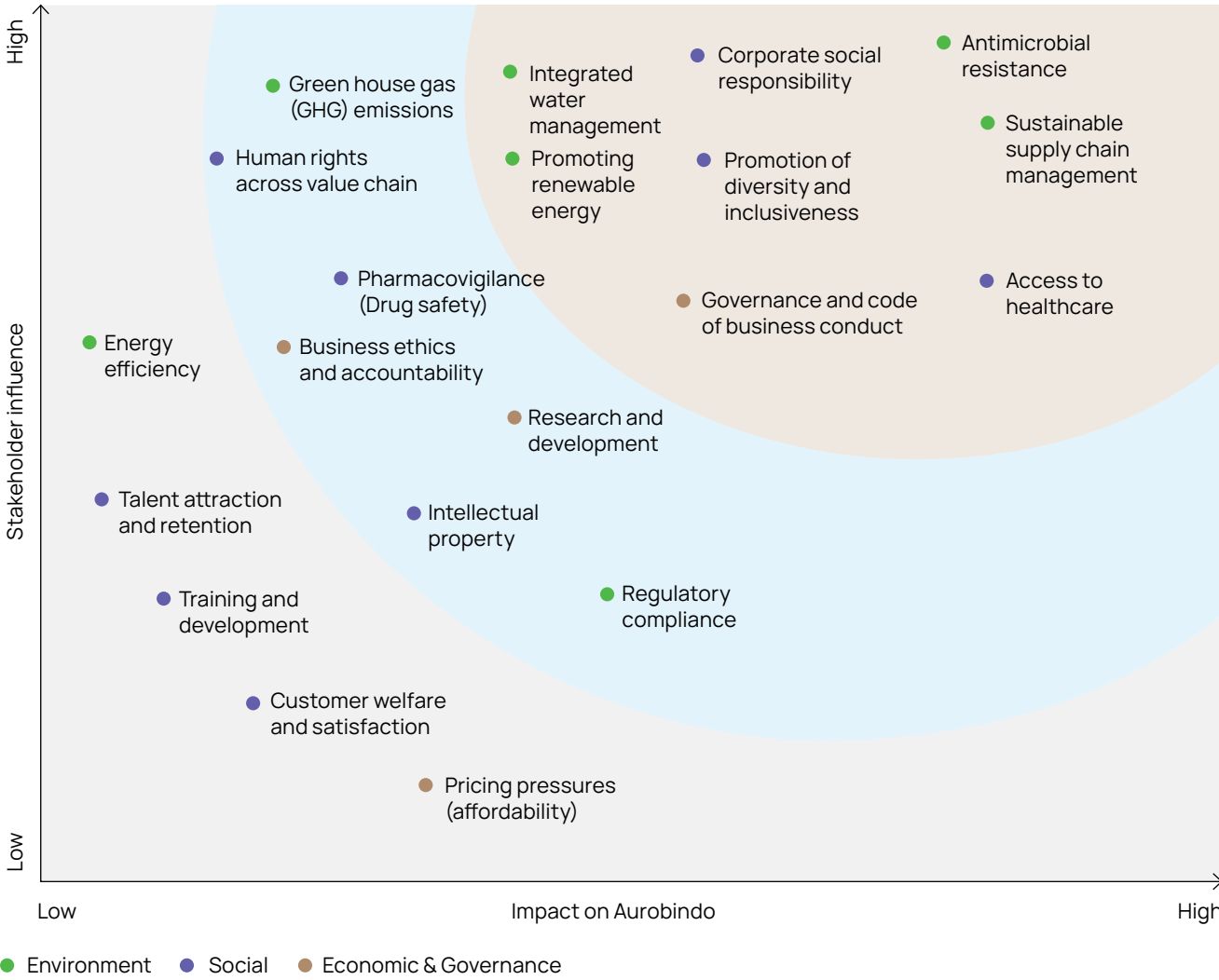
# Prioritising material issues for positive impact

In pursuing sustainable growth, we are committed to addressing material issues that are of utmost relevance to our stakeholders and business operations. Through materiality assessment, we aim to gain insights into the ESG factors that have the greatest potential to influence our business performance, reputation, and societal impact.

## Materiality assessment process






## Materiality matrix



Addressing material issues in a proactive and structured approach across environment, social, and governance (ESG) aspects

- Customers
- Investors
- Suppliers
- Healthcare professionals
- Employees
- Communities
- Government and regulatory bodies

|   | Material Issue                           | Stakeholders | Risk   | Opportunities  | Approach   |
|---|--|--------------|--|--|--|
| <br>Environment  | Sustainable supply chain management      |              | Supply chain disruptions, reputational damage                          | Meeting consumer demand for ethically sourced products, enhanced efficiency                        | Transparency in the supply chain, supplier engagement and audits, transition to eco-friendly logistics                                       |
|   | Antimicrobial resistance                 |              | Health risk, regulatory non-compliance                                 | Sustainable manufacturing practices, Improved brand reputation                                     | Collaboration with industry partners, Regulatory compliance initiatives  |
|   | Integrated water management              |              | Environmental and social risks related to water scarcity and depletion | Cost savings, operational efficiencies   | Water conservation programmes, community engagement initiatives  |
|   | Promoting renewable energy               |              | Regulatory changes, energy price fluctuations                          | Long-term cost savings, energy independence  | Partnerships with renewable energy providers, Investment in innovative energy technologies   |
| <br>Social     | Corporate social responsibility          |              | Opposition from local communities                                      | Enhanced brand image, social license to operate  | Execution of CSR initiatives based on necessity, with evaluation of impact   |
|   | Promotion of diversity and inclusiveness |              | Increasing attrition rates   | Enhanced brand image, talent retention   | Encouraging gender balance and equal opportunities, Integrating diversity and inclusivity into recruitment procedures                        |
|   | Access to healthcare                     |              | Postponement in availability of medicines                              | Opportunity to develop a robust pipeline of medicines for unmet medical needs                      | Ensuring medicine accessibility and enhancing community interaction through health camps, Enhancing product registrations in diverse nations |
| <br>Governance | Governance and code of business conduct  |              | Continuous high priority aligned with Aurobindo Pharma's principles    | Sustainability committee at the Board level, integrating more ESG factors into business operations | Exceeding compliance standards with the highest levels of governance   |

# Forging a better future

At Aurobindo Pharma, we are deeply committed to establishing ourselves as a leading sustainable entity within the pharmaceutical sector. Our sustainability goals showcase our commitments to contributing to a better future.

Our sustainability objectives have been carefully crafted, incorporating valuable insights from our leadership team and feedback from both external and internal stakeholders.

## Sustainability pillars

To assess our sustainability performance, we evaluate the extent to which we have achieved our short- and long-term goals across six pivotal dimensions of sustainability, known as the sustainability pillars. These pillars serve as guiding principles, helping us navigate our sustainability efforts and measure our progress effectively.

| Sustainability pillars   | Goals 2025  | Progress made so far | Status      |
|--|---|----------------------|-------------|
| <b>Responsible manufacturing</b> <div><div><div>6</div><div>CLEAN WATER AND SANITATION</div></div><div><div>7</div><div>REASONABLE AND CLEAN ENERGY</div></div><div><div>11</div><div>SUSTAINABLE CONSUMPTION AND PRODUCTION</div></div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div><div><div>13</div><div>CLIMATE ACTION</div></div><div><div>15</div><div>IFE ON LAND</div></div></div> | <b>20%</b><br>Renewable energy share (power-to-power)           | <b>14%</b>           | In progress |
|  | <b>12.5%</b><br>Reduction in carbon footprint                   | <b>16%</b>           | Achieved    |
|  | <b>35%</b><br>Water neutrality (water conservation/restoration) | <b>36%</b>           | Achieved    |
|  | <b>60%</b><br>Co-processing of hazardous waste                  | <b>64%</b>           | Achieved    |
|  | <b>100%</b><br>Reuse/Recycle of non hazardous waste             | <b>100%</b>          | Achieved    |

| Sustainability Pillars   | Goals 2025   | Progress made so far   | Status      |
|--|--|--|-------------|
| <b>Sustainable sourcing</b> <div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div><div><div>13</div><div>CLIMATE ACTION</div></div></div>  | <b>100%</b><br>Supplier assessment on Aurobindo's Suppliers' Code of Conduct | <b>~51%</b>  | In progress |
| <b>Social equity</b> <div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div><div><div>5</div><div>GENDER EQUALITY</div></div><div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div><div><div>10</div><div>REDUCED INEQUALITIES</div></div></div>                      | <b>12.75%</b><br>Women workforce   | <b>12.54%</b>  | In progress |
|  | <b>25</b><br>Training hours per employee                                     | <b>23.53</b>   | In progress |
|  | <b>Zero</b> Reportable incidents across operations                           | Measures are being taken along with training to ensure no reportable incidents | In progress |
| <b>CSR</b> <div><div><div>1</div><div>NO POVERTY</div></div><div><div>2</div><div>ZERO HUNGER</div></div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div><div><div>4</div><div>QUALITY EDUCATION</div></div><div><div>6</div><div>CLEAN WATER AND SANITATION</div></div></div> | <b>Empowering communities to build progressive ecosystem</b>                 | Need based programmes are being implemented                                    | In progress |
| <b>Effective governance</b> <div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div></div>   | <b>Highest levels of governance beyond compliance</b>                        | Implementing industry best practices, ensuring highest level of governance     | In progress |
| <b>Access to healthcare</b> <div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div></div>  | <b>Innovating and strengthening healthcare systems</b>                       | Promoting innovative measures to strengthen healthcare systems                 | In progress |

# Sustainable development in action

In pursuit of a better world, we are dedicated to aligning our efforts with the United Nations Sustainable Development Goals (SDGs). These 17 goals form the blueprint for a more sustainable and equitable future, addressing pressing global challenges from poverty and hunger to climate action and quality education.

By integrating the SDGs into our sustainability strategy, we reaffirm our commitment to creating enduring value for our business and contributing to the well-being of our planet and its inhabitants.



**1 NO POVERTY**  
Our CSR focus areas aim to support the development of marginalised and underprivileged groups, including women, children, minorities, the elderly, and people with disabilities.

**2 ZERO HUNGER**  
We aim to address malnutrition among rural communities through various initiatives focused on improving access to nutritious food and promoting sustainable agricultural practices.

**3 GOOD HEALTH AND WELL-BEING**  
We improve patient health and quality of life globally while supporting local communities through our CSR programs by providing health organisations with necessary amenities and advanced medical equipment for the underprivileged. Our efforts include providing access to healthcare facilities, infrastructural support to various government and trust-based hospitals, health and wellness awareness sessions for communities and workforce, and the Disha counselling program for employees.

**4 QUALITY EDUCATION**  
With an objective to improve the quality and affordability of education across communities, we provide learning tools and facilities, scholarships, establish libraries and digital classrooms, offer employment-enhancing skills, and focus on infrastructural upliftment across government schools and colleges.

**5 GENDER EQUALITY**  
Diversity and inclusion are key focus areas under the social equity pillar. We initiated the Diversity Management Programme to advance our commitment, aiming to achieve gender diversity targets by FY25.

**6 CLEAN WATER AND SANITATION**  
We strengthen integrated water management systems, including rainwater harvesting on-site and off-site, to achieve water conservation and restoration goals by 2025.

**7 AFFORDABLE AND CLEAN ENERGY**  
We made significant progress in transitioning towards renewable energy sources encompassing both self-generated and purchased solar power. We also utilise energy from biomass (Rice Husk and Briquettes) at select plants, further diversifying our renewable energy sources and reducing our reliance on non-renewable fuels.

**8 DECENT WORK AND ECONOMIC GROWTH**  
Our procurement process mandates suppliers to comply with our Supplier Code of Conduct, aligned with responsible supply chain management principles, covering ethics, human rights and labour, health and safety, environment, and management systems.

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**  
We accelerate intellectual property development through increased spend in R&D, aiming to invest ~5% of revenue in R&D.

**10 REDUCED INEQUALITIES**  
Along with initiatives in diversity and inclusion, we foster a fair and progressive ecosystem across operations, implementing social accountability standards and adhering to foundational social elements of international human rights norms and national labour laws.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
We prioritise environmental and social aspects in the supply chain, assisting vendors in improving their performance and increasing local sourcing, aiming to assess all key material suppliers in India by 2025.

**13 CLIMATE ACTION**  
We aim to cut carbon emissions in line with the SBTi WB2C scenario, transitioning shipments from air to sea, offsetting carbon emissions, and preserving biodiversity through green belt development in our operations and communities.

## Sustainability pillar:

● Empowering communities ● Access to healthcare ● Social equity ● Responsible manufacturing

# Built on a strong foundation

Our corporate philosophy is established on strong principles of integrity, transparency, and accountability in all aspects of our operations, with a deep respect for stakeholders, a commitment to ethical conduct, and a relentless pursuit of excellence.

## Policy frameworks

Our commitment to ethical business practices is enshrined in our comprehensive policy frameworks. These frameworks encompass various aspects of our operations, including our Code of Conduct, Corporate Social Responsibility (CSR) Policy, Whistle-blower Policy, and Environmental, Health, Safety, and Sustainability Policy (EHS&S). These policies provide clear guidelines and standards for behaviour, ensuring that every employee upholds the highest ethical standards in their day-to-day activities.

| Key policies   | How these policies enable effective governance   |
|--|--|
| Code of conduct  | Our Code of Conduct sets forth the principles and standards of behaviour expected from every employee, including members of the Board and subsidiaries. It outlines guidelines for ethical conduct, integrity, compliance with laws and regulations, and respect for stakeholders. The Code is widely disseminated among our workforce and easily accessible for reference.  |
| Corporate social responsibility (CSR) policy                     | The CSR Policy serves as a guiding framework for our social responsibility initiatives. It reflects our commitment to contributing to the welfare and sustainable development of communities. The policy outlines the philosophy, guidelines, and mechanisms for undertaking socially beneficial programmes, emphasising areas such as education, healthcare, and environmental conservation.  |
| Whistle-blower policy  | The Whistle-blower Policy encourages employees, channel partners, and vendors to report significant deviations from key management policies, instances of non-compliance, or unethical practices. It provides a platform for reporting concerns related to fraud, violation of laws, inappropriate behaviour, or misconduct. The policy ensures confidentiality, protection against retaliation, and a fair process for investigating reported concerns.                       |
| Environmental, health, safety, and sustainability policy (EHS&S) | The EHS&S Policy underscores our commitment to upholding high standards in environmental protection, health, safety, and well-being. It outlines principles and protocols for responsible manufacturing practices, environmental conservation, occupational health and safety, and risk management. The policy reflects our dedication to minimising our environmental footprint, ensuring employee well-being, and promoting a safe working environment for all stakeholders. |
| POSH   | This policy is in accordance with the provisions of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013". The purpose of this policy is to prevent sexual harassment against women in the workplace and also to protect them. We are committed to providing a safe working environment to women through strict implementation of the POSH policy.  |
| Supplier code of conduct   | We are committed to conducting business in an ethical and honest manner and in a way that promotes corporate social and environmental responsibility. Therefore, we require our suppliers, their employees, agents and sub-suppliers to operate in accordance with the principles and ethical standards contained in the Supplier Code of Conduct.   |

## Sustainable governance

Sustainable governance lies at the heart of our corporate ethos. We recognise that effective governance is essential for driving long-term value creation and fostering stakeholder trust. Our governance framework is designed to promote transparency, accountability, and responsible decision-making at all levels of the organisation. Through regular audits, oversight mechanisms, and adherence to regulatory requirements, we ensure that our governance practices align with our sustainability goals.

### Memberships of associations

As a responsible corporate entity, we actively engage with various national and international associations (~45+) to address global environmental and social challenges. Our key memberships include associations such as

- 1

Pharmaceutical Supply Chain Initiative (PSCI)
- 2

AMR Industry Alliance (AMRIA)
- 3

Export Promotion Council for EOU and SEZ
- 4

Indian Drug Manufacturers Association
- 5

Indian Chamber of Commerce & Industry
- 6

The Federation TG and AP Chambers of Commerce & Industry (FAPCCI)
- 7

Confederation of Indian Industry
- 8

Andhra Chamber of Commerce
- 9

Bulk Drug Manufacturers Association
- 10

Pharmaceuticals Export Promotion Council of India
- 11

Indo American Chamber of Commerce
- 12

Indian Pharmaceutical Alliance (IPA)

## Contribution of the Board towards ESG

Our Board of Directors plays a pivotal role in steering our ESG (Environmental, Social, and Governance) agenda. Comprising individuals with diverse expertise and backgrounds, our Board provides strategic guidance and oversight on ESG-related matters. From setting sustainability goals to monitoring performance and ensuring compliance with ESG principles, the Board actively contributes to our efforts to integrate sustainability into our business strategy and operations.

## Board diversity and composition

We are proud to have a Board that reflects diversity in its composition. Our Board comprises professionals from various fields, including healthcare, finance, manufacturing, and academia, bringing a wealth of perspectives and insights to the table. We are committed to promoting diversity and inclusion at all levels of the organisation, and fostering a culture of inclusivity.



# Guided by visionary minds



**Mr. M. Ramasubramanian Kumar**  
Non-Executive Chairman,  
Independent Director

M M M M M



**Mr. K. Nithyananda Reddy**  
Vice Chairman & Managing Director,  
Promoter

C M M



**Mr. P. V. Ramprasad Reddy**  
Non-Executive Director, Promoter



**Mr. M. Madan Mohan Reddy**  
Whole-time Director

M M

- Audit Committee

Risk Management Committee

Nomination & Remuneration/Compensation Committee

Stakeholder Relationship Committee
- Corporate Social Responsibility Committee

IT Stewardship Committee

Sustainability Reporting and ESG Committee

Chairperson

Member



**Dr. Satakarni Makkapati**  
Non-Executive Director



**Mr. P. Sarath Chandra Reddy**  
Non-Executive Director

M



**Mr. Girish P. Vanvari**  
Independent Director

C C M M M



**Mrs. Savita Mahajan**  
Independent Director

C M M M M M



**Mr. Santanu Mukherjee**  
Independent Director

C C M M M M



**Dr. Deepali Pant Joshi**  
Independent Director

C M M

# Navigating uncertainties with prudence

In an ever-evolving business landscape, anticipating and managing risks is paramount to ensuring resilience and sustainable growth. At Aurobindo Pharma, we have established a robust Enterprise Risk Management (ERM) framework to navigate uncertainties and seize opportunities effectively.

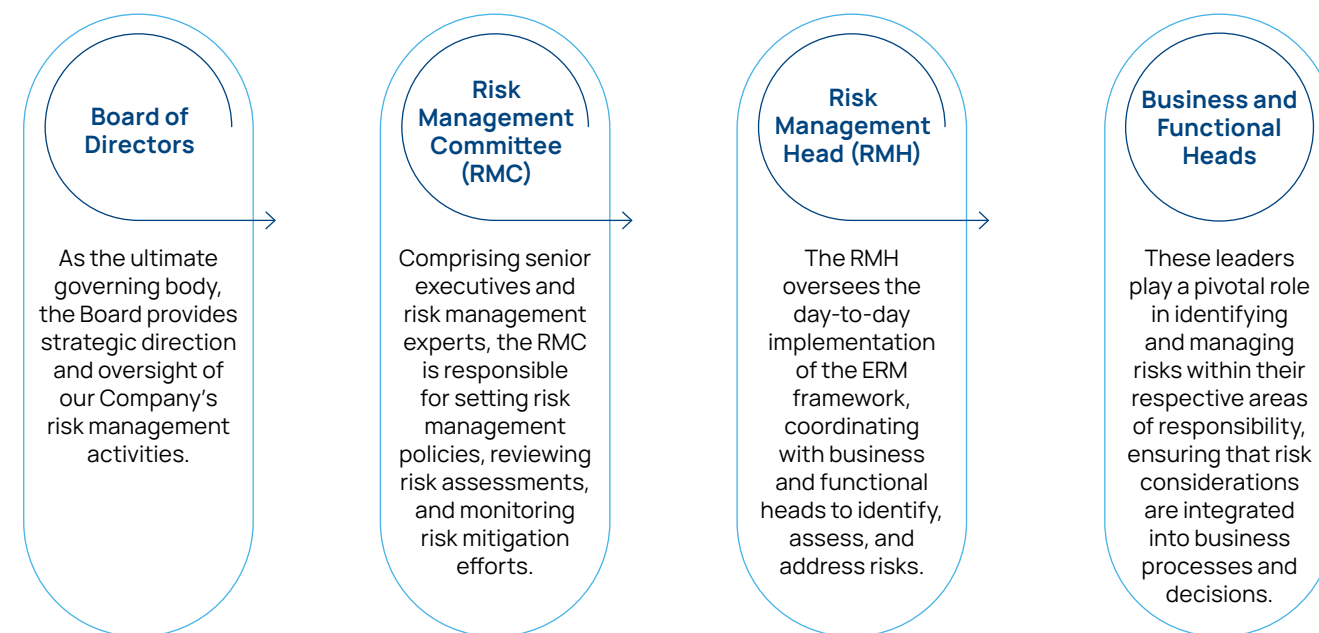
Our approach is anchored to the internationally recognised COSO ERM Framework 2017 developed by the Treadway Commission, aligning our risk management practices with industry best practices.

## ERM framework overview

Our ERM framework is designed to integrate risk management practices seamlessly throughout our value chain, from strategic planning to daily operations. By embedding risk considerations into our decision-making processes, we aim to proactively identify, assess, and mitigate risks, thus safeguarding our business and creating long-term value for our stakeholders.

## Risk governance structure

Our well-defined governance structure ensures accountability, oversight, and alignment with our strategic objectives.



## Awards and recognition

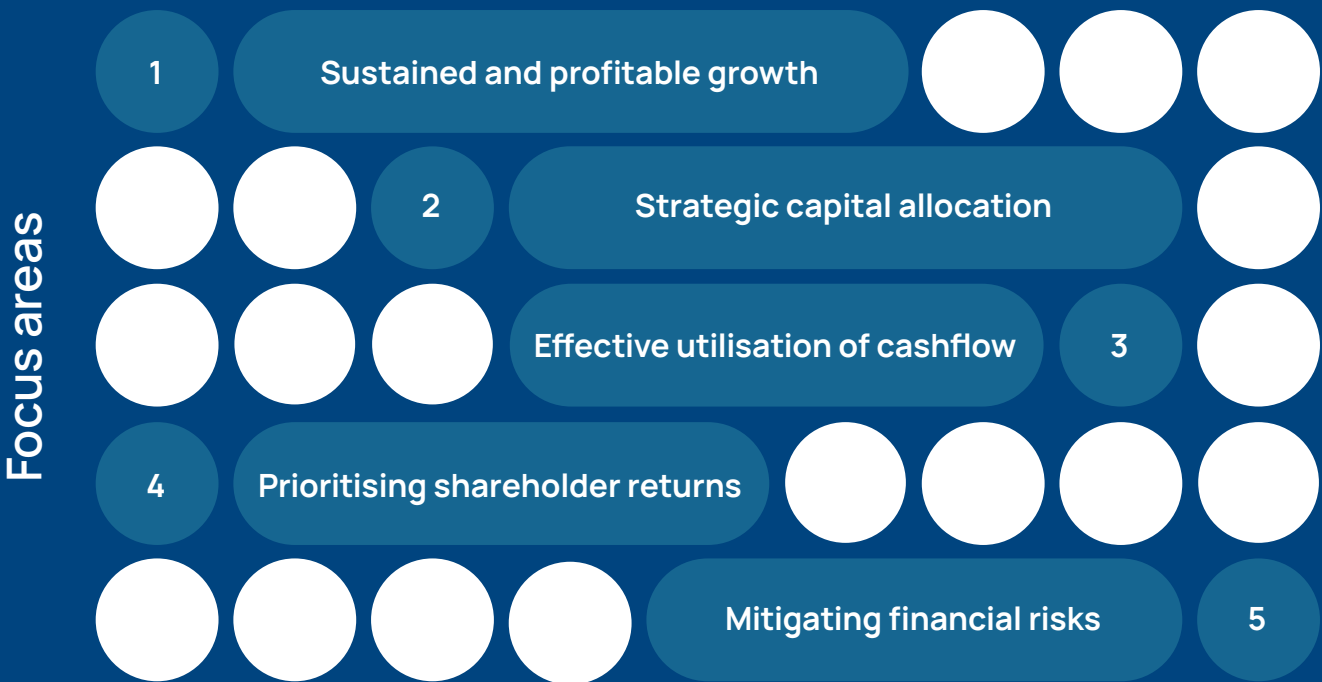
- ★ "L&D Excellence" and "Best L&D Team" in 12<sup>th</sup> Edition Learning and development Summit & Awards 2023 organised by UBS FORUMS PVT. LTD.
- ★ Felicitated by Pharmaceuticals Export Promotion Council of India – 2023 for Outstanding Contribution in India's Pharmaceutical Export.
- ★ The following units were recognised with 24<sup>th</sup> National Award on "Energy Excellence and Energy Efficient Units" by CII.
  - U 08 – Excellent Energy Efficient Unit – Excellence Energy efficient Unit in opening participation.
  - U 01 – Energy Efficient Unit – Consistent in the same category in the last 04 Years.
  - U 05 – Energy Efficient Unit last 2 Years.
  - U 09 – Excellence Energy Efficient Unit – Excellence Energy efficient last two Years and Energy Efficient Unit in current years.
  - U 11 – Energy Efficient Unit Consistent in the same category in the last 3 Years.
  - U 11U – Energy Efficient Unit last 2 Year.
  - U 14 – Energy Efficient Unit Current year – Consistent Excellence Energy efficient Unit in the last Year.

- ★ CE Worldwide 153<sup>rd</sup> Corporate Real Estate and Facilities Management Award Professional Excellence Awards in 4 different categories to the Aurobindo Corporate Administration Team
  - Professional Excellence in Workplace management
  - Professional Excellence in Transport Management
  - Professional Excellence in Facilities Management
  - Professional Excellence in Travel management



₹29,002 Cr

Revenue



# Disciplined approach for sustainable growth



At Aurobindo Pharma, our commitment to sustainable growth is reflected in our strategic approach to financial management. Through disciplined capital allocation, prudent cash flow utilisation, and proactive risk mitigation,

we ensure consistent value creation for our shareholders. Building on our FY24 achievements, we continue to drive growth while maintaining profitability and prioritising shareholder returns.

₹5,843 Cr  
EBITDA

₹3,169 Cr  
Net profit



8%  
5-year CAGR in revenue

8%  
5-year CAGR in EBITDA

6%  
5-year CAGR in PAT

Sustained and profitable growth

In FY24, our Company experienced a robust performance across all the business segments, driven by volume gains, successful new product launches, expansion into new growth markets, and stable pricing. Our profitability saw significant improvement, bolstered by favourable factors such as the softening of raw material prices, a favourable product and business mix, and enhanced operating efficiency through improved capacity utilisation.

This year marked a significant milestone as we achieved our highest-ever revenue of ₹29,002 crore. Additionally, we achieved an EBITDA margin of 20.1%, up from 15.1% in the previous year. Our EBITDA before forex and other income increased by 55% year-on-year to ₹5,843 crore. Furthermore, our net profit surged by 64% year-on-year to ₹3,169 crore, reflecting the strength and resilience of our business operations.

Business-wise performance

- Revenue from US formulations witnessed substantial growth, increasing by 23% to ₹13,867 crore (excluding sales from Puerto Rico). This growth was primarily driven by volume gains, stable demand, and successful new product launches. Notably, revenue from oral generic products in the USA increased by 18% to US\$1,078 million, while revenue from injectable and specialty business in the USA surged by 38% y-o-y to US\$397 million. Our global injectable and specialty sales also experienced robust growth, increasing by 31% year-on-year to US\$541 million.
- Our European formulations revenue showed a healthy growth of 12% to ₹7,166 crore, driven by successful market penetration strategies and increased demand for our products in key European markets. Revenue from Growth Markets expanded significantly by 29% to ₹2,517 crore. This growth was fuelled by our

continued investment in these markets, strong distribution networks, and successful marketing strategies aimed at capturing market share in emerging economies.

- Revenue from our ARV business decreased by 11% to ₹868 crore or US\$105 million. This decline can be attributed to pricing pressures, although partially offset by volume gains. We continue to focus on optimising our ARV portfolio and exploring opportunities for growth in this segment.

| Business segment      | FY24 Revenue<br>(₹ crore) | FY23 Revenue<br>(₹ crore) | Growth<br>(%) |
|-----------------------|---------------------------|---------------------------|---------------|
| US formulations*      | 13,867                    | 11,227                    | 23.5%         |
| European formulations | 7,166                     | 6,246                     | 11.5%         |
| Growth Markets*       | 2,517                     | 1,951                     | 29.0%         |
| ARV business          | 868                       | 976                       | -11%          |

Strategic capital allocation

In FY24, we invested in enhancing our manufacturing capabilities and strengthening our supply chain resilience. This included significant funding for projects like the Pen-G and 6-APA facilities, emphasising our commitment to backward integration. We also focused on expanding our manufacturing footprint through capacity enhancements and debottlenecking existing facilities. Notably, we partially capitalised on projects like the Sterile Injectable facility and the AuroActive project to meet growing demand.

These strategic investments signify our proactive stance in seizing growth opportunities and reinforcing our competitive position. The total investment in progress (CWIP) amounted to ₹2,739 crore or US\$325 million, with notable contributions from projects such as CuraTeQ and the Dayton facility in the USA. Additionally, our focus on developing intangible assets, including Acrotech products and Eugia Specialties, reflects our forward-looking approach to continuous development and market expansion. A significant portion of our revenue

\* Excludes sales from Puerto Rico    # Includes domestic formulations sales

has been allocated towards research and development, amounting to ₹1,471 crore in FY24.

5.1%  
Of total revenue was allocated to R&D in FY24

Effective utilisation of cashflow

In FY24, we maintained a disciplined approach to managing cash flow while keeping a close eye on our debt profile and equity structure. Our gross debt stood at US\$758 million, reflecting prudent financing activities to support our growth initiatives. We managed our debt obligations carefully to ensure financial health and stability, focusing on optimising our debt-to-equity ratio and interest coverage ratio.

Alongside debt management, we preserved a net cash position, reporting a net cash flow of US\$12 million for the quarter and closing with a net cash balance including investments of US\$18 million as of March 2024. We managed capital expenditures efficiently, with the net capex amounting to US\$422 million, including investments in the Pen-G project.

These actions demonstrate our commitment to prudent financial management, optimising capital allocation, and sustaining long-term growth and profitability while effectively managing our debt profile and maintaining financial flexibility.

Prioritising shareholder returns

Over the last five years, we at Aurobindo Pharma have consistently demonstrated our commitment to shareholder returns. We have consistently declared dividends, ensuring value for our shareholders. In FY24, we declared a total dividend of 450%, amounting to ₹4.5 per share.

Moreover, our financial performance metrics reflect our commitment to enhancing shareholder value. Our return on equity (ROE) over the past five years has averaged 13%, highlighting our efficient utilisation of shareholder funds to generate profits. Additionally, our earnings per share (EPS) witnessed significant growth, reaching ₹54.16 in FY24 compared to ₹32.90 in FY23. This increase demonstrates our continued focus on maximising shareholder value through sustained earnings growth.

Mitigating financial risks

We prioritise anticipating the unpredictability of financial markets and minimising adverse impacts on our financial performance. Our management ensures the implementation of a robust risk governance framework through appropriate policies and procedures to identify, measure, and manage risks in alignment with our objectives.

| Financial risk   | Mitigation strategy  |
|--|--|
| <b>Foreign currency exchange exposure</b><br>Arises from exports, imports, and borrowings. Fluctuations in the functional currency may impact import costs, borrowing costs, and export revenues | <ul style="list-style-type: none"><li>Evaluate exchange rate exposure and monitor open exposure</li><li>Utilise foreign currency receivables and obligations as natural hedges</li><li>Employ foreign exchange forward instruments for hedging</li></ul> |
| <b>Interest rate risk</b><br>Primarily stems from fluctuations in interest rates on borrowings with variable interest rates, impacting our debt obligations                                      | <ul style="list-style-type: none"><li>Maintain a balanced portfolio of fixed and variable rate loans and borrowings</li></ul>  |
| <b>Liquidity risk</b><br>Refers to the possibility of facing difficulties in meeting financial liabilities   | <ul style="list-style-type: none"><li>Implement cash flow forecasting models to manage liquidity risk</li><li>Maintain working capital lines, access to undrawn borrowing facilities, and other debt instruments for liquidity management</li></ul>      |
| <b>Credit risk</b><br>Involves potential counterparty or customer defaults, deterioration of creditworthiness, and concentration risks   | <ul style="list-style-type: none"><li>Continuously analyse credit limits and creditworthiness of counterparties and customers</li><li>Maintain a diversified portfolio of receivables and assess creditworthiness before granting credit</li></ul>       |

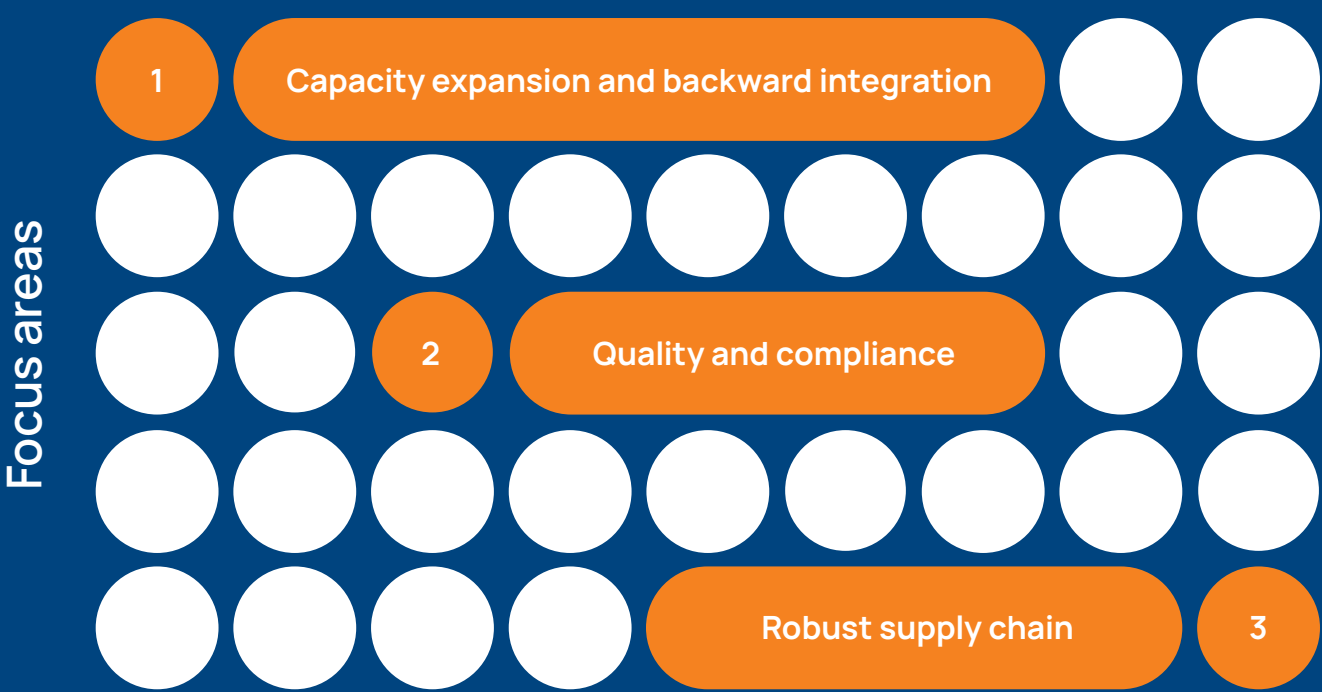


Outlook

Looking ahead, we anticipate building upon the solid financial performance witnessed in FY24. The growth trajectory established during the previous year, fueled by increased sales stemming from new product launches, expansion into Growth Markets, and volume gains coupled with stable pricing, lays a robust foundation for our future endeavors. Over the next twelve months, we project a significant uptick in operational contributions from the manufacturing facilities commercialised during FY24, including Pen-G, 6-APA, and injectables. These facilities are poised to ramp up their operations.

29

Commercial manufacturing facilities in FY24



Global scale, efficient operations



With a network of integrated facilities and an expanded global supply chain, we have established a strong position in the global pharmaceutical industry. From organic expansions to strategic acquisitions, we leverage our capabilities and expertise to enhance production capacities, strengthen market competitiveness, and expand and diversify our portfolio. Furthermore, we are committed to upholding the highest standards of quality and compliance in our manufacturing operations and processes to ensure patient safety.

16  
Formulations facilities and activities

13  
API and Intermediate facilities and activities

## Capacity expansion

**Penicillin - G**  
**15,000 tonnes/annum**

**~₹2,400 cr**  
Total capital outlay for the project

**2,000+**  
Employment generating potential

### Penicillin - G project

We embarked on a transformative journey with the establishment of a state-of-the-art manufacturing facility in Kakinada, Andhra Pradesh, India for Penicillin-G (Pen-G). It is a key starting material (KSM) for various Beta-lactam anti-biotics including Amoxicillin, Ampicillin and Piperacillin. Approved under the Production Linked Incentive (PLI) scheme of the Government of India, this initiative aims to reduce reliance on imports and promote self-sufficiency in the production of bulk drugs and intermediates.

#### Commercialisation

The Pen-G manufacturing capacity, under Lyfius Pharma Private Limited (a wholly owned step-down subsidiary of our Company), was successfully commercialised on March 31, 2024 marking a significant milestone in our backward integration journey into KSM & intermediates.

Alongside the Lyfius plant, the 6-Amino Penicillanic Acid (6-APA) manufacturing plant with an annual capacity of 3,600 tonnes, was also commercialised on March 31, 2024. This plant serves as a critical intermediate for the conversion of Pen-G to Amoxicillin API, ensuring supply reliability, enriching our product portfolio and strengthening our market competitiveness.

In line with our strategic focus on expanding manufacturing footprint, we have always focused on greenfield and brownfield capacity expansion. During the year in FY24, we commercialised four manufacturing plants viz. Penicillin-G, 6-APA, Injectable products and Granulation capacities. In addition, we are focusing on increasing the capacities in our existing plants by debottlenecking the capacities and by adding additional manufacturing lines across our plants.

### Eugia Steriles

We have commercialised an injectable facility with an annual manufacturing capacity of 285 million doses at Anakapally, Andhra Pradesh, India on March 31, 2024. This capacity will help us serve the demand across the markets including USA, Europe and Growth Markets. Further, this facility will act as a de-risking site for some of our key products.



#### Way forward

Looking ahead, we are setting up a unit for forward integrating Pen-G to manufacture GCLE, which is used as an intermediate for manufacturing several Cephalosporin antibiotic APIs, including Cefixime. This initiative will further fortify our leadership in Beta-lactam APIs and formulations through backward integration, enhancing supply chain resilience and fostering sustainable growth. The GCLE unit is slated for commercialisation in the second half of FY25.

### Other expansion projects

We continue to expand capacities at multiple existing manufacturing facilities to support our volume-led growth strategy.

#### US orals facility at Dayton, New Jersey

The expansion will meet the increasing demand for oral pharmaceutical products in the US. Exhibit batches are currently in progress for upcoming regulatory filings.

#### US derma, inhaler, and transdermal facility at Raleigh, North Carolina

The derma block was commercialised in FY23 while the inhaler block commercialisation is pending for product approval from US FDA.

#### Oral products facility in Taizhou, China

Our oral products plant is expected to have a peak time capacity of ~7 billion units per year. The plant has received EU GMP approval after filing products in Europe in FY24. We have also filed products in China market. The plant is expected to be commercialised in FY25.



### Integration of acquired businesses

In December 2023, we have forayed into the Indonesian market with the acquisition of marketing authorisations and assets related to 17 brands from Pfizer and Viatriis. This strengthens our presence in one of the fast-growing pharmaceutical growth markets.

The acquisition provides us with a robust revenue base and product portfolio, augmenting our manufacturing capabilities and market penetration in the region. We focus on leveraging the sales and marketing teams, that joined us as part of the acquisition to maximise synergies and accelerate growth in the Indonesian market.

**17 Brands**

Acquired from Pfizer and Viatriis, catering to the fast-growing Indonesian pharmaceutical market



## Quality and compliance

### Adhering to stringent regulatory standards

At Aurobindo Pharma, we maintain a strong commitment to quality and compliance, underpinned by a rigorous adherence to stringent regulatory standards across our global operations. During FY24, several of our facilities underwent comprehensive regulatory audits and inspections to ensure adherence to industry regulations and guidelines.

#### US FDA inspection at Eugia-III Unit

The Eugia-III unit of Eugia Pharma, underwent a rigorous inspection by the US FDA. The inspection concluded on February 02, 2024, resulting in the identification of nine observations.

**Our response:** In response to the observations, company took swift and decisive action, by temporarily pausing the production lines to address the concerns and submitting a comprehensive Corrective Action and Preventive Action (CAPA) plan within the stipulated timeframe. This plan included measures to address each observation systematically, with a focus on enhancing processes, procedures, and quality controls.

**Engagement of external experts:** To further bolster our quality management practices, company engaged external consultants and experts to provide additional insights and support in implementing corrective measures. This collaborative approach facilitated a thorough and proactive response to regulatory observations, ensuring compliance with the industry standards.



#### Commitment to excellence

Throughout this process, we remain committed to upholding the highest standards of quality and compliance, prioritising patient safety and product integrity above all else. By embracing feedback from regulatory authorities and taking decisive action to address areas for improvement, we reinforce our position as a trusted leader in the pharmaceutical industry, committed to delivering safe, effective and high-quality products to patients worldwide.



## Robust supply chain

### Navigating supply chain challenges

The industry continued to face certain supply chain related challenges, particularly due to geopolitical tensions and disruptions in the Red Sea region. These disruptions led to supply chain bottlenecks, longer transit times and increased freight costs, impacting shipments to Europe and other key markets. In response to these challenges, we implemented proactive measures to mitigate the impact of supply chain disruptions.

**Inventory optimisation and air freight usage:** We focused on optimising inventory levels and utilising air freight options to navigate supply chain disruptions. We closely monitored inventory levels and demand patterns to ensure continuity in supply while minimising the impact of logistical challenges.

**Effective risk management:** Through proactive planning and effective risk management strategies, we successfully mitigated the impact of external factors on our supply chain, ensuring uninterrupted supply of essential pharmaceutical products to customers worldwide.

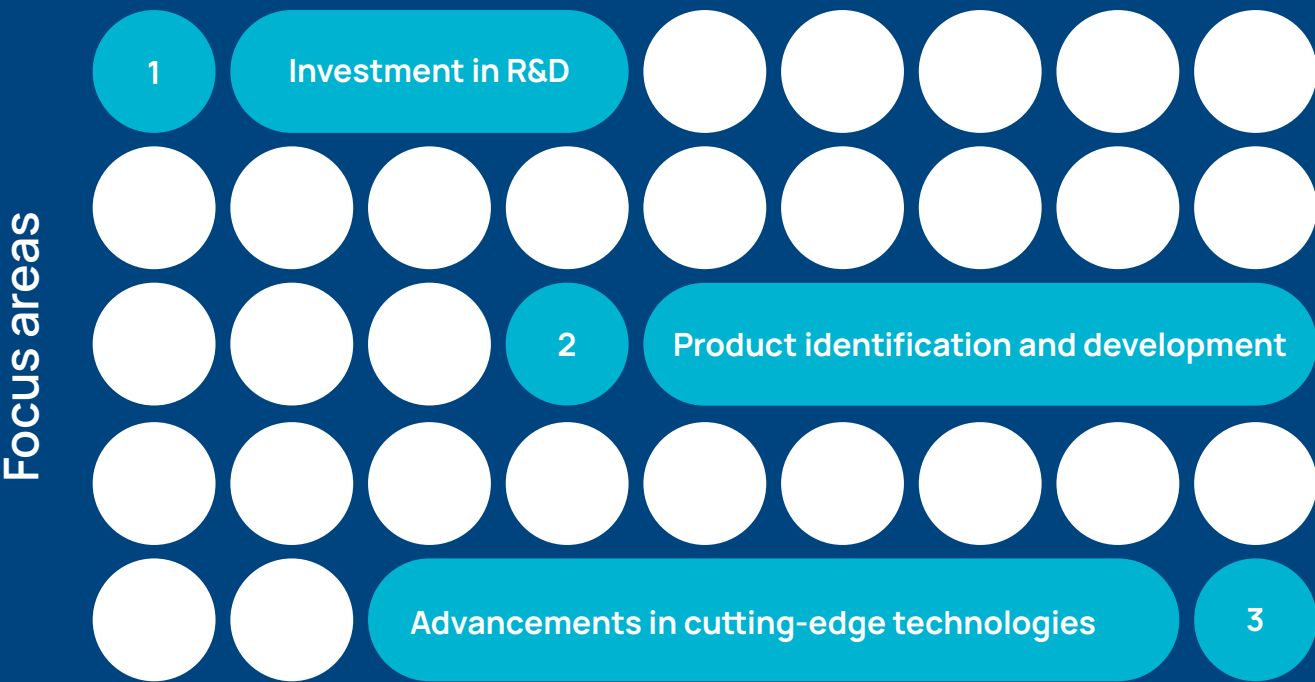


#### Continuous improvement

Looking ahead, we are committed to continuous improvement in our supply chain management practices. By leveraging data analytics, technology-driven solutions, and strategic partnerships, we aim to further enhance the resilience, agility, and efficiency of our supply chain, thereby strengthening our competitive position in the global pharmaceutical market.

₹1,471 Cr

R&D investment  
in FY24



# Maximising patient impact

SDGs impacted



We are committed to enhance patient impact through continuous Research and Development in pharmaceuticals. Leveraging advanced technologies, strategic partnerships, and a commitment

to sustainability, we drive excellence in research and development, ensuring the delivery of high-quality medicines to meet the evolving needs of patients worldwide.

~5%  
Of revenue spent  
on R&D

830  
US ANDAs  
Filed

## Investment in R&D

### R&D at Aurobindo Pharma formulations

Within the dynamic realm of pharmaceutical development, Aurobindo Research Centre stands as a beacon of ingenuity, propelling growth and longevity of our organisation through a relentless pursuit of excellence.



#### Key developments in FY24

- Received final approvals for 39 ANDA's and 7 ANDA's which have earlier received tentative approval have now received final approval from United States Food and Drug Administration (US FDA).
- Filed 31 ANDAs across diverse product spectra with the US FDA.
- Spearheaded a paradigm shift in research methodologies by integrating advanced computer-aided simulations across diverse research domains, catalysing a renaissance in product development efficiency and efficacy.

### R&D at Eugia Pharma

Eugia Pharma's R&D efforts have been characterised by a relentless pursuit of excellence and a commitment to address evolving market needs. Over the past year, our focus on product development has led to significant advancements in various therapeutic areas, positioning us at the forefront of pharmaceutical industry.



#### Key developments in FY24

- Filed 9 US ANDAs and received 22 final approvals during the year.
- Focus on developing depot injectables, pen devices, peptides, and other complex injectables, with one product entering the clinical bioequivalence phase.
- Advancing device-based projects, including auto-injector and pen-injector products, with manufacturing and testing capabilities being built up in Visakhapatnam.
- Pursuing new complex products such as ophthalmic suspensions and injectable emulsions, addressing bioequivalence challenges and expanding our product portfolio.

### R&D at Apitoria Pharma

Apitoria Pharma maintained its commitment to excellence through targeted efforts towards manufacturing novel APIs in a cost-effective and efficient manner.



#### Key developments in FY24

- Filed 21 US DMFs, a 30% increase from the previous financial year, showcasing our commitment to advancing the development of Active Pharmaceutical Ingredients (APIs).
- Strategic investments in process chemistry, resulting in the establishment of cost-effective and sustainable processes for API characterisation and preparation.

## Product identification and development

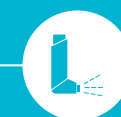
### Specialty drug delivery system (SDDS) expansion

In the fiscal year 2024-25, we are poised to file approximately 12 products within our Specialty Drug Delivery System (SDDS) division across various therapeutic areas. Our focus on SDDS demonstrates our commitment to delivering novel solutions that address unmet medical needs.



#### Topical and transdermal pipeline

Our topical and transdermal portfolio includes a rich pipeline of products for future filings. With 25% of our portfolio comprising complex products, including creams, ointments, gels, lotions, solutions, and foams, we ensure comprehensive coverage of dermatological diseases. Additionally, our Transdermal Projects portfolio is geared towards developing Drug Matrix Type Patches, with plans to file our first Abbreviated New Drug Application (ANDA) this fiscal year.



#### Respiratory care/Inhalation

In the inhalation product segment, we anticipate the approval of our first Metered Dose Inhaler (MDI) product in the financial year 2024-25. We are also looking for co-development programmes with two partners for dry powder inhaler (DPI) products. We are currently focussing on the use of realistic inhalation patterns for in-vitro product performance testing, combined with modelling data, to help better predict and improve pharmacokinetics outcomes.



#### Nasal spray portfolio

Building on our US FDA approval for generic mometasone furoate monohydrate nasal spray, we are expanding our focus beyond antiallergic products to include systemic drug delivery for various diseases. With plans to submit three ANDAs to the US FDA in the upcoming fiscal year, we are poised to strengthen our presence in the nasal spray market segment.



## Advancements in cutting-edge technologies

### Enhancing R&D capabilities

We are exploring the integration of emerging technologies such as Raman and NRI technologies to strengthen our analytical capabilities. Additionally, our digitisation efforts aim to enhance data management and retrieval systems, ensuring streamlined processes and improved outcomes across our R&D endeavours.

#### R&D initiatives and targets

In the upcoming year, our focus remains on bringing affordable and high quality medicines to the market. We are leveraging robust in-house R&D capabilities and cutting-edge technologies to develop complex generics, including nasal, topical, transdermal, and MDI projects. Furthermore, our FDF team is dedicated to 505 b (2) projects, aiming to address unmet medical needs and expanding our presence in the competitive generic business.

#### Enhanced analytical capabilities

At Aurobindo Pharma, we prioritise the continuous enhancement of our analytical capabilities to ensure compliance with stringent regulatory standards. Through strategic investments, we have acquired advanced analytical tools such as GC-MS-MS and LC-MS-MS. These state-of-the-art instruments enable us to conduct comprehensive analyses of our pharmaceutical products, ensuring their quality, safety, and efficacy. By leveraging these advanced technologies, we uphold our commitment to delivering high-quality pharmaceuticals that meet the rigorous standards set forth by regulatory authorities.

#### Process optimisation through computational modelling

We have embraced computational modelling and in-silico modelling as powerful tools to optimise formulations, streamline processes, and accelerate product development timelines. By harnessing the predictive capabilities of computational modelling, we can design and test pharmaceutical formulations virtually, significantly reducing the time and resources required for traditional experimentation. This approach not only enhances our R&D efficiency but also enables us to bring new products to market more quickly, meeting the evolving needs of patients and healthcare providers.

### Strategic collaborations for scientific advancement

At Aurobindo Pharma, we recognise the importance of collaboration in knowledge exchange. We have forged strategic partnerships with esteemed institutions and technology companies to leverage external expertise and resources. These collaborations include partnerships with AI-based scientific companies and research collaborations focused on advanced informatics. By working closely with external partners, we gain access to cutting-edge technologies, novel insights, and specialised knowledge, enabling us to stay at the forefront of pharmaceutical industry and deliver impactful solutions to global healthcare challenges.

### Digital transformation for operational excellence

In our quest for operational excellence, we have embarked on a journey of digital transformation to streamline processes, enhance collaboration, and drive greater efficiency across the organisation. Through the adoption of digital technologies and advanced software solutions, we are optimising our workflows, improving communication and collaboration among teams, and empowering our employees to work more effectively and efficiently. This strategic focus on digital transformation not only enhances our internal operations but also positions us for future growth and success in an increasingly competitive market landscape.



### Collaborations and partnerships

Our strategic partnerships with esteemed academic institutions like NIPER, JNTU, and IITs enable us to access cutting-edge research, specialised knowledge, and state-of-the-art facilities, fostering a culture of excellence.

Additionally, our collaboration with technology companies empowers us to harness advanced digital technologies such as artificial intelligence and machine learning, revolutionising our R&D capabilities and enhancing our ability to develop novel pharmaceutical solutions. Through these synergistic partnerships, we remain committed to pushing the boundaries of scientific discovery, delivering breakthrough therapies, and advancing global healthcare.

37,000+

Global workforce including both employees and workers



# Building a strong and dynamic team

SDGs impacted



At our core, we prioritise our people, fostering inclusivity and championing diversity. Committed to their well-being, we ensure a safe workplace and encourage continuous learning.

Moreover, we conduct engaging initiatives that empower our workforce, fostering a vibrant and resilient team that drives our success and growth.

12.54%  
Women employees

Employment

Building upon our extensive experience, we have further refined our recruitment procedures and implemented a robust human resource management system to attract and retain top talent. As of March 31, 2024, our permanent employee count stands at over 25,000, complemented by an additional workforce of 11,000 individuals engaged on a contractual basis.



Enhancing recruitment processes to attract and retain talent

We recognised that acquiring leadership and technical talent is crucial for sustainable business growth and development. Here's how we have enhanced our recruitment process to attract and retain top talent:

Short-term HR strategies

| Strategy                   | Triggers                               | Expected outcomes  |
|----------------------------|--|--|
| Any-time recruitment (ATR) | Attrition, constrained asset expansion | Replacement of immediate skillsets, onboarding requisite talents on time |
| Career enablement program  | Retention of critical talents          | Business continuity  |
| Talent retention policy    | Predicted and unpredicted attrition    | Continuous business performance, risk mitigation                         |

Long-term HR strategies

| Strategy  | Triggers  | Expected outcomes                              |
|---|---|--|
| Second line development                                 | Risk perception at leadership levels                      | Business continuity                            |
| TWI – JI (Training within Industry)                     | Skill gap   | Continuity of trouble-free technical operation |
| Aurobindo training and development centre (ATDC)        | New business opportunities, unconstrained asset expansion | Uninterrupted supply of skilled manpower       |
| Proactive talent engagement, development, and retention | Prevention of talent exits                                | Performance improvement, less business risk    |
| Recruitment to address superannuation gaps              | Retirement of personnel                                   | Seamless operation                             |
| Talent consolidation strategy                           | Offshore integration of critical operations               | Seamless operation, economy of synergies       |

Human resource planning and forecasting

The process starts three months before the financial year begins. It is dynamic, accommodating both short-term and long-term manpower needs to align with business growth and development. We continuously evaluate and learn through various review processes to keep manpower planning inclusive and adaptable. Based on identified inputs, short-term and long-term HR strategies are formulated.

Automated talent acquisition system

In our endeavour to improve HR service delivery, we have transitioned from manual processes in 2017-18 to a completely automated system by 2020-21. The Talent Acquisition system, Talent Recruit (TR), powered by Artificial Intelligence (AI) and Machine Learning (ML), allows HODs and Cluster Heads to raise manpower requisition requests. Approved requests are managed by the talent acquisition team via the TR dashboard, which uses AI and ML to match suitable profiles with job descriptions, skills, and experience.

New hires by age and gender (FY24)\*

| Age Category | Male  | Female | Total |
|--------------|-------|--------|-------|
| < 30 Years   | 1,345 | 140    | 1,485 |
| 30-50 Years  | 939   | 47     | 986   |
| >50 Years    | 15    | 1      | 16    |
| Total        | 2,299 | 188    | 2,487 |

\* India Formulations and API.

Employee turnover

We closely monitor employee turnover rates to identify trends and implement measures to enhance retention. By understanding the factors contributing to turnover, we aim to create strategies that promote employee satisfaction and loyalty.

26,015

Total employees in FY24, compared to 23,453 in FY23

Diversity and inclusion

Diversity and inclusion are integral to our organisational culture. We provide equal opportunities to all employees, regardless of age, gender identity, religion, caste, nationality, race, or ethnicity. Our efforts in promoting diversity include:

- Actively recruiting women employees across various roles, including QC, QA, investigation team, R&D, and corporate functions.
- Introducing gender neutrality in our recruitment guidelines, reaffirming our commitment to fostering a diverse and inclusive workforce.

Women workforce in India Formulations

|            |     |
|------------|-----|
| FY 2023-24 | 926 |
| FY 2022-23 | 619 |
| FY 2021-22 | 493 |
| FY 2020-21 | 492 |

Workforce diversity (FY24)

| Category    | Male   | Female | Total  | Male % | Female % |
|-------------|--------|--------|--------|--------|----------|
| Permanent   | 23,401 | 2,614  | 26,015 | 90%    | 10%      |
| Contractual | 9,482  | 2,099  | 11,581 | 82%    | 18%      |
| Total       | 32,883 | 4,713  | 37,596 | 87%    | 13%      |

Women employees across age categories and roles in India Formulations

| Assistant | Executive | Junior management | Middle management | Senior management |
|-----------|-----------|-------------------|-------------------|-------------------|
| 78        | 585       | 202               | 31                | 30                |
| <20       | 21-30     | 31-40             | 41-50             | >50               |
| 1         | 442       | 335               | 100               | 27                |

Health and safety

At Aurobindo Pharma, the health and safety of our employees are non-negotiable. We have embedded a culture of safety into our operations to ensure a healthy lifestyle and a safe working environment for all. Our Environment, Health, Safety, and Sustainability (EHS&S) policy extends its protective umbrella over every employee, contractor, visitor, and neighbouring community member. This commitment to safety is not just within our facilities but also extends to our suppliers and vendors, who are encouraged to embrace our safety standards.

Fostering a culture of safety

At Aurobindo Pharma, we believe that safety is not just a set of rules; it's a way of life. We foster a culture of safety where every employee feels empowered to speak up and raise concerns.

Safety is everyone's responsibility, from the CEO to the newest recruit. We ensure that every employee feels empowered to speak up, ask questions, and report concerns without fear of reprisal. Through regular safety meetings, open-door policies, and proactive communication channels, recognition programmes and safety audits are just some of the ways we embed safety into our organisational DNA.

Building strong safety systems

Our dedication to safety extends beyond words to concrete actions. We have obtained ISO 45001:2018 certification for one of our API manufacturing units, with others well on their way. This certification is a testament to the robust health and safety systems we have implemented across all our plants. Our corporate guidance document serves as a blueprint, outlining how to identify, evaluate, and mitigate occupational health and safety risks. We leverage various tools and methods, from Hazard and Operability Analysis (HAZOP) to Gemba walks, to ensure that every corner of our facilities is scrutinised for safety.



Certifications and achievements

15 manufacturing facilities are certified for ISO 14001:2015

One unit is certified for ISO 45001:2018

Two units are certified for SA 8000:2014



Safety training programmes

At Aurobindo Pharma, we prioritise training our employees and contractors on occupational health and safety, recognising the role of knowledge in ensuring workplace safety. From basic safety protocols to specialised training tailored to job roles, our comprehensive training programs cover it all. But it is not just about ticking boxes; it is about instilling a safety mindset. That's why we encourage active participation in Lean Daily Management meetings and provide ongoing support through internal audits and inspections.

~12 hours

Safety training hours per employee



Monitoring and improving safety performance

We maintain safety as an ongoing journey and not a one-time task, by actively tracking safety metrics. These metrics provide valuable insights into our progress, from monitoring lost time incidents to injury frequency rates. However, it's not just about numbers; our Central Safety Committee convenes quarterly to evaluate safety performance and refine operational procedures accordingly.

| Metric                           | FY 2023 | FY 2024 |
|----------------------------------|---------|---------|
| Lost time incidents              | 2       | 2       |
| Reportable incidents             | 2       | 3       |
| Lost time incident rate          | 0.06    | 0.06    |
| Injury frequency rate            | 0.02    | 0.03    |
| Reportable injury frequency rate | 0.02    | 0.04    |
| Number of fatalities             | Nil     | 1       |

Recognising excellence in safety

We believe that safety should be celebrated and rewarded. Thus, we have implemented a system of recognition and rewards to acknowledge employees who go above and beyond in their commitment to safety. From safety awards to public recognition, we celebrate those who demonstrate exemplary safety behaviour and inspire others to do the same.



Learning and Development (L&D)

At Aurobindo Pharma, we prioritise a learner-centric environment, fostering continuous individual and organisational growth through innovative learning and development interventions designed to achieve business outcomes. Our learning and development initiatives are inclusive and accessible across the organisation.

Aligning L&D strategies with business vision and people needs

| Drivers                           | L&D strategies                  | Aligned with business vision   | Aligned with people needs  |
|-----------------------------------|---------------------------------|--|--|
| Business strategy and HR strategy | Strategy cascade and deployment | Communication of business goals<br>Achievement of short – and long-term goals  | Individual performance improvement<br>Connecting Individual goals with business expectations   |
|                                   | Leadership development          | Strategic leadership development<br>Leadership accountability<br>Second line development<br>High performance culture<br>Aligned with leadership competency framework and integrated with hr business processes | Role clarity<br>Job enrichment<br>Applied learning<br>Career growth<br>Reward and recognition  |
|                                   | Capability building             | Quality compliance<br>Process standards<br>Organisational values<br>Operating efficiency   | Talent engagement through process – oriented approach<br>Cross functional exposure<br>Change management expertise<br>KPI achievement |
|                                   | Technical skill development     | Asset utilisation – improvement of overall equipment effectiveness<br>Cycle time improvement<br>Productivity improvement<br>Manufacturing flexibility  | Complete learning<br>Subject matter expertise<br>Career progression  |
|                                   | Continuous learning culture     | Actively engaged talent<br>Change management<br>Collaborative endeavour<br>Risk mitigation<br>Organisational transformation  | Outside-in perspective<br>Supportive climate<br>Meaningful interdependence   |

Enterprise goal cascade and performance review

In April 2023, the enterprise goal cascade and performance review focused on several key areas:

|   |   |   |
|---|---|---|
| <b>Quality compliance</b><br>Achieving voluntary/no action initiated (VAI/NAI) status in Establishment Inspection Reports | <b>Customer delivery</b><br>Improving on-time in-full (OTIF) delivery                       | <b>Productivity improvement</b><br>Enhancing yield for the top 10 products                          |
| <b>Employee engagement</b><br>Retaining key talent and developing second-line leaders                                     | <b>Cost performance</b><br>Optimising air freight and utility costs, minimising destruction | <b>Alternative API and excipients</b><br>Implementing cost-saving initiatives on a time-bound basis |

Key learning and development initiatives

|   |   |
|---|---|
| <b>Employee induction and orientation programs</b>      | <p>Our comprehensive induction and orientation programs ensure a smooth transition and effective onboarding for new employees. These programs are tailored to different levels and functions within the organisation.</p> <p><b>Auro Aarambh:</b> A formal induction programme for new roles, covering our Company’s overview, leadership interactions, corporate values, HR induction, business ethics, prevention of sexual harassment, and IT awareness.</p> <p><b>AuroSwagat:</b> A 2-day orientation for new employees, including sessions on business processes, corporate values, HR induction, and change management.</p> <p><b>Mini AuroSwagat:</b> An induction programme for staff and executives at Manufacturing Units, focusing on essential orientation and onboarding activities.</p>   |
| <b>Behavioural and personality development programs</b> | <p>These programs focus on enhancing workplace interactions and individual growth through targeted communication and soft skills development.</p> <p><b>Business Communication Programme (Bizcomm):</b> This programme focuses on enhancing presentation and public speaking skills through two levels: Speak Up Level 1 develops cognitive skills, while Speak Up Level 2 emphasises practical application and experimentation in communication techniques.</p> <p><b>SAMWAD – Workplace Communication Skills:</b> Strengthens written and verbal English communication, presentation, negotiation, and interpersonal skills, preparing employees to confidently face audits and auditors.</p> <p><b>Learning Buzz:</b> Promotes a learning culture with bite-sized sessions on holistic development, including behavioural skills, wellness and well-being and relevant work concepts.</p>  |
| <b>Quality culture and compliance training programs</b> | <p><b>Quality Marshal Program:</b> Train-the-trainer programme to cascade quality behaviours at the shop floor, enhancing regulatory capability, audit interface, leadership development, and engagement</p> <p><b>MERAKI:</b> This programme drives a Culture of Excellence through an 18-week Lean Six Sigma program, blending classroom and digital learning with practical projects to enhance operational efficiency and foster continuous improvement. Additionally,</p> <p>the initiative includes the implementation of 5S practices, further promoting workplace organisation and productivity.</p> <p><b>Auro Mantra:</b> This programme is designed to support employees in their continuous development and growth within the organisation. Its initial program, “How to win regulatory audit,” prepares employees for audit management, audit readiness and adherence to SOPs, ensuring compliance and operational efficiency.</p> |

### Technical skill development programs

**Aurobindo Skill Development Centre (ASDC):** Equipped with world-class infrastructure for comprehensive technical training, fulfilling 30%-40% of annual technical talent requirements and maintaining low attrition rates.

**OEM Partnered On-Site Training:** Partnering with original equipment manufacturers to deliver unit-specific technical skills training, resulting in improved operational safety, quality, and productivity.

**Critical Equipment and Talent Repository:** Skill proficiency assessments based on a detailed skill matrix to identify training needs and develop expertise.

**Training Within Industry (TWI):** A high ROI, no capital investment model focusing on motor skills development, process improvement, and interpersonal effectiveness.

**Learning Café:** Under this programme, we provide technical training covering crucial aspects such as Good Manufacturing Process (GMP), essential manufacturing requirements, and the operation of complex machinery in bulk manufacturing and packaging facilities for our employees and Contract employees to empower the employees with the necessary technical knowledge to make them subject matter experts and to drive manufacturing excellence in the pharmaceutical industry.

**Parivartan:** For contract workers, the Parivartan Learning Intervention focuses on behavioural based safety training.

**Visheshgya:** Visheshgya is the Train the Trainer program, designed to groom and build internal trainers, to upskill and develop internal talent.

### Leadership development

**Strategic Leadership Development Programs:** Through partnerships with institutions like IIM Bangalore, KPMG, ISB, and UNCTAD, we offer executive coaching and entrepreneurial skills development.

**Digital Online E-Learning Programs:** Through the Nalanda Digital Learning Academy and in collaboration with Cross Knowledge and Skillsoft, we offer customised e-learning programs for high-potential and critical leadership talents.



## Management development programs (MDP)

We collaborate with IMT – Hyderabad, GITAM, Centre for Organisational Development, ICFAI Business School, VJIM, and BML Munjal University to develop top talent employees in middle and junior management levels.

We conduct various programs to enhance strategic thinking, effective communication, teamwork, decision-making, and performance culture across identified high-potential employees.



### Auro Astra Intermediate

Six-month programme focusing on self-management, team leadership, change management, and business acumen.



### Auro Astra Foundation

Development programme for supervisors and first-time managers covering leadership, team management, and communication skills.



### Auro Astra – Leadership Development Programme

Comprehensive leadership training integrating coaching, mentorship, and leadership theories.

## Supervisory development program

This programme focusses on enhancing supervisory capability, shopfloor engagement, and ensuring alignment with organisational vision, mission, and values. We offer activity-based learning sessions covering motivation, teamwork, trust-building, accountability, and self-development. We also partnered with IMT Hyderabad, Dattopant Thengadi National Board for Workers Education and Development (DTNBWED) and senior HR leaders.

## CII IWN women leaders' mentoring programme

This mentorship initiative, part of the 'EVEmpower-CII IWN SR Leadership Mentoring' program, aims to support women leaders in middle and senior management. Through advocacy, knowledge creation, and on-the-ground interventions, it fosters professional growth. The programme targets 300 mentor-mentee pairs for 2023-24, with two cohorts based on experience levels. It is designed to provide significant professional and personal benefits, enhancing productivity and leadership capabilities.

## Assessment and development centre (ADC)

**ADC 1.0:** This was launched to instil meritocracy and objectivity in promotions from senior executive to junior management. The process includes an automated Situational Judgement Test, role play assessments, and benchmarking against high-performing junior managers. The focus is on developing competencies in effective communication, team management, decision-making, and result orientation. Assessors undergo rigorous training, ensuring a fair and comprehensive evaluation process.

**ADC 2.0:** It continues the focus on identifying leadership talents within the organisation. It includes assessments at the E4-AM level, with expanded coverage to AM-DM and DM-MGR levels. The methodology involves role plays and case studies, guided by extensive discussions with plant leadership and consulting partner Think Talent. Training programs equip assessors with the necessary skills to objectively evaluate potential leaders.

## Succession planning

Succession planning is crucial for ensuring organisational continuity and fostering leadership capabilities essential for future growth. At Aurobindo Pharma, we prioritise succession planning through strategic initiatives and proactive measures:

|   |  |
|---|--|
| Participation in compensation surveys   | Engage in industry-leading surveys to align strategies with market standards and enhance reward programs.                                    |
| Collaborative engagement with surveyors | Work closely with surveyors to gain insights into industry trends and introduce innovative initiatives.                                      |
| Second line development (SLD) model     | Implemented based on impact versus scarcity analysis, ensuring a robust pipeline for succession planning and talent development.             |
| Integration with performance management | Seamlessly integrate succession planning into annual performance processes, reinforcing accountability and providing learning opportunities. |
| Talent distribution and engagement      | Align with talent curve norms to ensure equitable developmental opportunities and enhance overall employee engagement.                       |



### Auro Utkarsh

Auro Utkarsh is our comprehensive talent management initiative aimed at optimising our human capital. It encompasses workforce planning, employee engagement, learning and development, performance management, recruiting, onboarding, succession planning, and retention. For succession planning,

we identify internal successors and use the Assessment Development Centre (ADC) to evaluate their potential abilities. This process allows candidates to demonstrate key behaviours and skills, highlighting their strengths and areas for development, particularly in competencies critical for current or future roles.

## Employee engagement

At Aurobindo Pharma, we actively involve employees to cultivate a culture of value, motivation, and empowerment, fostering collaboration for shared growth.

### Employee engagement initiatives

At Aurobindo Pharma, we foster employee engagement through a variety of initiatives:

- **Monthly review meetings (MRM)** and **monthly operational excellence meetings** bring key management team members together to discuss achievements and future plans.
- **Regular monthly open communication or recognition and reward (R&R)** meetings provide transparent communication and acknowledge employee contributions.
- **'Chai Pe Charcha' Talk Series** encourages informal interactions between Business Unit (BU) Heads and employees, fostering open dialogue.
- **Leadership talk series** features senior leaders sharing valuable insights on life, leadership, and career success, inspiring employees.
- **'Auro Josh'** celebrations bring employees together to showcase talents and celebrate diversity through various competitions.
- Monthly Employee Engagement Programmes at each site promote team spirit and well-being through activities such as Quiz Competitions and Health and Wellness sessions.



### Saksham Initiative

This initiative is designed to enhance the life values and skills of employees' children. Saksham's recent seasons involved structured programs for two age groups: Jubilant Juniors and Twinkling Seniors.

- Season 8 emphasised public speaking, robotics, digital skills, physical fitness, and table etiquette.
- Season 9 introduced modules on digital filmmaking, earth consciousness, fireless cooking, problem-solving, and creative and social skills.

### Kaizen change management process

The Kaizen change management process focuses on shop-floor empowerment, fostering continuous improvement. The three enablers—Process Care, People Care and Asset Care—support our Company's mission of continuous improvement. AI-based sentiment analysis aids HR in authentically communicating strengths and opportunities for improvement in the leadership team.

### AI-Enabled employee engagement analysis

AI-based sentiment analysis enhances our employee engagement strategy by identifying key strengths and improvement areas. For instance, it revealed strong organisational culture and growth opportunities but highlighted the need for better canteen services. This technology condenses large data volumes into actionable insights, allowing focused management attention on relevant engagement factors.



### Employee Engagement Survey

#### CARES

The annual employee engagement survey, acronymised as CARES (Career, Alignment, Rewards, Empowerment and Strive), covers approximately 90% of employees in the formulations division. To manage the vast data from descriptive observations, AI-based sentiment analysis is used. This technology identifies positive and negative statements, categorising sentiments into components like leadership, structure, hygiene factors, employee discipline, welfare, communication, and external connect.

#### Bandhan

The Bandhan Employee Engagement Survey captures employee feedback to enhance organisational connect and performance. Key engagement drivers include:

- Career
- Alignment
- Recognition
- Empowerment
- Strive

## Rewards and recognitions

At Aurobindo Pharma, we cultivate a culture of excellence and appreciation through various recognition initiatives:

- Quarterly team excellence awards promote cross-functional collaboration and operational excellence.
- Performance improvement initiatives drive collective success and excellence.
- The **Talent of the Month** initiative fosters a culture of recognition and appreciation for individual excellence.
- The **Uttam Vyavahar Puraskar** scheme and Kaizen and Udgam Mudra Reward and Recognition Programme motivate and acknowledge contributions, promoting continuous improvement and talent development.
- **Auro Going Extra Mile** award is to identify and reward the employees who showcased exceptional performance in the process improvement and cost savings.
- Annual awards are conducted at the Annual Operational Review meet, where all our sites participate in various categories of awards like Best 5S, Best GMP Site, Best Safety Site etc. The Best-performing site is awarded in the respective categories.
- Our Assessment Development Centre identifies and develops future talent, reinforcing our commitment to investing in our people and enhancing business performance.



## Human rights

At Aurobindo Pharma, the respect for human rights is foundational to our operations. We recognise the importance of upholding human rights not only as a moral imperative but also as a fundamental aspect of sustainable business practices. To ensure the protection and promotion of human rights across our operations, we have established robust policies and mechanisms.

### Awareness and education

We conduct regular training sessions to enhance understanding and compliance with human rights principles. These initiatives aim to empower employees to recognise, respect, and advocate for human rights in their daily activities.

Care Link' in HRMS or by calling the hotline number 77666 or sending a dedicated email to [humanrights@aurobindo.com](mailto:humanrights@aurobindo.com). Moreover, we have established an Employee Grievance Redressal Committee dedicated to addressing and resolving employee grievances promptly and fairly.

### Compliance audits

We ensure human rights compliance through comprehensive social compliance audits, including internal, international customer, and domestic customer audits. These audits enhance accountability and transparency, identifying areas for improvement. Additionally, statutory inspections by state government authorities validate our adherence to regulatory requirements.

### Confidential reporting mechanisms

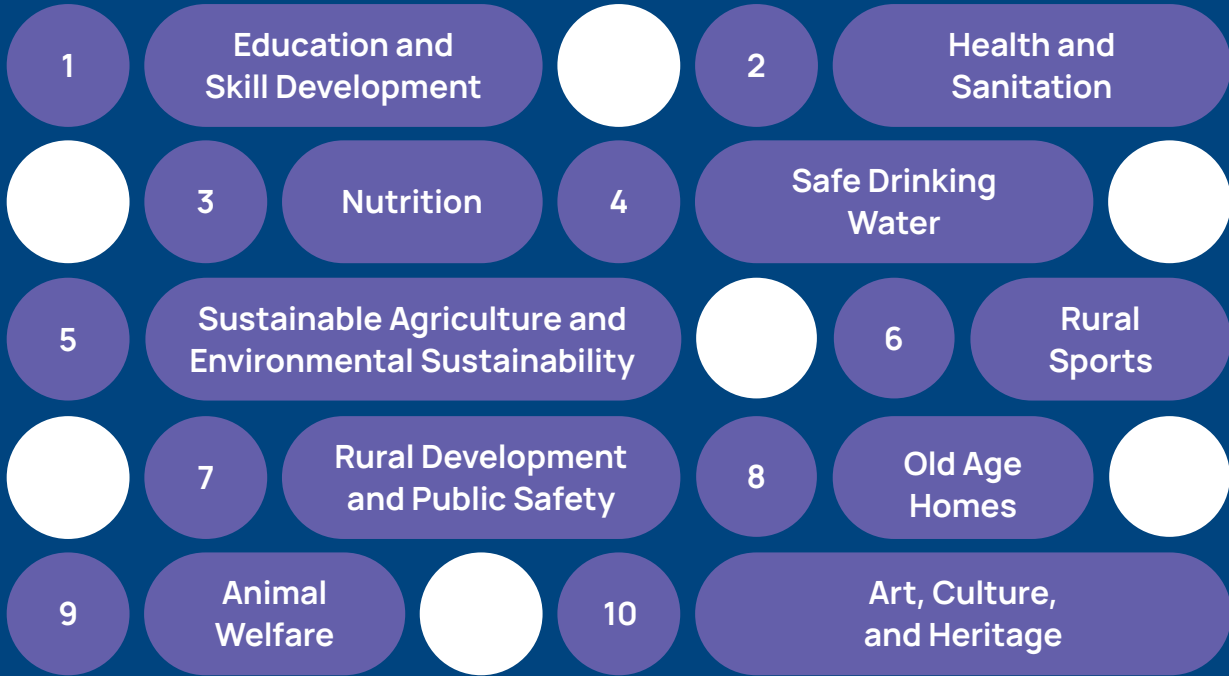
We prioritise providing avenues for reporting human rights violations. Our Human Rights Compliance Hotline guarantees anonymity and protection, fostering a safe environment for reporting breaches. Employees, vendors, suppliers, and customers can confidentially report concerns via the 'People





Social and relationship capital

Focus areas



# Making meaningful impact

SDGs impacted



In a commitment to social responsibility, the Aurobindo Pharma Foundation, the philanthropic arm of Aurobindo Pharma, has embarked on a transformative journey of empowerment across rural landscapes. Through a diverse array

of initiatives spanning education, healthcare, infrastructure, and community development, the Foundation is fostering sustainable progress and uplifting underprivileged communities.

8.59 Lakh  
 People benefitted from CSR projects and activities

2.14 Lakh  
 Families benefitted from CSR projects and activities



## The strategy for executing CSR projects and activities includes certain essential steps:

1

### Community needs assessment

We identify community needs through direct interactions with community members or their representatives, and through comprehensive need assessment studies that help us understand their pressing issues.

2

### Project formulation and execution

Based on the need assessment outcome, we formulate CSR projects and discuss with key stakeholders to implement the projects either through the Aurobindo Pharma Foundation or in collaboration with implementing partners.

3

### Project completion and handover

After completion, the project is handed over to group committees or key community representatives involved throughout, ensuring a seamless transition of ownership from the Foundation to the key stakeholders.

4

### Measuring impact and sustainability

We conduct baseline, midline, and post-completion assessments involving stakeholder inputs. For significant projects, impact assessment studies are conducted one year after completion of the CSR project as per MCA guidelines, and beneficiary stories and case studies are also recorded, fostering accountability and ensuring long-term sustainability.

## Nutrition

### Serving free breakfast meals to school children

Aurobindo Pharma Foundation (APF) partnered with Hare Krishna Movement Charitable Foundation (HKMCF) to establish a solar-powered, automated, centralised kitchen in Perumallapuram village, Kakinada district, Andhra Pradesh. This kitchen prepares 6,000 free breakfast meals daily for government schools nearby. The meals are nutrient-rich and designed to cater to the needs of students, particularly fishermen communities, who often attended school late or on empty stomachs due to their parents' early work hours. Keeping this in mind, the breakfast meals were also designed to be filling and nutrient-rich, incorporating millets into the menu to ensure a balanced diet. The food is distributed in insulated vessels via distribution vehicles to maintain optimal temperature. Initially serving 41 schools; it expanded to 46 schools in the region.



### Serving 5,460 students with nutritious, free breakfast meals daily

# 15.20 Lakh

Free breakfast meals have been distributed since inception in 2022

- Improved nutrition and health conditions of children
- Enhanced active participation during classes
- Boosted academic performance and attendance
- Reduced dropout rates



## Education and skill development

### Infrastructure development for educational institutions

Aurobindo Pharma Foundation contributed towards various infrastructure development projects to address the growing needs of educational institutions. This included the construction of new facilities and providing essential infrastructure.

- **Zilla Parishad High School, Mustabad Village, Rajanna-Sircilla District, Telangana:** The Foundation constructed a new school building, dining hall, sanitation facilities (4 toilet blocks for boys and girls), and a playground. Additionally, infrastructure such as 150 dual desks and school furniture were provided, enhancing the learning environment and accommodating an additional 850 students.

- **Government Junior College for Girls, Sangareddy, Telangana:** A new college building was erected, equipped with infrastructure including 200 dual desks and furniture. This initiative benefited 750 students, offering improved educational facilities and opportunities.
- **Additional Facilities:** Infrastructure development efforts extended to Zilla Parishad High School in AV Nagaram Village, Kakinada District, Andhra Pradesh, where three additional classrooms were constructed, benefiting 289 students. Furthermore, a kitchen shed was established at Government Mandal Parishad Upper Primary School, Dantha Village, Srikakulam District, Andhra Pradesh, enhancing the school's operational capabilities.



#### Enhanced access

Provision of additional infrastructure facilitated increased access to education for 1,889 students across different educational institutions

#### Improved learning environment

The creation of conducive learning spaces positively impacted student engagement and academic performance

#### Alleviated overcrowding

New facilities alleviated overcrowding in existing educational institutions, ensuring a conducive environment for teaching and learning



### Providing of equipment and infrastructure

Through APF, we provided vital equipment and infrastructure to enhance educational facilities across government schools, colleges, and universities in Andhra Pradesh and Telangana states. This included the provision of lab equipment, digital infrastructure, stationery, and other essential resources.

4,227

Students benefitted with enhanced education resources



### Bicycle distribution for girl students

Recognising the importance of access to education, particularly for girls in rural areas, the Aurobindo Pharma Foundation distributed 2,550 bicycles to girl students from rural government schools in Anakapalli District, Andhra Pradesh. This initiative aimed to reduce barriers to education and facilitate easier commutes to school.

2,550

Girl students from 31 rural government schools received improved access to education



### Support to Auro Mira Vidya Mandir

Aurobindo Pharma Foundation extended support to Auro Mira Vidya Mandir in Kechla village, Koraput district, Odisha state for three consecutive years. This residential school provides holistic education to tribal students from marginalised communities, benefitting 100 tribal students this academic year. The unique curriculum promotes life skills, aiding comprehensive child development in a rural setting.

100

Tribal students are accessing quality education



## Skill development

- The Foundation established Skill Development Centres in rural areas, offering training in high-end pharma sector skills, computer training, and tailoring. These initiatives benefited 1,938 rural women, youth and graduates, enhancing their employability and income generation opportunities.
- Supported the higher education of 23 underprivileged students, empowering them with opportunities for advanced studies and enhanced employability prospects.

## Healthcare and sanitation



### Establishment of Aurobindo Oncology Block at MNJ Institute of Oncology and State Cancer Institute

The completion of the Aurobindo Oncology Block facilitated an increase in outpatient capacity by 300 patients per day, in-patient treatment capacity to 700, and bone marrow transplantations from 2 to 8 per month.

Around 300-400 people are screened per month at the Aurobindo Oncology Block, while mobile screening camps conduct diverse tests such as mammograms, pap smears, FNAC tests, and ultrasound of the abdomen and pelvis to screen for various cancers free of charge. These screening camps have facilitated the detection of 1.5% of cancer cases at early or pre-cancerous stages.

Aurobindo Oncology Block is functioning at full capacity with a 100% occupancy rate, benefitting patients from Telangana, Andhra Pradesh, Karnataka, Orissa, Maharashtra, Chhattisgarh, and Bihar.



**1.35 Lakh**

Patients benefited so far since the establishment of Aurobindo Oncology Block

## Establishment of blood bank

Collaboration with the Indian Red Cross Society to construct and equip a Blood Bank in Chipurupally village, Vizianagaram district, Andhra Pradesh. The Blood Bank establishment includes infrastructure setup and provision of equipment to ensure adequate blood transfusion services.

**3,000**

Patients are served annually by the Blood Bank



## Other initiatives

- Provided high-quality medical equipment to five healthcare institutions, patient transport vehicle to an eye hospital, 28 tri-motor bikes to persons with disabilities, and support for treatment of 20 underprivileged patients.
- Implementation of improved solid waste management practices in seven villages of Kakinada district, Andhra Pradesh have helped 9,541 people achieve a cleaner, healthier environment, with 19,588 kilograms of plastic waste collected in FY 2023-24.

**3.61 Lakh**

Patients and people have benefited through Aurobindo Pharma Foundation's health and sanitation projects and activities in FY2023-24.



## Safe drinking water

Through the establishment and maintenance of various capacities of RO Water plants, 60,818 people in multiple villages in Andhra Pradesh and Telangana states now have access to safe drinking water in their vicinity. This initiative has effectively eliminated waterborne diseases, improving the health and productivity of the community members.

**60,818**

Beneficiaries in multiple villages of Andhra Pradesh and Telangana



## Rural development and public safety

### Establishment of Bharosa Centre in Sangareddy Town and District, Telangana

The Bharosa Centre was initiated by the Telangana Police Women Safety Wing to provide comprehensive support and assistance to women and children affected by violence. Aurobindo Pharma Foundation has supported the construction of a Bharosa Centre in Sangareddy Town, Telangana, which has supported and protected 88 women and children so far since its inception.

Additionally, Police and Fire Service Departments were provided with necessary infrastructure to promote public safety in rural Andhra Pradesh and Telangana.

51,940

People benefitted from various public safety activities



### Establishing rural infrastructure

Aurobindo Pharma Foundation focused on enhancing infrastructure in villages across Andhra Pradesh and Telangana states during FY 2023-24. This includes the construction and renovation of community halls, establishment of community parks, laying of CC roads and drains, and installation of solar and LED streetlights. These initiatives have benefitted 2.18 lakh people by providing them with improved facilities and a conducive environment for community gatherings and recreational activities.

2.18 Lakh

People benefitted from various rural development activities



### Promoting sportsmanship

Aurobindo Pharma Foundation supported 21 rural athletes for their training and coaching and provided sports equipment to government schools. Additionally, support was extended for conducting various sports competitions and tournaments at different levels, benefitting 3,603 sportspersons across India. These initiatives have encouraged participation in sports and fostered talent development among rural youth.

3,624

Rural athletes and sportspersons benefitted



## Sustainable agriculture

### Support to farmer producer organisations

In partnership with APMAS NGO, we supported 10 Farmer Producer Organisations (FPOs) in Andhra Pradesh and Telangana. Through these FPOs, 7,682 small and marginal farmers and dairy farmers received training on sustainable agricultural practices, participated in demo-plot visits, gained access to high-tech farm equipment, and received support for their cattle through animal husbandry camps, and learned about market linkages to improve their agricultural yield and financial growth.

7,682

Farmers benefitted through support to FPOs



## Environmental sustainability

### Tree plantation and maintenance

In FY 2023-24, the Aurobindo Pharma Foundation planted around 2,500 saplings in Ranasthalam village of Srikakulam district and is maintaining and protecting a total of 9,587 plants across various villages of Andhra Pradesh and Telangana states. This initiative aims to promote environmental sustainability, contribute to carbon sequestration, and enhance biodiversity in the region.

2,500

Saplings planted in Ranasthalam village of Srikakulam District in FY2023-24



### Impact through CSR FY 2023-24

In FY 2023-24, the Aurobindo Pharma Foundation's CSR initiatives have benefitted a total of 8.59 lakh people, aiming to make essential resources accessible and create a more equitable society. Continuous interactions with communities ensure needs are met sustainably. Data collection and beneficiary stories aid in future project planning, ensuring ongoing support to underprivileged communities.

8.59 Lakh

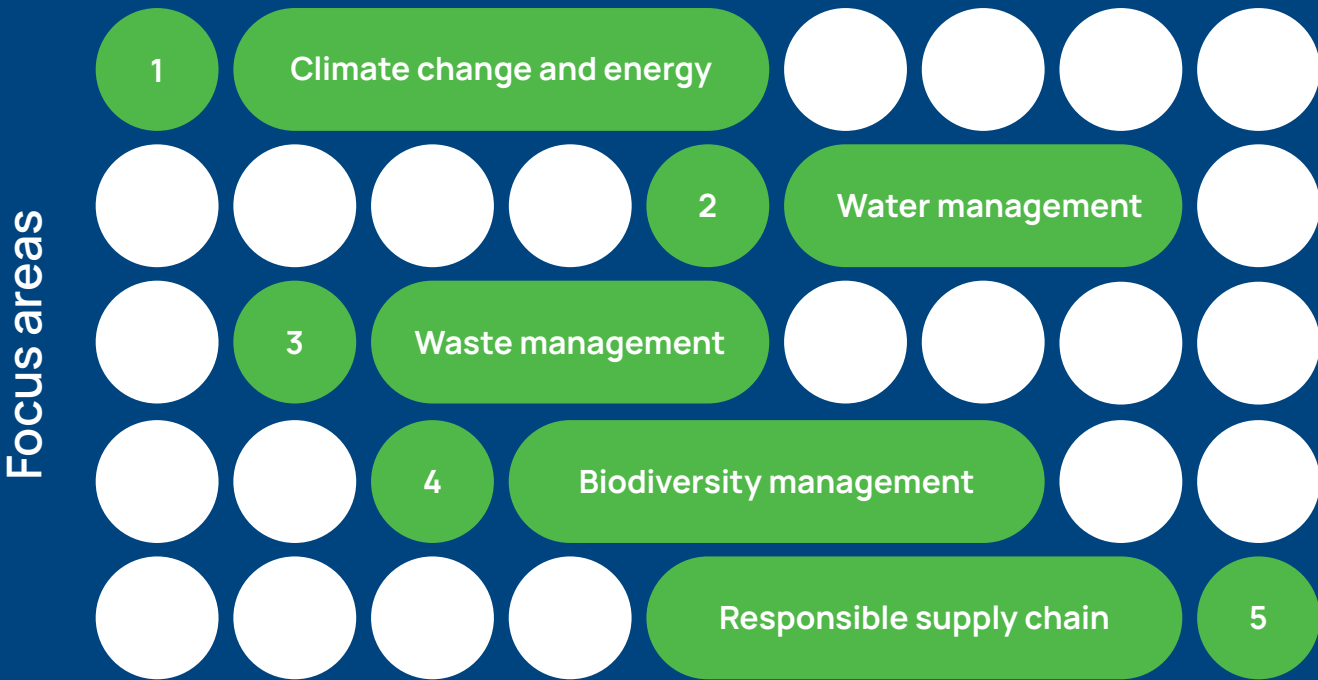
People benefitted from the CSR activities conducted in FY2023-24



~16%

Reduction in carbon emission

(Compared to FY20 baseline year)



Advancing our sustainability journey



In pursuing responsible growth, we are committed to minimising our environmental footprint while achieving economic success. We actively assess and mitigate our impact on the environment, implementing measures to reduce emissions, conserve water,

manage waste sustainably, and adopt eco-friendly practices across our operations. From renewable energy adoption to sustainable packaging initiatives, each step reflects our commitment to environmental stewardship and sustainable progress.

~23 %  
Reuse of treated wastewater out of total wastewater generated

14 % (power to power)  
Utilisation of renewable power across our operations (Power to Power)

# Climate change and energy

## Aligning with science based targets

At Aurobindo Pharma, our commitment to sustainability begins with aligning our goals and targets with the Science Based Targets initiative (SBTi). This serves as the cornerstone of our environmental strategy, guiding our efforts to mitigate climate change and reduce our carbon footprint.



## Renewable energy transition

In FY24, we made a significant progress in transitioning towards renewable energy sources. We consumed a total of 1,24,446 MW of renewable power, encompassing both self-generated and purchased solar power from our Joint venture and associate companies. This included executing Long Term Open Access Power Purchase Agreements (PPAs) with NVNR Ramannapet-1 and NVNR Ramannapet-2, each with a 15 MW Solar Power Plant, ensuring a steady supply of solar energy. Additionally, our own 30 MW Solar Power plant near Pydibhimavaram in Vizag, Andhra Pradesh, India, contributed to our renewable energy portfolio.

During the fiscal year, our solar power generation amounted to approximately 43,000 MW, highlighting the efficacy of our solar infrastructure investments.

Apart from solar power, we utilised 3,65,278 GJ of energy from biomass (Rice Husk and Briquettes) at select plants, further diversifying our renewable energy sources and reducing our reliance on non-renewable fuels.



## Renewable energy consumption

| Key Metrics                             | FY23    | FY24     |
|---|---------|----------|
| Total renewable power consumption (MWh) | 80,341  | 1,24,446 |
| Solar Power Generation (MWh)            | 43,000  | 43,071   |
| Biomass Energy Consumption (GJ)         | 131,177 | 3,65,278 |



Installation of Variable Frequency Drive (VFD)

## Energy efficiency enhancements

At Aurobindo Pharma, we are committed to maximising energy efficiency across our manufacturing facilities. Our energy conservation team analyses energy and steam consumption sources, while the operational excellence team spearheads technologically advanced solutions to enhance operational efficiency and reduce resource usage. Our energy efficiency projects encompass a comprehensive approach, including technology upgrades, optimisation initiatives, and equipment operation changes. We have implemented a range of energy-saving measures to minimise our environmental footprint. Regular energy audits provide valuable insights, guiding us in identifying opportunities for improvement. Installation of energy-efficient equipment and the implementation of co-generation boilers further contribute to our sustainability efforts.

21,89,034 GJ

Energy saved, resulting reduction in GHG emissions of 2,37,455 tCO<sub>2</sub>e

## Use of green fuels

We promote the use of biomass including rice husk, briquettes and natural gas instead of coal or furnace oil in boilers at some of our manufacturing facilities. In FY24, we generated 3,65,278 GJ of energy from biomass, accounting for approximately 4.7% of our total energy consumption.



## Monitoring emission control

As part of our emissions reduction journey, we monitor emissions and have implemented several mitigation and reduction initiatives. SOPs, systematic assessment processes, and monitoring and evaluation methods all aid in achieving our goals.

### Energy consumption (GJ)

| Energy              | FY20             | FY21             | FY22             | FY23             | FY 24            |
|---------------------|------------------|------------------|------------------|------------------|------------------|
| Direct energy       | 40,98,249        | 38,51,356        | 39,78,570        | 4,71,70,82       | 50,47,956        |
| Indirect energy     | 24,57,873        | 23,66,434        | 21,63,607        | 2,15,00,41       | 27,84,242        |
| <b>Total energy</b> | <b>65,56,122</b> | <b>62,17,790</b> | <b>61,42,177</b> | <b>68,67,123</b> | <b>78,32,198</b> |

### Energy intensity

| Energy                  | Unit           | FY20         | FY21         | FY22         | FY23         | FY 24        |
|-------------------------|----------------|--------------|--------------|--------------|--------------|--------------|
| Total energy            | GJ             | 65,56,122    | 62,17,790    | 61,42,177    | 68,67,123    | 78,32,198    |
| Total revenue           | ₹ Mn           | 2,30,985     | 2,47,746     | 234,555      | 248,550      | 2,90,019     |
| <b>Energy intensity</b> | <b>GJ/₹ Mn</b> | <b>28.38</b> | <b>25.10</b> | <b>26.19</b> | <b>27.63</b> | <b>27.01</b> |

### GHG emissions: Scope 1 and Scope 2 (tCO<sub>2</sub>e)

| Emissions    | FY20            | FY21            | FY22            | FY23           | FY 24           |
|--------------|-----------------|-----------------|-----------------|----------------|-----------------|
| Scope 1      | 3,90,910        | 3,59,387        | 3,61,621        | 447,207        | 4,14,356        |
| Scope 2      | 5,65,185        | 5,43,983        | 4,97,263        | 494,264        | 5,53,115        |
| <b>Total</b> | <b>9,56,095</b> | <b>9,03,370</b> | <b>8,58,885</b> | <b>941,472</b> | <b>9,67,471</b> |

### GHG emissions Intensity

| Particulars        | Unit                    | FY20      | FY21      | FY22      | FY23      | FY 24     |
|--------------------|-------------------------|-----------|-----------|-----------|-----------|-----------|
| Total emissions    | tCO <sub>2</sub> e      | 9,56,095  | 9,03,370  | 8,58,885  | 941,472   | 9,67,471  |
| Total revenue      | ₹ Mn                    | 2,30,985  | 2,47,746  | 2,34,555  | 2,48,550  | 2,90,019  |
| Total energy       | GJ                      | 65,56,122 | 62,17,790 | 61,42,177 | 68,67,123 | 78,32,198 |
| Emission intensity | tCO <sub>2</sub> e/₹ Mn | 4.14      | 3.65      | 3.66      | 3.79      | 3.34      |
| Emission intensity | tCO <sub>2</sub> e/GJ   | 0.15      | 0.15      | 0.14      | 0.14      | 0.12      |



#### Regulating scope 3 emissions

We have implemented initiatives to reduce Scope 3 emissions including delivering our exports by sea rather than air, which has led to lowering of supply chain emissions by 5,346 tCO<sub>2</sub>e as compared to FY18. We enable our logistics providers to maintain emission dashboards in accordance with the GHG Accounting Protocol. We plan to transport more than 90% of our export products by sea, thereby reducing emissions further and improving supply chain efficiency.



#### Curbing our Carbon emissions

## 2.37 Lakh tCO<sub>2</sub>e

Emissions avoided through energy-saving initiatives

## 16,033 tCO<sub>2</sub>e

Emissions avoided through steam recovery

## 34,249 tCO<sub>2</sub>e

Emissions avoided through substituting coal with biomass

## 1,84,431 tCO<sub>2</sub>e

Emissions avoided through solvent recovery

## 21,000 tCO<sub>2</sub>e

Emissions avoided through redirection of spent solvent to cement kilns



# Water management

Water is an indispensable resource in our operations, utilised extensively in processing, formulating, and producing pharmaceutical finished dosage forms and Active Pharmaceutical Ingredients (APIs). We are fully committed to using water wisely and have implemented various measures for water reuse, recycling, and conservation.

## Water conservation measures

- Recovering and reusing steam condensate to minimise wastage
- Optimising water usage in chillers to maximise efficiency
- Redirecting rejected water from the Purified Water System and air handling unit (AHU) condensate to cooling towers for further utilisation
- Installing water taps equipped with water-saving features to reduce consumption

We closely monitor our water consumption on a regular basis and review relevant processes daily to ensure compliance and strictly adhere to pollution prevention and control standards.



## Wastewater treatment and recycling

We focus on responsible wastewater treatment, utilising full-fledged effluent treatment plants (ETPs) equipped with advanced technologies across our units. These ETPs collect, store, treat, and manage wastewater, enabling us to achieve zero liquid discharge (ZLD) status in some of our units. By recycling treated water, we reduced our overall water footprint and ensured compliance with pollution control standards.

Additionally, we are committed to curb Antimicrobial Resistance (AMR) by being transparent in allowing international agencies to freely collect and analyse samples for Antibiotics content in treated wastewater from manufacturing facilities as per customer requirement.

~2,32,373 KL

Of treated wastewater is reused at our production plants in FY24



## Preventing water pollution

We have a well-defined Environment, Health, Safety, and Sustainability policy that outlines our commitment to pollution prevention, environmental protection, and the well-being of stakeholders. We strictly adhere to pollution prevention and control standards, conduct regular internal audits and undergo periodic external audits, to assess compliance with pollution control standards. We ensure that the levels of antibiotics in our wastewater, as measured by Predicted No-Effect Concentrations (PNECs) following the guidelines set by the AMR Industry Alliance, remain within acceptable limits.

## Rainwater harvesting

While implementing new technologies towards wastewater treatment and reuse, we are also considering rainwater harvesting to enhance our sustainability efforts. We have implemented rainwater conservation strategies at certain production facilities to replenish groundwater and further contribute to water conservation efforts.

~1,29,936 KL

Of rainwater harvested in FY24 at some of our manufacturing facilities



## Monitoring water consumption

We closely monitor our water consumption on a regular basis identifying areas of improvement, regular audits, and assessments for optimising processes to minimise water consumption and review relevant processes daily to ensure compliance.

### Water withdrawal (million litres)

| Fresh water withdrawal       | FY20  | FY21  | FY22  | FY23  | FY 24 |
|------------------------------|-------|-------|-------|-------|-------|
| Groundwater                  | 1,737 | 1,568 | 1,824 | 2,014 | 1,911 |
| Third-party water            | 1,759 | 1,908 | 1,512 | 1,666 | 2,248 |
| Total Fresh Water Withdrawal | 3,496 | 3,476 | 3,336 | 3,681 | 4,159 |

### Water withdrawal intensity (million litres)

|                                  | Unit    | FY20     | FY21     | FY22     | FY23     | FY 24    |
|----------------------------------|---------|----------|----------|----------|----------|----------|
| Total fresh water withdrawal     | (ML)    | 3,496    | 3,476    | 3,336    | 3,681    | 4,159    |
| Total revenue                    | ₹ Mn    | 2,30,985 | 2,47,746 | 2,34,555 | 2,48,550 | 2,90,019 |
| Fresh water withdrawal intensity | ML/₹ Mn | 0.015    | 0.014    | 0.014    | 0.015    | 0.014    |

Waste management

We have a two-point waste management strategy focused on reducing waste at its source and ensuring responsible handling until the last mile. This approach facilitates efficient treatment, reuse, or disposal of waste materials, ensuring seamless continuity of our operations.



**64% (15,645 MT)**  
Of hazardous waste is sent for co-processing, which is used as alternate fuel in cement industry

**36%**  
Of hazardous waste is sent to authorised TSDF (Treatment, Storage and Disposal Facilities) for safe disposal

**100%**  
Of non-hazardous waste (plastic waste) is recycled/reused

**~2 tonnes**  
Of e-waste sent for recycling

Tracking waste generation

| Waste generated                | FY20   | FY21   | FY22   | FY23   | FY 24  |
|--------------------------------|--------|--------|--------|--------|--------|
| Hazardous (in MT)              | 30,044 | 25,147 | 18,445 | 22,164 | 24,306 |
| Other recyclable Waste (in MT) | 17,568 | 15,325 | 31,527 | 27,278 | 31,577 |
| Bio-medical (in MT)            | 229    | 248    | 220    | 265    | 304    |
| E-waste (in MT)                | 5.34   | 1.00   | 6      | 2      | 2      |
| Used oil (in MT)               | 36     | 27     | 24     | 15     | 23     |
| Waste intensity (MT/₹ Mn)      | 0.21   | 0.16   | 0.21   | 0.20   | 0.19   |

Sustainable packaging

Sustainable packaging is crucial for pharmaceutical firms worldwide to mitigate plastic usage in package design and reduce carbon footprints across the packaging supply chain. Recognised as a challenging endeavour in the pharmaceutical industry, packaging plays a pivotal role in product safety and regulatory compliance. As regulatory bodies increasingly emphasise sustainable practices, we have instituted robust systems and procedures to adhere to country-specific packaging standards, while innovating environmentally friendly packaging solutions. By prioritising total material use reduction and minimising energy consumption, we are committed to developing efficient and sustainable packaging solutions as part of our journey towards sustainability and environmental consciousness.



Key initiatives in FY24

- Reduction of packaging materials:** In FY24, we achieved significant savings of approximately 340 tonnes of packaging materials used for wooden pallets, shrink film, carry straps, edge boards, and buckle clips, primarily due to pallet stuffing for the US market.



Europe markets initiatives

- Blister packs optimisation:** Identified products with oversized blister sizes and optimised them to reduce plastic wastage and minimise wastage of other components like cartons and shippers. Additionally, we are actively developing recyclable blister materials such as PP/PP, Poly/Poly, and Paper/Paper.
- Pouches/sachets reduction:** Implemented a reduction in the size of existing sachets for a specific product, with ongoing efforts to explore alternative options for sachet laminates to enhance recyclability using homogenous polymeric materials.
- Triple Laminated Bags (TLB):** Recognising that existing TLB bags are not recyclable, we are in the process of developing a new structure to transform TLB into a sustainable packaging material, with trials currently underway.

## Biodiversity management

At Aurobindo Pharma, we recognise the importance of preserving biodiversity and is committed to protecting the environment and minimising the negative impact of our operations. We believe in putting focused efforts on activities that sustain the organic equilibrium and preserve ecosystems to the greatest degree feasible. Our success is not only driven by our social and economic performance but also depends on how our operations impact the environment. Thus, we strive to develop strategies that seek to conserve the flora and fauna of the areas we operate in. In alignment with this dedication, The eco-development wing of our Environment, Health, and Safety (EHS) team has taken the lead in a variety of initiatives to achieve these goals.



### Green belt development and carbon sequestration

Our commitment to environmental stewardship extends beyond energy consumption to encompass carbon sequestration and green belt development. Through the expansion of green belts within and beyond our facilities, coupled with ongoing carbon offsetting initiatives, we actively mitigate our environmental impact and contribute to biodiversity conservation efforts. Additionally, we raise awareness about sustainable agricultural practices through our Corporate Social Responsibility (CSR) initiatives.

In FY24, our green belt development efforts helped avoid 14,901 tCO<sub>2</sub>e emissions.

### Key plantation initiatives

#### Plantation in and around manufacturing facilities

We implemented agroforestry techniques by introducing nitrogen-fixing trees such as Pongamia pinnata, Dalbergia sissoo, Cassia siamea, and Bauhinia variegata, alongside other species including Acacia, Azadirachta, Delonix, Melia, Cassia fistula, Neolamarckia cadamba, and Peltophorum. This diverse selection of trees promotes ecological balance and enhances soil fertility. Additionally, we adopted high-density plantations to maximise the number of plants accommodated in a limited area, thereby increasing overall green cover and optimising land utilisation. Moreover, we implemented drip irrigation systems to efficiently provide water to the plantations both within our facilities and the surrounding areas, sustaining plant growth and conserving resources.

#### Participation in external plantation programmes

We actively engaged in government-led green belt development programs like Vanamahotsavam, Telanganaku Haritha Haram, and Vanam-Manam, showcasing our dedication to partnering with public initiatives for environmental preservation. Our focus was on targeted initiatives, including tree planting along school premises and water bodies, recycling garden waste to produce vermicompost, and filling gaps in existing green belts to mitigate plant mortality and ensure the sustained growth of healthy vegetation.



#### Afforestation campaign

Over the years, we have carried out a significant afforestation campaign, covering a total area of 817 hectares, both within our facilities and the surrounding areas, planting approximately 4,52,880 trees carefully selected to include a diverse range of native species. These trees not only enhance the beauty of our surroundings but also play a vital role in capturing carbon dioxide, thereby contributing to a more balanced ecosystem. To ensure the long-term success of our afforestation efforts, we have implemented rigorous monitoring and maintenance practices.

>80%

Survival rate of the established green areas through rigorous monitoring and maintenance practices

## Responsible supply chain

At Aurobindo Pharma, our mission is to become the most valued partner to the Global Pharma fraternity by continuously researching, developing, and manufacturing a wide range of pharmaceutical products that comply with the highest regulatory standards. In this journey, we recognise the importance of our suppliers, who play a vital role in attaining exceptional performance and efficiency across our supply chain.

### Supplier Code of Conduct (CoC)

We have established The Supplier Code of Conduct (CoC), applicable to all suppliers registered with Aurobindo Pharma Limited and its subsidiary companies. This code encompasses principles for five aspects: Ethics, Labour and Human Rights, Health and Safety, Environment, and Management Systems, aligning with the Pharmaceutical Supply Chain Initiative (PSCI) for Responsible Supply Chain Management.

### Sustainable supplier management practices

To ensure responsible and reliable sourcing practices, we prioritise local suppliers with strong environmental and social practices, aligning with our commitment to sustainability. Our rigorous supplier evaluation process includes assessing credibility, environmental procedures, manufacturing techniques, and commitment to environmentally friendly practices.

Additionally, we conduct SA 8000 audits to ensure compliance with local labour laws and international standards. This comprehensive approach to supplier management underscores our dedication to ethical and sustainable supply chain practices.

### Local sourcing initiatives

We prioritise local sourcing as a key business objective. By procuring products and services from local vendors, we not only contribute to the growth of the local economy but also promote green manufacturing practices and reduce transportation-related externalities.

#### Criteria for selecting local suppliers

- **Proximity to production facilities:** We specifically seek suppliers located near our production facilities to ensure efficient supply chain management and minimise logistical challenges and related supply chain carbon emissions.
- **Adherence to compliance and quality standards:** These local suppliers are carefully selected based on their adherence to the required compliance and quality standards, guaranteeing that they meet our rigorous expectations.



~76%

of spending on Local suppliers for key raw materials

69%

of spending on Local-Local suppliers on key raw materials

#### Percentage of new suppliers screened basis EHS compliance (%)





AUROBINDO PHARMA LIMITED  
(CIN - L24239TG1986PLC015190)

Regd. Office: Plot No.2, Maithrivihar, Ameerpet, Hyderabad – 500 038, Telangana, India.  
Tel No.: +91 40 2373 6370, Fax No.: +91 40 2374 1080

Corp. Office: Galaxy, Floors 22-24, Plot No. 1, Survey No. 83/1, Hyderabad Knowledge City,  
Raidurg Panmaktha, Hyderabad – 500 032, Telangana, India.  
Tel No.: +91 40 66725000/66721200, Fax No.: +91 40 67074044

E-mail: [info@aurobindo.com](mailto:info@aurobindo.com); Website: [www.aurobindo.com](http://www.aurobindo.com)

NOTICE

NOTICE is hereby given that the 37<sup>th</sup> Annual General Meeting of the Members of Aurobindo Pharma Limited will be held on **Thursday, the 29<sup>th</sup> day of August 2024 at 3:30 PM IST through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")** to transact the following business:

ORDINARY BUSINESS

- 1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, and reports of Directors and Auditors thereon.
- 2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, and report of Auditors thereon.
- 3. To confirm the interim dividend of ₹3.00 and second interim dividend of ₹1.50 in aggregate ₹4.50 per equity share of ₹1 each, as dividend paid for the financial year 2023-24.
- 4. To appoint a Director in place of Mr. K. Nithyananda Reddy (DIN: 01284195) who retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment.
- 5. To appoint a Director in place of Mr. M. Madan Mohan Reddy (DIN: 01284266) who retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment.

SPECIAL BUSINESS

- 6. **To re-appoint Mr. K. Nithyananda Reddy (DIN: 01284195) as Vice Chairman & Managing Director and in this regard 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 Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other consents/approvals as may be required, Mr. K. Nithyananda Reddy (DIN: 01284195), Vice Chairman & Managing Director, be and is hereby re-appointed as Vice Chairman & Managing Director of the Company for a period of three years with effect from June 1, 2024, whose term of office shall be liable to determination by retirement of directors by rotation at a remuneration and perquisites as detailed below with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. K. Nithyananda Reddy, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

|   |  |  |
|---|--|--|
| A | Salary   | ₹23,50,000 per month   |
| B | House Rent Allowance   | ₹15,66,670 per month   |
| C | Medical Reimbursement  | (i) Reimbursement of medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.<br>(ii) Mediclaim insurance as per rules of the Company. |
| D | Leave Travel Concession  | For self & family once in a year as per the rules of the Company   |
| E | Personal Accident Insurance  | Premium not exceeding ₹25,000 per annum  |
| F | Club Fees  | Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.  |
| G | Provident fund, superannuation benefits and gratuity as per the rules of the Company subject to the ceilings as per the guidelines for managerial remuneration in force from time to time. |  |
| H | Provision of Company's car with driver.  |  |
| I | Provision of free telephone at residence.  |  |
| J | Encashment of leave as per the rules of the Company  |  |

- 7. **To re-appoint Mr. M. Madan Mohan Reddy (DIN: 01284266) as Whole-time Director and in this regard 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 Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other consents/approvals as may be required, Mr. M. Madan Mohan Reddy (DIN: 01284266), Whole-time Director, be and is hereby re-appointed as Whole-time Director of the Company for a period of three years with effect from June 1, 2024, whose term of office shall be liable to determination by retirement of directors by rotation at a remuneration and perquisites as detailed below with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. M. Madan Mohan Reddy, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

|   |  |  |
|---|--|--|
| A | Salary   | ₹30,00,000 per month   |
| B | House Rent Allowance   | ₹20,00,000 per month   |
| C | Medical Reimbursement  | (i) Reimbursement of medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.<br>(ii) Mediclaim insurance as per rules of the Company. |
| D | Leave Travel Concession  | For self & family once in a year as per the rules of the Company   |
| E | Personal Accident Insurance  | Premium not exceeding ₹25,000 per annum  |
| F | Club Fees  | Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.  |
| G | Provident fund, superannuation benefits and gratuity as per the rules of the Company subject to the ceilings as per the guidelines for managerial remuneration in force from time to time. |  |
| H | Provision of Company's car with driver.  |  |
| I | Provision of free telephone at residence.  |  |
| J | Encashment of leave as per the rules of the Company  |  |

8. To approve the continuation of Mr. P. V. Ramprasad Reddy (DIN: 01284132) as Non-Executive Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Regulation 17 (1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other consents/approvals as may be required, approval of Members be and is hereby accorded for the continuation of Mr. P. V. Ramprasad Reddy (DIN: 01284132), as Non-Executive Director on the Board of the Company, whose term of office shall not be liable to determination by retirement of directors by rotation, subject to approval of the Members at least once in every five years.”

9. To ratify the remuneration payable to the Cost Auditors for the financial year 2024-25 by passing with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the remuneration of ₹6,50,000/- (Rupees six lakhs and fifty thousand only) excluding applicable taxes payable to M/s. EVS & Associates, Cost Accountants, Hyderabad, appointed by the Board of Directors, on the recommendation of the Audit Committee, as Cost Auditors of the Company for conducting audit of the

cost records of the Company for the financial year 2024-25, as approved by the Board of Directors of the Company, be and is hereby ratified.”

10. To approve payment of commission to independent directors by passing with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 197 of the Companies Act, 2013 (“the Act”) and Regulation 17(6)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), a sum up to one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, but not exceeding Rupees twenty lakhs per independent director in any financial year be paid to and distributed amongst the independent directors of the Company in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, commencing from April 1, 2024.”

“RESOLVED FURTHER THAT the above remuneration shall be in addition to fee payable to the director(s) for attending the meetings of the Board or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.”

By Order of the Board of Directors  
of Aurobindo Pharma Limited

B. Adi Reddy  
Company Secretary  
Membership No. ACS 13709

Place: Hyderabad  
Date: May 25, 2024

NOTES

- Pursuant to the General Circular No. 14/2020 dated April 8, 2020 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and subsequent circulars issued in this regard, the latest being SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as the “Circulars”), companies are allowed to hold Annual General Meeting (AGM) through VC/OAVM, without the physical presence of the members at a common venue and also to send the copies of annual report in electronic mode to those members whose email addresses are registered with the company/depositories. Hence, in compliance with the aforesaid Circulars, the 37<sup>th</sup> AGM of the Company is being held through VC/OAVM. The Corporate Office of the Company shall be deemed to be the venue for the said AGM.
- Pursuant to the provisions of the Companies Act, 2013 (the “Act”), generally a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Institutional/Corporate Members (i.e. other than individuals/HUFs, NRIs, etc.,) are required to send a scanned copy (PDF/JPG Format) of its Board or Governing Body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and cast it’s votes through e-voting. The said Resolution/Authorisation shall be sent to the Scrutinizer by email through its registered email address to [anderam@rediffmail.com](mailto:anderam@rediffmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com).
- The Explanatory Statement setting out all material facts pursuant to Section 102 of the Act with respect to the Special Business set out in the Notice, is annexed and forms part of the Notice.
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the

relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice are also available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cs@aurobindo.com](mailto:cs@aurobindo.com).

- The Register of Members and Share Transfer Books of the Company will remain closed from August 27, 2024, to August 29, 2024 (both days inclusive).
- The Board of Directors of the Company has declared interim dividend of ₹3.00 and second interim dividend of ₹1.50 aggregating to ₹4.50 per share of ₹1 each for the financial year 2023-24 and the same was paid on December 4, 2023 and March 4, 2024 respectively.
- Members are requested to note that dividends that remain unclaimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”). Further, all the corresponding shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

During the financial year, the unpaid/unclaimed fourth interim dividend for the financial year 2015-16 and interim dividend for the financial year 2016-17 were transferred to IEPF. The Company has uploaded the details of the unpaid and unclaimed dividend amounts of the previous years on the website of the Company ([www.aurobindo.com](http://www.aurobindo.com)) and on the website of Ministry of Corporate Affairs. The second Interim unpaid/unclaimed dividends for the financial year 2016-17 and other unpaid/unclaimed dividends for the financial year 2017-18 will be transferred to the IEPF of the Central Government on respective due date(s) along with eligible equity shares. To claim the equity shares and dividends that were transferred to IEPF, Members may file e-Form IEPF 5 with the Ministry of Corporate Affairs and submit all the required documents as prescribed under IEPF Rules. The concerned members/ Investors are advised to file Web based e-Form IEPF 5 with the Ministry of Corporate affairs using the web link <https://www.mca.gov.in/mcafoportal/login.do> or contact KFin Technologies Limited (KFintech), the Registrar and Transfer Agent (RTA) of the Company or send email to [ig@aurobindo.com](mailto:ig@aurobindo.com), for assistance/ clarification in regard to claim for refund of shares and/or dividend from IEPF Authority.

The following are the due dates for transfer of unclaimed/unpaid dividends for the financial year 2016-17 and thereafter to IEPF:

| Financial year | Dividend                         | Declaration Date  | Due Date           |
|----------------|----------------------------------|-------------------|--------------------|
| 2016-17        | 2 <sup>nd</sup> Interim Dividend | May 29, 2017      | July 3, 2024       |
| 2017-18        | Interim Dividend                 | November 9, 2017  | December 14, 2024  |
| 2017-18        | 2 <sup>nd</sup> Interim Dividend | February 7, 2018  | March 14, 2025     |
| 2018-19        | Interim Dividend                 | November 12, 2018 | December 17, 2025  |
| 2018-19        | 2 <sup>nd</sup> Interim Dividend | February 7, 2019  | March 14, 2026     |
| 2019-20        | Interim Dividend                 | November 12, 2019 | January 16, 2027   |
| 2019-20        | 2 <sup>nd</sup> Interim Dividend | February 6, 2020  | April 12, 2027     |
| 2020-21        | Interim Dividend                 | August 12, 2020   | October 17, 2027   |
| 2020-21        | 2 <sup>nd</sup> Interim Dividend | November 11, 2020 | January 16, 2028   |
| 2020-21        | 3 <sup>rd</sup> Interim Dividend | February 19, 2021 | April 16, 2028     |
| 2021-22        | Interim Dividend                 | August 12, 2021   | September 16, 2028 |
| 2021-22        | 2 <sup>nd</sup> Interim Dividend | November 8, 2021  | December 13, 2028  |
| 2021-22        | 3 <sup>rd</sup> Interim Dividend | February 9, 2022  | March 16, 2029     |
| 2021-22        | 4 <sup>th</sup> Interim Dividend | May 30, 2022      | July 4, 2029       |
| 2022-23        | Interim Dividend                 | February 9, 2023  | March 16, 2030     |
| 2023-24        | Interim Dividend                 | November 9, 2023  | December 14, 2030  |
| 2023-24        | 2 <sup>nd</sup> Interim Dividend | February 10, 2024 | March 17, 2031     |

9.

Members holding shares in physical form are requested to notify immediately any change in their address to the Company's RTA. Members holding shares in electronic form may intimate any such changes to their respective Depository Participants (DPs).
10.

In terms of Schedule I of the SEBI (LODR) Regulations, 2015, the listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House (NACH), National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS), etc., for making payments like dividend to the Members. Accordingly, Members holding securities in dematerialised mode are requested to update their bank details with their depository participants. Members holding securities in physical form may send a request updating their bank details in form ISR-1 to the Company's Registrar and Transfer Agent.
11.

SEBI has vide various circulars, mandated the submission of PAN, KYC details and nomination by holders of physical securities by and linking PAN with Aadhaar. Shareholders holding shares in physical form are requested to submit their PAN, KYC and nomination details to the Company's RTA, KFin Technologies Limited, at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). The forms for updating the same are available at

<https://www.aurobindo.com/investors/shareholder-information/registrar-and-share-transfer-agent>. Shareholders holding shares in electronic form are requested to submit their PAN to their DP.

Non-Resident Indian Members are requested to inform KFinTech/respective DPs, immediately of any change in their residential status on return to India for permanent settlement by submitting particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not already furnished.

12.

In accordance with amendments to Regulation 40 of the Listing Regulations, physical transfer of shares is not permitted with effect from April 1, 2019. Therefore, requests for transferring physical shares will not be accepted by the Company and/or its Registrar and Share Transfer Agent, KFinTech. Even in case of transmission, transposition and duplicate issue of shares, letter of confirmations are issued to the shareholders in lieu of physical share certificates to enable them to make a request to DP for dematerialising their shares. Transfer(s) of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to electronic/dematerialised form.

13.

Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-13, to the RTA of the Company. Further, Members desirous of cancelling/varying nomination pursuant to Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the RTA of the Company.
14.

In compliance with the aforesaid Circulars, the Notice of AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of AGM and Annual Report 2023-24 is also available on the Company's website [www.aurobindo.com](http://www.aurobindo.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFinTech, <https://www.kfintech.com> (<https://evoting.kfintech.com>)
15.

In terms of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and as per the requirements of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company is providing the facility to its Members holding shares in physical or dematerialised form as on the cut-off date, i.e. August 22, 2024, to exercise their right to vote by electronic means on all of the agenda items specified in the accompanying Notice of AGM.
16.

For receiving all communication (including Annual Report) from the Company electronically:

Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP as per the process advised by the DP.

The members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFinTech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), to receive copies of the Annual Report 2023-24 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend.

For availing the following investor services by the shareholders holding shares in physical mode, send a written request in the prescribed forms to the RTA of the Company, KFinTech, either by email at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or by post to KFin Technologies Limited, Unit: Aurobindo Pharma Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032:

- To register PAN, email address, bank details and other KYC details or changes/update thereof for securities held in physical mode – Form **ISR-1**
- To update signature of securities holder – Form **ISR-2**
- For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 – Form **SH-13**
- Declaration to opt out – Form **ISR-3**
- Cancellation of nomination by the holder(s) (along with **ISR-3**)/Change of nominee – Form **SH-14**
- Form for requesting issue of duplicate certificate and other service requests for shares/debentures/bonds, etc., held in physical form – Form **ISR-4**

The above forms are available at <https://www.aurobindo.com/investors/shareholder-information/registrar-and-share-transfer-agent>.

17.

Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18.

In terms of the provisions of Section 152 of the Act, Mr. K. Nithyananda Reddy, Vice-Chairman & Managing Director and Mr. M. Madan Mohan Reddy, Whole-time director are liable to retire by rotation and proposed to be re-appointed, as their tenure is expiring at this AGM. Nomination and Remuneration/Compensation Committee and the Board of Directors of the Company recommended their respective appointments/reappointments. Brief resume of Directors who are proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and membership/ chairmanships of Board Committees and shareholding in the Company as stipulated under SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of the Company Secretaries of India, are forming part of the Notice and appended to the Notice.

19. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
20. The Company has appointed M/s. KFin Technologies Limited, Registrar and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the AGM.
21. Pursuant to the provisions of the Circulars on the VC/OVAM, Members can attend the AGM through log in credentials provided to them to connect to Video conference. Physical attendance of the Members has been dispensed with.
22. The Members can join the AGM 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.
23. Up to 2,000 members will be able to join on a first come first serviced basis to the AGM.
24. No restriction is applicable for joining into the AGM in respect of large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc.
25. The Members may kindly note that in accordance with SEBI Circular No. SEBI/HO/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, SEBI has established a common SMART ODR Portal (Securities Market Approach for Resolution through Online Disputes Resolution Portal) for resolution of disputes arising in the Indian Securities Market. Accordingly, the Company has registered on the newly launched SMART ODR Portal. This platform aims to enhance investor grievance resolution by providing access to Online dispute Resolution Institutions for addressing complaints. Members can access the SMART ODR Portal via the following link: <https://smartodr.in/login>, to resolve any outstanding disputes between Members and the Company (including RTA).

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 circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility to be provided by the 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. Further, the facility for voting through electronic voting system will also be made available during the Meeting ("Insta Poll") and Members attending the AGM who have not cast their vote(s) by remote e-voting will be able to vote during the Meeting through Insta Poll.
- iii. The Company has engaged the services of KFinTech as the agency to provide e-voting facility.
- iv. However, 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.
- v. 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.
- vi. The remote e-Voting period commences on August 26, 2024 (9.00 AM) and ends on August 28, 2024 (5.00 PM).

- During this period, Members holding shares either in physical form or in dematerialised form, as on Thursday, August 22, 2024, i.e. cut-off date, may cast their vote electronically.
- The e-voting module shall be disabled by KFinTech for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing from August 26, 2024 (9.00 AM) and ending on August 28, 2024 (5.00 PM), or e-voting during the AGM. Members who have voted on some of the resolutions during the said remote e-voting period are also eligible to vote on the remaining resolutions during the AGM.
- vii. 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 (i.e., August 22, 2024).
- viii. 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](mailto: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.

- ix. 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."
- x. The detailed process and manner for remote e-Voting and e-AGM are explained herein below:
- Step 1: Access to Depositories (NSDL/CDSL) 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 in e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

Login method for remote e-Voting for Individual shareholders holding securities in demat mode:

| Type of shareholders   | Login Method   |
|--|--|
| Individual shareholders holding shares in demat mode with NSDL | <b>1. User already registered for IdeAS facility may follow the following procedure:</b>   |
|  | I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>  |
|  | 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.  |
|  | V. Click on "Active E-voting Cycles" option under E-voting.  |
|  | VI. You will see Company Name: "Aurobindo Pharma Limited" on the next screen. Click on the e-Voting link available against Aurobindo Pharma Limited or select e-Voting service provider "Kfintech" and you will be redirected to the e-Voting page of Kfintech to cast your vote without any further authentication. |
|  | <b>2. User not registered for IdeAS e-Services may follow the following procedure:</b>   |
|  | I. To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>  |
|  | II. Select "Register Online for IdeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>   |
|  | III. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.  |
|  | IV. After successful registration, please follow steps given under point 1 above, to cast your vote.   |
|  | <b>3. Alternatively the users may directly access the e-Voting website of NSDL</b>   |
|  | I. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>   |
|  | 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 be 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.  |

| Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding shares in demat mode with CDSL | <b>1. Existing user who have opted for Easi/Easiest may follow the following procedure:</b>   |
|  | I. Visit URL <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>   |
|  | 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. You will see Company Name: "Aurobindo Pharma Limited" on the next screen. Click on the e-Voting link available against Aurobindo Pharma Limited or select e-Voting service provider "Kfintech" and you will be re-directed to the e-Voting page of Kfintech to cast your vote without any further authentication. Click on e-Voting service provider name to cast your vote. |
|  | <b>2. User not registered for Easi/Easiest may follow the following procedure:</b>  |
|  | I. Option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Home/LoginRegistration">https://web.cdslindia.com/myeasitoken/Home/LoginRegistration</a>   |
|  | II. Proceed to complete registration using your DP ID-ClientID (BO ID), etc.  |
|  | III. After successful registration, please follow steps given under point 1 above to cast your vote.  |
|  | <b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b>   |
|  | I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>  |
|  | II. Provide your Demat Account Number and PAN No.   |
|  | III. System will authenticate user by sending OTP on registered Mobile number & Email as recorded in the demat Account.   |
|  | IV. After successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against Aurobindo Pharma Limited or select e-Voting service provider "Kfintech" and you will be redirected to the e-Voting page of Kfintech to cast your vote without any further authentication.   |
|  | 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 Aurobindo Pharma Limited or e-Voting service provider – Kfintech and you will be redirected to e-Voting page of Kfintech to cast 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or contact at 022 – 4886 7000/022 – 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at Toll Free No. 1800 22 55 33 |

Details on Step 2 are mentioned below:

Login method for e-Voting for shareholders other than Individual 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), 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. If required, please visit <https://evoting.kfintech.com> or contact toll-free numbers 1-800-309-4001 (from 9:00 AM to 6:00 PM on all working days) for assistance on your existing password.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach the 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., 'Aurobindo Pharma Ltd. - 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. 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 account.
- 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 shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc., with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutinizer by e-mail to [anderam@rediffmail.com](mailto:anderam@rediffmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_EVEN No."

Procedure for registration of email and mobile number for securities held in physical mode.

Shareholders holding shares in physical form are requested as per SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16, 2023, to 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. Shareholder can register/update the contact details through submitting the requisite ISR 1 Form along with the supporting documents.

ISR 1 Form can be obtained from the following web link: <https://ris.kfintech.com/clientservices/isc/default.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 authorised person of the RTA shall verify the original documents furnished by the shareholder and retain copy(ies) with IPV stamping with date and initials; or
- b) by submitting self-attested physical copies at the following address:  
  
Name: KFin Technologies Limited  
[Unit: AUROBINDO PHARMA LIMITED]  
Address: Selenium Building, Tower-B, Plot No 31 & 32  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddy, Telangana  
India - 500 032, or
- c) by submitting through electronic mode with e-sign in the following web link: <https://ris.kfintech.com/clientservices/isc/default.aspx>

Detailed FAQs can be found on the web link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and mobile number for securities held in electronic mode, please consult your DP where your demat account is being held.

- (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:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobileemailreg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - ii. Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy

and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

- 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:

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. Members 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, 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, mobile number at [ig@aurobindo.com](mailto:ig@aurobindo.com). Questions/ queries received by the Company till August 26, 2024 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 during the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote during the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC/OAVM shall be available for at least 2,000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote during 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 be opened from Monday, August 26, 2024 , 9.00 AM IST to Tuesday, August 27, 2024 , 5.00 PM IST. 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 email received from KFintech. On successful login, select 'Post Your Question' option which will be opened from August 26, 2024 to August 27, 2024.
- 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 Mrs. C. Shobha Anand, Deputy Vice President, at [evoting@kfintech.com](mailto: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 August 22, 2024, 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:
  - i. 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.
  - ii. 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](mailto:evoting@kfintech.com).
- VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. Mr. A. Mohan Rami Reddy, Practicing Company Secretary, bearing C.P. Number 16660 has been appointed as the Scrutinizer to scrutinize the e-voting process. Mr. A. Mohan Rami Reddy has communicated his willingness to act as the Scrutinizer for this e-voting process. The Scrutinizer will, after the conclusion of voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company: [www.aurobindo.com](http://www.aurobindo.com) and on the website of KFintech at: <https://evoting.kfintech.com>. The result will simultaneously be communicated to the Stock Exchanges. These results will also be displayed along with the Scrutinizer's Report at the Registered Office and Corporate Office of the Company.

Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the AGM, i.e., August 29, 2024.

Payment of Dividend through electronic mode only for Physical Folios:

SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders holding securities in physical form, whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number and Bank Account Details and signature), shall be eligible for any payment including dividend, interest or redemption in respect of such folios, **only through electronic mode with effect from April 01, 2024.**

You may also refer to SEBI FAQs by accessing the link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf) (FAQ No 38 & 39)

For the purpose of updation of KYC details against your folio, you are requested to send the details to our RTA, M/s. KFin Technologies Limited (Unit: Aurobindo Pharma Limited), Selenium Tower-B", Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana

- a. Through hard copies which should be self -attested and dated OR
- b. Through electronic mode, provided that they are sent through E-mail id of the holder registered with RTA and all documents should be electronically/ digitally signed by the Shareholder and in case of joint holders, by first joint holder OR
- c. Through web- portal of our RTA KFin Technologies Limited - <https://ris.kfintech.com>

Investors can download the following forms & SEBI Circulars, which are also uploaded on the website of the Company and on the website of KFintech; <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

- a. Form ISR-1 duly filled in along with self attested supporting documents for updation of KYC details
- b. Form ISR-2 duly filled in for banker attestation of signature along with Original cancelled cheque with your name(s) printed thereon or self-attested copy of bank passbook/statement
- c. Form SH-13 for updation of Nomination for the aforesaid folio OR ISR-3 for "Opt-out of the Nomination

Application(s) by our RTA, KFINTECH

Members are requested to note that as an ongoing endeavour to enhance shareholders experience and leverage new technology, KFintech has developed following applications for shareholders:

Investor Support Centre:

Members are hereby notified that our RTA , KFintech, based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 ) dated Jun 08, 2023, have created an online application which can be accessed at <https://ris.kfintech.com/default.aspx#> > Investor Services > Investor Support.

Members are required to register/signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest , Redemptions, eMeeting and eVoting Details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>

Summary of the features and benefits are as follows:

- 1. The provision for the shareholders to register online.
- 2. OTP based login (PAN and Registered mobile number combination)
- 3. Raise service requests, general query, and complaints.
- 4. Track the status of the request.
- 5. View KYC status for the folios mapped with the specific PAN.
- 6. Quick links for SCORES, ODR, e-Meetings and eVoting.
- 7. Branch Locator
- 8. FAQ's

Senior Citizens investor cell:

As part of our RTA's initiative to enhance the investor experience for Senior Citizens, a dedicated cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints, and queries. The Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com).

Senior Citizens (above 60 years of age) have to provide the following details:

- 1. ID proof showing Date of Birth
- 2. Folio Number
- 3. Company Name
- 4. Nature of Grievance

This cell closely monitors the complaints coming from Senior Citizens through this channel and assists them at every stage of processing till closure of their grievances.

Online Personal Verification:

In today's ever-changing dynamic digital landscape, security, foolproof systems and efficiency in identity verification are paramount. We understand the need to protect the interests of you (shareholders) and also comply with KYC standards. Ensuring security and KYC compliance is paramount of importance in today's remote world. Digital identity verification, using biometrics and digital ID document checks, helps combat fraud, even when individuals aren't physically present. To counteract common spoofing attempts, our RTA engage in capturing liveness detection and facial comparison technology.

We are excited to announce that our RTA has introduced an Online Personal Verification (OPV) process, based on liveness detection and document verification.

Key Benefits of OPV are:

- A fully digital process, only requiring internet access and a device
- Effectively reduces fraud for remote and unknown applicants and
- Supports KYC requirements.

Here's how it works:

- I. Users receive a link via email and SMS.
- II. Users record a video, take a selfie, and capture an image with their PAN card.
- III. Facial comparison ensures the user's identity matches their verified ID (PAN).

WhatsApp:

Shareholders can use WhatsApp Number: (91) 910 009 4099 to avail bouquet of services.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 6 – To re-appoint Mr. K. Nithyananda Reddy (DIN: 01284195) as Vice Chairman & Managing Director

Mr. K. Nithyananda Reddy (DIN: 01284195) was re-appointed as Whole-time Director designated as Vice Chairman of the Company with effect from June 1, 2021 for a period of 3 years which was approved at the 34<sup>th</sup> Annual General Meeting of the Company held on August 26, 2021. Further, Mr. K. Nithyananda Reddy was re-designated as Vice Chairman & Managing Director of the Company with effect from January 1, 2022 till the end of current tenure of his appointment i.e. May 31, 2024, which was approved by the Members through Postal Ballot held on February 11, 2022.

Mr. K. Nithyananda Reddy is one of the promoters of the Company. The Board considering the significant contribution made by him in the growth and development of the Company and based on the recommendation of Nomination and Remuneration/Compensation Committee, re-appointed Mr. K. Nithyananda Reddy as Vice Chairman & Managing Director of the Company with effect from June 1, 2024 for a period of three years, subject to the approval of Members at the general meeting.

The terms of re-appointment of Mr. K. Nithyananda Reddy and remuneration payable to him are as set out in Item No.6 of the Notice. Presently, Mr. K. Nithyananda Reddy is drawing a remuneration of ₹47 million p.a. and other perquisites.

Additional information in respect of Mr. K. Nithyananda Reddy pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings is appended to the Notice.

No Director, Key Managerial Personnel or their relatives, except Mr. K. Nithyananda Reddy to whom the resolution relates, is interested or concerned in the Resolution.

The Board recommends the Ordinary Resolution set forth in Item 6 of the Notice for approval of the Members of the Company.

Item No. 7 – To re-appoint Mr. M. Madan Mohan Reddy (DIN: 01284266) as Whole-time Director

Mr. M. Madan Mohan Reddy (DIN: 01284266) was re-appointed as Whole-time Director of the Company with effect from June 1, 2021 for a period of 3 years which was approved at the 34<sup>th</sup> Annual General Meeting of the Company held on August 26, 2021. The Board considering the significant contribution made by him in the growth and development of the Company and based on the recommendation of Nomination and Remuneration/ Compensation Committee, re-appointed Mr. M. Madan Mohan Reddy as Whole-time Director of the Company with effect from June 1, 2024 for a period of three years, subject to the approval of Members at the general meeting.

The terms of re-appointment of Mr. M. Madan Mohan Reddy and remuneration payable to him are as set out in Item No. 7 of the Notice. Presently Mr. M. Madan Mohan Reddy is drawing a remuneration of ₹60 million p.a. and other perquisites.

Additional information in respect of Mr. M. Madan Mohan Reddy pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings is appended to the Notice.

No Director, Key Managerial Personnel or their relatives, except Mr. M. Madan Mohan Reddy, to whom the resolution relates, is interested or concerned in the Resolution.

The Board recommends the Ordinary Resolution set forth in Item 7 of the Notice for approval of the Members of the Company.

Item No.8 - To approve the continuation of Mr. P. V. Ramprasad Reddy (DIN: 01284132) as Non-Executive Director of the Company

As per the clause (1D) of Regulation 17, inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023, with effect from April 1, 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment.

Further, the continuation of the director serving on the board of directors of a listed entity as on March 31, 2024, without the approval of the shareholders for the last five years or more shall be subject to the approval of shareholders in the first general meeting to be held after March 31, 2024.

Mr. P. V. Ramprasad Reddy (DIN: 01284132), is one of the promoters of the Company and a Director since the inception of the Company and played an instrumental role in the growth of the Company. The shareholders of the Company at their 24<sup>th</sup> Annual General Meeting held on July 29, 2011, re-appointed Mr. P. V. Ramprasad Reddy as a Whole-time Director with effect from June 29, 2011 and whose term of office shall not be liable to determination by retirement of Directors by rotation. Upto November 30, 2012 Mr. P. V. Ramprasad Reddy was a Whole-time Director of the Company. With effect from December 1, 2012 he relinquished his executive responsibilities and continues as a non-executive director of the Company. He is non-executive director whose term of office shall not be liable to determination by retirement of directors by rotation. Hence, in compliance of the above provisions, the approval of the Members is being sought to continue Mr. P. V. Ramprasad Reddy as Non-Executive Director, whose term of office shall not be liable to determination by retirement of directors by rotation, subject to approval of the Members in every five years.

The Board based on the recommendation of Nomination and Remuneration/Compensation Committee, approved continuation of Mr. P. V. Ramprasad Reddy as non-executive director of the Company, not liable to retire by rotation, subject to the approval of Members at least once in every five years.

Additional information in respect of Mr. P. V. Ramprasad Reddy pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings is appended to the Notice.

No Director, Key Managerial Personnel or their relatives, except Mr. P. V. Ramprasad Reddy and his relative, Mr. P. Sarath Chandra Reddy, are interested or concerned in the Resolution.

The Board recommends the Ordinary Resolution set forth in Item 8 of the Notice for approval of the Members of the Company.

Item No.9 - Ratification of Remuneration to Cost Auditors for FY 2024-25

The Board, on the recommendation of the Audit Committee, has approved on May 25, 2024, the appointment of M/s. EVS & Associates, Cost Accountants, Hyderabad, at a remuneration of ₹6,50,000/- (Rupees six lakh fifty thousand only) excluding applicable taxes to conduct the Cost Audit of the Company's cost records for the financial year 2024-25.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, consent of the Members is sought for passing an ordinary resolution as set out in Item No.9 of the Notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set forth in Item No.9 of the Notice for approval of the Members of the Company.

Item No.10 – To approve payment of commission to independent directors.

The Section 197 read with Schedule V of the Companies Act, 2013 ("the Act") permits payment of remuneration

to the Non-executive Directors of a Company by way of commission not exceeding 1% per annum of the net profits of the Company if members of the Company approve such payment by passing a Special Resolution.

Taking into account the increased role & responsibilities and active participation of the directors in the Board and Committee meetings and also to align the remuneration payable to independent directors with the industry standards, it is proposed that the Independent Directors, be paid for each of the financial years during their tenure commencing from April 1, 2024, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with Section 198 of the Act but not exceeding Rupees twenty lakhs per independent director in any financial year and subject to the approval of shareholders of the Company by way of special resolution. The remuneration referred to above will be distributed amongst independent directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Act.

The Board also noted that the independent directors of the Company, bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as business and strategy skills, strong leadership and management experience, governance, industry and sector knowledge, financial and risk management, global business/international expertise, philanthropy etc. The remuneration referred above shall be in addition to fee payable to the independent directors for attending the meetings of the Board or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board of Directors, and reimbursement of expenses for participation in the Board and other meetings.

The Independent Directors, and their relatives, are interested in this Resolution insofar as the same relates to their respective commission.

No other Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set forth in Item No. 10 of the Notice for approval of the Members of the Company.

By Order of the Board of Directors  
of Aurobindo Pharma Limited

B. Adi Reddy  
Company Secretary  
Membership No. ACS 13709

Place: Hyderabad  
Date : May 25, 2024

Registered Office:  
Plot No.2, Maithrivihar, Ameerpet, Hyderabad - 500038, Telangana, India.  
Email: [info@aurobindo.com](mailto:info@aurobindo.com) Website: [www.aurobindo.com](http://www.aurobindo.com)

Details of the Directors proposed to be appointed/re-appointed at the AGM scheduled to be held on August 29, 2024, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India are as given below:

Brief profile of Mr. K. Nithyananda Reddy.

Mr. K. Nithyananda Reddy (DIN: 01284195) is Postgraduate in Science. He has been associated with the Company from the initial days as a promoter, and is well versed with manufacturing technologies, systems, processes and controls.

|   |  |
|---|--|
| Age   | 66 years   |
| Qualification   | Postgraduate in Science  |
| Experience (including expertise in specific functional area) /Brief Resume                                    | He has been associated with the Company from the initial days as a promoter, and is well versed with manufacturing technologies, systems, processes and controls.  |
| Terms and Conditions of Appointment/Reappointment   | As per the resolution at Item No. 4 of the Notice convening Annual General Meeting on August 29, 2024 read with explanatory statement thereto, Mr. K. Nithyananda Reddy is proposed to be re-appointed as a Director on retirement by rotation and as per Item No. 6, he is proposed to be re-appointed as Vice Chairman & Managing Director of the Company. |
| Remuneration last drawn (including sitting fees, if any)  | ₹45 million as Managing Director for the financial year ended March 31, 2024.  |
| Remuneration proposed to be paid  | ₹47 million and other benefits as per resolution at Item No.6 of the Notice convening Annual General Meeting on August 29, 2024 read with explanatory statement thereto  |
| Date of first appointment on the Board  | December 26, 1986  |
| Shareholding in the Company as on March 31, 2024  | 25,359,572 equity shares   |
| Relationship with other Directors/Key Managerial Personnel  | Not related to any Director/Key Managerial Personnel   |
| Number of meetings of the Board attended during the year ended March 31, 2024                                 | 7  |
| Directorships of other Boards as on March 31, 2024  | Raidurgam Developers Limited<br>APL Healthcare Limited<br>Pattancheru Envirotech Ltd.<br>Apitoria Pharma Private Limited<br>Aurobindo Pharma Foundation<br>Aurobindo Antibiotics Private Limited<br>Lyfius Pharma Private Limited<br>Qule Pharma Private Limited   |
| Board Membership of other listed companies and the membership of Committees of the board as on March 31, 2024 | Nil  |
| Directorships of other listed entities from which he resigned in the past three years                         | Nil  |
| Membership/Chairmanship of Committees of other Boards as on March 31, 2024                                    | Chairman of CSR Committee of APL Healthcare Limited<br>Chairman of the Borrowing, Investment and Project Finance Committee of Apitoria Pharma Private Limited  |

Brief profile of Mr. M. Madan Mohan Reddy

Mr. M. Madan Mohan Reddy (DIN: 01264266) is Postgraduate in Science. He held top managerial positions in leading pharmaceutical companies. He has been associated with the Company since 2006. He commands more than 30 years of experience in the pharmaceutical industry.

|  |  |
|--|--|
| Age  | 64 years   |
| Qualification  | Postgraduate in Science  |
| Experience (including expertise in specific functional area)/<br>Brief Resume                                    | He held top managerial positions in leading pharmaceutical companies. He has been associated with the Company since 2006. He commands more than 30 years of experience in the pharmaceutical industry.   |
| Terms and Conditions of Appointment/Reappointment  | As per the resolution at Item No. 5 of the Notice convening Annual General Meeting on August 29, 2024 read with explanatory statement thereto, Mr. M. Madan Mohan Reddy is proposed to be re-appointed as a Director on retirement by rotation and as per Item No. 7, he is proposed to be re-appointed as Whole-time Director of the Company. |
| Remuneration last drawn (including sitting fees, if any)   | ₹60 million as an Executive Director for the financial year ended March 31, 2024.  |
| Remuneration proposed to be paid   | ₹60 million as per resolution at Item No.7 of the Notice convening Annual General Meeting on August 29, 2024 read with explanatory statement thereto   |
| Date of first appointment on the Board   | September 18, 2006   |
| Shareholding in the Company as on March 31, 2024   | 2,010 equity shares  |
| Relationship with other Directors/Key Managerial Personnel   | Not related to any Director/Key Managerial Personnel.  |
| Number of meetings of the Board attended during the year   | 7  |
| Directorships of other Boards as on March 31, 2024   | Eugia Pharma Specialities Limited<br>Pravesha Industries Private Limited<br>Aurozest Private Limited<br>Eugia SEZ Private Limited<br>Curateq Biologics Private Limited<br>Eugia Steriles Private Limited<br>Auro Vaccines Private Limited<br>TheraNym Biologics Private Limited  |
| Board Membership of other listed companies and the<br>membership of Committees of the board as on March 31, 2024 | Nil  |
| Directorships of other listed entities from which he resigned in<br>the past three years                         | Nil  |
| Membership/Chairmanship of Committees of other<br>Boards as on March 31, 2024                                    | Chairman of Borrowing and Investment Committee and CSR<br>Committee of Eugia Pharma Specialities Ltd.  |

Brief profile of Mr. P. V. Ramprasad Reddy (DIN: 01284132)

Mr. P. V. Ramprasad Reddy (DIN: 01284132) is Postgraduate in Commerce. He has been associated with the Company from the initial days as a promoter, and he leads strategic planning and is instrumental in the growth of the Company.

|  |   |
|--|---|
| Age  | 66 years  |
| Qualification  | Postgraduate in Commerce  |
| Experience (including expertise in specific functional area)/<br>Brief Resume                                    | He has been associated with the Company from the initial days as a promoter, and he leads strategic planning and is instrumental in the growth of the Company. He is currently an Executive Chairman of Aurobindo Pharma USA Inc., USA, a wholly owned subsidiary of the Company.   |
| Terms and Conditions of Appointment/Reappointment  | As per the resolution at Item No. 8 of the Notice convening Annual General Meeting on August 29, 2024 read with explanatory statement thereto, the approval of the Members sought for Mr. P. V. Ramprasad Reddy to continue as a Non-Executive Director of the Company, not liable to retire by rotation, subject to approval of the Members at least once in every five years. |
| Remuneration last drawn (including sitting fees, if any)   | Eligible to receive sitting fees as Non-Executive Director  |
| Remuneration proposed to be paid   | Not Applicable  |
| Date of first appointment on the Board   | December 26, 1986   |
| Shareholding in the Company as on March 31, 2024   | 18,000,000 equity shares  |
| Relationship with other Directors/Key Managerial<br>Personnel  | Not related to any other Director/Key Managerial Personnel other than Mr. P. Sarath Chandra Reddy who is son of Mr. P. V. Ramprasad Reddy.  |
| Number of meetings of the Board attended during the year<br>ended March 31, 2024                                 | 6   |
| Directorships of other Boards as on March 31, 2024   | Penaka Pharma (India) Private Limited<br>RPR Sons Advisors Private Limited  |
| Board Membership of other listed companies and the<br>membership of Committees of the board as on March 31, 2024 | Nil   |
| Directorships of other listed entities from which he resigned in<br>the past three years                         | Nil   |
| Membership/Chairmanship of Committees of other<br>Boards as on March 31, 2024                                    | Nil   |

Dear Members,

Your Directors are pleased to present the 37<sup>th</sup> Annual Report of your Company together with the audited accounts for the financial year ended March 31, 2024.

FINANCIAL HIGHLIGHTS  
Consolidated and Standalone Financials

|   | Consolidated |         | Standalone |         |
|---|--------------|---------|------------|---------|
|   | 2023-24      | 2022-23 | 2023-24    | 2022-23 |
| Revenue from operations   | 290,019      | 248,554 | 106,456    | 84,570  |
| Profit Before Depreciation, Interest, Tax and Exceptional Items | 63,832       | 39,976  | 28,401     | 19,488  |
| Depreciation  | 15,217       | 12,446  | 2,546      | 2,433   |
| Finance cost  | 2,897        | 1,405   | 1,826      | 746     |
| Profit Before Tax   | 45,719       | 26,125  | 24,029     | 16,310  |
| Provision for Tax   | 12,110       | 6,849   | 5,028      | 3,888   |
| Net Profit After Tax  | 31,690       | 19,277  | 19,001     | 12,422  |
| Net profit from discontinued operations                         | -            | -       | 540        | (151)   |
| Other Comprehensive Income/(Expense)                            | 992          | 7,356   | (17)       | 59      |
| Total Comprehensive Income for the period                       | 32,681       | 26,632  | 19,524     | 12,330  |

DIVIDEND

Your Company has paid an interim dividend of 450% i.e., ₹4.50 per equity share of ₹1 for the financial year 2023-24 against 300% i.e., ₹3.00 per equity share of ₹1 paid in the previous year.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 listed entities based on market capitalisation are required to formulate a Dividend Distribution Policy. The Board has approved and adopted the Dividend Distribution Policy and the same is available on your Company’s website: [https://www.aurobindo.com/api/uploads/disclosure\\_under\\_regulation/Dividend-Distribution-Policy.pdf](https://www.aurobindo.com/api/uploads/disclosure_under_regulation/Dividend-Distribution-Policy.pdf)

PERFORMANCE REVIEW

Your Company is one of the leading generic pharma companies globally. Your Company is also the largest supplier in the USA by prescription volume as per IQVIA data for the year ending March 31, 2024.

On a standalone basis, your Company’s revenue increased by 25.9% to ₹106,456 million in FY24, as against ₹84,570 million in the corresponding previous period. The Formulations business increased by 23.0% to ₹94,279 million. The API business witnessed a growth of 66.7% to ₹8,430 million. Profit Before Depreciation, Interest, Tax and Exceptional Items for FY24 increased by 45.7% to ₹28,401 million, compared to ₹19,488 million in FY23. Profit Before Tax for the year increased by 47.3% Y-o-Y

to ₹24,029 million. Your Company’s Net Profit After Tax (before Other Comprehensive Income) increased by 59.2% to ₹19,541 million as against ₹12,271 million in FY23.

On a consolidated basis, the revenue increased by 16.7% to ₹290,019 million. The formulations business (excluding Puerto Rico) increased by 18.7% to ₹244,191 million from ₹205,794 million in the corresponding previous period. The Active Pharmaceutical Ingredients (APIs) business posted a growth of 10.2% to ₹42,405 million vs. ₹38,479 million in FY23. Profit Before Depreciation, Interest, Tax and Exceptional Items stood at ₹63,832 million, witnessing a 59.7% increase Y-o-Y. Profit Before Tax for the year stood at ₹45,719 million, compared to ₹26,125 million in the previous year. Your Company reported a Net Profit After Tax (before Other Comprehensive Income) of ₹31,690 million in FY24, vs. ₹19,277 million in FY23. The Diluted Earnings Per Share (reported) stood at ₹54.16 in FY24, compared to ₹32.90 in FY23.

The US is the largest market for your Company and accounted for 48% of the total revenue. US revenue increased by 24% to ₹138,672 million. Your Company launched 62 products in FY24. Your Company’s market share by prescription volume (IQVIA TRX) in the US, for the quarter ending March 2024 stands at 10.2%, positioning your Company as the largest generic pharmaceutical player.

Your Company continues to strengthen its pipeline for the global markets including the US market. As on March 31, 2024, your Company filed 830 Abbreviated New Drug Applications (ANDAs) on a cumulative basis. Of the

total count, 658 have received final approvals and 27 received tentative approvals and 145 ANDAs are currently under review.

Your Company’s revenue in its Europe formulations business was ₹71,663 million in FY24 compared to ₹64,256 million in FY23. Your Company now operates in ten countries in EU/UK and is present across multiple channels including pharmacy, hospital and tender business.

The ARV formulations business stood at ₹8,681 million in FY24, declining by 11% compared to ₹9,762 million in FY23.

Growth Markets segment, including Brazil, Canada, Columbia and South Africa and others, grew by 29% Y-o-Y to ₹25,174 million.

OUTLOOK

FY24 saw growth across the businesses mainly driven by volume gains and new product launches. The business grew despite the challenging geo-political environment leading to soaring inflation and supply chain disruptions. Your Company’s efforts in building a resilient supply chain, enhancing manufacturing footprint, diversifying product portfolio and improving operational efficiency helped it to navigate the challenges and deliver continued strong performance.

Your Company made significant progress in advancing the biosimilar programs during the year with multiple products now in late stage development. Through continued focus on R&D, the Company has advanced the complex product portfolio and further enhanced the capacity for commercialisation.

Your Company maintains its strong position in the key geographies of the US and Europe and is poised to grow through new launches and increasing access. In the US, your Company has filed 830 ANDAs till March 31, 2024, with estimated total market potential of US\$169 billion as per IQVIA data. Out of the total ANDAs filed, 658 have received final approval, while 172 ANDAs are in different stages of the review process. During the year, your Company filed 40 ANDAs with the US FDA, including 9 ANDAs for specialty products, and received final approvals for 68 products including 22 for specialty products.

For the Europe market, your Company now has operations in ten countries with full-fledged pharmacy, hospital and tender sales infrastructure. It now ranks amongst the top 10 generic pharmaceutical companies in 8 countries of Europe. Your Company aims to expand its market share and growth, through new launches including day 1

launches, differentiated offerings, niche and complex products like biosimilars.

Your Company preserved its ARV market dominance by winning bids to supply in both the Global Fund and PEPFAR allocation this year. Despite price erosion, efficient capacity utilisation and pricing capability have been a key factor in maintaining a leading position in the Dolutegravir-based regimen which is the standard therapy for HIV.

Your Company continues to focus on the Growth Markets expansion with new launches, market share expansion and foray into the new geographies. During the year, your Company completed the acquisition of 17 brands from Pfizer/Viatris in Indonesia and forayed into the Indonesian market. Your Company has completed building an orals facility at Taizhou, China which is in the process of commissioning. Moreover, in China, the Company has received 13 approvals till March 31, 2024, which will be manufactured in units in India. In Canada, your Company has 203 approved products while 58 products are awaiting final approval as at the end of FY24.

Your Company has long been focused on creating an efficient API business, which is a key component in the Company’s overall growth journey. As part of the ongoing strategy, the API business operations have been carved-out into a wholly owned subsidiary. This move is expected to bring higher management bandwidth and more emphasis on growth and productivity within the API segment.

Your Company has commissioned four manufacturing plants during the year viz. Penicillin-G, 6-APA, Injectables and Granulation. Penicillin-G project in Kakinada, Andhra Pradesh, of 15,000 tonnes/annum capacity, is part of the Indian Government’s Production Linked Incentives (PLI) scheme. Further, as part of the efforts towards building a resilient supply chain, your Company has commissioned the 6-APA facility in Kakinada, Andhra Pradesh, of 3,600 tonnes/annum capacity. Your Company also commissioned the injectables facility at Vishakhapatnam, India, to further bolster the manufacturing capacities, ensure de-risking and supplies to European countries.

RESEARCH AND DEVELOPMENT (R&D)

Your Company remains committed to providing affordable, high-quality medicines to positively impact patients worldwide.

Aurobindo Pharma’s overall R&D set-up includes 9 centres (5 in Hyderabad, 4 in US) and a dedicated team of more than 1,500 world class scientific experts who continue to drive a relentless pursuit of excellence.

The state-of-the-art laboratories, advanced equipment, and modern technologies provide a conducive environment for conducting experiments, analysis, and formulation development.

The Company's R&D expenditure stood at ₹1,471 crore (5.1% of revenue) in FY24 and at ₹1,411 crore (5.7% of revenue) in FY23.

Your Company's R&D efforts are aimed towards developing biosimilars, vaccines, generic APIs, generic formulations including orals, injectables, complex products like inhalers, nasal sprays, depot injections and transdermal patches.

In the fiscal year 2024-25, your Company is poised to file approximately 12 products within our Specialty Drug Delivery System (SDDS) division across various therapeutic areas. Your Company's focus on SDDS demonstrates its commitment to delivering novel solutions that address unmet medical needs.

Your Company's focus on capability development has contributed significantly to the success in submitting Drug Master Files (DMFs), Abbreviated New Drug Applications (ANDAs) and formulation dossiers. During the year, your Company has filed 40 ANDAs and received approvals for 68 ANDAs.

Your Company has also completed licensure clinical trials for three oncology biosimilars, which are filed with European Medicines Agency. Four more biosimilars are in global Phase 3 clinical trials, of which at least two biosimilars will complete their clinical study requirements and will enter filing phase in the next year.

The vaccines portfolio has gained momentum with four development programs. The focus is on developing vaccine candidates that can help address public health problem in low and middle-income countries.

Your Company continues to focus on three products GLP-1 API portfolio and is aligning additional new capacities to support their manufacturing. By the end of FY24, 14 peptide API DMFs have been filed with the US FDA. Out of which, your Company's DMFs have contributed to five ANDA approvals thus far.

ENVIRONMENT, HEALTH AND SAFETY (EHS) Environment

Environmental preservation has been critical to your Company and it has assigned the highest level of priority across the units. To accomplish this sustainability goal, we are leaning more towards renewable energy, improving the co-processing of hazardous waste, reusing/

recycling 100% of non-hazardous waste, managing water resources responsibly, and expanding green belts around our facilities. We have adopted the best standards of responsible manufacturing across our supply chain.

Health & Safety

Health, safety, and well-being of our employees and associates are a crucial material topic for us. We are committed towards instilling a healthy lifestyle and a safe working environment. Our EHS&S framework and management practices assure compliance while prioritising product and process safety and safeguarding all employees. Each manufacturing facility has departmental and plant safety committee. Every month management review meetings are conducted which comprises top management from corporate and representatives from all sites including site heads to examine safety performance and streamline operational procedures critical to safety requirements. In addition to the above lean daily management meetings are also conducted daily with senior leadership team to track the actions for continuous improvement. Health and safety training is provided to both permanent and contractual workers, ensuring that our team understands the significance of safe procedures and guidelines. Risk identification and assessments are undertaken as part of the process before scaling up. Before commencing any chemical process in the manufacturing area, a Hazard and Operability Study (HAZOP) is conducted. Qualitative and quantitative risk assessments are carried out for establishing effective controls.

Evaluation of safety performance through EHS score card is being carried on monthly basis. This EHS score card provides insight to help an organisation to understand its safety performance by evaluating on monthly basis based on Key Performance Indicators (KPI) identified. Inter unit audits are conducted for gap assessments and performance improvement. Regular knowledge sharing sessions are conducted for sharing best practices among the manufacturing facilities.

Engagement in national and global initiatives on Antimicrobial Resistance (AMR)

As a healthcare service provider, the Company is partnering with 'The Access to Medical Foundation,' which is monitoring what the 30 most active firms in antimicrobial R&D and production are doing to combat antibiotic resistance. We participated in The Antimicrobial Resistance Benchmark 2018, 2020 and 2021.

The Company is also a member of the 'AMR Industry Alliance,' which is driving antimicrobial resistance progress via common objectives and commitment to increase access to high-quality antimicrobial products,

encourage responsible usage, and reduce environmental concerns. We participated in AMR Industry Alliance Survey report 2020, 2021, 2022 and 2023.

AWARDS AND ACCOLADES

- "L&D Excellence" and "Best L&D Team" in 12<sup>th</sup> Edition Learning and development Summit & Awards 2023 organised by UBS FORUMS PVT. LTD.
- The following units were recognised with 24<sup>th</sup> National Award on "Energy Excellence and Energy Efficient Units" by CII.
  - Apitoria-1 – Energy Efficient Unit – Consistent in the same category in the last 04 Years.
  - Apitoria-2 – Excellent Energy Efficient Unit – Excellence Energy efficient Unit in opening participation.
  - Apitoria-3 – Excellence Energy Efficient Unit – Excellence Energy efficient last two Years and Energy Efficient Unit in current years.
  - Apitoria-4 – Energy Efficient Unit Consistent in the same category in the last 03 Years.
  - Apitoria-4U – Energy Efficient Unit last 2 Year.
  - Apitoria-5 – Energy Efficient Unit last 2 Years.
  - Apitoria-6 – Energy Efficient Unit Current year – Consistent Excellence Energy efficient Unit in the last Year.
- Felicitated by Pharmaceuticals Export Promotion Council of India – 2023 for Outstanding Contribution in India's Pharmaceutical Export
- CE Worldwide 153<sup>rd</sup> Corporate Real Estate and Facilities Management Professional Excellence Awards in 4 different categories to Aurobindo Corporate Administration team
  - Professional Excellence in Workplace management
  - Professional Excellence in Transport Management
  - Professional Excellence in Facilities Management
  - Professional Excellence in Travel management

SUBSIDIARIES/JOINT VENTURES

As per the provisions of Section 129 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, a separate statement containing the salient features of the financial statements of Subsidiary companies/Associate companies/Joint ventures is detailed in Form AOC-1 and is in **Annexure-1** to this Report.

The Company has formulated a Policy for determining material subsidiaries. The policy is available on the Company's website and can be accessed at [https://www.aurobindo.com/api/uploads/disclosure\\_under\\_regulation/Policy-MaterialSubsidiary.pdf](https://www.aurobindo.com/api/uploads/disclosure_under_regulation/Policy-MaterialSubsidiary.pdf).

During the year, the following changes were implemented in the subsidiaries of the Company:

Ceased subsidiaries/JVs

Laboratorios Aurobindo Sociedad Limitada, Spain, a 100% subsidiary, merged with Aurovitas Spain SA, Spain, a 100% subsidiary, w.e.f. April 1, 2023.

Auroscience PTY Ltd., Australia, deregistered w.e.f. June 4, 2023.

Auronext Pharma Private Limited and Mviyes Pharma Ventures Private Limited merged with Aurobindo Pharma Ltd., India w.e.f. April 1, 2023 as per the Scheme of Amalgamation sanctioned by the Hon'ble National Company Law Tribunal, Hyderabad Bench vide its orders dated April 29, 2024.

New subsidiaries/JVs

During the period under review, following subsidiary/step-down subsidiary companies were incorporated/acquired:

Auro Pharma LLC, Russia, was incorporated on July 24, 2023 as a 100% subsidiary.

Auro Trading Private Limited, India, was incorporated as 100% subsidiary of the Company on November 22, 2023.

Subsidiaries/JVs Name Changed

During the period under review, name of the following subsidiary/JVs was changed:

Vespyr Brands LLC, USA is changed from Vespyr Brands, Inc

Subsidiaries/JVs Ownership Changed

During the period under review, ownership of the following subsidiaries/JVs were changed:

Entire 100% shares held by the Company in Auro Vaccines Private Limited, India, a wholly owned subsidiary of the Company, were transferred to Curateq Biologics Private Limited, India, also a wholly owned subsidiary of the Company, with effect from July 1, 2023.

Entire 100% shares held by Curateq Biologics Private Limited, India, a wholly owned subsidiary of the Company in TheraNym Biologics Private Limited, India, a wholly owned step-down subsidiary of the Company, were acquired by the Company with effect from November 22, 2023.

Entire 80% shares held by the Company in Tergene Biotech Limited , India (formerly known as Tergene Biotech Pvt. Ltd.) were transferred to Auro Vaccines Private Limited, India, a wholly owned subsidiary, with effect from April 1, 2023.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements have been prepared by the Company in accordance with the Indian Accounting Standards (Ind AS) 110 and 111 as specified in the Companies (Indian Accounting Standards) Rules, 2015 and as per the provisions of the Companies Act, 2013. The Company has placed separately, the audited accounts of its subsidiaries on its website <https://www.aurobindo.com/investors/disclosures-under-regulation-46/financials-subsidiaries> in compliance with the provisions of Section 136 of the Companies Act, 2013. Audited financial statements of the Company’s subsidiaries will be provided to the Members, on request.

CODE FOR PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, ('SEBI PIT Regulations'), the Company has in place a Code of Conduct to regulate, monitor and report trading by the Designated Persons and a code of practices and procedures for fair disclosure of unpublished price sensitive information. The code of practices and procedures for fair disclosure of unpublished price sensitive information has been made available on the Company’s website at <https://www.aurobindo.com/investors/corporate-governance/code-of-practices-and-procedures-for-fair-disclosure>

During training sessions, all the employees and the Designated Persons are informed about the regulatory requirements of these codes for creating awareness among them. Further, the Audit Committee reviews the compliance with the provisions of SEBI PIT Regulations on a quarterly basis and also verify that the systems for internal control are adequate and are operating effectively.

VIGIL MECHANISM

The Board of Directors have adopted the Whistle Blower Policy which is in compliance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Whistle Blower Policy aims to conduct the affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behaviour. All permanent employees and Whole-time Directors of the Company are covered under the Whistle Blower Policy.

Under Whistle Blower Policy, a mechanism has been established for employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct and Ethics, and leak of price-sensitive information under the Company’s Code of Conduct formulated for regulating, monitoring, and reporting by Insiders under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. During the year, no complaints were reported under the Whistle Blower Policy and no person has been denied access to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the Company’s website [https://www.aurobindo.com/api/uploads/disclosure\\_under\\_regulation/Whistle%20Blower%20Policy-APL-New-March2024.pdf](https://www.aurobindo.com/api/uploads/disclosure_under_regulation/Whistle%20Blower%20Policy-APL-New-March2024.pdf)

PREVENTION AND PROHIBITION OF SEXUAL HARASSMENT

Your Company has a policy and framework for employees to report sexual harassment cases at the workplace and the said process ensures complete anonymity and confidentiality of information. Your Company has constituted an Internal Complaints Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Company has a policy on prevention and prohibition of sexual harassment at the workplace. The policy provides for protection against sexual harassment of women at the workplace and for the prevention and redressal of such complaints. During the year, the Company has not received any complaint. The Company has been conducting regular awareness programmes aimed at prevention of sexual harassment.

MEETINGS OF THE BOARD

The Board and Committee meetings are prescheduled, and a tentative calendar of the meetings are created, in consultation with the Directors. However, in case of special and urgent business needs, approval is taken by passing resolutions through circulation. During the year under review, seven Board Meetings and five Audit Committee Meetings were convened and held. The details of the meetings including composition of the Audit Committee are provided in the Corporate Governance Report. During the year, all the recommendations of the Audit Committee were accepted by the Board.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONAL

Key Managerial Personnel

Mr. K. Nithyananda Reddy, Vice Chairman and Managing Director, Mr. M. Madan Mohan Reddy, Whole-time Director, Mr. Santhanam Subramanian, Chief Financial Officer, and Mr. B. Adi Reddy, Company Secretary are Key Managerial Personnel of the Company in accordance with the provisions of Section(s) 2(51), and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

None of the Directors of the Company are disqualified under the provisions of the Companies Act, 2013 (the “Act”) or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”). All Independent Directors have provided confirmations as contemplated under section 149(7) of the Act. As required by the SEBI Listing Regulations, a certificate from the Company Secretary in practice, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, Ministry of Corporate Affairs or any such statutory authority, forms part of Corporate Governance Report as **Annexure-A**.

Changes in Board of Directors

During the year and upto the date of this report, the members approved the appointment of the following directors:

- 1) Dr. Satakarni Makkapati (DIN: 09377266) as a Non-executive Director of the Company with effect from November 9, 2023.
- 2) Dr. (Mrs.) Deepali Pant Joshi (DIN: 07139051) as an Independent Director of the Company for a period of two years from February 10, 2024 to February 9, 2026.
- 3) Mr. Mangalam Ramasubramanian Kumar (DIN: 03628755) as an Independent Director of the Company for a period of three years from April 1, 2024 to March 31, 2027.

In the opinion of the Board Dr. (Mrs.) Deepali Pant Joshi and Mr. Mangalam Ramasubramanian Kumar are the persons of integrity, fulfil requisite conditions as per the applicable laws and are independent of the management and promoters of the Company.

As per the provisions of the Companies Act, 2013, Mr. K. Nithyananda Reddy and Mr. M. Madan Mohan Reddy will retire as Directors at the ensuing Annual General Meeting and being eligible, seek re-appointment. As per Regulation 17(1D) of the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015, the continuation of Mr. P. V. Ramprasad Reddy (DIN: 01284132) as Director of the Company is subject to approval of the members in the ensuing Annual General Meeting. Also, proposals seeking the approval of the members of the Company for reappointment of Mr. K. Nithyananda Reddy as Vice Chairman & Managing Director and Mr. M. Madan Mohan Reddy as Whole-time Director of the Company for a further period of three years with effect from June 1, 2024 are placed for the approval of the members in the ensuing Annual General Meeting. The Board recommends all these proposals for the approval of the shareholders of the Company.

During the year, the following directors resigned/retired from the Board:

- 1) Dr. M. Sivakumaran (DIN: 01284320) resigned as Whole-time Director and Director of the Company w.e.f. August 25, 2023.
- 2) Dr. (Mrs.) Avnit Bimal Singh (DIN: 01316166) resigned as Non-executive Independent Director of the Company w.e.f. February 11, 2024 and she confirmed that there are no other material reasons other than those mentioned in her resignation letter.
- 3) Mr. K. Ragunathan (DIN: 00523576) retired as an Independent Director of the Company on close of business hours of March 31, 2024, upon completion of his second term as an Independent Director of the Company.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. appropriate accounting policies have been selected and applied consistently. Judgement and estimates which are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of your Company as at the end of the financial year and of the profit of your Company for the year;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

- d. the annual accounts have been prepared on an on-going concern basis;
- e. proper internal financial controls have been laid down to be followed by your Company and such internal financial controls are adequate and are operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws have been devised, and such systems are adequate and are operating effectively.

DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors have submitted the declaration of independence stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 as well as clause (b) of sub-regulation (1) of Regulation 16 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and confirmed that they have registered their names in the Independent Directors’ Data bank. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

BOARD DIVERSITY

The Company recognises and embraces the importance of a diverse Board in its success. The Board has adopted the Board Diversity Policy which sets out with an approach to diversify the Board of Directors. The Board Diversity Policy is available on the Company’s website: <https://www.aurobindo.com/api/uploads/Policy-on-Board-Diversity.pdf>

BOARD EVALUATION

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be conducted by the Board of its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be conducted by the entire Board of Directors, excluding the Director being evaluated.

The Annual Performance Evaluation was conducted for all Board Members, for the Board and its Committees for the financial year 2023-24. This evaluation was led by the

Nomination and Remuneration/Compensation Committee of the Company. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations and in accordance with the Guidance Note on Board Evaluation issued by SEBI. The Board evaluation was conducted through questionnaires designed with qualitative parameters and feedback based on ratings.

Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholders interest and enhancing shareholders value, experience, and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organisation’s strategy, etc.

POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION

The policy of the Company on Directors’ appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters are adopted as per the provisions of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company. The Nomination and Remuneration Policy as adopted by the Board is available on the Company’s website: <https://www.aurobindo.com/api/uploads/NRC-Policy-AUROBINDO-09022023.pdf>

TRANSFER TO RESERVES

Your Company has not transferred any amount to reserves during the year under review.

LOANS, GUARANTEES AND INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered with Related Parties for the year under review were on arm’s length basis and in

the ordinary course of business. All Related Party transactions are mentioned in the Notes to the Financial Statements. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions. A statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval. The policy on Related Party Transactions, as approved by the Board of Directors, has been uploaded on the website of the Company <https://www.aurobindo.com/api/uploads/Related-Party-Transaction-Policy.pdf>

The particulars of contracts or arrangements with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 is prepared in 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 and is in **Annexure-2** to this Report.

There were no materially significant Related Party Transactions which could have potential conflict with the interests of the Company at large.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Information with respect to conservation of energy, technology absorption, foreign exchange earnings & outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is in **Annexure-3** to this Report.

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2024 is available on the Company’s website and can be accessed at: <https://www.aurobindo.com/investors/disclosures-under-regulation-46/annual-returns>

RISK MANAGEMENT COMMITTEE

Risk Management Committee of the Company consists of three Independent Directors viz., Mr. Girish Paman Vanvari as Chairman, Mr. Santanu Mukherjee and Mrs. Savita Mahajan as members of the Committee as on March 31, 2024.

The Company has established a separate department to monitor the enterprise risk and for its management. The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which the Company faces in its day-to-day operations. The Risk Management policy of the Company outlines a framework

for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks, or any other risk as may be determined by the Committee; measures for risk mitigation including systems and processes for internal control of identified risks; and Business continuity plan. Risk is an integral part of the Company’s business, and sound risk management is critical to the success of the organisation. The Company has adequate internal financial control systems and procedures to combat the risk. The risk management procedure is reviewed by the Audit Committee and Board of Directors on a regular basis at the time of review of the quarterly financial results of the Company. A report on the risks and their management is enclosed as a separate section forming part of this report.

AUDITORS & AUDITORS’ REPORT

Pursuant to Section 139 (2) of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the Company at its 35<sup>th</sup> Annual General Meeting (AGM) held on August 2, 2022, had appointed M/s. Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 years i.e. up to the conclusion of the 40<sup>th</sup> AGM to be held in the year 2027. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Statutory Auditors’ report forms part of the Annual Report. The notes on financial statements referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. There are no specifications, reservations, adverse remarks on disclosure by the statutory auditors in their report. They have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

INTERNAL AUDITORS

Ernst & Young LLP are the Internal Auditors of the Company and to maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee. The scope and authority of the Internal Audit function is clearly defined by the Audit Committee of the Board. The Internal Auditors monitor and evaluate the efficacy and adequacy of the internal control system of the Company, its compliance with applicable laws/regulations, accounting procedures and policies. Based on the reports of the Internal Auditors, corrective actions will be undertaken, thereby strengthening the controls. Significant audit observations and action plans were presented to the Audit Committee of the Board on a quarterly basis.

COST RECORDS AND COST AUDIT

During the year under review, in accordance with Section 148(1) of the Act, your Company has maintained the accounts and cost records, as specified by the Central Government. M/s. EVS & Associates, Cost Accountants, Hyderabad, the Cost Auditors, are in the process of carrying out the cost audit for applicable products during the financial year 2023-24. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of EVS & Associates, a firm of Cost Accountants in Practice (Registration No. 000175) as the Cost Auditors of the Company to conduct cost audits for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the year ending on March 31, 2025. The Board on recommendations of the Audit Committee, have approved the remuneration payable to the Cost Auditors subject to ratification of their remuneration by the Members in the forthcoming AGM. EVS & Associates have, under Section 139(1) of the Companies Act, 2013 and the Rules framed thereunder, furnished a certificate of their eligibility and consent for their appointment as Cost Auditors of the Company.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The internal financial controls (IFC) framework institutionalised in Aurobindo has been evaluated in-depth for its adequacy and operating effectiveness, wherein the Company has covered financial reporting controls, operational controls, compliance-related controls and also Information Technology (IT) controls, comprising IT general controls (ITGC) and application-level controls. The ITGC would include controls over IT environment, computer operations, access to programmes and data, programme development and programme changes. The application controls would include transaction processing controls in ERP Oracle system which supports accurate data input, data processing and data output, workflows, reviews and approvals as per the defined authorisation levels.

To further strengthen the existing IFC framework and support the growing business, the Company has redefined all the process level controls at activity level which has brought in more clarity and transparency in day-to-day processing of transactions and in addressing any related risks. All the controls so redefined and identified have been properly documented and tested with the help of an independent auditor to ensure their adequacy and effectiveness.

The Internal Auditors conduct 'Process & control review' on a quarterly basis as per the defined scope and submit the audit findings along with management comments and action taken reports to the Audit Committee for its review.

The IFC framework at Aurobindo ensures the following:

- Establishment of policies and procedures, assignment of responsibility, delegation of authority, segregation of duties to provide a basis for accountability and controls;
- Physical existence and ownership of assets at a specified date;
- Enabling proactive anti-fraud controls and a risk management framework to mitigate fraud risks to the Company;
- Recording of all transactions occurred during a specific period. Accounting of assets, liability, and revenue and expense components at appropriate amounts;
- Preparation of financial information as per the timelines defined by the relevant authorities.

These controls cover the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets of the Company, prevention and detection of its frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. The Company has an internal control system, commensurate with the size, scale and complexity of its operation.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. A. Mohan Rami Reddy, a Company Secretary in Practice, to undertake the secretarial audit of the Company for the financial year 2023-24. The Secretarial Audit Report issued in form MR-3 is in **Annexure-4** of this Report.

As per regulation 24A(1) of SEBI Listing Regulations, your Company is required to annex a secretarial audit report of its material unlisted subsidiary incorporated in India to its Annual Report. Accordingly, the Secretarial Audit Report for the Financial Year 2023-24 of APL Healthcare

Limited, Apitoria Pharma Private Limited and Eugia Pharma Specialities Limited, material subsidiaries incorporated in India, are annexed along with **Annexure-4** of this report.

There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report. Also, pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the Annual Secretarial Compliance Report from a Practicing Company Secretary and submitted the same to stock exchanges where the shares of the Company are listed.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established the Corporate Social Responsibility Committee (CSR Committee).

The Board, on the recommendation of the CSR Committee, adopted a CSR Policy. The same is available on the Company's website at <https://www.aurobindo.com/api/uploads/CSR-policy.pdf> The CSR objectives are designed to serve societal, local and national goals in the locations that we operate in, to create a significant and sustained impact on local communities.

The Company undertakes its CSR activities through Aurobindo Pharma Foundation, a wholly-owned subsidiary of the Company incorporated under Section 8 of the Companies Act, 2013.

The CSR projects approved by the Board for the financial year 2023-24 are available on the Company's website at <https://www.aurobindo.com/sustainability/annual-action-plan>. The Annual Report on Corporate Social Responsibility as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure-5** to this Report.

PARTICULARS OF EMPLOYEES

The statement of particulars of appointment and remuneration of managerial personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is in **Annexure-6** to this Report. The statement containing particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is open for inspection at the Registered Office of the Company during business

hours on all working days of the Company, up to the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining such details may write to the Company Secretary of the Company.

Affirmation that the remuneration is as per the remuneration policy of the Company

In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board, on the recommendation of the Nomination and Remuneration/ Compensation Committee approved the Policy for Selection, Appointment of Directors, KMPs and Senior Management persons. The said Policy provides a framework to ensure that suitable and efficient succession plans are in place for appointment of Directors on the Board and other management members. The Policy also provides for selection and remuneration criteria for the appointment of Directors and senior management persons. The Company affirms that the remuneration is as per the remuneration policy of the Company.

INSURANCE

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured. The Company has also taken D&O Insurance Policy covering Company's Directors and Officers.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the Company from the financial year ended March 31, 2024 to the date of signing of the Board's Report other than

- the merger of Auronext Pharma Private Limited and Mviyes Pharma Ventures Private Limited, wholly owned subsidiaries of the Company, with the Company by virtue of orders of Hon'ble National Company Law Tribunal, Hyderabad Bench.

CORPORATE GOVERNANCE

A separate section on Corporate Governance standards followed by your Company, as stipulated under Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as a separate section forming part of this report. The certificate of the Practicing Company Secretary, Mr. S. Chidambaram with regard to compliance of conditions of corporate governance as stipulated under Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this report.

DEPOSITS

Your Company has not accepted any deposits from the public within the purview of Chapter V of the Companies Act, 2013.

INDUSTRIAL RELATIONS

Industrial relations at all units of the Company have been harmonious and cordial.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO IEPF

The dividends that remained unpaid/unclaimed for a period of seven years, have been transferred on due dates by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government. Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') mandates that companies shall apart from transfer of dividend that has remained unclaimed for a period of seven years in the unpaid dividend account to the IEPF, also transfer the corresponding shares with respect to the dividend, which has not been paid or claimed for seven consecutive years or more to IEPF.

Accordingly, the dividends that remain unclaimed for seven years and also the corresponding shares have been transferred to IEPF account on due dates. The details of amount of unclaimed unpaid dividend and corresponding shares transferred to IEPF during the financial year 2023-24 have been provided in the AGM Notice.

Further, in accordance with the IEPF Rules, the Board of Directors have appointed Mr. B. Adi Reddy, Company Secretary as Nodal Officer of the Company for the purpose of verification of claims of shareholders pertaining to shares transferred to IEPF and/ or refund of dividend from IEPF Authority and for coordination with IEPF Authority. The details of the

Nodal Officer are available on the website of the Company at <https://www.aurobindo.com/api/uploads/unpaiddividendaccountdetails/Nodal-Officer-IEPF.pdf>

SHARE CAPITAL

During the financial year under review, there has been no change in the Authorised and Paid-up Share Capital of the Company. The paid-up share capital of the Company as on March 31, 2024 was ₹585,938,609 divided into 585,938,609 equity shares of ₹1 each. The Company has not issued any shares, debentures, bonds or any non-convertible securities during the financial year under review.

However, the Authorised Share Capital increased from ₹261,15,00,000 (Rupees two hundred sixty one crores and fifteen lakhs only) to ₹666,39,93,820 (Rupees six hundred sixty six crores thirty nine lakhs ninety three thousand eight hundred twenty only) as per Clause 26 of the Scheme of Amalgamation of Auronext Pharma Private Limited and Mviyes Pharma Ventures Private Limited with the Company, as approved by the Hon'ble National Company Law Tribunal, Hyderabad Bench, Hyderabad as per its order dated April 29, 2024.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A detailed Business Responsibility sustainability Report in terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available as a separate section in this Annual Report.

SIGNIFICANT/MATERIAL ORDERS PASSED BY COURTS/REGULATORS/TRIBUNALS

There were no significant material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company and its operations in future.

SECRETARIAL STANDARDS

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

OTHER DISCLOSURES

Acquisitions/Disinvestment/demerger/merger Merger of subsidiaries

The Board of directors at its meeting held on August 12, 2021, had approved the Scheme of Amalgamation providing for the amalgamation of wholly owned subsidiaries of the Company viz., Auronext Pharma Private Limited and Mviyes Pharma Ventures Private Limited with the Company subject to the requisite statutory/ regulatory approvals including the approval of the National Company Law Tribunal (Hyderabad Bench). Since there were other restructuring proposals in discussion, this amalgamation was put on hold and the Board of Directors at its meeting held on April 1, 2023 has decided to proceed with the aforesaid Scheme of Amalgamation. The said Scheme of Amalgamation has been approved by the Hon'ble National Company Law Tribunal, Hyderabad Bench vide its order dated April 29, 2024.

Sale of business assets of Eugia US Manufacturing LLC

Eugia US Manufacturing LLC, USA, a wholly owned step-down subsidiary of the Company, had entered into an asset purchase agreement with Empower Clinic Services New Jersey, LLC on February 3, 2024 to dispose of its business assets as a going concern with related assets and liabilities and employees for a cash consideration of US\$ 52 million to be received from the disposal, plus US\$ 58 million in lease payments made to Eugia US Manufacturing LLC and/or its affiliates, over the 20 years lease term including extensions. The transaction was completed on May 1, 2024.

Acquisition of balance shares in Purple Bellflower Pty Limited

Acquisition of balance 52% shares from the Joint Venture Partners of Purple Bellflower Pty Limited, South Africa, on April 30, 2024 and on such acquisition, it became a wholly owned step-down subsidiary of the Company. Also, Aurobindo Pharma Pty Limited, South Africa, became a wholly owned subsidiary by virtue of the aforesaid acquisition.

Transfer of Units to Apitoria Pharma Private Limited

Pursuant to the Business Transfer Agreements entered into between the Company and Apitoria Pharma Private Limited (formerly known as Auro Pharma India Private Limited), a wholly owned subsidiary of the Company, Unit-I, Unit-VIII, Unit-IX, Unit-XI, Unit-V, Unit-XIV, Unit-XVII and APLRC-II of the Company were sold and transferred to Apitoria Pharma Private Limited with effect from October 1, 2023.

Other disclosures

During the year under review:

- no proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016;
- no instance of one-time settlement with any Bank or Financial Institution;
- no shares with differential voting rights and sweat equity shares have been issued; and
- there has been no change in the nature of business of the Company.

CREDIT RATING

The Company has obtained the Credit ratings from India Ratings & Research Private Limited and it has assigned ND AA+/Stable/IND A1+ on Rating Watch Evolving for Company's fund based working capital facilities and ND A1+ on Rating Watch Evolving for Company's non-fund-based working capital limits vide their letter dated December 20, 2023.

ACKNOWLEDGEMENTS

Your directors are grateful for the invaluable contribution made by the employees and are encouraged by the support of the customers, business associates, banks and government agencies. The Directors deeply appreciate their faith in the Company and remain thankful to them. The Board shall always strive to meet the expectations of all the stakeholders.

For and on behalf of the Board

Mangalam Ramasubramanian Kumar  
Chairman  
DIN: 03628755

Place: Hyderabad  
Date: May 25, 2024



# Management Discussion and Analysis

## Economic overview

### Global economy

In 2023, the global economy demonstrated resilience with GDP growth of 3.2%, driven by several factors. Firstly, greater-than-anticipated government spending and resilient household consumption bolstered demand, supporting economic growth. Additionally, despite supply-chain disruptions, an unanticipated boost to labour force participation contributed to a supply-side expansion. Central banks globally responded swiftly to contain inflation, stabilise economic conditions, and bolster confidence. Furthermore, households in major advanced economies drew on substantial savings accumulated during the pandemic, mitigating the impact of inflationary pressures on consumption.

While inflation surged initially due to supply-chain disruptions and geopolitical tensions, it has gradually receded. However, challenges persist, particularly in controlling service inflation, which remains stubbornly high.

Despite the resilience displayed by the global economy, several challenges remain. Persisting inflationary pressures, especially in services, pose risks to the economic recovery. Moreover, geopolitical tensions, including conflicts in Ukraine and the Middle East could lead to new price spikes, impacting interest rate expectations and asset prices.

Fiscal challenges, particularly high government debt levels in many economies, could undermine confidence and hinder reform efforts. Additionally, medium-term growth prospects remain subdued due to lower total factor productivity growth and increasing geoeconomic fragmentation.

### Global growth forecast (%)

| Particulars                                 | Actual | Projections |      |
|---|--------|-------------|------|
|   | 2023   | 2024        | 2025 |
| World output                                | 3.2    | 3.2         | 3.2  |
| Advanced economies                          | 1.6    | 1.7         | 1.8  |
| US  | 2.5    | 2.7         | 1.9  |
| Eurozone                                    | 0.4    | 0.8         | 1.5  |
| Japan                                       | 1.9    | 0.9         | 1.0  |
| UK  | 0.1    | 0.5         | 1.5  |
| Other advanced economies                    | 1.8    | 2.0         | 2.4  |
| Emerging market and developing economies    | 4.3    | 4.2         | 4.2  |
| China                                       | 5.2    | 4.6         | 4.1  |
| India                                       | 7.8    | 6.8         | 6.5  |
| Emerging market and middle-income economies | 4.4    | 4.1         | 4.1  |
| Low-income developing countries             | 4.0    | 4.7         | 5.2  |

Source: World Economic Outlook – Steady but Slow: Resilience amid Divergence – IMF.



## Outlook

According to IMF projections, global GDP growth is expected to remain steady around 3.2% for 2024 and 2025, with median headline inflation is gradually declining. Risks to the global outlook in broadly balanced, with potential downsides risks stemming from geopolitical tensions, persisting inflationary pressures, and fiscal challenges. However, looser fiscal policies and stronger structural reforms could spur economic activity and productivity growth. As the global economy approaches a soft landing, the near-term priority for central banks is to ensure a smooth transition in inflation levels. Simultaneously, a renewed focus on implementing medium-term fiscal consolidation is necessary to rebuild fiscal buffers and ensure debt sustainability.

Multilateral cooperation is essential to address global challenges such as geoeconomic fragmentation, climate change, and debt restructuring. Coordinated efforts are required to facilitate a transition to green energy and promote inclusive growth across economies. Additionally, intensifying supply-enhancing reforms could facilitate inflation and debt reduction, increasing growth towards higher pre-pandemic levels and accelerating convergence toward higher income levels.

Source: World Economic Outlook – Steady but Slow: Resilience amid Divergence – IMF.

## Indian economy

The Indian economy witnessed robust growth in FY24, with a GDP growth of 7.8%, building upon the previous year's growth of 7.0%. This growth was driven by robust private consumption, a continued government push for capital expenditure, and an overall positive sentiment.

### Sectoral contributions to growth

Strong corporate profitability and improved balance sheets of banks and financial institutions facilitated sustained credit flow across various sectors, further bolstering economic activity. Key sectors such as construction and manufacturing played pivotal roles in driving economic growth. The construction sector surged with a double-digit growth rate of 10.7%, while manufacturing registered substantial growth at 8.5%. India's external sector remained robust, with strong performances in merchandise and services exports. While merchandise exports moderated in growth due to global demand fluctuations, they still reached a significant milestone of US\$ 451.1 billion in FY23. Foreign investment inflows remained robust, affirming India's position as an attractive destination for investors.

### Inflation

While economic growth remained robust, inflation emerged as a concern. Despite moderation, with retail inflation easing to 4.85% in March 2024, the Reserve Bank of India maintained a cautious stance to ensure price stability and sustainable economic growth.



## Outlook

Looking forward, India's economic outlook remains promising, with the IMF projecting a growth rate of 6.8% for FY25. Private consumption and public investment, particularly in infrastructure, are expected to be the primary drivers of growth. Inflation moderation is anticipated to support consumption, while fiscal discipline provides room for calibrated budgetary allocations. However, risks from global uncertainties and domestic structural reforms need careful navigation to sustain growth momentum.

Industry context

Global pharmaceutical industry

In 2023, the global pharmaceutical industry witnessed significant shifts in medicine usage and spending growth across regions, setting the stage for robust expansion in the years ahead. Despite the challenges posed by the pandemic, the industry demonstrated remarkable resilience and adaptability, responding with agility to changing demands and adopting innovative therapies to meet evolving healthcare needs.

The outlook for medicine spending through 2028 has been revised upwards, with a projected compound annual growth rate (CAGR) of 5-8%, reaching a total spending of US\$2.3 trillion. This upward revision reflects accelerated growth rates, underscoring the industry's pivotal role in addressing ongoing health challenges and improving global health outcomes.

Although the volume use of medicines globally plateaued in 2023, steady growth is anticipated at an average rate of 2.3% through 2028. This growth trajectory is primarily driven by burgeoning markets in China, India, and other

Asian regions, as well as rapid expansion in Latin America. Conversely, North America, Western Europe, and Japan are expected to exhibit slower growth due to their higher per capita use levels.

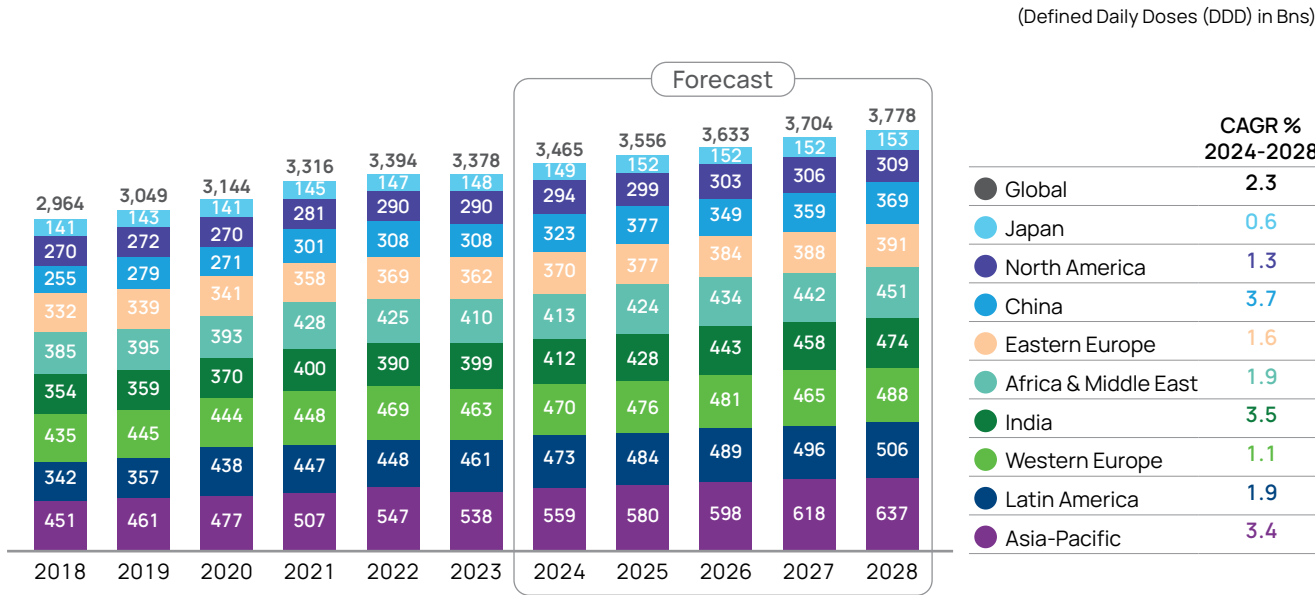
Despite challenges such as confidential rebates and government-mandated discounts affecting manufacturer net sales, spending in regions like the U.S., Europe, Japan, and key emerging markets is poised to increase significantly. The introduction of new brands, increased uptake of original medicines, and adoption of novel therapies are anticipated to drive growth in these regions, further underscoring the industry's resilience and adaptability.

Biotech and specialty medicines targeting chronic and rare conditions are expected to drive growth, alongside advancements in therapy areas like immunology, endocrinology, and oncology. The steady increase in utilisation of immunology treatments, in particular, reflects the wider adoption of older therapies and the introduction of new treatments to address emerging healthcare needs.

Source: IQVIA – Global Spending on medicine use 2024

Global growth forecast (%)

Exhibit 1: Historical and projected use of medicines by region, 2018-2028, Defined Daily Doses (DDD) in Bns



Source: IQVIA Institute, December 2023

Global pharmaceutical market (US\$ Bn)

| Regions                      | 2023    | 2019-2023 CAGR | 2028        | 2024-2028 CAGR |
|------------------------------|---------|----------------|-------------|----------------|
| Developed Markets            | 1,275.5 | 7.2%           | 1,775-1,805 | 5-8%           |
| Pharmerging Markets          | 303.7   | 7.8%           | 400-430     | 10-13%         |
| Other Markets                | 27.6    | 5.6%           | 33-37       | 3-6%           |
| Global Pharmaceutical Market | 1,606.8 | 7.3%           | 2,225-2,255 | 6-9%           |

Therapy-wise trends in medicine usage

Growth in immunology treatments

Immunology products, including biologics, have experienced significant volume increases since 2018. This growth can be attributed to expanded access to a variety of therapies, with nearly half of immunology biologic volume facing biosimilar competition. Immunology, while experiencing slower growth in the range of 2-5%, remains a pivotal therapy area, particularly in the treatment of autoimmune disorders. The launch of biosimilars, especially adalimumab biosimilars in the U.S., is expected to impact growth. Despite this, immunology products are anticipated to reach US\$192 billion globally by 2028, driven by increasing numbers of treated patients and new product introductions.

2-5%

CAGR between 2024 and 2028

Rapid Uptake of GLP-1 Agonists

GLP-1 agonists, initially approved for diabetes treatment, have seen rapid uptake in both diabetes and obesity indications. The approval of additional therapies for obesity is expected to contribute to significant future volume growth. Manufacturing constraints experienced in 2023 may have impacted the availability of these therapies outside the U.S.

3-6%

CAGR between 2024 and 2028



Source: IQVIA – Global Spending on medicine use 2024.



Oncology

Oncology volume has surged, reaching 21% higher levels than in 2018, primarily driven by markets in Latin America and Asia. This growth was fuelled by expanded access to traditional chemotherapy and novel targeted therapies. Notably, variations in per capita use exist even within higher-use regions, underscoring the need for equitable access to breakthrough therapies. Going forward, oncology remains a leading therapy area, poised to grow at a robust 14–17% CAGR through 2028, driven by the introduction of novel treatments. The forecast includes the addition of 100 new treatments over the next five years, contributing to a significant increase in spending, reaching more than US\$440 billion in 2028. Despite facing some limitations due to new losses of exclusivity, the oncology segment continues to witness substantial investment in research and development, fuelling innovation and expanding treatment options for cancer patients globally.

14-17%

CAGR between 2024 and 2028

Emerging trends in neurology and mental health treatments

The neurology and mental health treatment landscape is evolving rapidly, with advancements in therapies aimed at addressing conditions such as Alzheimer’s disease, depression, and anxiety disorders. The introduction of novel treatments and increased awareness of mental health issues are driving higher utilisation rates in these therapy areas, particularly in developed markets.

Antibacterial challenges and solutions

Antibacterials remain critical healthcare resources, but their usage presents challenges such as antimicrobial resistance. Efforts to promote appropriate stewardship and combat resistance are underway, including the development of new antibacterial agents and the implementation of antimicrobial stewardship programs. However, shortages of antibacterials in major markets continue to pose challenges to healthcare systems worldwide.

Key global markets

The global medicine market, measured by list price levels, is projected to grow at a Compound Annual Growth Rate (CAGR) of 5–8% through 2028, reaching approximately US\$2.3 trillion in total market size. This growth outlook represents a 2% increase compared to previous forecasts, despite a significant downward revision in expected

Source: IQIVIA – Global Spending on medicine use 2024.

spending on COVID-19 vaccines and therapeutics. Developed markets, characterised by larger established economies, are expected to experience more rapid growth driven by the introduction of new and existing branded products.

In the United States, the market is forecast to grow at a CAGR of 2–5% over the next five years, a decrease from the 5.3% CAGR observed in the previous five years. This projection includes the anticipated effects of the Inflation Reduction Act. Europe is anticipated to see an increase in spending of US\$70 billion through 2028, propelled by the introduction of new brands, albeit offset by the presence of generics and biosimilars.

Japan’s medicine spending growth is expected to range from -1 to 2% through 2028. Despite robust brand growth, this increase is mitigated by annual price cuts and ongoing shifts towards generics. While spending growth in developed markets may vary, overall, they are anticipated to maintain positive trajectories, supported by ongoing innovation and market dynamics.

USA

Medicine spending at net levels in the U.S. pharmaceutical market is expected to grow at a rate of 2% to 5%, primarily driven by increasing brand spending on an invoice basis. Off-invoice discounts and rebates are projected to be amplified by the provisions of the Inflation Reduction Act (IRA), resulting in spending estimates that are 37% lower than invoice levels in 2023, anticipated to reach 47% lower by 2028. The IRA is anticipated to influence gross-to-net differences, impacting growth trajectories in various therapy areas.

US pharmaceutical spending and growth (US\$ Bn) at invoice level

| 2023 | 2019-2023 CAGR | 2027  | 2023-2027 CAGR |
|------|----------------|-------|----------------|
| 711  | 7.6%           | 1,010 | 6-9%           |

Key trends

- **Acceleration in Therapy Areas:** Notably, oncology, immunology, diabetes, and obesity have shown accelerating growth, driven by the adoption of novel therapies. These therapy areas are expected to be major contributors to overall spending growth.
- **Market Dynamics and Patent Expiries:** Market dynamics around the use of medicines, adoption of newer treatments, impact of patent expiries, and competition from generics and biosimilars will significantly shape spending patterns through 2028.

\* WE5 Pharmaceutical Markets include France, Germany, Spain, Italy and UK.  
Source: IQIVIA – Global Spending on medicine use 2024.

- **Increased Usage of Existing Branded Products:** The largest driver of growth is expected to be increased usage of existing protected branded products, contributing substantially to overall spending over the next five years.
- **Loss of Exclusivity Impact:** Losses of exclusivity in the U.S. are projected to have a substantial impact on spending, totaling US\$145.5 billion through 2028. This impact is notable in both small molecule and biologic products. Small molecule expiries are expected to reduce brand spending by US\$106 billion, while biologics are forecasted to result in US\$39.5 billion in lower brand spending over five years.

Europe

Medicine spending in the top five European markets is poised to increase by US\$70 billion over the next five years, reflecting a notable shift in the drivers of growth. New brands, the largest contributor to growth from 2018 to 2023, are expected to continue driving spending but may face challenges due to the lingering effects of the pandemic on marketing operations and increasing budget pressures. However, generics, including biosimilars, are projected to contribute significantly to growth, adding US\$18 billion over the next five years, despite facing price deflation.

WE5\* pharmaceutical spending and growth (US\$ Bn) at invoice level

| 2023 | 2019-2023 CAGR | 2028 | 2024-2028 CAGR |
|------|----------------|------|----------------|
| 226  | 7%             | 296  | 5.5%           |

Key trends

- **Impact of Losses of Exclusivity (LOEs):** The impact of LOEs in the five largest European markets is expected to more than triple over the next five years, with over half of the impact attributed to biologics. This impact is particularly significant in 2023, 2025, and 2026, driven by patent expiries of key biologics such as ranibizumab (Lucentis), ustekinumab (Stelara), and aflibercept (Eylea).
- **Market Dynamics and Payer Actions:** Payer actions will be influenced by the pace of economic and COVID-19 recovery, as well as broader inflation concerns and the impact of fuel commodity costs related to the Ukraine conflict. Economic recovery and budget pressures may shape reimbursement decisions, impacting the growth trajectory of new brands.
- **Innovation and Health Technology Assessments:** Despite uncertainties, innovation is expected to remain strong over the next five years. However, there may be greater scrutiny of the value of new medicines, particularly through health technology assessments. This could affect the growth of new brands and established brands in the market.

Pharmerging market

Over the years, pharmerging markets have witnessed significant growth primarily driven by increased consumption of older generic medicines. However, recent trends indicate a notable shift in spending patterns, particularly in countries like Russia and Turkey, where rising pharmaceutical expenditures and improved GDP per capita have propelled them into the category of 'other developed' nations. Despite these advancements, pharmerging markets continue to grapple with challenges, including limited access to specialty medicines, which accounted for 13% of spending in 2023 and are projected to maintain a similar share by 2028.

The growth trajectory of pharmerging markets is expected to be more influenced by volume rather than the adoption of expensive therapies. These markets typically rely on generics or non-original branded products, resulting in lower shares of spending on originator products compared to developed markets. Moreover, pharmaceutical products in pharmerging and lower-income countries often carry lower price tags, reflecting the cost-conscious nature of these regions and the need to ensure affordability for a significant portion of the population.

Pharmerging markets – Pharmaceutical spending and growth

| 2023  | 2019-2023 CAGR | 2028    | 2024-2028 CAGR |
|-------|----------------|---------|----------------|
| 303.7 | 7.8%           | 400-430 | 10-13%         |

Source: IQVIA – Global Spending on medicine use 2024.

About Aurobindo Pharma

Aurobindo Pharma Limited, currently positioned as India's second largest pharmaceutical company in terms of revenue, is an integrated global pharmaceutical company headquartered in Hyderabad, India. The Company develops, manufactures, and commercialises a diverse portfolio of generics, specialty products and injectables, active pharmaceutical ingredients and complex offerings including biosimilars, vaccines, peptides, and metered dose inhalers globally in over 150 countries.

The Company has 29 manufacturing and packaging facilities that are approved by leading regulatory agencies including the US FDA, UK MHRA, EDQM, Japan PMDA, WHO, Health Canada, South Africa MCC, Brazil ANVISA. The Company's

India

The Indian pharmaceutical market is poised for substantial growth, with medicine spending expected to reach US\$38-42 billion by 2028, reflecting a robust compound annual growth rate (CAGR) of 7-10% between 2024 and 2028. Notably, acute therapies like anti-infectives and vitamins and minerals witnessed improved volumes in 2023, while chronic therapies, including cardiac and respiratory segments, continued to perform well. Other key drivers of growth include India's growing population, demographic and lifestyle changes, expertise in low-cost manufacturing, improving affordability, and increasing access to modern medicines. These factors collectively underscore India's significant potential as a key growth market in the global pharmaceutical landscape, with ample opportunities for both domestic and international stakeholders to participate in and benefit from the country's dynamic pharmaceutical industry.

Indian pharmaceutical spending and growth

| 2023 | 2028  | 2024-2028 CAGR |
|------|-------|----------------|
| 27   | 38-42 | 7-10%          |

Production Linked Incentive (PLI) Scheme

The Indian government's robust support and attractive incentives, exemplified by initiatives like the PLI scheme, play a pivotal role in bolstering the pharmaceutical industry. These measures create a conducive business environment, attracting potential investors to explore opportunities in the Indian market.

robust product portfolio is spread over 7 major therapeutic and product areas encompassing CNS, Anti-Retroviral, CVS, Antibiotics, Gastroenterological, Anti-Diabetics and Anti-Allergic, supported by a strong R&D set-up. It employs over 37,000+ people including a dedicated R&D team of over 1,500+ scientists and analysts working in 9 research facilities spread across the globe. The Company's R&D focus is on developing niche oral, sterile, specialty injectable products, biosimilars, and peptide-based products, involving clinical and end-point studies.

The Company continuously focuses on developing complex molecules, differentiated offerings, broad spectrum products, and newer technologies to improve health outcomes globally.

The Company is not only one of the largest vertically integrated generic and API pharma player, but also backward integrating into the key starting materials (KSMs) and intermediates. APL's strategic priorities are evolving while continuing to focus on the core capabilities.

APL continues to expand manufacturing footprint, backward integrate to build resilient supply chain, expand geographic presence, diversify product portfolio and be future ready with expansion into biosimilars.

₹29,002 cr

Revenue

5-year CAGR: 8% ↑

₹5,843 cr

EBITDA

|                                   |                                       |  |
|-----------------------------------|---------------------------------------|--|
| 150+<br>Countries market reach    | 9<br>Research facilities              | 37,000+<br>Global employee base including contract workforce |
| 1,500+<br>Scientists & analysts   | 830<br>ANDA filed with the US FDA     | 3,642<br>Formulation dossiers filed in Europe                |
| 291<br>DMFs filed with the US FDA | 1,859<br>API dossiers filed in Europe |  |

\* As on 31 March 2024.

Snapshot: Segment revenue

| Amount (₹ Cr)                           | FY24   | FY23   | % y-o-y growth | FY24% of |
|---|--------|--------|----------------|----------|
| Formulations                            |        |        |                |          |
| USA                                     | 13,867 | 11,227 | 24%            | 48%      |
| Europe                                  | 7,166  | 6,426  | 12%            | 25%      |
| Growth Markets*                         | 2,517  | 1,951  | 29%            | 9%       |
| ARV                                     | 868    | 976    | -11%           | 3%       |
| Total formulations                      | 24,419 | 20,579 | 19%            | 84%      |
| Active Pharmaceutical Ingredients (API) |        |        |                |          |
| Betalactam                              | 2,970  | 2,448  | 21%            | 10%      |
| Non Betalactam                          | 1,270  | 1,400  | -9%            | 4%       |
| Total API                               | 4,241  | 3,848  | 10%            | 15%      |
| Consolidated sales                      | 28,660 | 24,427 | 17%            |          |
| Puerto Rico                             | 342    | 428    | -20%           | 1%       |
| Revenue from operations                 | 29,002 | 24,855 | 17%            |          |

Achievements of FY24

- Recorded revenue of ₹29,002 crore, EBITDA at ₹5,843 crore, with EBITDA margin at 20.1%
- Filed 40 ANDAs with the US FDA, of which 9 are specialty products
- Received final approval for 68 ANDAs from the US FDA of which 22 are specialty products
- Launched 62 products in USA, including 14 specialty products
- Commercialised four major manufacturing facilities viz. Penicillin-G, 6-APA, Injectables and Granulation
- Branded oncology –
  - Received the US FDA approval for Ryzneuta™ (Efbemalenograstim alfa Injection), an in-licensed product from Evive Biotech for US commercialisation, for the treatment of Chemotherapy-Induced Neutropenia (CIN)
- Forayed in the fourth largest populous country, Indonesia, with acquisition of 17 brands from Pfizer/Viatris
- API business of our Company was transferred to Apitoria Pharma, a wholly owned subsidiary of the Company

Creating a road map for the future



Formulations business

Formulations business (including Puerto Rico) posted a revenue of ₹24,761 crore in FY24, thereby contributing to 85% of the total revenue. From a geographical standpoint, the US and Europe accounted for 73% of total revenue. During the year, our Company manufactured more than 45 billion units of various dosage forms, such as tablets, capsules, injectables, etc., in its 16 state-of-the-art manufacturing facilities, which are located in India, Portugal, the US and Brazil.

Formulations business revenue trend

| FY20   | FY21   | FY22   | FY23   | FY24   |
|--------|--------|--------|--------|--------|
| 20,012 | 21,686 | 19,939 | 21,007 | 24,761 |

FY20-24 CAGR: 5% ↑

US formulations

The US formulations business (excluding Puerto Rico) revenue grew by 23.5% y-o-y to ₹13,867 crore in FY24. Our Company held its top position in terms of prescription volume share in the US as per IQVIA data for the quarter ended March 2024. It has presence across generic orals, injectables, OTC, and branded oncology segments. During the year, our Company launched 62 products within the US formulations segment, including 14 specialty products.

US formulations ex-Puerto Rico business revenue trend

| FY20   | FY21   | FY22   | FY23   | FY24   |
|--------|--------|--------|--------|--------|
| 11,484 | 12,324 | 11,035 | 11,227 | 13,867 |

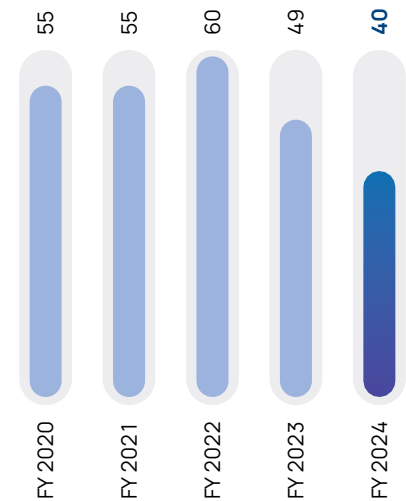
FY20-24 CAGR: 5% ↑

Revenue mix of the US formulations segment (%)

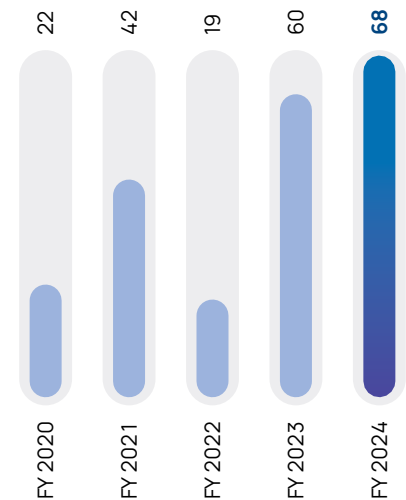
| US formulation segment  | % share in US formulation sales (FY24) |
|-------------------------|--|
| Orals                   | 64%                                    |
| Specialty & Injectables | 24%                                    |
| Branded Oncology        | 6%                                     |
| OTC                     | 5%                                     |

Filings and approvals in the US

Filings



Approvals



Orals

Oral segment sales within the US formulations business grew by 22% y-o-y to ₹8,924 crore in FY24. The growth was due to new product launches, increase in market share of existing products, and positive forex impact. The price erosion remained stable. As of March 31, 2024, our Company has 489 Oral product ANDAs with final approval, while 118 ANDAs are awaiting final approval.

Specialty and injectables

Specialty and Injectables sales within the US formulations business grew by 42% y-o-y to ₹3,287 crore in FY24. The growth was due to new product launches, higher volume and positive forex impact. The price erosion remained at lower levels than in the past. As of March 31, 2024, our Company has 169 specialty and injectable product ANDAs with final approval while 54 ANDAs are awaiting final approval.

Branded oncology injectables

The US branded oncology business consisting of seven brands marketed by Acrotech Biopharma, witnessed 2% y-o-y growth in revenue to ₹894 crore in FY24. During the year, Ryzneuta™ (Efbemalenograstim alfa Injection), an in-licensed product from Evive Biotech for US commercialisation, for Chemotherapy-Induced Neutropenia (CIN) received the US FDA approval.

Over-the-counter drugs (OTC)

OTC sales within the US formulations business grew by 4% y-o-y to ₹762 crore in FY24. The growth was driven by new launches, higher volume, and positive forex.

Europe formulations

APL has a presence in ten countries in Europe/UK with full-fledged Pharmacy, Hospital, and Tender sales infrastructure. It ranks amongst the top 10 Generic companies in eight countries, including four of Top-5 EU countries. France and Netherlands are the top two markets for our Company in Europe. In FY24, Europe formulations segment revenue increased by around 12% y-o-y to ₹7,166 crore. The increase was due to higher volumes and new product launches. Despite a relatively muted market in Europe, the Company's sales in the local currency grew at 5% CAGR over the last five years. As part of efforts to improve profitability of the Europe business, the Company is focusing on sourcing the products from its own manufacturing facilities in India.

EU formulations revenue trend (in ₹ crore)

| FY20  | FY21  | FY22  | FY23  | FY24  |
|-------|-------|-------|-------|-------|
| 5,922 | 6,061 | 6,480 | 6,426 | 7,166 |

FY20-24 CAGR: 4% ↑

Growth Markets formulations

Growth Markets sales in FY24 grew by 29% y-o-y to ₹2,517 crore. The segment contributed to 9% of the total revenue of the Company during the year. The segment growth was driven by our foray into the Indonesian market with the acquisition of Viatris brands. Within the segment, the other key markets in FY24 include Canada, Domestic market (India), Mexico, South Africa, and Brazil. Domestic formulations sales stood at ₹230 crore during the year.

Growth Markets formulations revenue trend (in ₹ crore)

| FY20  | FY21  | FY22  | FY23  | FY24  |
|-------|-------|-------|-------|-------|
| 1,355 | 1,438 | 1,504 | 1,951 | 2,517 |

FY20-24 CAGR: 17% ↑

ARV formulations

During the year, the Company won bids to supply in both the Global Fund and PEPFAR allocation. In the Global Fund, APL has been selected as strategic supply partner for three years duration from January 2023 to December 2025. In PEPFAR, it has been selected under both Lot-1 and Lot-2 allocation.

ARV formulations revenue trend (in ₹ crore)

| FY20  | FY21  | FY22 | FY23 | FY24 |
|-------|-------|------|------|------|
| 1,252 | 1,863 | 833  | 976  | 868  |

API business

In Oct '23, API business of our Company was transferred to Apitoria Pharma, a wholly owned subsidiary of the Company. Under the newly appointed management, the Company has been focussing on improving topline and bottom-line performance, leading to improved growth, productivity, and regulatory compliance.

The API segment of the Company, which is a key pillar for the Company's vertically integrated business model, witnessed 10% y-o-y growth in revenue during FY24 to ₹4,241 crore, thereby accounting for 15% of the total revenue. APL has a presence in both Beta Lactam and non-Beta lactam APIs, with the former contributing to 70% of the total API sales. The Company aims to efficiently supply APIs meeting stringent quality requirements. It employs strict cost control and efficiency measures in R&D, supply chain, and manufacturing operations.

During the year, the Company commercialised Penicillin-G manufacturing facility of 15,000 tonnes per annum capacity, as part of the PLI scheme of the government of India, along with 6-APA manufacturing capacity of 3,600 tonnes per annum.

API revenue trend (in ₹ crore)

| FY20  | FY21  | FY22  | FY23  | FY24  |
|-------|-------|-------|-------|-------|
| 3,083 | 3,086 | 3,516 | 3,848 | 4,241 |

Financial review: Consolidated

Key ratios

|   | As on<br>March 31, 2024 | As on<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Debtors' turnover                         | 6.3                     | 5.9                     |
| Inventory turnover                        | 3.2                     | 3.1                     |
| Interest coverage ratio                   | 16.7                    | 20.0                    |
| Current ratio                             | 1.9                     | 1.8                     |
| Debt equity ratio                         | 0.11                    | 0.03                    |
| Operating profit margin (EBITDA Margin %) | 20.1%                   | 15.1%                   |
| Net profit margin (%)                     | 10.9%                   | 7.8%                    |
| Return on net worth (%)                   | 11.2%                   | 7.5%                    |

Manufacturing review

APL's manufacturing footprint includes 29 commercialised manufacturing units for formulations and APIs, spread across India (26), Portugal (1), Brazil (1) and the US (1). Several leading regulatory agencies such as US FDA, UK MHRA, Europe EMA, Japan PMDA, WHO, and Health Canada have approved the facilities. The integrated nature of business enables seamless production schedules, with on-time availability of raw materials and finished products, ensuring timely response to market opportunities.



During the year, six units received EIRs from US FDA and the Company has commissioned four manufacturing facilities viz. Penicillin-G, 6-APA, Injectables, and Granulation facility. APL also has six manufacturing facilities under the construction stage, including two in the US and two in India, one each in

China and Puerto Rico. Post commercialisation of the units mentioned above, APL will have operational manufacturing capabilities in complex generic products, including injectables, inhalers, topical and transdermal products, biosimilars, and vaccines.

SCOT Analysis

| Strengths  | Challenges   | Opportunities   | Threats   |
|--|--|---|---|
| <ul style="list-style-type: none"><li>Manufacturing capacity of 50 billion+ units</li><li>Vertically integrated manufacturing</li><li>Presence in multiple therapeutic areas</li><li>Global footprint across 150+ countries</li><li>Strong R&amp;D capability</li><li>Skilled workforce</li><li>Capability of delivering high-quality, low-cost generics</li><li>Dominant API player</li><li>Technology strength in manufacturing, and robust marketing infrastructure</li><li>Track record of successful acquisitions</li></ul> | <ul style="list-style-type: none"><li>Competitors with similar offerings and business structures</li><li>High mobility of workforce within the industry</li><li>Pricing pressures for generics, price erosions for new launches and older molecules</li><li>Regulatory challenges in existing/new markets</li><li>Supply chain assurance</li></ul> | <ul style="list-style-type: none"><li>Backward integration into the KSMs and intermediates</li><li>Addressing the market shortages</li><li>Foray in Biologics CDMO</li><li>Capacity expansion and building diverse capabilities.</li><li>Successful execution in new business areas like vaccines, dermatology, transdermal patches, and respiratory medicines</li><li>Expansion into new emerging markets</li><li>Achieving a global scale of operations</li></ul> | <ul style="list-style-type: none"><li>Intense competition from established players and new entrants</li><li>Increasing focus on value-based healthcare and drug pricing regulations</li><li>Disruptions in supply chain and raw material sourcing due to geopolitical and economic factors</li><li>Evolving customer preferences and changing market dynamics</li></ul> |



Workforce

Aurobindo Pharma, a US\$3.5 billion company by FY24 turnover, employs 26,000+ permanent workforce and 11,000+ of contractual workforce. The Company, with its strong manufacturing prowess and marketing network, is successful in the highly competitive generic pharmaceuticals segment due to a strong, capable, and dedicated workforce. Aurobindo Pharma believes their employees are the core assets of the organisation and focuses on providing a secure and safe working environment to its employees and ensures training and development opportunities across all its businesses. The Company conducts engaging initiatives that empower the workforce, fostering a vibrant and resilient team that drives our success and growth. The Company prioritises its people, fostering inclusivity, championing diversity, and promoting equal opportunity. At Aurobindo Pharma, creating a learner-centric environment is a priority where individual and organisational growth is encouraged, valued, and rewarded.

- Our Company focuses on building a strong and dynamic team across the organisation by:
- Fostering a work environment where every individual can thrive through talent development, employee engagement, and performance management.
  - Leveraging technology and performance measurements to build capabilities.
  - Focus on leadership development through training, coaching, and mentorship through programmes in partnership with top institutions.
  - Promoting a collaborative environment by integrating its global workforce through various projects.
  - Providing a diverse and inclusive work environment which is integral to our organisational culture.
  - Prioritising health and well-being of its people.
  - Realigning its strategies to adapt to the changing work environment.

Sustainability at Aurobindo

Aurobindo Pharma is deeply committed to sustainable goals and contributing towards a better future. Our dedication to environmental stewardship is evident in our adoption of sustainable practices across all operations. We have achieved significant milestones in various areas, such as sustainable packaging and energy generation. By embracing sustainable packaging techniques, we have successfully reduced waste and promoted responsible resource management. Moreover, our investment in solar power has resulted in the consumption of 1,24,446 MW encompassing both self-generated and purchased solar power from our joint venture and associate companies of solar energy, contributing to cleaner energy sources and a decreased environmental impact. We also generate energy from renewable sources like biomass including rice husk, briquette and natural gas. To address water pollution and antimicrobial resistance, we have proactively implemented wastewater treatment measures at our manufacturing facilities, thereby highlighting our commitment to responsible resource management and a healthier environment. We have strengthened our integrated water management systems, including rainwater harvesting on-site and off-site, to achieve water conservation and restoration goals by 2025.

Some of our notable accomplishments that underscore our commitments are:

- Generated ~43,000 MW of energy through solar plants and consumed 1,24,446 MW of renewable energy, highlighting our commitment to sustainability.
- Actively participated in The Antimicrobial Resistance Benchmark in 2018, 2020, and 2021, demonstrating our engagement in addressing this critical issue.
- Engaged in the AMR Industry Alliance Survey report in 2020, 2021, and 2022, showcasing our continuous involvement in combating antimicrobial resistance.
- Became full member of PSCI in 2024, indicating our dedication to responsible supply chain practices.
- Participated in the CDP Disclosure 2022, 2023 for Performance in Climate Change and Water Security, underscoring our transparency and commitment to addressing these global challenges.
- Received a 'C' score for Climate Change and Water Security as a first-time responder in the CDP assessment, recognising our exemplary performance in these areas.

As we expand our manufacturing scale and strengthen our market presence, we understand that sustainable growth necessitates a focus on nurturing and empowering our talented workforce. We recognise the importance of providing opportunities for employee development and cultivating a culture of inclusivity and diversity. This approach ensures a skilled and engaged team that drives innovation and operational excellence. Our commitment to talent development not only strengthens our organisation but also enhances the well-being of our employees and the communities in which we operate. By combining sustainable manufacturing practices with a focus on talent, we are confident in expanding our market presence while upholding our commitment to sustainability and long-term success.

A responsible organisation

We firmly believe in creating a healthier ecosystem and driving positive change through a holistic approach encompassing robust governance, transparency, and efficient information flow. To ensure the integration of sustainability into our operations, we have implemented a three-tier sustainability governance model emphasising accountability and continual improvement.

Through our Corporate Social Responsibility (CSR) initiatives, we actively target marginalised groups, enhance patient health, and tackle pressing social challenges. Our focus areas include diversity and inclusion, water conservation, responsible supply chain practices, carbon emissions reduction, and social accountability. By adhering to these principles, we strive to foster community well-being and contribute to building a sustainable future. In FY24, we spent ₹373 million on CSR activities.

Our CSR initiatives encompass a wide range of areas, including education, healthcare, sanitation, rural water systems, nutrition, sustainable agriculture, women empowerment, rural development, and environmental sustainability. These efforts have positively impacted the lives of 8.59 lakh individuals.

Overview

Enterprise Risk Management (ERM) framework’s objective is to address all major risks in a proactive manner to ensure business continuity and sustain organisational objectives. This is ensured by deploying an effective Risk Management Framework which helps in proactively identifying, prioritising and mitigating risks. The Company’s ERM practices are based on (COSO ERM Framework 2017), developed by the Treadway Commission. The ERM framework is designed to minimise the adverse impact of the risks. It enables the Company to leverage market opportunities effectively, enhances its competitive advantage over medium and long term, and increases stakeholders’ value.

Risk governance structure

The Risk Management Committee of our Company consists of the following members viz. Mr. Santanu Mukherjee, Mrs. Savita Mahajan and Mr. Girish Paman Vanvari who is the chairman of the committee. Our Company has established a separate department to monitor and manage the enterprise risk. The Committee had formulated a risk management policy for dealing with different kinds of risk which our Company faces in actual operations. The risk management procedure is reviewed by the Board of Directors on a regular basis along with the quarterly financial results of our Company.



Risk Management framework highlights following risk categories of our Company.

**Strategic risks:** These risks pertain to markets, products, resources, business growth and revenue model, investment etc. which can impact business objectives. Ownership of these risks would be with the top management.

**Operational risks:** These risks pertain to business operations like production capacity, quality assurance, customer demand, availability of materials, human safety etc. which can impact business. Ownership of these risks would be with the Operations team.

**Project risks:** These risks pertain to projects like delay in commissioning and budget issues and can impact business and lead to financial losses. Ownership of these risks would be with functional heads.

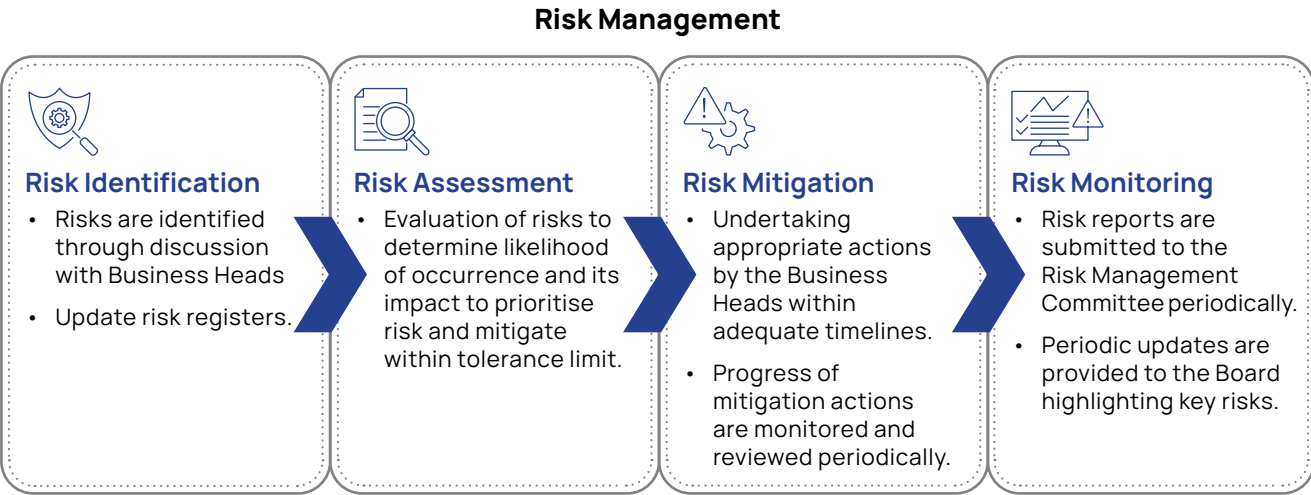
**Compliance risks:** There risks pertain to regulatory and statutory compliances and can impact our Company’s reputation and hamper business operations. Ownership of these risks would be with the respective functional heads.

**Financial risks:** These risks pertain to effective and efficient utilisation of financial resources like currency fluctuations, credit risks, liquidity risks, etc. These can impact financial performance of our Company like revenue, profitability, and liquidity etc. Ownership of these risks would be with the CFO.

**Information Technology (IT) risks:** There risks pertain to technology obsolescence, cyber-attacks or breach of security and data loss and can impact business operations. Ownership of these risks would be with the CIO.

Risk management process

Our Company has aligned risk management process with every part of the critical business processes to ensure that the processes are designed and operated effectively towards the achievement of business objectives. Risks are addressed across all key business functions in a holistic manner.



Key business risks at Aurobindo

Aurobindo, being a generic drug company like other pharmaceutical companies, having a business presence in the domestic and international markets including USA, Europe and other markets covering over 150+ countries and having 29 manufacturing and packaging facilities worldwide, is also exposed to some significant risks of global recession due to high inflation, high oil price and forex risk, which could have an adverse impact on operations and revenues namely supply chain, logistics, production, demand and supply, customer delivery, sales volumes and cash flow as discussed above.

Supply chain disruption risk

There is a significant risk to Aurobindo in procuring raw material from China and other markets, including the domestic market. Our Company continues to have high dependence on the China market for import of Key Starting Materials (KSMs), Intermediates and Active Pharmaceutical Ingredients. Our high dependency on the China market for import of raw material may lead to risk of import disruptions, short supplies, and production bottlenecks. Out of the total raw-material requirement (APIs plus Excipients) of Aurobindo India, about 42% of the material is procured from China (including Hong Kong) and 9% is procured from other countries and the remaining 49% is procured from the domestic market. The price of raw materials and service cost also increased significantly during the year due to reasons like high fluctuation in oil prices and forex.

Mitigation strategy

Our Company has already taken initiatives to mitigate the risk arising out of procuring materials from a single sourcing. We are working towards procuring material from domestic sources, and have already started qualifying Indian sources. The Government of India also has come forward with policies to encourage and support domestic manufacturers. It has come out with Production Linked Incentive (PLI) schemes for some of the Key Starting Materials (KSM) and raw materials. Aurobindo also participated under PLI scheme and production will be commissioned from FY25, which will further reduce dependency on China. The SCM team managed the supply disruptions effectively by maintaining adequate stock and developing effective rolling plans considering production requirement. In case of price increase, our Company is striving to pass on the cost to the extent possible.

Competition risk

Our Company’s major revenue comes from the US and Europe. The US generic market is one of the most dynamic markets in the world due to competition among generic drug makers. Risk of tough competition from other pharmaceutical companies in the generic drugs sector could impair the Company’s competitive advantages and lead to erosion of market share and revenue. Therefore, understanding the competition becomes imperative for our Company, especially during the drug development process.

Some of our Company's products face competition from other pharmaceutical companies' products by way of introduction of new products which might lead to some loss of market share and derail our competitive advantage to an extent. Competition in products in the generic drugs industry could lead to price erosion in our Company's products. We are facing stiff competition both from Indian manufacturers and global players having similar products which could impact retaining existing market share and increase of market share in the future.

Mitigation strategy

Our Company has a qualified and talented R&D team, which continues to identify and develop new, innovative processes and specialised products that allow us to capitalise on competitive market opportunities. To overcome competition from other pharmaceutical companies, Aurobindo leverages its R&D capabilities and continues to adopt and implement the following innovative and systematic approaches:

- Analysing and understanding all potential markets and competitors in key therapeutic areas.
- Targeting the right customers in terms of pricing, sales volumes, and payment history.
- Market potential forecasting and gathering competitor's pricing and product tracking.
- Expanding product portfolios through business acquisitions in key markets.
- Ensuring timely delivery and quality products to customers.
- Producing products at competitive costs by developing new processes, upgrading existing processes.
- Timely launch of new products by talented R&D teams to build and increase market share.
- Enhancing manufacturing facilities with new products to ensure sufficient levels of production.

Environment, health, safety and sustainability risks

Aurobindo, like many other pharmaceutical companies, faces inherent EHS&S risks due to the nature of its operations. We acknowledge environment, health, safety and sustainability (EHS&S) as a critical aspect of our operations. We have a well-defined EHS&S policy which outlines our commitment to environmental protection, employee health and safety, and the wellbeing of the stakeholders. EHS&S risks at Aurobindo can be broadly classified into three categories.

- **Environmental risks** like air and water pollution, waste management, energy consumption etc.
- **Health and safety risks** like exposure to hazardous materials, accidents, fatalities etc.
- **Sustainability risks** like resource consumption, climate change, social responsibility etc.

Over and above, Aurobindo requires certain statutory and regulatory permits and approvals to operate the business, including environmental clearances. Any failure to obtain, renew or maintain the required permits or approvals may result in the interruption of operations and may have a material adverse effect on our Company's operations. Government authorities have been focusing on environmental issues and making environmental laws stringent for the industry to follow. As the regulations are becoming tougher, it is a challenge for our Company to ensure adherence.

Mitigation strategy

We, at Aurobindo, acknowledge these risks and outline our approach in our EHS and sustainability policies and framework. Over the years, EHS&S excellence has been promoted as an essential element of ensuring human health and safety and is embedded in our corporate policies. Necessary EHS-related statutory permits are in place for our Company's manufacturing facilities and applications for renewal of approvals are being submitted on time.

Our Company prioritises national and international collaborations with various research institutions and universities in India to develop and adopt new treatments with a lower environmental impact like Bulk Drug Manufactures Association (BDMA), The AMR Industry Alliance (AMRIA) and The Access to Medicine Foundation.

Aurobindo has adopted sustainability/Environment Social Governance (ESG) framework with a commitment to build a healthier ecosystem. We had conducted our first ESG committee meeting in FY24, which demonstrates our commitment to build a sustainable and inclusive organisation that creates long-term value for stakeholders.

Carrying forward our commitment to limit our impact on climate change, Aurobindo has initiated a decarbonisation journey which is aligned with Science Based Targets Initiative (SBTi). As an outcome of various initiatives, our energy and greenhouse gases (GHG) emission intensity per unit of revenue has consistently declined over the years.

The energy efficiency projects include upgradation of the technology to minimise consumption, energy optimisation initiatives in existing equipment operations, and savings achieved through change in equipment operation. In addition to the energy efficiency initiatives, we strive to replace non-renewable energy in our operations. In FY24, we have generated 43,000 MWh electricity from our solar power plant situated near Pydibhimavaram, Vizag.

To address global warming concerns, we have taken up massive plantation drives in and around our manufacturing facilities to increase the green belt and offset emissions caused by our operations. Also, various energy-saving measures have been implemented at each operating facility and these initiatives helped us save approximately 166,370,725 GJ of energy including direct and indirect energy consumption savings and resulted in avoiding greenhouse gas emissions of about 521,257 tCO<sub>2</sub>e. We also use biomass in some of our facilities which further helps in reducing energy consumption from non-renewable fuels. In FY24, we generated 131,177 GJ of energy from biomass in our operations, which amounts to approximately 2% of our total energy consumption.

Patent protection risks

Aurobindo's success depends on the Company's ability to obtain patents, protect trade secrets and other proprietary information, and operate without infringing on the intellectual property rights of other pharma companies. Aurobindo's inability to obtain timely ANDA approval, thus missing out on early launch opportunities, and litigation outcomes could impact product launch dates affecting revenue.

Mitigation strategy

Aurobindo has a dedicated team of IP professionals whose primary task is to ensure that the products are manufactured using essentially non-infringing composition and processes to the best possible extent and in compliance with IP-related requirements by reviewing and monitoring IPR issues continuously. The IPR team evaluates and provides stage-wise IP clearances during product/process developmental activities. The IPR team also provides frequent updates and alerts on all relevant IP matters (such as patent, trademark, etc.) to R&D scientists for the products and suggests suitable measures to deal with IP-related issues. The IP team is also involved in product selection activity to ensure that right products are selected for development and no potential opportunity is missed out to the best possible extent.

As on March 31, 2024, our Company had filed 833 patent applications, of which 188 patents had been granted and 87 patent applications are pending for prosecution with various authorities globally. We ensure that our employees, vendors, and suppliers associated directly or indirectly sign appropriate confidentiality agreements prior to disclosure of any such confidential information.

People risk

Aurobindo's success depends largely on an effective HR strategy that includes recruitment, learning and development, succession planning and retention of competent personnel. The HR strategy is aligned to the business plan and growth of our Company. It is a challenge for Aurobindo to maintain good industrial & employee relations. Labour unrest could impact our Company's operations. The industry is human capital intensive with a high rate of attrition, and this could have an impact on our operations.

Mitigation strategy

We have a committed human resources team to acquire, retain and develop talent considering the competition for qualified and experienced people. Aurobindo follows a robust process for identifying talented candidates and those with proven track record. The entire process of talent identification is named as Auro Utkarsh in Aurobindo. The Line Managers take a proactive role in engaging with the prospective candidate while being transparent about the role and its scope, thus developing a close rapport with the aspirant, which in turn creates a mentor-mentee association once the person joins our Company.

Learning and development:

Under this umbrella, all technical training, ranging from personal hygiene requirements for manufacturing environments to regulatory requirements and how to operate a variety of highly technical machinery in bulk manufacturing and packaging facilities, are conducted for our employees. In addition, they also learn the whys behind each phase of the manufacturing process, and how to determine good products from bad ones.

1. **Leadership development programme (Auro Astra):** A leadership development programme is critical for Aurobindo, as it is an organisation that values the growth and development of the employees. The programme includes training, coaching, and mentorship on leadership theories, communication skills, decision-making strategies, and other essential competencies.

2. **Middle management development programme (MDP):** Middle managers are crucial for an organisation because they act as a bridge between business strategy and execution. Middle management development is an essential aspect of leadership development in any organisation.
3. **Supervisory development programme (SDP):** A supervisory development programme is a structured training and development initiative designed to equip current and aspiring supervisors with the knowledge, skills, and tools they need to effectively lead and manage teams.

**Succession planning:** Aurobindo believes succession planning is the process of identifying and developing employees who have the potential to fill key leadership positions within an organisation.

- To ensures business continuity: By identifying and developing potential successors in advance like retirement, resignation, death etc.
- To build a talent pipeline that is capable of taking on increasingly complex roles and responsibilities. We have deployed Potential Assessment Centre (PAC) to identify leadership pipeline particularly at the shopfloor. It is competency-based assessment. These competencies are assessed based Situational Judgement Test and role play. Only when people with above benchmark scores are considered for role change in the given band.
- Individual Development Plans (IDPs) are created to augment these strengths and overcoming improvement areas towards leadership potential development. Train the Trainers modules are put in place to coach identified potential leaders to take up higher responsibilities.

Rewards and recognition

To build a culture of appreciation in the organisation and to bring out the best in what our employees do daily, we have designed a unique way of rewarding and recognising our workforce. Every Quarter in each manufacturing unit, there is a scorecard based cross functional team reward and recognition practice. We have identified 8 categories of these rewards i.e. Best Safety Practices, Best Document Practices, Best Investigation, Good Manufacturing Practices, Best Process, Best Project, Best KRA Achievement and Best Facility.

Economic and geopolitical risks

Economic and political instability arising from changes in foreign policies and political leadership in countries

where Aurobindo has significant presence such as USA, Europe, and emerging markets (EM) could adversely affect our Company's operations in those markets. The regulatory landscape of the global pharmaceutical industry is complex and dynamic, which could be significantly influenced by the external macro environment such as the political, economic, social, and technological (PEST) factors. Also, the recent inflation issue had led to recession threat worldwide, especially in the US.

Aurobindo has business operations predominately in USA, Europe, and Growth Markets. The existing Growth Markets include South Africa, Brazil, Canada, and Africa. Our Company has presence in the Anti-retroviral segment where it sells ARVs to over 125 countries by participating in global tenders floated by international organisations such as Global Fund, USAID/PEPFAR and country-specific Ministry of Health (MOH). Our Company has 29 commercial manufacturing facilities across the globe (26 in India, 1 each in Brazil, Portugal and the US) and 9 R&D facilities.

USA is the largest market for the Company with around 45-50% of the revenue generated in FY24. Europe is the second largest market after the US, accounting for approx. 20-25% of revenues in FY24 and the remaining revenue comes from other markets.

Mitigation strategy

Aurobindo is one of the largest vertically integrated pharmaceutical companies with ~51% of API manufactured in-house; our Company's strength lies in developing quality Active Pharmaceutical Ingredients (APIs) and Finished Dosage Forms (FDFs). These products are manufactured across facilities that have been inspected by various regulatory authorities such as the US FDA, UK MHRA, Japan PMDA, WHO, Health Canada, Europe EMA, Australia TGA, MCC South Africa, and ANVISA Brazil. These factors enable our Company to be cost efficient and compete in our addressable markets.

In some countries like Africa, the Middle East and Russia, PEST influence is high, which might lead to business risk to our Company. Government authorities are encouraging local manufacturers, restricting imports, and levying conditions to buy medicines only through government tenders. As part of the de-risking strategy, our Company is aggressively participating in government tenders and appointing approved distributors.

Over the years, our Company has been expanding its presence through business and R&D acquisitions in the US, Europe, and China markets and focusing on other untapped and potential markets like Japan, Brazil, Africa,

Canada, the Middle East, Poland, Czech Republic, the Netherlands, Spain, and Belgium. We continue to enhance our presence and focus on difficult-to-develop, niche, oral, sterile, specialty injectable products, biosimilars, semi-synthetic and peptide-based drugs.

Pricing risks

Aurobindo, having major presence in global markets, is subjected to price controls or some regulations on pricing. New pricing regulations can influence pricing pressures on products which can have an impact on our Company's revenues and profitability. The stringent measures to reduce drug prices for customers could have an adverse impact on Aurobindo's businesses and profits. The price controls limit the financial benefits of growth in the life sciences market and the introduction of new products.

There is a risk of drug pricing pressures in global markets, especially in the US, on account of government regulations to reduce drug prices for the benefit of the customers. This could have an adverse impact on our Company's business and profit margins. The consolidation and integration of the drug wholesalers, retail drug chains, and other purchasing organisations may continue to adversely affect pharmaceutical manufacturers and such consolidations have resulted in increasing the product pricing pressures. Drug pricing is influenced by global trends in terms of availability and cost of imported raw material. Domestic pricing is influenced by global trends in both availability and price of imported active ingredients. Our Company continues to face challenges within the industry, be it price cuts or increased price controls. Our net sales realisations could get affected due to discounts offered to customers for benchmarking and competing with the pricing of its competitors.

Mitigation strategy

Our Company, as part of the mitigation strategy, continues to adopt appropriate negotiation tactics to market products to customers. It focuses on stable supplies and a diversified product portfolio. We are handling pricing pressures by launching value-added products, Day-1 launches and focusing on other markets where there are less pricing pressure.

Being backward integrated enables us to manufacture high quality and cost-effective products by redefining the production process and leveraging our R&D capabilities. The SCM team is continuously striving to strategically negotiate for raw materials to minimise their price impact and ensure timely services to key customers in all key

markets. Our Company can deal with price pressures by increasing volumes, improving efficiencies, optimising costs, and strengthening the supply chain.

Market risk

The US market is the dominant market globally for our Company with around 40-45% of the revenue coming from the US. This poses a concentration and dependence risk on a single geography for our Company if it fails to maintain efficient operations in that market, which could adversely affect our business, operations, and financial condition. Europe is another major market for us where we are exposed to market risk if we are unable to maintain a sufficient portfolio of products and manage their development and bring the products to the market promptly, which could ultimately affect the business and growth strategy.

Mitigation strategy

To mitigate the risk of customer concentration, Aurobindo is endeavouring to enhance customer base through an effective marketing strategy. Our Company is focussed on customer service by improving OTIF (On time in Full). We are expanding our business in Europe, Japan, and other emerging markets to widen geographical spread by entering large potential markets in Latin America and emerging markets. We continue to sustain our ANDA filings and get necessary approvals so that our product portfolio is wide enough to mitigate the concentration risk.

There are significant investments made in R&D by our Company over the years to build a portfolio of value-added and complex products such as biologics, dermatology, respiratory, peptides, and vaccines. A well-diversified product portfolio has enabled us to maintain steady growth in the US and Europe markets. We invested significant amount in the biosimilar clinical trials over the years.

Regulatory, statutory and legal compliance risks

The pharmaceutical industry is constantly being challenged by critical compliance risks i.e., to comply with rigorous regulatory and legal requirements. Compliance is evolving from an isolated departmental initiative to an enterprise level risk management challenge. This could render Aurobindo's technology and products non-competitive or restrict our Company's ability to introduce new products thereby adversely impacting business. Non-compliance in any geography due to changing regulations can have a considerable impact on Aurobindo's operations and its reputation.

Mitigation strategy

Aurobindo is committed to supplying the highest quality medicines to customers for promoting healthier lives. Hence, we strive to conform to regulatory and compliance standards to meet stringent requirements of regulators to ensure that our medicines provide best health care for the consumers. Robust quality systems and control measures are in place so that quality is ensured by process design. There is continuous monitoring by the QC/QA team to deliver the highest quality. Our Company has a talent pool of over 1,500 scientists and analysts, who have proficiency and experience in handling complex chemistry and filing of applications with the regulatory authorities.

Our Company has leveraged industry expertise by engaging a US-based consulting firm to establish, train and constantly monitor Quality Culture Excellence. An organisation-wide training has been kickstarted. A powerful multi-dimensional monitoring tool to measure Quality Culture Maturity has been developed and shall be used to quantify and improve, where required, the progress of implementation of the Quality Culture Excellence initiative.

We have a robust “Statutory compliance system/ solution” (Vision 360 Tool) for ensuring compliance with all applicable laws that is updated periodically. Quarterly compliance declarations generated electronically from the system are submitted to the compliance officer.

Financial risks

Aurobindo operates internationally – the majority of the export transactions and borrowings are carried out in multiple currencies and a portion of import transactions are carried out in more than one currency. The business is exposed to foreign currency risk, interest rate risk, liquidity risk and credit risk which may adversely impact the fair value of our financial instruments.

Our Company’s foreign currency exchange exposure majorly arises from exports, imports, and borrowings. Any weakening of the functional currency may adversely impact our cost of imports and cost of borrowings; however, the export revenue may be favourably impacted and vice versa. We are exposed to interest rate risk majorly arising from interest rate movements from borrowings with variable interest rates and interest rate exposure mainly related to debt obligations. Liquidity risk refers to the risk that our Company will encounter in meeting the obligations associated with its financial liabilities. Credit risk refers to the risk that a counterparty or customer will default on contractual

obligations resulting in a loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Mitigation strategy

Our Company’s primary focus is to foresee the unpredictability of financial markets and minimising any adverse impact on our financial performance. The Management ensures an appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured, and managed in accordance with our Company’s policies and risk objectives.

Aurobindo evaluates exchange rate exposure arising from foreign currency transactions and carefully monitors the open exposure from the parity statement regularly since the foreign currency receivables and foreign currency obligations arising from imports and borrowings will provide a natural hedge to the Company. We use foreign exchange forward instruments primarily to hedge foreign exchange exposure. Further, as per policy, we do not enter into any complex forex derivatives, which are speculative in nature.

We monitor liquidity risk using cash flow forecasting models. Our Company’s objective is to provide financial resources to meet obligations when they are due in a timely, cost effective and reliable manner without incurring unacceptable losses or risking damage to the Company’s reputation. We have obtained fund and non-fund based working capital lines from various banks. Furthermore, our Company has access to undrawn lines of committed and uncommitted borrowing facilities and other debt instruments. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on a continuous basis with appropriate approval mechanisms for sanction of credit limits.

IT and cyber security risk

Our Company needs additional focus and firming up of IT infra security and Cyber Security, considering remote working environment after COVID. We face cyber security challenges in terms of data confidentiality, integrity, and availability as more collaboration technologies (web conferencing, video conferencing, file sharing and collaboration, mobile computing, cloud computing etc.) for internal and external virtual meetings are adopted. Any vulnerability in information security and regulatory compliance management may have an impact on business continuity and can lead to legal consequences and penalties.

Mitigation strategy

Aurobindo is improving process efficiency and working towards better control, faster decision-making and better assurance on compliance by embracing digitalisation across processes. Our IT infrastructure, data availability, data storage and processing and cyber security aspects are continuously scaled-up and upgraded to support growing business needs and to enable the Company to stay competitive in the market. Aurobindo continues to ensure compliance with applicable provisions of European Union General Data Protection Regulation (EU GDPR). To ensure GDPR compliances, our Company has established policies and procedures which include training employees and investing in adequate technologies to safeguard personal data collected from EU data subjects. Our Company has a tie-up with the Enterprise DPO (Data Protection Officer), who closely works with country specific DPO, IT, HR, Legal etc. for ensuring compliance.

We have taken steps to strengthen IT infra security with systematic backup procedure, storage, firewall rules, network segmentation and system access, including role-based and remote access through VPN and change management controls. For all critical IT applications and services, we have built highly stringent and secured infrastructure. For business continuity, our Company continues to maintain a disaster recovery site, which hosts backup ERP applications. The IT team conducts a periodic review of cyber security posture and penetration tests to ensure effectiveness. In addition, the following control measures are taken to mitigate cyber security risk.

Z-Scaler ZIA's Zero Trust Solution, which is the most widely used security service edge (SSE) platform in the world, is being installed. The most widely used ZTNA platform in the world is ZPA that uses the principles of least privilege to provide users secure, direct connectivity to private apps that are running on-prem or in the public cloud while preventing unauthorised access and lateral movement.

- Periodic meeting with senior leadership on the emerging risks/cyber threats and our postures for the same.
- Continuous training and awareness for users throughout the year to make them aware of new cyber vulnerabilities and educate them about the right response.
- Hardening of IT infra security by implementing technology solutions related to remote access, internal and external threat protection.
- Regularly reviewing access levels and tracking them appropriately.
- Monitoring logs related to IT infrastructure i.e., Firewall, VPN firewall, Mail gateway, AD server, Proxy server, AV Server, Email Server, ERP Server and taking appropriate action on incidences, if any.
- Engaging with the business and OEMS for the upgrade of infrastructure and application services in a timely manner to minimise the risk of any potential vulnerability and cyber risks.

Section A GENERAL DISCLOSURES

I - DETAILS OF LISTED ENTITIES

|     |  |   |
|-----|--|---|
| 1.  | Corporate Identity Number (CIN) of the Listed Entity   | L24239TG1986PLC015190   |
| 2.  | Name of the Listed Entity  | Aurobindo Pharma Limited  |
| 3.  | Year of incorporation  | 1986  |
| 4.  | Registered office address  | Plot no.2, Maithrivihar, Behind Maithrivanam, Ameerpet, Hyderabad - 500038, Telangana, India                                  |
| 5.  | Corporate address  | Galaxy, Floor 22-24; Plot No 1, Sy No 83/1, Hyderabad Knowledge City, Raidurg Panmaktha, Hyderabad - 500032, Telangana, India |
| 6.  | E-mail   | info@aurobindo.com  |
| 7.  | Telephone  | 040-66721200  |
| 8.  | Website  | www.aurobindo.com   |
| 9.  | Financial year for which reporting is being done   | 2023-24   |
| 10. | Name of the Stock Exchange(s) where shares are listed  | BSE Limited, National Stock Exchange of India Limited   |
| 11. | Paid-up Capital  | ₹ 58,59,38,609  |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report   | Mr. B. Adi Reddy,<br>Company Secretary & Compliance Officer<br>Phone: +91 40 6672 5333<br>Email: cs@aurobindo.com             |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The disclosure under BRSR is on consolidated basis, unless otherwise stated.  |
| 14. | Name of assurance provider   | M/s Sharp & Tannan Associates   |
| 15. | Type of assurance obtained   | Reasonable Assurance  |

II - PRODUCTS AND SERVICES

16. Details of business activities (accounting for 90% of the Turnover)

| Sl. No | Description of Main Activity | Description of Business Activity   | % of Turnover of the entity |
|--------|------------------------------|--|-----------------------------|
| 1      | Manufacturing                | Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products | 100 %                       |

17. Products/Services sold by the entity (accounting for 90% of the Entity's Turnover)

| Sl. No | Product/Service   | NIC Code | % of total Turnover contributed |
|--------|---|----------|---------------------------------|
| 1      | Development, Manufacture and Sale of Active Pharma Ingredients and Formulations | 21009    | 100%                            |

III - OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location      | Number of plants* | Number of offices | Total |
|---------------|-------------------|-------------------|-------|
| National      | 29                | 3                 | 32    |
| International | 6                 | 52                | 58    |

\* 29 manufacturing facilities out of 35 are under commercial operations.

19. Markets served by the entity:

A. Number of locations:

| Locations                                      | Number                            |
|--|-----------------------------------|
| National (No. of States and Union Territories) | 28 States and 7 Union Territories |
| International (No. of Countries)               | 151 countries                     |

B. What is the contribution of exports as a percentage of the total turnover of the entity?

89%

C. A brief on types of customers

Generic customers, Major pharma customers, Institutional customers and Health care professionals

IV – EMPLOYEES

20. Details as at the end of Financial Year

A. Employees and workers (including differently abled):

| Sl. No          | Particulars          | Total  | Male   |        | Female |        |
|-----------------|----------------------|--------|--------|--------|--------|--------|
|                 |                      |        | No.    | %      | No.    | %      |
| Employees       |                      |        |        |        |        |        |
| 1               | Permanent            | 26,015 | 23,401 | 89.95% | 2,614  | 10.05% |
| 2               | Other than Permanent | -      | -      | -      | -      | -      |
| Total employees |                      | 26,015 | 23,401 | 89.95% | 2,614  | 10.05% |
| Workers         |                      |        |        |        |        |        |
| 1               | Permanent            | -      | -      | -      | -      | -      |
| 2               | Other than Permanent | 11,581 | 9,482  | 81.88% | 2,099  | 18.12% |
| Total workers   |                      | 11,581 | 9,482  | 81.88% | 2,099  | 18.12% |

B. Differently abled Employees and workers:

| Sl. No    | Particulars            | Total     | Male     |             | Female   |            |
|-----------|------------------------|-----------|----------|-------------|----------|------------|
|           |                        |           | No.      | %           | No.      | %          |
| Employees |                        |           |          |             |          |            |
| 1         | Permanent              | 12        | 9        | 75%         | 3        | 25%        |
| 2         | Other than Permanent   | -         | -        | -           | -        | -          |
| 3         | <b>Total employees</b> | <b>12</b> | <b>9</b> | <b>75%</b>  | <b>3</b> | <b>25%</b> |
| Workers   |                        |           |          |             |          |            |
| 4         | Permanent              | -         | -        | -           | -        | -          |
| 5         | Other than Permanent   | 5         | 5        | 100%        | -        | -          |
| 6         | <b>Total workers</b>   | <b>5</b>  | <b>5</b> | <b>100%</b> | <b>-</b> | <b>-</b>   |

21. Participation/Inclusion/Representation of women

| Particulars              | Total | No. and percentage of Females |     |
|--------------------------|-------|-------------------------------|-----|
|                          |       | No.                           | %   |
| Board of Directors       | 10    | 2                             | 20% |
| Key Management Personnel | 4     | 0                             | -   |

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

| Particulars         | FY 2024 |        |       | FY 2023 |        |       | FY 2022 |        |       |
|---------------------|---------|--------|-------|---------|--------|-------|---------|--------|-------|
|                     | Male    | Female | Total | Male    | Female | Total | Male    | Female | Total |
| Permanent Employees | 15%     | 28%    | 16%   | 19%     | 19%    | 19%   | 17%     | 15%    | 17%   |
| Permanent Workers   | -       | -      | -     | -       | -      | -     | -       | -      | -     |

V – HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

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

| Sl. No | Name of the holding/subsidiary/associate companies/joint ventures                    | Indicate whether holding/Subsidiary/ Associate/Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|--|--|-----------------------------------|--|
| 1      | Helix Healthcare B.V.  | Subsidiary   | 100%                              | No   |
| 2      | Agile Pharma B.V.  | Subsidiary   | 100%                              | No   |
| 3      | Laboratorios Aurobindo S.L.<br>(Merged with Aurovitas Spain SA w.e.f. April 1, 2023) | Subsidiary   | 100%                              | No   |
| 4      | Aurex B.V.<br>(formerly known as Pharmacin B.V.)                                     | Subsidiary   | 100%                              | No   |
| 5      | Milpharm Limited   | Subsidiary   | 100%                              | No   |
| 6      | Aurobindo Pharma (Malta) Ltd.  | Subsidiary   | 100%                              | No   |
| 7      | APL Swift Services (Malta) Ltd.  | Subsidiary   | 100%                              | No   |
| 8      | Aurobindo Pharma (Romania) s.r.l   | Subsidiary   | 100%                              | No   |
| 9      | Pharmacin B.V.<br>(formerly known as Aurex B.V.)                                     | Subsidiary   | 100%                              | No   |
| 10     | Aurovitas Pharma Polska  | Subsidiary   | 100%                              | No   |
| 11     | Generis Farmaceutica S.A.  | Subsidiary   | 100%                              | No   |
| 12     | Generis Phar, Unipessoal Lda   | Subsidiary   | 100%                              | No   |
| 13     | Aurobindo Pharma (Italia) S.r.l  | Subsidiary   | 100%                              | No   |
| 14     | Arrow Generiques SAS   | Subsidiary   | 100%                              | No   |
| 15     | 1980 Puren Pharma GmbH<br>(formerly Actavis Management GmbH), Germany                | Subsidiary   | 100%                              | No   |
| 16     | Puren Pharma GmbH & Co., KG<br>(formerly Actavis Deutschland GmbH & Co., KG)         | Subsidiary   | 100%                              | No   |
| 17     | Aurovitas Spain SA<br>(formerly Actavis Spain S.A)                                   | Subsidiary   | 100%                              | No   |
| 18     | Aurobindo Pharma B.V.<br>(formerly known as Actavis B.V.)                            | Subsidiary   | 100%                              | No   |
| 19     | Aurovitas Spol s.r.o<br>(formerly Apotex (CR) Spol s.r.o.)                           | Subsidiary   | 100%                              | No   |
| 20     | Apotex Europe B.V.   | Subsidiary   | 100%                              | No   |
| 21     | Aurovitas Nederland B.V<br>( formerly Apotex Nederland B.V.)                         | Subsidiary   | 100%                              | No   |
| 22     | Sameko Farma B.V.  | Subsidiary   | 100%                              | No   |
| 23     | Leidapharm B.V.  | Subsidiary   | 100%                              | No   |
| 24     | Marel B.V.   | Subsidiary   | 100%                              | No   |
| 25     | Pharma Dossier B.V.  | Subsidiary   | 100%                              | No   |
| 26     | Aurobindo NV/SA  | Subsidiary   | 100%                              | No   |
| 27     | CuraTeQ Biologics s.r.o.   | Subsidiary   | 100%                              | No   |
| 28     | Eugia Pharma B.V.  | Subsidiary   | 100%                              | No   |
| 29     | Eugia Pharma (Malta) Limited   | Subsidiary   | 100%                              | No   |

| Sl. No | Name of the holding/subsidiary/associate companies/joint ventures                               | Indicate whether holding/Subsidiary/ Associate/Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| 30     | Eugia (UK) Limited  | Subsidiary   | 100%                              | No   |
| 31     | APL Pharma Thai Limited   | Subsidiary   | 97.9%                             | No   |
| 32     | Aurobindo Pharma Industria Farmaceutica Ltd.  | Subsidiary   | 99.97%                            | No   |
| 33     | Aurobindo Pharma Produtos Farmaceuticos Limitada  | Subsidiary   | 100%                              | No   |
| 34     | All Pharma (Shanghai) Trading Co Ltd.   | Subsidiary   | 100%                              | No   |
| 35     | Auro Pharma Inc.  | Subsidiary   | 100%                              | No   |
| 36     | Aurobindo Pharma (Pty) Ltd.   | Subsidiary   | 100%                              | No   |
| 37     | Aurobindo Pharma Japan KK   | Subsidiary   | 100%                              | No   |
| 38     | Aurovida Farmaceutica SA DE CV  | Subsidiary   | 100%                              | No   |
| 39     | Aurobindo Pharma Colombia S A S   | Subsidiary   | 100%                              | No   |
| 40     | Aurogen South Africa (PTY) Ltd.   | Subsidiary   | 100%                              | No   |
| 41     | Aurobindo Pharma Saudi Arabia Limited Company   | Subsidiary   | 100%                              | No   |
| 42     | Aurovitas Pharma (Taizhou) Ltd.   | Subsidiary   | 100%                              | No   |
| 43     | Aurobindo Pharma FZ-LLC   | Subsidiary   | 100%                              | No   |
| 44     | Aurosalud SA De CV  | Subsidiary   | 100%                              | No   |
| 45     | Auro PR Inc   | Subsidiary   | 100%                              | No   |
| 46     | Eugia Pharma INC, Canada  | Subsidiary   | 100%                              | No   |
| 47     | Eugia Pharma (Australia) PTY Limited  | Subsidiary   | 100%                              | No   |
| 48     | Eugia Pharma Industria Farmaceutica Limitada  | Subsidiary   | 100%                              | No   |
| 49     | Aurobindo Pharma Ukraine LLC  | Subsidiary   | 100%                              | No   |
| 50     | Eugia Pharma Colombia S.A.S.  | Subsidiary   | 100%                              | No   |
| 51     | PT Aurogen Pharma Indonesia<br>(w.e.f. July 1, 2022)  | Subsidiary   | 100%                              | No   |
| 52     | Auro Pharma LLC, Russia (w.e.f. July 24, 2023)  | Subsidiary   | 100%                              | No   |
| 53     | Aurobindo Pharma USA Inc.   | Subsidiary   | 100%                              | No   |
| 54     | Aurolife Pharma LLC   | Subsidiary   | 100%                              | No   |
| 55     | Auro Health LLC   | Subsidiary   | 100%                              | No   |
| 56     | Auro AR LLC   | Subsidiary   | 100%                              | No   |
| 57     | Auro Vaccines LLC   | Subsidiary   | 100%                              | No   |
| 58     | Auro Logistics LLC  | Subsidiary   | 100%                              | No   |
| 59     | Acrotech Biopharma Inc. (Formerly Acrotech Biopharma LLC)                                       | Subsidiary   | 100%                              | No   |
| 60     | Auro Science LLC  | Subsidiary   | 100%                              | No   |
| 61     | Auro Packaging LLC  | Subsidiary   | 100%                              | No   |
| 62     | Vespyr Brands LLC (formerly known as Vespyr Brands, Inc)  | Subsidiary   | 100%                              | No   |
| 63     | Eugia Inc   | Subsidiary   | 100%                              | No   |
| 64     | Eugia US LLC (formerly known as Auro Medics Pharma LLC), USA                                    | Subsidiary   | 100%                              | No   |
| 65     | Eugia US Manufacturing LLC  | Subsidiary   | 100%                              | No   |
| 66     | APL Healthcare Limited  | Subsidiary   | 100%                              | No   |
| 67     | Auronext Pharma Private Limited (Merged with Aurobindo Pharma Ltd., India w.e.f. April 1, 2023) | Subsidiary   | 100%                              | No   |
| 68     | Auro Peptides Ltd.  | Subsidiary   | 95%                               | No   |
| 69     | Apitoria Pharma Private Limited<br>(formerly Auro Pharma India Private Limited)                 | Subsidiary   | 100%                              | No   |
| 70     | Auroactive Pharma Private Limited   | Subsidiary   | 100%                              | No   |
| 71     | CuraTeQ Biologics Private Limited   | Subsidiary   | 100%                              | No   |

| Sl. No | Name of the holding/subsidiary/associate companies/joint ventures   | Indicate whether holding/Subsidiary/ Associate/Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| 72     | Eugia Steriles Private Limited (formerly known as Auro Cure Private Limited )                             | Subsidiary   | 100%                              | No   |
| 73     | AuroZest Private Limited  | Subsidiary   | 100%                              | No   |
| 74     | Aurobindo Antibiotics Private Limited   | Subsidiary   | 100%                              | No   |
| 75     | Eugia Pharma Specialities Ltd.  | Subsidiary   | 100%                              | No   |
| 76     | Mviyes Pharma Ventures Private Limited (Merged with Aurobindo Pharma Limited, India w.e.f. April 1, 2023) | Subsidiary   | 100%                              | No   |
| 77     | Lyfius Pharma Private Limited   | Subsidiary   | 100%                              | No   |
| 78     | Qule Pharma Private Limited   | Subsidiary   | 100%                              | No   |
| 79     | Eugia SEZ Private Limited (formerly Wytells Pharma Private Limited)                                       | Subsidiary   | 100%                              | No   |
| 80     | Auro vaccines Private Limited   | Subsidiary   | 100%                              | No   |
| 81     | GLS Pharma Limited, (w.e.f. August 17, 2022)  | Subsidiary   | 51%                               | No   |
| 82     | TheraNym Biologics Private Limited, (w.e.f. September 22, 2022)   | Subsidiary   | 100%                              | No   |
| 83     | Auro Trading Private Limited (w.e.f. November 22, 2023)   | Subsidiary   | 100%                              |  |
| 84     | Auroscience (Pty) Ltd. (liquidated w.e.f. June 4, 2023)   | Subsidiary   | -                                 | No   |
| 85     | Novagen Pharma (Pty) Ltd.   | Joint Venture  | 50%                               | No   |
| 86     | Purple Bellflower (Pty) Ltd.  | Joint Venture  | 48%                               | No   |
| 87     | Luoxin Aurovitas Pharm (Chengdu) Co. Ltd.   | Joint Venture  | 30%                               | No   |
| 88     | Novagen BBBEE Invest Co (Pty) Ltd.  | Joint Venture  | 24.5%                             | No   |
| 89     | Raidurgam Developers Limited  | Joint Venture  | 40%                               | No   |
| 90     | Tergene Biotech Limited (formerly known as Tergene Biotech Pvt. Ltd.)                                     | Joint Venture  | 80%                               | No   |
| 91     | NVNR (Ramannapet I) Power Plant Private Limited   | Associate  | 26%                               | No   |
| 92     | NVNR (Ramannapet II) Power Plant Private Limited  | Associate  | 26%                               | No   |
| 93     | Aurobindo Pharma Foundation   | Subsidiary/Sec 8 Company                                     | 100%                              | No   |

VI – CSR DETAILS

24.

|   |            |
|---|------------|
| (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) | Yes        |
| (ii) Turnover (in ₹)  | ₹29,002 Cr |
| (iii) Net worth (in ₹)  | ₹29,851 Cr |

VII - TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | (If Yes, then provide web-link for grievance redress policy) | FY 2024                                    |  |         | FY 2023                                 |   |         |
|---|---|--|--|--|---------|---|---|---------|
|   |   |  | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | No. of complaints filed during the year | No. of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Yes   | -  | -  | -  | -       | -                                       | -   | -       |
| Investors and Shareholders                        | Yes   | -  | 6  | 6  | -       | 7                                       | 7   | -       |
| Employees and workers                             | Yes   | People Care Link and others* (I, II, III, IV)                | 61   | 1  | -       | 76                                      | 2   | -       |
| Consumers and Customers                           | Yes   | -  | 6,146                                      | 15   | -       | 5,517                                   | -   | -       |
| Suppliers   | Yes   | (I, II, V)   | -  | -  | -       | -                                       | -   | -       |

\* Major policies guiding the responsible business conduct spanning key stakeholders are provided below

- I. Policy on Business Ethics and Values (Link: [https://www.aurobindo.com/api/uploads/Policy%20on%20Business%20Ethics%20&%20Values\\_Aurobindo%20Pharma%20Ltd.pdf](https://www.aurobindo.com/api/uploads/Policy%20on%20Business%20Ethics%20&%20Values_Aurobindo%20Pharma%20Ltd.pdf))
- II. Human Rights Policy (Link: [https://www.aurobindo.com/pdfs/Human%20Rights%20Policy\\_Aurobindo%20Pharma%20Ltd.pdf](https://www.aurobindo.com/pdfs/Human%20Rights%20Policy_Aurobindo%20Pharma%20Ltd.pdf))
- III. Prevention of Sexual Harassment Policy (Available on Company Intranet portal)
- IV. Whistle Blower Policy (Link: [https://www.aurobindo.com/api/uploads/disclosure\\_under\\_regulation/Whistle%20Blower%20Policy-APL-New-March2024.pdf](https://www.aurobindo.com/api/uploads/disclosure_under_regulation/Whistle%20Blower%20Policy-APL-New-March2024.pdf))
- V. Supplier Code of Conduct (effective from April 1, 2023) (Link: [https://www.aurobindo.com/pdfs/Supplier%20Code%20of%20Conduct\\_Aurobindo%20Pharma%20Ltd.pdf](https://www.aurobindo.com/pdfs/Supplier%20Code%20of%20Conduct_Aurobindo%20Pharma%20Ltd.pdf))

26. Overview of the entity's material responsible business conduct issues

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

| Sl. No. | Material issue identified   | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity   | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|-----------------------------|--|--|--|--|
| 1       | Promoting renewable energy  | Opportunity                                | <ul style="list-style-type: none"><li>Reduce dependency on conventional sources of energy</li><li>Reduction in cost and brand image (carbon-neutral/positive)</li><li>Increasing energy cost</li><li>Peers focusing on renewable energy</li></ul>  | -  | Positive   |
| 2       | Integrated water management | Opportunity                                | <ul style="list-style-type: none"><li>Reduce dependency on freshwater withdrawal through rainwater harvesting and reduction in cost</li><li>Brand image (water neutral/positive)</li><li>Water offset programmes</li><li>Location-specific water stress</li><li>Groundwater depletion</li><li>Dynamic regulatory landscape</li></ul> | -  | Positive   |

| Sl. No. | Material issue identified                | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|--|--|--|---|--|
| 3       | Anti-microbial resistance                | Risk                                       | <ul style="list-style-type: none"><li>Health risk</li><li>Responsible manufacturing</li><li>Enhanced brand image</li><li>Strategic collaboration to combat AMR</li></ul>   | Aiming towards Predicted No-Effect Concentrations (PNECs) targets for antibiotics in wastewater as per AMR Industry Alliance targets  | Negative   |
| 4       | Corporate social responsibility          | Opportunity                                | <ul style="list-style-type: none"><li>Enhanced brand image</li><li>Social license to operate</li><li>Engagement with local communities</li></ul>   | -   | Positive   |
| 5       | Promotion of diversity and inclusiveness | Opportunity                                | <ul style="list-style-type: none"><li>Managing attrition rates</li><li>Enhanced brand image</li><li>Talent retention</li></ul>   | -   | Positive   |
| 6       | Sustainable supply chain management      | Risk                                       | <ul style="list-style-type: none"><li>Falling behind sector peers</li><li>Need for increased efficiency and cost reduction</li><li>Establish traceable and transparent supply chain</li><li>Supplier assessment programme covering ESG aspects</li></ul> | <ul style="list-style-type: none"><li>Ensure partners and suppliers adhere to the supplier code of conduct through engagements and audits</li><li>Shifting towards low carbon logistics</li></ul> | Negative   |
| 7       | Access to healthcare                     | Opportunity                                | <ul style="list-style-type: none"><li>Opportunity to develop a robust pipeline</li><li>Brand image</li><li>Efforts to ensure medicine availability for patients in need of medicines for unmet medical needs</li><li>Brand image</li></ul>               | -   | Positive   |

Section BMANAGEMENT AND PROCESS DISCLOSURES

| Disclosure Question   | P-1  | P-2             | P-3                     | P-4 | P-5                     | P-6             | P-7 | P-8 | P-9            |
|---|--|-----------------|-------------------------|-----|-------------------------|-----------------|-----|-----|----------------|
| 1. A. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)  |  |                 | Yes                     |     |                         |                 | -   |     | Yes            |
| 1. B. Has the policy been approved by the Board? (Yes/No)   |  |                 | Yes                     |     |                         |                 |     |     | Yes            |
| 1. C. Web Link of the Policies, if available  | <a href="https://www.aurobindo.com/sustainability/social-accountability-standards">https://www.aurobindo.com/sustainability/social-accountability-standards</a><br><a href="https://www.aurobindo.com/investors/corporate-governance/governance-policies">https://www.aurobindo.com/investors/corporate-governance/governance-policies</a><br><a href="https://www.aurobindo.com/sustainability/our-commitment">https://www.aurobindo.com/sustainability/our-commitment</a><br><a href="https://www.aurobindo.com/api/uploads/Policy%20on%20Business%20Ethics%20&amp;%20Values_Aurobindo%20Pharma%20Ltd.pdf">https://www.aurobindo.com/api/uploads/Policy%20on%20Business%20Ethics%20&amp;%20Values_Aurobindo%20Pharma%20Ltd.pdf</a><br><a href="https://www.aurobindo.com/pdfs/Human%20Rights%20Policy_Aurobindo%20Pharma%20Ltd.pdf">https://www.aurobindo.com/pdfs/Human%20Rights%20Policy_Aurobindo%20Pharma%20Ltd.pdf</a><br><a href="https://www.aurobindo.com/pdfs/Supplier%20Code%20of%20Conduct_Aurobindo%20Pharma%20Ltd.pdf">https://www.aurobindo.com/pdfs/Supplier%20Code%20of%20Conduct_Aurobindo%20Pharma%20Ltd.pdf</a> |                 |                         |     |                         |                 |     |     |                |
| 2. Whether the entity has translated the policy into procedures. (Yes/No)   |  |                 | Yes                     |     |                         |                 | -   |     | Yes            |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)   | Yes. Policy on Business Ethics and Values, Human Rights Policy and Supplier Code of Conduct (effective from April 1,2023) extend to value chain partners   |                 |                         |     |                         |                 |     |     | -              |
| 4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | SA 8000  | ISO 14001: 2015 | SA 8000 ISO 45001: 2018 | -   | SA 8000 ISO 14001: 2015 | ISO 14001: 2015 | -   | -   | ISO 9001: 2015 |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.  | Note 1   |                 |                         |     |                         |                 |     |     |                |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.   |  |                 |                         |     |                         |                 |     |     |                |

Note 1

| Pillar                    | 2025 goals   | Progress made so far   |
|---------------------------|--|--|
| Responsible Manufacturing | i. 20% renewable energy share (Power-to-Power)   | About 14% renewable energy share (Power-to-Power)  |
|                           | ii. 12.5% reduction in carbon footprint (as per Science Based Targets initiative – well below 2°C scenario)                            | Achieved 16 % reduction in carbon footprint against target of 12.5%  |
|                           | iii. Towards water neutrality – 35% water conservation/ restoration  | Achieved 36% water conservation/restoration  |
|                           | iv. 60% co-processing of hazardous waste   | Achieved 64%   |
|                           | v. 100% reuse/recycle of non-hazardous waste   | Achieved 100%  |
| Sustainable Sourcing      | 100% of key starting material suppliers in India of finished dosage forms (drug product) shall be assessed on Supplier Code of Conduct | 51% of key starting material suppliers in India of finished dosage forms (drug product) are assessed on Suppliers Code of Conduct in FY24 as compared to 50% in FY23 |

| Pillar                          | 2025 goals  | Progress made so far   |
|---------------------------------|---|--|
| Social Equity                   | i. 12.75% women out of total workforce                  | Achieved 12.54% gender diversity among workforce in FY24 as compared to 12% in FY23      |
|                                 | ii. 25 hours of learning per employee                   | Achieved 23.53 hours of learning per employee in FY24 as compared to 21.17 hours in FY23 |
|                                 | iii. Zero reportable incidents across operations        | Measures have been taken along with training to ensure no reportable incidents           |
| Corporate Social Responsibility | Empowering communities to build a progressive ecosystem | Need-based programmes are being implemented  |
| Effective Governance            | Highest levels of governance beyond compliance          | Implementing industry-best practices, ensuring highest level of governance               |
| Access to Healthcare            | Innovating and strengthening healthcare systems across  | Promoting innovative measures to strengthen healthcare systems                           |

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

With over three decades of experience, world-class infrastructure, and a talented team, we at Aurobindo Pharma are committed to creating value for all our stakeholders. We are diligently integrating ESG at the core of our functioning and in all that we do.

For Aurobindo Pharma, sustainability means adhering to responsible business practices and consistent involvement with all stakeholders. We strive to achieve economic success, while having business policies that are ethical, equitable, environmentally conscious, and sensitive towards the differently abled. We have made progress in terms of gender diversity among our workforce with a strong focus on employee learning & development.

Reducing carbon footprint through use of renewable energy and building resilient solutions that empower disadvantaged communities are some of our key priorities within the ESG framework. We have achieved a 16% reduction in carbon footprint with 14% share of renewable energy so far, against the 2025 targets of 12.5% and 20% respectively. In FY24, we consumed total of 1,24,446 MWh renewable power which includes both self-generated and purchased solar power from our Joint venture/Associate companies. We generated about 43,000 MWh solar power from our solar power plant near Pydibhimavaram, Vizag. Aurobindo Pharma commits itself to create a more equitable and inclusive society, through sustainable transformation and social integration.

|  |   |          |             |
|--|---|----------|-------------|
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policies   | Mr. K. Nithyananda Reddy<br>Vice Chairman & Managing Director<br>Telephone number: 040-6672 5101<br>E-mail ID: <a href="mailto:secretarial@aurobindo.com">secretarial@aurobindo.com</a> |          |             |
| 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 – ESG and Sustainability Committee  |          |             |
|  | Name of the director  | DIN      | Designation |
|  | Mrs. Savita Mahajan   | 06492679 | Chairperson |
|  | Mr. Mangalam Ramasubramanian Kumar*   | 03628755 | Member      |
|  | Mr. Santanu Mukherjee   | 07716452 | Member      |
|  | Mr. K. Nithyananda Reddy  | 01284195 | Member      |
|  | Mr. M. Madan Mohan Reddy  | 01284266 | Member      |

\* Mr. Mangalam Ramasubramanian Kumar was appointed as Non-executive and Independent Director of the Company w.e.f. April 1, 2024.

| Subject for Review and Independent Assessment  | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|----|----|----|----|----|----|----|----|
| 10. Performance against above policies and follow up action  | Yes. Audit Committee reviews the reports submitted by the internal auditors covering the above principles subject to the scope approved by Audit Committee  |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances   |   |    |    |    |    |    |    |    |    |
| 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. Risk Management & Internal Audit reviews the adherence with support of external service providers. Scope is defined by the Risk Management & Internal Audit team and approved by Audit Committee |    |    |    |    |    |    |    |    |

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 DISCLOSURE

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

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 1 | Essential Indicators |

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment                           | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact  | %age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|--|
| Board of Directors (BOD)          | 1  | Most of the familiarisation programmes are provided to Board of Directors and Key Managerial Personnel as a part of Board or Committee Meetings                                  | 100%   |
| Key Managerial Personnel (KMP)    | 1  |  |  |
| Employees Other than BOD and KMPs | 1  |  |  |
|                                   |  | i. Code of Conduct   |  |
|                                   |  | ii. Policy on Business Ethics and Values   |  |
|                                   |  | iii. Prevention of Sexual Harassment   |  |
|                                   |  | iv. Human Rights Policy  |  |
|                                   |  | v. Whistle Blower Policy   |  |
|                                   |  | vi. Environment, Health, Safety and Sustainability Policy  |  |
|                                   |  | Refresher training is imparted to existing employees majorly covering above topics once in a calendar year   |  |
|                                   |  | Employees basis their role undergo various training programs throughout the year. This includes cGMP trainings, functional SOP trainings, Safety trainings, On the Job trainings |  |
| Workers                           | 1  | Health, Safety and Environmental trainings   | 100%   |

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

| Monetary         |                 |   |            |                   |  |
|------------------|-----------------|---|------------|-------------------|--|
| Particulars      | NGRBC Principle | Name of the regulatory/enforcement agencies/judicial institutions | Amount (₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/Fine     |                 |   |            |                   |  |
| Settlement       |                 | Nil   |            |                   |  |
| Compounding Fees |                 |   |            |                   |  |
| Non – Monetary   |                 |   |            |                   |  |
| Particulars      | NGRBC Principle | Name of the regulatory/enforcement agencies/judicial institutions | Amount (₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment     |                 |   |            |                   |  |
| Punishment       |                 | Nil   |            |                   |  |

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

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 ‘Policy on Business Ethics & Values’ in place. The scope of the policy broadly covers Anti-Money laundering and Anti-Competitive Practices. The Company is committed to conduct business in an ethical and honest manner, to implement and enforce the systems that ensure bribery and corruption are prevented. The Company respects all laws relating to anti-bribery and anti-corruption in all the jurisdictions in which the Company operates.

The policy is applicable to all employees including contractual associates, third party contractors, sub-contractors, suppliers/vendors, and other service providers associated with the Company and its subsidiaries located in India

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

| Particulars | FY 2024 | FY 2023 |
|-------------|---------|---------|
| Directors   | Nil     | Nil     |
| KMPs        |         |         |
| Employees   |         |         |
| Workers     |         |         |

6. Details of complaints with regard to conflict of interest:

| Particulars  | FY 2024 |         | FY 2023 |         |
|--|---------|---------|---------|---------|
|  | Number  | Remarks | Number  | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | -       | -       | -       | -       |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | -       | -       | -       | -       |

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable \*365)/Cost of goods/services procured) in the following format:

| Particulars                         | FY24     | FY23     |
|-------------------------------------|----------|----------|
| Number of days of accounts payables | 112 days | 108 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                  | Metrics  | FY24   | FY23   |
|----------------------------|--|--------|--------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                               | 9.67%  | 9.25%  |
|                            | b. Number of trading houses where purchases are made from                              | 198    | 186    |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses    | 48.79% | 47.56% |
| Concentration of Sales     | a. Sales to dealers/distributors as % of total sales                                   | 64.45% | 67.58% |
|                            | b. Number of dealers/distributors to whom sales are made                               | 1,134  | 1,108  |
|                            | c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors    | 50.87% | 49.94% |
| Share of RPTs in           | a. Purchases (Purchases with related parties/Total Purchases)                          | 4.84%  | 6.12%  |
|                            | b. Sales (Sales to related parties/Total Sales)  | 0.11%  | 0.09%  |
|                            | c. Loans & advances (Loans & advances given to related parties/Total loans & advances) | -      | 0.001% |
|                            | d. Investments (Investments in related parties/Total Investments made)                 | 1.74%  | 1.36%  |

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 1 | Leadership Indicators |

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Value chain partners are expected to comply with Policy on Business Ethics and Values and Human Rights Policy. However, in the current financial year, no awareness programmes were held to train value chain partners on these principles.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has ‘Code of Conduct for Board Members and Senior Management Personnel’ and ‘Related Party Transaction Policy’ in place.

Code of Conduct broadly covers matters pertaining to Conflict of interest, Honest and Ethical Conduct, Compliance with Laws, Rules and Regulations, Confidentiality, Protection and Proper Use of Company’s Assets and Duties of Independent Director.

Link: <https://www.aurobindo.com/investors/disclosures-under-regulation-46/code-of-conduct>

Related Party Transactions Policy ensures that proper approval and reporting of transactions between the Company and its related parties in the best interest of the Company and its stakeholders.

Link: <https://www.aurobindo.com/api/uploads/Related-Party-Transaction-Policy.pdf>

Principle 2 Businesses should provide goods and services in a manner that is sustainable and safe

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 2 | 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.

| Particulars | FY24  | FY23  | Details of improvements in environmental and social impacts  |
|-------------|-------|-------|--|
| R&D         | -     | -     |  |
| Capex       | 0.60% | 0.15% | Focused on Environmental performance improvement with respect to Water and Energy conservation initiatives |

2. A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. Sustainable Procurement policy is in place.

B. If yes, what percentage of inputs were sourced sustainably?

Critical Suppliers of the Company are evaluated basis the vendor qualification criteria outlined in the vendor qualification procedure. 100% of the critical inputs are sourced from suppliers following sustainable practices.

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.

The Company has Waste Management Systems in place at all manufacturing facilities for effective waste management.

- (a) Plastic waste generated from packing material of expired material/market returns are sent to authorised recyclers for disposal
- (b) 100% of e-waste generated is sold to authorised vendors.
- (c) Reusable portion of Hazardous waste is sent to authorised Cement Industries for use as alternate fuel. Non-reusable portion of Hazardous waste is sent to authorised Treatment, Storage and Disposal Facility (TSDF) for Secured Landfills (SLFs).
- (d) Other non-hazardous waste such as
  - i. Glass, MS scrap are sent to recyclers
  - ii. Boiler Ash is sent to brick manufacturers
  - iii. Batteries are sent to recyclers under buy-back programmes for batteries
  - iv. Biomedical Waste are sent to authorised waste management facility

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, Extended Producer Responsibility (EPR) is applicable to the entity's activities. Yes, the waste collection plan is in line with the EPR plan submitted to Pollution Control Board

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 2 | 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?

The Company is yet to initiate product life cycle assessment. However, the Company has initiated product carbon footprint analysis for one if its product.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable

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).

Not Applicable

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed

Not Applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Not Applicable

Principle 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 3 | Essential Indicators |

1A. Details of measures for well-being of employees

|                                | % of employees covered by |                  |      |                    |      |                    |      |                    |       |                     |        |
|--------------------------------|---------------------------|------------------|------|--------------------|------|--------------------|------|--------------------|-------|---------------------|--------|
| Category                       | Total                     | Health insurance |      | Accident insurance |      | Maternity Benefits |      | Paternity Benefits |       | Day Care facilities |        |
|                                |                           | Number           | %    | Number             | %    | Number             | %    | Number             | %     | Number              | %      |
| Permanent Employees            |                           |                  |      |                    |      |                    |      |                    |       |                     |        |
| Male                           | 23,401                    | 23,401           | 100% | 23,401             | 100% | -                  | -    | 329                | 1.41% | 203                 | 0.87%  |
| Female                         | 2,614                     | 2,614            | 100% | 2,614              | 100% | 2,614              | 100% | -                  | -     | 364                 | 13.93% |
| Total                          | 26,015                    | 26,015           | 100% | 26,015             | 100% | 2,614              | 100% | 329                | 1.41% | 567                 | 2.18%  |
| Other than Permanent Employees |                           |                  |      |                    |      |                    |      |                    |       |                     |        |
| Male                           | -                         | -                | -    | -                  | -    | -                  | -    | -                  | -     | -                   | -      |
| Female                         | -                         | -                | -    | -                  | -    | -                  | -    | -                  | -     | -                   | -      |
| Total                          | -                         | -                | -    | -                  | -    | -                  | -    | -                  | -     | -                   | -      |

Note: Employees covered under ESI Act were categorised under health insurance. Total is taken basis head count as on March 31, 2024. Paternity benefits are available to male employees of 8 abroad subsidiaries.

## 1B. Details of measures for the well-being of workers

|                              | % of workers covered by |                  |      |                    |      |                    |      |                    |   |                     |   |
|------------------------------|-------------------------|------------------|------|--------------------|------|--------------------|------|--------------------|---|---------------------|---|
| Category                     | Total                   | Health insurance |      | Accident insurance |      | Maternity Benefits |      | Paternity Benefits |   | Day Care facilities |   |
|                              |                         | Number           | %    | Number             | %    | Number             | %    | Number             | % | Number              | % |
| Permanent Workers            |                         |                  |      |                    |      |                    |      |                    |   |                     |   |
| Male                         | -                       | -                | -    | -                  | -    | -                  | -    | -                  | - | -                   | - |
| Female                       | -                       | -                | -    | -                  | -    | -                  | -    | -                  | - | -                   | - |
| Total                        | -                       | -                | -    | -                  | -    | -                  | -    | -                  | - | -                   | - |
| Other than Permanent Workers |                         |                  |      |                    |      |                    |      |                    |   |                     |   |
| Male                         | 9,482                   | 9,482            | 100% | 9,482              | 100% | -                  | -    | -                  | - | -                   | - |
| Female                       | 2,099                   | 2,099            | 100% | 2,099              | 100% | 2,099              | 100% | -                  | - | -                   | - |
| Total                        | 11,581                  | 11,581           | 100% | 11,581             | 100% | 2,099              | 100% | -                  | - | -                   | - |

## 1C. Spending on measures towards well-being of employees and (including permanent and other than permanent) in the following format –

|   | FY24  | FY23  |
|---|-------|-------|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.28% | 0.28% |

## 2. Details of retirement benefits, for Current FY and Previous Financial Year

| Benefits   | FY 2024  |  |  | FY 2023  |  |  |
|--|--|--|--|--|--|--|
|  | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF   | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| Gratuity   | 46%  | 0%   | NA   | 35%  | 0%   | NA   |
| ESI  | 7%   | 100%   | Y  | 10%  | 100%   | Y  |
| Others - Social Security Contributions as per laws of the respective countries | 100%   | 0%   | Y  | 100%   | 0%   | Y  |

**Note:** Coverage under PF and social security contributions is provided basis applicability of respective laws of country in which the entities operate

## 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, Company's premises has sufficient infrastructure for differently abled persons.

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

Yes, Clauses on equal opportunity are part of handbook of Aurobindo's Corporate Values provided to the employees at the time of formal joining of the Company.

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender       | Permanent employees |                | Permanent workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | -                   | -              | -                   | -              |
| Female       | 62%                 | 73%            | -                   | -              |
| <b>Total</b> | <b>62%</b>          | <b>73%</b>     | <b>-</b>            | <b>-</b>       |

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| Category                       | Yes/No/NA |
|--------------------------------|-----------|
| Permanent Workers              | NA        |
| Other than Permanent Workers   | Yes       |
| Permanent Employees            | Yes       |
| Other than Permanent Employees | Yes       |

Yes. Vigil Mechanism/Whistle Blower Policy of the Company has adequate grievance redressal mechanism in place to report significant deviations from key management policies and report any non-compliance and wrong Practices, e.g., unethical behaviour, fraud, violation of law, inappropriate behaviour/conduct etc. Complainant shall address 'Protected disclosure under Whistle Blower Policy' to Vigilance and Ethics Officer or to the Audit Committee/CEO/Chairman in exceptional cases.

Apart from above, POSH committee, works committee, welfare and canteen committee are in place to address the grievances of workers and employees.

## 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

| Category                         | FY 2024  |  |       | FY 2023  |  |       |
|----------------------------------|--|--|-------|--|--|-------|
|                                  | 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 | %     |
| <b>Total Permanent Employees</b> |  |  |       |  |  |       |
| - Male                           | 23,401   | 13   | 0.06% | 21,099   | 42   | 0.20% |
| - Female                         | 2,614  | 22   | 0.84% | 2,354  | 44   | 1.87% |
| <b>Total Permanent Workers</b>   |  |  |       |  |  |       |
| - Male                           | -  | -  | -     | -  | -  | -     |
| - Female                         | -  | -  | -     | -  | -  | -     |

## 8. Details of training given to employees and workers:

| Category  | FY 2024 |                               |      |                      |      | FY 2023 |                               |      |                      |      |
|-----------|---------|-------------------------------|------|----------------------|------|---------|-------------------------------|------|----------------------|------|
|           | Total   | On Health and safety measures |      | On Skill upgradation |      | Total   | On Health and safety measures |      | On Skill upgradation |      |
|           |         | No.                           | %    | No.                  | %    |         | No.                           | %    | No.                  | %    |
| Employees |         |                               |      |                      |      |         |                               |      |                      |      |
| Male      | 23,401  | 23,401                        | 100% | 23,401               | 100% | 21,099  | 21,099                        | 100% | 21,099               | 100% |
| Female    | 2,614   | 2,614                         | 100% | 2,614                | 100% | 2,354   | 2,354                         | 100% | 2,354                | 100% |
| Total     | 26,015  | 26,015                        | 100% | 26,015               | 100% | 23,453  | 23,453                        | 100% | 23,453               | 100% |
| Workers   |         |                               |      |                      |      |         |                               |      |                      |      |
| Male      | 9,482   | 9,482                         | 100% | -                    | -    | 8,347   | 8,347                         | 100% | -                    | -    |
| Female    | 2,099   | 2,099                         | 100% | -                    | -    | 1,613   | 1,613                         | 100% | -                    | -    |
| Total     | 11,581  | 11,581                        | 100% | -                    | -    | 9,960   | 9,960                         | 100% | -                    | -    |

9. Details of performance and career development reviews of employees and worker:

| Category  | FY 2024 |        |      | FY 2023 |        |      |
|-----------|---------|--------|------|---------|--------|------|
|           | Total   | No.    | %    | Total   | No.    | %    |
| Employees |         |        |      |         |        |      |
| Male      | 23,401  | 23,401 | 100% | 21,099  | 21,099 | 100% |
| Female    | 2,614   | 2,614  | 100% | 2,354   | 2,354  | 100% |
| Workers   |         |        |      |         |        |      |
| Male      | -       | -      | -    | -       | -      | -    |
| Female    | -       | -      | -    | -       | -      | -    |

10. Health and safety management system:

|  |   |
|--|---|
| a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system? | <p>Yes. The Company has implemented an Occupational health and safety management system. The coverage is 100% of our facilities, and it covers both regular employees and contractors.</p> <p>Health, safety, and well-being of employees and associates are a crucial material topic for the Company. The Company is committed towards instilling a healthy lifestyle, a safe working environment, and a healthy work-life balance. EHS&amp;S framework and management practices assure compliance while prioritising product and process safety and safeguarding all employees. Each manufacturing facility has departmental and Apex safety committee. Every month Management review meetings are conducted which comprises top management from Corporate and representatives from all sites including site heads to examine safety performance and streamline operational procedures critical to safety requirements.</p> <p>Health and safety training is provided to both permanent and contractual workers, ensuring that our team understands the significance of safe procedures and guidelines. Risk identification and assessments are undertaken as part of the process before scaling up. Before commencing any chemical process in the manufacturing area, a hazard and operability study (HAZOP) is conducted. For all new projects, existing production units, and distribution centres among others, the Company observes and monitors the safety laws and procedures.</p> |
| b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?             | <p>The Company has developed a corporate guidance document which provides the course on how to identify, evaluate occupational Health and Safety risks, and reduce them to an acceptable level by strengthening existing controls and/or incorporating additional controls for all the activities within the facilities of the organisation. The Company undertakes periodic internal audits to ensure the compliance of Occupational Health and Safety management system within the manufacturing operation. The EHS trainings, audits and inspections are carried out as per the corporate guidelines. Further, it enables the identification of work-related hazards through design checklists, Hazard and Operability Analysis (HAZOP), Hazard Identification and Risk Assessment (HIRA), Activity based Risk Assessment.</p> <p>The guidelines clearly outline the role and responsibilities of individuals directly involved in identifying and mitigating Health &amp; Safety risks on routine and non-routine basis.</p>  |
| c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)                   | <p>Yes. The Company has well-established Standard Operating Procedures (SOP) for employees and workers to identify and report on work-related hazards and the subsequent steps to mitigate them. In addition, the Company trains all its employees and workers with occupational health and safety Standard operating procedures and work instructions. The training modules cover aspects of the methodology to identify work-related hazards, analyse the risks associated with it and take subsequent steps to mitigate them. During the safety and emergency evacuation drills, employees are trained in dealing with emergency equipment such as fire hydrant, firefighting system, leak and spill control procedures, safety alarms among others.</p> <p>In addition, the proficiency of employees is periodically tested in dealing with the emergency situations. The practical trainings and online safety modules equip the employees with right procedure of reporting work-related hazards and the steps to remove themselves from such situations</p>  |
| d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)                             | <p>Yes. The Company provides non-occupational medical and healthcare services to its employees and workers.</p> <p>Further, the Company ensures the provision of medical insurance to all its employees and workers. With the endeavour to promote physical and mental wellbeing for all the employees and workers, the Company designs comprehensive health programs which promote healthy lifestyle practices.</p>  |

11. Details of safety related incidents:

| Safety Incident/Number  | Category             | FY 2024 | FY 2023 |
|---|----------------------|---------|---------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees<br>Workers | 0.03    | 0.02    |
| Total recordable work-related injuries  | Employees<br>Workers | 4       | 2       |
| No. of fatalities   | Employees<br>Workers | 1       | -       |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees<br>Workers | -       | -       |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company is committed towards instilling a healthy lifestyle, a safe working environment, and a healthy work-life balance. The EHS&S policy advocates the provision of safe working environment to all the employees, contractors, sub-contractors, visitors, and the neighbouring communities. EHS&S framework and management practices assure compliance while prioritising product and process safety and safeguarding all employees. Each manufacturing facility has departmental and Apex safety committee. Every month Management review meetings are conducted which comprises top management from Corporate and representatives from all sites including site heads to examine safety performance and streamline operational procedures critical to safety requirements. The Company undertakes periodic internal audits to assess the safety practices and procedures in alignment with the EHS management system and corporate EHS&S guidelines. As part of the auditing procedure and regular inspections, site visits, the Company recognises the critical areas requiring immediate corrective action.

The safety incidents and hazards are analysed to determine the root cause, subsequently corrective action plans are laid out to prevent the occurrence of similar incidents in the future. Further, as part of the EHS management system, the Company provides safety trainings through modules and safety drill practices to all its employees and workers. The safety training programs enable the development of strong foundation among the workforce, in terms of their ability to identify, mitigate and prevent risks pertaining to Occupational Health and Safety. The Company endeavours to prevent negative health impact on the employees through various health awareness sessions, provision of medical facilities and medical insurance benefits.

13. Number of Complaints on the following made by employees and workers:

| Particulars        | FY 2024               |                                       |         | FY 2023               |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | 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 | -                     | -                                     | -       | -                     | -                                     | -       |
| Health & Safety    | -                     | -                                     | -       | -                     | -                                     | -       |

14. Assessments for the year:

| Particulars                 | % of your plants and offices that were assessed (by entity or statutory authorities or third parties)  |
|-----------------------------|--|
| Health and safety practices | 100% of the manufacturing and R&D locations are audited internally by the entity. The audits are conducted by internal experts to ensure the compliance of safety regulations and identification of major improvement areas. Apart from internal audits, periodic assessments are also done by customers, third parties and statutory authorities. |
| Working Conditions          | 100% (All the sites are assessed on their working conditions by the internal audits)   |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

In general, post analysis of root cause of the incident, corrective and preventive actions are taken to avoid the occurrence of such incidents in the future.

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 3 | Leadership Indicators |

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has adequate mechanisms to ensure that requisite statutory dues, as applicable to the transactions of the Company with its value chain partners, are deducted and deposited in accordance applicable regulations. The Company has adequate systems in place to ensures payment of wages as per statute and statutory dues like PF, ESIC, etc. pertaining to contract workmen deployed through contractor.

The Company through its policy on business ethics and values, expects its value chain partners to conduct business in an ethical and honest manner, act professionally unbiased with integrity in all business dealings and ensure compliance with applicable laws and regulations.

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:

| Particulars | Total no. of affected employees/ workers |         | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |         |
|-------------|--|---------|---|---------|
|             | FY 2024                                  | FY 2023 | FY 2024   | FY 2023 |
| Employees   | -  | -       | -   | -       |
| Workers     | -  | -       | -   | -       |

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/No)

No

5. Details on assessment of value chain partners:

| Particulars                 | % of value chain partners (by value of business done with such partners) that were assessed   |
|-----------------------------|---|
| Health and safety practices | Assessment of 100% of critical suppliers is made as a part of vendor qualification procedure and periodic vendor audits as per respective SOPs and Supplier Code of Conduct |
| Working Conditions          |   |

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks/concerns arising from assessment of health and safety practices and working conditions of value chain partners.

Principle 4Businesses should respect the interests of and be responsive to all its stakeholders

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 4 | Essential Indicators |

1. Describe the processes for identifying key stakeholder groups of the entity.

Identifying key stakeholder groups are crucial for effective stakeholder management. Key stakeholders identified in consultation with the management are investor/shareholder, customers, suppliers, third party manufacturers, employees, communities, and NGOs.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group                         | Whether identified as Vulnerable & Marginalised Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)                      | Frequency of engagement (Annually/Half yearly/Quarterly/ others)   | Purpose and scope of engagement including key topics and concerns raised during such engagement  |
|---|--|---|--|--|
| Investor/ shareholder                     | No   | i. Website<br>ii. Quarterly results and Annual reports<br>iii. Press Release and Intimation to stock exchanges<br>iv. Investor meetings/ conference | Quarterly result/ conference call – Quarterly<br>Annual report – Annual<br>Press release/ investor meetings – Need based | Investors/Shareholders who form part of larger stakeholder group influence key decisions of the Company. Key topics for engagement with Investor/shareholders<br>• Business Performance<br>• Responsible business conduct<br>• Corporate governance<br>• Compliance with applicable laws and regulations<br>• Strategic decisions in line with the vision and mission of the Company |
| Customers                                 | No   | • In-person meetings including site visits<br>• E-mail<br>• Telephonic conversations<br>• Business Conference                                       | Need based (Ongoing)   | Key interest areas of customer include:<br>• Product quality<br>• Product pricing<br>• On time delivery<br>• Logistics facility<br>• Credit availability   |
| Supplier/Vendor/ Third party manufacturer | No   | • In-person meetings including site visits<br>• Vendor audits<br>• E-mail<br>• Telephonic conversations<br>• Business Conference                    | Need based (Ongoing)   | Key interest areas of supplier include:<br>• Product quality & compliance<br>• Timely payments<br>• Responsible Supply Chain   |
| Government and Regulators                 | No   | • In-person meetings<br>• Facility audit<br>• E-mail<br>• Industry forums   | Need based (Ongoing)   | Key areas of interest for the regulators are:<br>• Policy and Regulatory Affairs<br>• Product filing and approvals<br>• Compliance with laws and regulations   |

| Stakeholder Group             | Whether identified as Vulnerable & Marginalised Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)                                       | Frequency of engagement (Annually/Half yearly/Quarterly/ others) | Purpose and scope of engagement including key topics and concerns raised during such engagement   |
|-------------------------------|--|--|--|---|
| Employees                     | No   | <ul style="list-style-type: none"><li>In person meetings</li><li>Company intranet</li><li>E-mail</li><li>Notice Board</li><li>Auro Pulse Newsletter</li></ul>        | Need based (Ongoing)   | Key areas of interest for employees are: <ul style="list-style-type: none"><li>Performance review</li><li>Employee welfare and wellbeing</li><li>Rewards, Benefits and Recognition</li><li>Skill based and behavioural learnings</li><li>Work-life balance</li><li>Fair salary compensation</li></ul> |
| Communities and Partners/NGOs | Yes  | <ul style="list-style-type: none"><li>In-person meetings</li><li>E-mail</li><li>Community Meetings</li><li>Request letters</li><li>Project Progress report</li></ul> | Need based (Ongoing)   | Design, formulate, implement and monitor CSR project/activity scope based on need assessment  |

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 4 | Leadership Indicators |

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Respective functional heads engage with stakeholder groups on matters pertaining to economic, environmental and social topics. Any identified material issues post consultation with relevant stakeholders is brought to the notice of Board for appropriate further course of action.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the identification and management of material issues relevant to the environment, social, economic and governance topics is done in consultation with the stakeholders. Identified material issues along with financial and non-financial impact and further approach form part of materiality assessment in the Sustainability Report.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

We engage communities/stakeholders in every step of the CSR project through need assessment and focused group discussions. Impact assessment studies are carried out to measure the impact and track progress of the CSR projects.

For instance, establishment of centralised kitchen and breakfast meal program by Aurobindo Pharma Foundation in collaboration with Hare Krishna Movement Charitable Foundation in Kakinada District, Andhra Pradesh State. Need assessment studies were conducted particularly in nearby government schools and considering the impact of irregular meals on health and nutrition, automated centralised kitchens were established, and a free breakfast meal program was launched.

Moreover, through impact assessment studies, feedback was being obtained from the students and teachers to measure the impact and enhance the project’s sustainability.

Principle 5 Businesses should respect and promote human rights

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 5 | Essential Indicators |

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

| Category             | FY 2024 |                                   |      | FY 2023 |                                   |      |
|----------------------|---------|-----------------------------------|------|---------|-----------------------------------|------|
|                      | Total   | No. of employees/ workers covered | %    | Total   | No. of employees/ workers covered | %    |
| Employees            |         |                                   |      |         |                                   |      |
| Permanent            | 26,015  | 26,015                            | 100% | 23,381  | 23,381                            | 100% |
| Other than permanent | -       | -                                 | -    | 2       | 2                                 | 100% |
| Total Employees      | 26,015  | 26,015                            | 100% | 23,383  | 23,383                            | 100% |
| Workers-             |         |                                   |      |         |                                   |      |
| Permanent            | -       | -                                 | -    | -       | -                                 | -    |
| Other than permanent | 11,581  | -                                 | -    | 9,960   | 9,960                             | 100% |
| Total Workers        | 11,581  | -                                 | -    | 9,960   | 9,960                             | 100% |

Note: Existing employee were imparted refresher training, new employees are trained under Auro Swagath programme.

2. Details of minimum wages paid to employees and workers

| Category             | FY 2024 |                           |     |                            |      | FY 2023 |                           |     |                            |      |
|----------------------|---------|---------------------------|-----|----------------------------|------|---------|---------------------------|-----|----------------------------|------|
|                      | Total   | Equal to Minimum wage No. | %   | More than minimum wage No. | %    | Total   | Equal to Minimum wage No. | %   | More than minimum wage No. | %    |
| Employees            |         |                           |     |                            |      |         |                           |     |                            |      |
| Permanent            |         |                           |     |                            |      |         |                           |     |                            |      |
| Male                 | 23,401  | -                         | -   | 23,401                     | 100% | 21,028  | -                         | -   | 21,028                     | 100% |
| Female               | 2,614   | -                         | -   | 2,614                      | 100% | 2,353   | -                         | -   | 2,353                      | 100% |
| Other than permanent |         |                           |     |                            |      |         |                           |     |                            |      |
| Male                 | -       | -                         | -   | -                          | -    | -       | -                         | -   | -                          | -    |
| Female               | -       | -                         | -   | -                          | -    | -       | -                         | -   | -                          | -    |
| Workers              |         |                           |     |                            |      |         |                           |     |                            |      |
| Permanent            |         |                           |     |                            |      |         |                           |     |                            |      |
| Male                 | -       | -                         | -   | -                          | -    | -       | -                         | -   | -                          | -    |
| Female               | -       | -                         | -   | -                          | -    | -       | -                         | -   | -                          | -    |
| Other than permanent |         |                           |     |                            |      |         |                           |     |                            |      |
| Male                 | 9,482   | 5,296                     | 55% | 4,186                      | 45%  | 8,230   | 5,041                     | 61% | 3,189                      | 39%  |
| Female               | 2,099   | 653                       | 31% | 1,446                      | 69%  | 1,655   | 1,471                     | 89% | 184                        | 11%  |

3. 3A: Details of remuneration/salary/wages

| Category                         | Male   |  | Female |  |
|----------------------------------|--------|--|--------|--|
|                                  | Number | Median remuneration/ salary/wages of respective category | Number | Median remuneration/ salary/wages of respective category |
| Board of Directors (BOD)         | 3      | 39.04 Mn   | -      | -  |
| Key Managerial Personnel         | 4      | 39.80 Mn   | -      | -  |
| Employees other than BOD and KMP | 23,401 | 1.06 Mn  | 2,614  | 2.28 Mn  |
| Workers                          | 9,486  | 0.22 Mn  | 2,099  | 0.15 Mn  |

**Note:**  
(a) Considering the female employee headcount and remuneration in international subsidiaries, female employee median is high.  
(b) KMP includes 2 Board of Directors (BoD).

3B: Gross wages paid to females as % of total wages paid by the entity, in the following format:

|   | FY24   | FY23   |
|---|--------|--------|
| Gross wages paid to females as % of total wages | 18.96% | 21.04% |

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Employee Grievance Redressal Committee is constituted to address the grievances of employees apart from the on-line platform i.e. People Care Link. Similarly, the Contract Workmen are also encouraged to express/share their views/ideas/concerns freely at workplace/meetings.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes. Every employee has a right to report grievances, non-compliance or concern through 'People Care Link' in HRMS and through other means like dedicated hotline connect number and dedicated mailbox.

6. Number of Complaints on the following made by employees and workers

| Particulars                       | FY 2024               |   |         | FY 2023               |   |         |
|-----------------------------------|-----------------------|---|---------|-----------------------|---|---------|
|                                   | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Sexual Harassment                 | -                     | -   | -       | -                     | -   | -       |
| Discrimination at workplace       | -                     | -   | -       | -                     | -   | -       |
| Child Labour                      | -                     | -   | -       | -                     | -   | -       |
| Forced Labour/Involuntary Labour  | -                     | -   | -       | -                     | -   | -       |
| Wages                             | -                     | -   | -       | -                     | -   | -       |
| Other human rights related issues | -                     | -   | -       | -                     | -   | -       |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

|   | FY24 | FY23 |
|---|------|------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | -    | -    |
| Complaints on POSH as a % of female employees/workers   | -    | -    |
| Complaints on POSH upheld   | -    | -    |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has Vigil Mechanism/Whistle Blower Policy and Policy on Sexual Harassment of Women at Workplace in place.

To protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants, and they are further advised not to write their name/address on the envelope and not to enter into any further correspondence with the Vigilance and Ethics Officer. All records and reports associated with protected disclosures are considered confidential information and access is restricted to the Whistle blower and Vigilance Officer.

The complainant or witnesses involved in the case will not be victimised or discriminated against dealing with complaints of sexual harassment. The Internal Complaints Committee (ICC) or Regional-ICC either collectively or individually will keep the complaint confidential and discreet including the names of the people involved till the case is concluded considering the serious ramifications on both the parties involved in such cases.

9. Do human rights requirements form part of your business agreements and contracts?(Yes/No)

Yes, basis the nature of contract, human rights requirements form part of business agreements and contracts on need basis.

10. Assessment for the year

| Particulars                 | % of your plants and offices that were assessed (by entity or statutory authorities or third parties)                       |
|-----------------------------|---|
| Child labour                | 100% of manufacturing and R&D facilities of the group are assessed by entity or statutory authorities or third-party audits |
| Forced/involuntary labour   |   |
| Sexual harassment           |   |
| Discrimination at workplace |   |
| Wages                       |   |

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

There were no significant risks/concerns arising from the assessments at question 9 above.

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 5 | Leadership Indicators |

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Not Applicable

2. Details of the scope and coverage of any Human rights due diligence conducted.

As per the Human Rights policy, compliance to human rights is regularly monitored and reviewed by the corporate HR with top management on an annual basis.

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

4. Details on assessment of value chain partners

| Category                         | % of value chain partners (by value of business done with such partners) that were assessed                               |
|----------------------------------|---|
| Sexual Harassment                | -   |
| Discrimination at workplace      |   |
| Child Labour                     | 100% of critical suppliers are assessed on these parameters as a part of vendor qualification and vendor audit procedures |
| Forced Labour/Involuntary Labour |   |
| Wages                            | -   |

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not Applicable as no major significant risks/concerns identified

Principle 6

Businesses should respect and make efforts to protect and restore the environment

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 6 | Essential Indicators |

1. Details of total energy consumption (in Joules or multiples) and energy intensity

| Particulars   | FY 2024   | FY 2023   |
|---|-----------|-----------|
| From renewable sources (in GJ)  |           |           |
| Total electricity consumption (A)   | 4,47,646  | 2,88,995  |
| Total fuel consumption (B)  | 3,65,278  | 1,31,177  |
| Energy consumption through other sources (C)  | -         | -         |
| Total energy consumed from renewable sources (A+B+C)  | 8,12,924  | 4,20,172  |
| From non-renewable sources (in GJ)  |           |           |
| Total electricity consumption (D)   | 23,36,596 | 18,61,046 |
| Total fuel consumption (E)  | 46,82,678 | 45,85,905 |
| Energy consumption through other sources (F)  | -         | -         |
| Total energy consumed from non-renewable sources (D+E+F)  | 70,19,274 | 64,46,951 |
| Total energy consumption  | 78,32,198 | 68,67,123 |
| Energy intensity per rupee of turnover (Total energy consumption/turnover in ₹ Mn)  | 27.01     | 27.63     |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) <sup>1</sup> (Total energy consumed/Revenue from operations adjusted for PPP) (GJ/Revenue Mn) adjusted to PPP | 604.93    | 612.52    |
| Energy intensity in terms of physical output (GJ/Production in Mn Numbers <sup>2</sup> )  | 166.06    | 173.81    |

<sup>1</sup> PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17  
(Source: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>)

<sup>2</sup> Production in millions of tablets, injectables, syrups of APL and its Indian subsidiaries

**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, independent assurance was carried out by M/s Sharp & Tannan Associates.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water

| Parameter   | FY 2024   | FY 2023   |
|---|-----------|-----------|
| Water withdrawal by source (in kilolitres)  |           |           |
| (i) Surface water   | -         | -         |
| (ii) Ground water   | 19,11,000 | 20,14,000 |
| (iii) Third party water   | 22,48,000 | 16,66,000 |
| (iv) Seawater/desalinated water   | -         | -         |
| (v) Others  | -         | -         |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)  | 41,59,000 | 36,80,000 |
| Total volume of water consumption (in kilolitres)   | 41,59,000 | 36,80,000 |
| Water intensity per rupee of turnover (Water consumed/turnover ₹ million)   | 14.34     | 14.81     |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) <sup>1</sup> (Total water consumption in kilolitres/Revenue from operations adjusted for PPP in ₹ million) | 321.23    | 328.33    |
| Water intensity in terms of physical output (Total water consumption in KL/Production in Mn <sup>2</sup> )  | 88.18     | 93.17     |

<sup>1</sup> PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17  
(Source: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>)

<sup>2</sup> Production in millions of tablets, injectables, syrups of APL and its Indian subsidiaries

**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, independent assurance was carried out by M/s Sharp & Tannan Associates

4. Provide the following details related to water discharged:

| Parameter   | FY 2024  | FY 2023  |
|---|----------|----------|
| Water discharge by destination and level of treatment (in kilolitres) |          |          |
| (i) To Surface water  |          |          |
| - No treatment  | -        | -        |
| - With treatment  | -        | -        |
| (ii) To Groundwater   |          |          |
| - No treatment  | -        | -        |
| - With treatment  | -        | -        |
| (iii) To Seawater   |          |          |
| - No treatment  | -        | -        |
| - With treatment – Primary & secondary treatment                      | 2,06,525 | 2,06,945 |
| (iv) Sent to third-parties  |          |          |
| - No treatment  | -        | -        |
| - With treatment – Primary & secondary treatment                      | 7,99,158 | 6,64,331 |
| (v) Others  |          |          |
| - No treatment  | -        | -        |
| - With treatment – please specify level of treatment                  | -        | -        |

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. Our fully operational Effluent Treatment Plants (ETPs) deploy innovative technologies to collect, store, treat, and manage wastewater across all our units, and we have achieved Zero Liquid Discharge status at five units namely - erstwhile Aurobindo U-I,V,VIII,IX and Eugia-II units. We use treated wastewater for utility consumption.

6. Provide details of air emissions (other than GHG emissions) by the entity

| Parameter                           | Units         | FY 2024 | FY 2023 |
|-------------------------------------|---------------|---------|---------|
| NOx                                 | Metric Tonnes | 580     | 611     |
| Sox                                 | Metric Tonnes | 1,004   | 1,180   |
| Particulate matter (PM)             | Metric Tonnes | 267     | 301     |
| Persistent organic pollutants (POP) | -             | -       | -       |
| Volatile organic compounds (VOC)    | -             | -       | -       |
| Hazardous air pollutants (HAP)      | -             | -       | -       |

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

7. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

| Parameter   | Unit  | FY 2024  | FY 2023  |
|---|---|----------|----------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 4,14,356 | 4,47,207 |
| Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 5,53,115 | 4,94,264 |
| Total Scope 1 and Scope 2 emissions per Mn rupee of turnover  | MT/₹ Mn                                     | 3.34     | 3.79     |
| Total Scope 1 and Scope 2 emission intensity per ₹ Mn of turnover adjusted for Purchasing Power Parity (PPP) <sup>1</sup>   | MT/Mn Revenue adjusted to PPP               | 74.72    | 83.98    |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output  | MT/Production <sup>2</sup> in Mn            | 20.51    | 23.83    |

<sup>1</sup> PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17 (Source:https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND)

<sup>2</sup> Production in millions of tablets, injectables, syrups of APL and its Indian subsidiaries

**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, independent assurance was carried out by M/s Sharp & Tannan Associates

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

- Yes. As part of our GHG emission reduction, we have implemented multiple projects for reducing greenhouse gas emissions from our operations. Those include
- Generation and use of renewable energy (Solar) - we have generated and consumed about 43,000 MWh of solar from our 30MW Solar power plant
  - Sourcing of renewable energy from our associates
  - Shifting to Biomass or Briquette fuel in place of coal at some of our units
  - Use of Piped Natural Gas.
  - Apart from the above we also take-up various Energy conservation initiatives every year at manufacturing units for reducing energy consumption and in-turn GHG emissions reduction.
- This has resulted in emission reduction about 2,37,455 tCO<sub>2</sub>e.

9. Provide details related to waste management by the entity

| Parameter   | FY 2024       | FY 2023       |
|---|---------------|---------------|
| <b>Total Waste generated (in metric tonnes)</b>   |               |               |
| Plastic waste (A)   | 836           | 783           |
| E-waste (B)   | ~2            | 2             |
| Bio-medical waste (C)   | 304           | 265           |
| Construction and demolition waste (D)   | *             | *             |
| Battery waste (E)   | **            | **            |
| Radioactive waste (F)   | -             | -             |
| Other Hazardous waste (G)   |               |               |
| (i) Other Hazardous Waste   | 24,306        | 22,164        |
| (ii) Used Oil   | ~23           | 15            |
| Other Non-hazardous waste generated (H)   |               |               |
| Fly Ash   | 30,741        | 30,774        |
| <b>Total (A+B + C + D + E + F + G+ H)</b>   | <b>56,212</b> | <b>54,003</b> |
| Waste intensity per rupee of turnover (Total waste generated/Revenue from operations ₹ Mn)  | 0.19          | 0.22          |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP <sup>1</sup> ) | 4.34          | 4.82          |
| Waste intensity in terms of physical output (Total waste generated in MT/Production in Mn <sup>2</sup> )  | 1.19          | 1.37          |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)                         |               |               |
| <b>Category of waste</b>  |               |               |
| (i) Recycled  |               |               |
| Plastic Waste #   | 836           | 783           |
| Fly Ash ##  | 30,741        | 30,774        |
| E-Waste #   | 2             | 2             |
| Battery Waste ###   | **            | **            |
| (ii) Re-used  |               | -             |
| (iii) Other recovery operations   |               | -             |
| <b>Total</b>  | <b>31,579</b> | <b>31,559</b> |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)  |               |               |
| <b>Category of waste</b>  |               |               |
| (i) Incineration  | 376           | 543           |
| (ii) Landfilling  | 8,661         | 8,457         |
| (iii) Other disposal operations (MT of Hazardous Waste disposed to Cement units for use as alternative fuel)  | 15,269        | 13,164        |
| <b>Total</b>  | <b>24,306</b> | <b>22,164</b> |

\* Information pertaining to demolition and construction waste is not available with the Company  
\*\* Count of battery waste generated is 3,566 Nos. for FY 2023 and Nos. 3,755 for FY 2024. Since the battery waste details are not available in MT, the same is not considered for total calculation  
# Disposed for recycling to authorised recyclers  
## Disposed to brick manufacturers for recycling  
### Disposed under buyback for recycling

<sup>1</sup> PPP – IMF conversion factors for FY2024 - 22.4 and FY2023 - 22.17 (Source:https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND)

<sup>2</sup> Production in millions of tablets, injectables, syrups of APL and its Indian subsidiaries

**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, independent assurance was carried out by M/s Sharp & Tannan Associates

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company integrates a waste management plan with a comprehensive approach towards waste minimisation, segregation and safe disposal as part of hazardous waste disposal mechanism, the Company has implemented initiatives of diverting larger quantity of hazardous waste towards co-processing and recycling over other disposal mechanisms that is incineration and landfilling. We have waste management systems in place at all our facilities. Plastic waste is either co-processed or recycled based upon the type of waste generated. E-waste is sold to authorised vendors. More than 62% of our hazardous waste is sent to cement industries and recyclers for co-processing and recycling. Other non-hazardous waste such as glass, MS scrap, wood waste, boiler ash etc. is sent to recyclers.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required.

None of the Company operations/offices are located in ecologically sensitive areas

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

No environmental impact assessments were made during FY24

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

Not Applicable as the Company follows all applicable environmental laws, regulations and guidelines

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 6 | Leadership Indicators |

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area – Bhiwadi, Rajasthan
- (ii) Nature of operations – Manufacturing of injectables
- (iii) Water withdrawal, consumption and discharge

| Parameter  | FY 2024 | FY 2023 |
|--|---------|---------|
| Water withdrawal by source (in kilolitres)                           |         |         |
| (i) Surface water  | -       | -       |
| (ii) Groundwater   | 29,375  | 63,042  |
| (iii) Third party water  | -       | -       |
| (iv) Seawater/desalinated water                                      | -       | -       |
| (v) Others   | -       | -       |
| Total volume of water withdrawal (in kilolitres)                     | 29,375  | 63,042  |
| Total volume of water consumption (in kilolitres)                    | 29,375  | 63,042  |
| Water intensity per rupee of turnover (Water consumed/₹ Mn turnover) | 0.10    | 0.25    |

| Parameter   | FY 2024 | FY 2023 |
|---|---------|---------|
| Water discharge by destination and level of treatment (in kilolitres) |         |         |
| (i) Into Surface water  |         |         |
| - No treatment  | -       | -       |
| - With treatment  | -       | -       |
| (ii) Into Groundwater   |         |         |
| - No treatment  | -       | -       |
| - With treatment  | -       | -       |
| (iii) Into Seawater   |         |         |
| - No treatment  | -       | -       |
| - With treatment  | -       | -       |
| (iv) Sent to third parties  |         |         |
| - No treatment  | -       | -       |
| - With treatment  | -       | -       |
| (v) Others *  |         |         |
| - No treatment  | -       | -       |
| - With treatment  | -       | -       |
| Total water discharged (in kilolitres)                                | -       | -       |

\* Since facility is a zero liquid discharge facility, treated water is reused for utility purpose.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No

2. Details of total Scope 3 emissions & its intensity

The Company is in the process of initiating collection of scope 3 emissions information from value chain partners.

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 – Not Applicable

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

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, provide details of the same as well as outcome of such initiatives.

| Sl. No | Initiative undertaken        | Details of the initiative (Web-link, if any, may be provided along-with summary)   |
|--------|------------------------------|--|
| 1      | Improving steam fuel ratio   | Reduction in consumption of coal by 4,736 MT through increased steam condensate recovery and improving boiler efficiency   |
| 2      | Optimising Power consumption | Reduction in power consumption by 180.6 Lakhs KWH by installation of energy efficient pumps, installation of chillers under Build Own Operate and Transfer (BOOT) model, installation of solar rooftop panels, installation of filter press, installation of Variable Frequency Drive (VFD), installation of auto tube cleaning systems to chillers, replacement of existing compressors with energy efficient compressors, synchronisation of nitrogen plants, optimum utilisation of chillers and compressors and others |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has a business continuity and on-site emergency plan for all its locations. This business continuity plan enables the Company to adapt in situations arising from any natural calamity or an unprecedented event which may disrupt the business operations. Company continuously enhances its existing plan by incorporating interferences and observations from disruptions faced in the unprecedented situations such as the pandemic. Further, the Company’s risk management plan enables the minimisation of disaster-linked losses, by assessing the potential for major disruption with its consequent risks to the business, and by providing the appropriate mitigation action plans.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Scope-3 emissions information is not available with the entity.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100% of the critical suppliers are assessed on environmental impacts as a part of vendor qualification and vendor audit procedures.

Principle 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 7 | Essential Indicators |

1. A. Number of affiliations with trade and industry chambers/associations. – 48

B. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

| Sl. No | Name of the trade and industry chambers/associations                | Reach of trade and industry chambers/ associations |
|--------|---|--|
| 1      | Federation of Indian Micro and Small and Medium Enterprises (FIMSE) | National   |
| 2      | Confederation of Indian Industry                                    | National   |
| 3      | Indian Chamber of Commerce & Industry                               | National   |
| 4      | Pharmaceuticals Export Promotion Council of India                   | National   |
| 5      | Pharmaceutical Supply Chain Initiative                              | International                                      |
| 6      | The Federation TG and AP Chambers of Commerce & Industry (FAPCCI)   | State  |
| 7      | The Federation of Telangana Chambers of Commerce and Industry       | State  |
| 8      | Indo American Chamber of Commerce                                   | National   |
| 9      | AMR Industry Alliance   | International                                      |
| 10     | Indian Drug Manufacturers Association                               | National   |

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

No adverse orders were received from regulatory authorities.

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 7 | Leadership Indicators |

1. Details of public policy positions advocated by the entity:

The Company through trade and industry associations makes representation to the government/regulators on various aspects considering public interest at large.

Principle 8 Businesses should promote inclusive growth and equitable development

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 8 | Essential Indicators |

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project   | SIA Notification No. & Date                                | Whether conducted by independent external agency(Yes/No)                | Results in public domain (Yes/No) | Relevant Web link   |
|---|--|---|-----------------------------------|---|
| From Vision to Impact: An Impact Assessment of Aurobindo Pharma Foundation's Corporate Social Responsibility Endeavour in collaboration with Pushpagiri Vitreo Retina Institute, Kadapa district, Andhra Pradesh  | G.S.R. 40(E) of Ministry of Corporate Affairs – 22.01.2021 | Yes; Assessment conducted and reported by Anusandhan Social Consultants | Yes                               | Link: <a href="https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects">https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects</a> |
| Nourishing Impact: Evaluating Aurobindo Pharma Foundation's Corporate Social Responsibility Initiative in Kitchen & Dining Hall Sustainability at Dr. B.R. Ambedkar University, Etcherla, Srikakulam district, Andhra Pradesh                             | G.S.R. 40(E) of Ministry of Corporate Affairs – 22.01.2021 | Yes; Assessment conducted and reported by Anusandhan Social Consultants | Yes                               | Link: <a href="https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects">https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects</a> |
| Nourishing Communities: An Impact Assessment Report of Aurobindo Pharma Foundation's Corporate Social Responsibility Initiative on Centralised Kitchen in partnership with Hare Krishna Movement Charitable Foundation at Mahbubnagar district, Telangana | G.S.R. 40(E) of Ministry of Corporate Affairs – 22.01.2021 | Yes; Assessment conducted and reported by Anusandhan Social Consultants | Yes                               | Link: <a href="https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects">https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects</a> |
| Turning the Arid into the Fertile: An Impact Assessment Report of Aurobindo Pharma Foundation's Corporate Social Responsibility Initiative on Lift Irrigation Project in collaboration with Ramky Foundation at Mojerla, Wanaparthi district, Telangana   | G.S.R. 40(E) of Ministry of Corporate Affairs – 22.01.2021 | Yes; Assessment conducted and reported by Anusandhan Social Consultants | Yes                               | Link: <a href="https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects">https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects</a> |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

All the requests/applications from Villagers/Gram Sabha's/Panchayat/Ward Members/NGOs/Trusts/Societies/ Beneficiaries etc. shall be scrutinized and screened by CSR Cell and then their need assessment would be done. The need assessment/baseline survey shall be carried out through in-house expertise and resources. However, in case of specialised CSR projects/activities for which in-house capacity is not available, the baseline survey/need assessment shall be carried out by specialised agencies. In any case, the Company shall maintain the documentary evidence of having got the need assessment study done through its own expertise and resources, or through some specialised agencies, or having accessed reliable data in this regard from recognised authoritative secondary sources.

The implementation and monitoring of the CSR activities shall be overseen by the CSR Committee of the Board. The day-to-day implementation shall be under the overall supervision of a senior level executive, one rank below the Board Level, who shall act as the Nodal Officer. A CSR team of officials/employees within the organisation shall execute the CSR activities. The Nodal Officer along with a team of officials/employees shall coordinate & implement the CSR activities. For effective delivery of CSR operations and to have a focused approach, Aurobindo Pharma Foundation has been formed as a trust and Section 8 company under relevant legal framework. The team of CSR will work in close coordination under foundation and perform different activities. The CSR Committee and the Nodal Officer's team of officers/employees together will constitute the two-tier organisational structure to steer the CSR agenda of the Company. If required, the consultation/help of State Government/District administration may be taken wherever necessary.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Particulars  | FY 2024 | FY 2023 |
|--|---------|---------|
| Directly sourced from MSMEs/small producers                          | 13.83%  | 11.87%  |
| Sourced directly from within the district and neighbouring districts | 17.50%  | 17.83%  |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost.

| Location   | FY 2024<br>Current<br>Financial Year | FY 2023<br>Previous<br>Financial Year |
|--|--------------------------------------|---------------------------------------|
| Rural  | 85.12%                               | 84.72%                                |
| Semi-rural   | 2.00%                                | 0.41%                                 |
| Urban  | 1.47%                                | 1.57%                                 |
| Metropolitan   | 11.41%                               | 13.30%                                |
| (Place to be categorised as per RBI Classification System - rural/semi urban/urban/metropolitan) |                                      |                                       |

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 8 | Leadership Indicators |

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

There are no negative impacts as per the assessment made

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| Sl. No. | State  | Aspirational District | Amount spent (In ₹) |
|---------|--------|-----------------------|---------------------|
| 1       | Odisha | Koraput               | 6.0 Mn              |

3. A. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No. The Company doesn't have a preferential procurement policy to purchase from suppliers comprising marginalised/vulnerable groups. Selection of supplier is driven by vendor qualification process for critical material procurement.

B. From which marginalised/vulnerable groups do you procure?

Not Applicable

C. What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

The Company does not derive any benefits from intellectual properties owned or acquired based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects:

| Sl. No. | CSR Project   | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalised groups |
|---------|---|---|--|
| 1       | Education & Skill Development based projects (Constructed government schools, toilets, colleges, renovation of government schools, provided digital equipment and other infrastructure to government schools, colleges, universities, supported education of children with disabilities, supported education of poor, underprivileged students, supported skill development of unemployed rural youth, rural women and rural graduates)   | 22,569                                      | 100%   |
| 2       | Health & Sanitation based projects (Constructed blood bank, equipped hospitals and primary health centres (PHCs) with equipment, Patient transport vehicle, provided Tri motor bikes for persons with disabilities, supported treatment of poor, underprivileged patients, Solid Waste Management programs)   | 3,61,964                                    | 100%   |
| 3       | Nutrition based projects (Distributed food through centralised kitchens in government schools, GHMC locations, government hospitals etc., and provided support for construction of kitchen shed)<br><br>Note: Though number of meals provided from Aurobindo Pharma Foundation built 4 kitchens is 2.03 Crores during FY 2023-24. actual beneficiaries number (only students) has been considered due to non-availability of all beneficiaries details and to omit repetitions. | 1,16,772                                    | 100%   |
| 4       | Safe Drinking Water, Rural Development, and Public Safety based projects (Established community RO Water plants, laid CC roads, installed Solar and LED streetlights, constructed multi-purpose community halls, provided CC cameras, constructed Bharosa Centre which support women and children, provided various equipment to improve public safety, and supported Industrial Fire Safety Association to promote public safety in rural areas)                               | 3,31,728                                    | 100%   |
| 5       | Sustainable Agriculture based projects and green belt development towards environmental sustainability (Supported and hand-held Farmer Producer Organisations, Farmer Training Centre, Custom Hiring Centre, and Storage godown, plantations and its maintenance)   | 7,682                                       | 100%   |
| 6       | Old-Age Homes based projects (Supported operational expenses of old age homes)  | 35  | 100%   |

| Sl. No. | CSR Project  | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalised groups |
|---------|--|---|--|
| 7       | Rural sports based projects (Supported rural athletes, provided support for conducting various mandal and district level sports competitions/tournaments, provided sports equipment to government schools) | 3,624                                       | 100%   |
| 8       | Animal Welfare based projects (Supported Gowshalas for providing fodder, and maintenance, supported animal welfare and animal husbandry camps in rural areas)  | 14,998                                      | 100%   |

Principle 9 Businesses should engage with and provide value to their consumers in a responsible manner

| Section   | Principle   | Indicator Type       |
|-----------|-------------|----------------------|
| Section C | Principle 9 | Essential Indicators |

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

All the queries and product-related safety complaints are addressed on a priority basis. All spontaneous adverse events (marketed products) are collected via phone, email, fax, postal and Aurobindo official website. All adverse events (investigational products) are collected as per the Clinical Trial Protocol or Safety Management Plan. For this purpose, various channels of communication are available to collect safety information round the clock. All employees of the Company participating in the pharmacovigilance activities are trained, know their responsibility and are capable to perform their duties. We comply with international regulations governing the reporting, analysis and communication of side effects. We have a governance framework and policies in place to help us detect and act on any side- effects and other human safety information that may be associated with our products. We are using Argus Safety database to support identification and evaluation of safety information, for example, the identification of new side effects or a change in the nature, frequency, or severity of known side effects.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

| Particulars   | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | -                                 |
| Safe and responsible usage                                  | 100%                              |
| Recycling and/or safe disposal                              | -                                 |

3. Number of consumer complaints in respect of the following:

| Particulars                    | FY 2024                  |                                   |  | Remarks | FY 2023                  |                                   |  | Remarks |
|--------------------------------|--------------------------|-----------------------------------|--|---------|--------------------------|-----------------------------------|--|---------|
|                                | Received during the year | Pending resolution at end of year |  |         | Received during the year | Pending resolution at end of year |  |         |
| Data privacy                   | -                        | -                                 |  | -       | -                        | -                                 |  | -       |
| Advertising                    | -                        | -                                 |  | -       | -                        | -                                 |  | -       |
| Cyber-security                 | -                        | -                                 |  | -       | -                        | -                                 |  | -       |
| Delivery of essential services | -                        | -                                 |  | -       | -                        | -                                 |  | -       |
| Restrictive Trade Practices    | -                        | -                                 |  | -       | -                        | -                                 |  | -       |
| Unfair Trade Practices         | -                        | -                                 |  | -       | -                        | -                                 |  | -       |
| Other                          | -                        | -                                 |  | -       | -                        | -                                 |  | -       |

4. Details of instances of product recalls on account of safety issues:

| Particulars       | Number | Reasons for recall   |
|-------------------|--------|--|
| Voluntary recalls | 5      | Reasons for recall of products are due to quality specifications |
| Forced recalls    | -      | -  |

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Policy on cyber security is available to address risks related to information security and data privacy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Root cause identification and Investigation is performed, and corrective and preventive actions are initiated to prevent re-occurrence of product recalls.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - 1
- b. Percentage of data breaches involving personally identifiable information of customers - 0%
- c. Impact, if any, of the data breaches - In one of our subsidiaries located outside India, there has been an Information Security incident that affected select internal IT systems. This incident is not material and has not impacted our core systems and operations. Restoration of the impacted systems is completed, and necessary steps are being taken to prevent such a recurrence.

| Section   | Principle   | Indicator Type        |
|-----------|-------------|-----------------------|
| Section C | Principle 9 | Leadership Indicators |

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Link :<https://www.aurobindo.com/about-us/business-units/formulations>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

Educational materials explain the role and responsibilities of Health Care Professionals in identifying and evaluating side effects and other human safety information, and subsequently preparing and submitting reports of high quality.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The benefit/risk profile of an Aurobindo product is assessed throughout its lifecycle using a benefit/risk framework and appropriate analyses. When information is found that changes the benefit/risk balance in a negative direction, action is taken to characterise, communicate and minimise the risk. Proposed actions are discussed with regulatory authorities and can include modifying the prescribing information (which includes the patient information leaflet), sending communications to Health Care Professionals (HCPs) and sometimes carrying out further Post Authorisation Safety Studies and/or other risk management measures. In certain cases, it may be appropriate to withdraw the medicine from the market.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No



To the Board of Directors,  
**Aurobindo Pharma Limited,**  
(CIN - L24239TG1986PLC015190)

**Independent Practitioner’s Reasonable Assurance Report on Identified Sustainability Information included in BRSR Core.**

We have undertaken to perform a reasonable assurance engagement, for Aurobindo Pharma Limited, (hereinafter abbreviated as “the Company”) vide agreement dated June 13, 2024 in respect of the agreed Sustainability Information listed below (the “Identified Sustainability Information”) in accordance with the criteria stated below. This Identified Sustainability Information as included in the BRSR (Business Responsibility & Sustainability Reporting) Core of the Company for the financial year ended March 31, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers and other professionals.

**Identified Sustainability Information**

The Identified Sustainability Information for the financial year ended March 31, 2024 is summarised below:

| Sr. No. | Attribute   | Principle           | Key Performance Indicator   |
|---------|---|---------------------|---|
| 1.      | Energy Footprint  | Principle 6 – 1     | <ul style="list-style-type: none"><li>Total energy consumption (in Joules or multiples) and energy intensity</li><li>% of energy consumed from renewable sources</li><li>Energy intensity</li></ul>   |
| 2.      | Water Footprint   | Principle 6 – 3     | <ul style="list-style-type: none"><li>Total water consumption</li><li>Water consumption intensity</li></ul>   |
|         |   | Principle 6 – 4     | <ul style="list-style-type: none"><li>Water discharge by destination &amp; level of treatment</li></ul>   |
| 3.      | Greenhouse (GHG) footprint  | Principle 6 – 7     | <ul style="list-style-type: none"><li>Greenhouse gas emissions (Scope 1 &amp; Scope 2 emissions) &amp; its intensity</li></ul>  |
| 4.      | Embracing circularity – details related to waste management by the entity | Principle 6 – 9     | <ul style="list-style-type: none"><li>Details related to waste generated by the entity (category wise)</li><li>Waste intensity</li><li>Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations</li><li>For each category of waste generated, total waste disposed by nature of disposal method</li></ul> |
| 5.      | Enhancing Employee Wellbeing and Safety                                   | Principle 3 – 1 (c) | <ul style="list-style-type: none"><li>Spending on measures towards well-being of employees and workers (including permanent and other than permanent)</li></ul>   |
|         |   | Principle 3 – 11    | <p>Safety related incidents:</p> <ul style="list-style-type: none"><li>Lost time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</li><li>Total recorded work-related injuries</li><li>No. of fatalities</li><li>High consequence work-related injury or ill-health (excluding fatalities)</li></ul>   |
| 6.      | Enabling gender diversity in business                                     | Principle 5 – 3 (b) | Gross wages paid to females as % of total wages paid by the entity  |
|         |   | Principle 5 – 7     | Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013  |
| 7.      | Enabling inclusive development  | Principle 8 – 4     | Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/small producers and from within India   |
|         |   | Principle 8 – 5     | Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or nonpermanent/on contract) as % of total wage cost   |
| 8.      | Fairness in Engaging with Customers and Suppliers                         | Principle 9 – 7     | Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events  |
|         |   | Principle 1 – 8     | Number of days of accounts payable  |
| 9.      | Open-ness of business   | Principle 1 – 9     | Concentration of purchases & sales done with trading houses, dealers, and related parties<br>Loans and advances & investments with related parties  |

Our reasonable assurance engagement was with respect to the financial year ended March 31, 2024 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR/BRSR Core and, therefore, do not express any opinion thereon.

**Criteria**

The criteria used by the Company to prepare the Identified Sustainability Information for the financial year ended March 31, 2024 are the BRSR Core – ‘Framework for assurance and ESG disclosures for value chain’ and BRSR format, issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘LODR Regulations’) read with SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 (“SEBI Circular”) and the Guidance note for BRSR read with National Guidelines for Responsible Business Conduct Issued by Ministry of Corporate Affairs (“BRSR Framework”) (hereinafter referred to as ‘Criteria’).

**Management’s Responsibility**

The Company’s management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

**Inherent limitations**

The absence of a significant body of established practice on which to draw, to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

The preparation of the Company’s BRSR information requires the management to establish or interpret the criteria, make determinations about the relevancy of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR metrics, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example GHG emissions, water footprint, energy footprint. Obtaining sufficient appropriate evidence to support our opinion/ conclusion does not reduce the uncertainty in the amount and metrics.

We have not been involved in evaluation or assessment of any financial data/performance of the Company. Our opinion on specific BRSR Core indicators (ref- all sections of core indicators where currency; INR has been applied) relies on the third party audited financial reports of the Company. We do not take any responsibility of the financial data reported in the audited financial reports of the Company.

**Our Independence and Quality Control**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The Firm applies Standard on Quality Control (SQC) 1, “Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements”, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

**Our Responsibility**

Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, “Assurance Engagements on Sustainability Information”, issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in

accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Visited the corporate office at Hyderabad for data and document verification.
- Interviewed senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.
- Reviewed the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within the Criteria.
- Evaluated the suitability and application of Criteria and that the Criteria have been applied appropriately to the subject matter.
- Selected key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Re-performed calculations to check accuracy of claims.
- Reviewed data from independent sources, wherever available.

- Reviewed data, information about sustainability performance indicators and statements in the report.
- Reviewed and verified information/data as per the BRSR Core framework;
- Reviewed accuracy, transparency and completeness of the information/data provided.

Exclusions

Our reasonable assurance scope excludes the following areas, and therefore we do not express an opinion on them:

- Operations of the Company other than those mentioned in the 'Scope of Assurance'.
- Any disclosure other than those mentioned in the Scope above.
- Data and information outside the defined reporting period, i.e., April 1, 2023 to March 31, 2024.
- Aspects of the BRSR attributes and the data/ information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data related to the Company's financial performance, strategy, and other related linkages expressed in the Report.
- The Company's statements that describe expressions of opinion, belief, aspiration, expectation, forward-looking statements, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

- The procedures did not include testing controls or performing procedures relating to checking the aggregation or calculation of data within IT systems.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- The assurance engagement is based on the assumption that the data and information provided by the Company are complete, sufficient, and authentic.

Opinion

Based on the procedures we have performed and the evidences we have obtained, the Identified Sustainability Information included in the BRSR Core for the financial year ended March 31, 2024 are prepared in all material respects, in accordance with the Criteria.

Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of Aurobindo Pharma Limited at the sole request, to assist in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

Sharp & Tannan Associates  
Chartered Accountants (ICAI Firm Reg. No. 109983W)

Place: Pune  
Date: July 18, 2024

CA. Arnob Choudhuri  
Partner (Mem No. 156378)

Form AOC-1  
(Pursuant to first proviso 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

| (All amounts are in Indian Rupees millions except share data and unless otherwise stated) |   |   |                    |   |               |                    |              |                   |                             |                                     |          |                                |                        |                               |                   |                   |                 |
|---|---|---|--------------------|---|---------------|--------------------|--------------|-------------------|-----------------------------|-------------------------------------|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------|-----------------|
| Sl. No.   | Name of the subsidiary                        | The date since when subsidiary was acquired | Reporting currency | Exchange rates on the last date of the Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments in Subsidiaries | Investments other than Subsidiaries | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding | Country         |
| 1   | Helix Healthcare B.V.                         | Not Applicable                              | EUR                | 89.8775   | 27,133.1      | 1,433.3            | 8,574.9      | 10.1              | 19,041.0                    | 960.6                               | -        | 728.1                          | 56.7                   | 671.4                         | -                 | 100%              | The Netherlands |
| 2   | Agile Pharma B.V.                             | Not Applicable                              | EUR                | 89.8775   | 4,976.1       | 6,011.7            | 215.1        | 12,855.6          | 23,628.3                    | -                                   | 105.2    | 1,070.8                        | 75.2                   | 995.6                         | -                 | 100%              | The Netherlands |
| 3   | Laboratorios Eurobindo S.L. <sup>1</sup>      | Not Applicable                              | EUR                | 89.8775   | -             | -                  | -            | -                 | -                           | -                                   | -        | -                              | -                      | -                             | -                 | 100%              | Spain           |
| 4   | Aurex B.V. (formerly known as Pharmacin B.V.) | December 29, 2006                           | EUR                | 89.8775   | 33.4          | 302.8              | 423.1        | 86.9              | -                           | -                                   | 496.1    | 31.9                           | 5.0                    | 26.9                          | -                 | 100%              | The Netherlands |
| 5   | Milpharm Limited                              | February 9, 2006                            | GBP                | 105.0325  | 377.9         | 3,240.3            | 8,630.2      | 5,012.0           | -                           | -                                   | 7,255.4  | 862.9                          | 216.0                  | 646.9                         | -                 | 100%              | U.K.            |
| 6   | Aurobindo Pharma (Malta) Ltd.                 | Not Applicable                              | EUR                | 89.8775   | 456.1         | 629.8              | 832.0        | 8.0               | 261.9                       | -                                   | -        | 387.6                          | (33.2)                 | 420.8                         | -                 | 100%              | Malta           |
| 7   | APL Swift Services (Malta) Ltd.               | Not Applicable                              | EUR                | 89.8775   | 323.6         | -                  | 4,945.9      | 4,622.3           | -                           | -                                   | 11,122.0 | 182.0                          | 64.0                   | 118.0                         | 387.7             | 100%              | Malta           |
| 8   | Aurobindo Pharma (Romania) s.r.l              | Not Applicable                              | RON                | 18.0822   | 768.7         | (741.2)            | 159.4        | 131.9             | -                           | -                                   | 60.2     | 13.7                           | -                      | 13.7                          | -                 | 100%              | Romania         |
| 9   | Pharmacin B.V. (formerly known as Aurex B.V.) | Not Applicable                              | EUR                | 89.8775   | 8.1           | 62.9               | 135.5        | 64.5              | -                           | -                                   | 274.0    | 0.3                            | 0.1                    | 0.3                           | -                 | 100%              | The Netherlands |
| 10  | Aurovitas Pharma Polska                       | Not Applicable                              | PLN                | 20.9446   | 191.7         | 2,147.9            | 3,788.1      | 1,448.5           | -                           | -                                   | 4,164.9  | (471.7)                        | (83.6)                 | (388.0)                       | -                 | 100%              | Poland          |
| 11  | Generis Farmaceutica S.A.                     | May 1, 2017                                 | EUR                | 89.8775   | 11,683.5      | (3,313.8)          | 11,248.8     | 2,879.6           | 0.5                         | -                                   | 10,862.1 | 1,243.3                        | 541.7                  | 701.7                         | -                 | 100%              | Portugal        |
| 12  | Generis Phar. Unipessoal Lda                  | May 1, 2017                                 | EUR                | 89.8775   | 0.4           | 0.1                | 1.1          | 0.6               | -                           | -                                   | -        | -                              | -                      | -                             | -                 | 100%              | Portugal        |

| (All amounts are in Indian Rupees millions except share data and unless otherwise stated) |   |                  |     |  |               |                    |              |                   |                             |                                     |          |                                |                        |                               |                   |                   |                 |
|---|---|------------------|-----|--|---------------|--------------------|--------------|-------------------|-----------------------------|-------------------------------------|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------|-----------------|
|   |   |                  |     | Exchange rates on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments in Subsidiaries | Investments other than Subsidiaries | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding | Country         |
| 13  | Aurobindo Pharma (Italia) S.r.l               | Not Applicable   | EUR | 89.8775  | 179.8         | 1,235.7            | 2,723.6      | 1,308.1           | -                           | -                                   | 3,777.8  | 96.4                           | 1.6                    | 94.8                          | -                 | 100%              | Italy           |
| 14  | Arrow generiques SAS                          | April 1, 2014    | EUR | 89.8775  | 3,320.6       | 3,729.9            | 16,035.3     | 8,984.8           | -                           | -                                   | 18,841.4 | 728.8                          | (162.3)                | 891.0                         | -                 | 100%              | France          |
| 15  | 1980 Puren Pharma GmbH                        | April 1, 2014    | EUR | 89.8775  | 2.2           | 2.8                | 5.7          | 0.7               | -                           | -                                   | -        | 0.1                            | -                      | 0.1                           | -                 | 100%              | Germany         |
| 16  | Puren Pharma GmbH & Co., KG                   | April 1, 2014    | EUR | 89.8775  | 2.3           | 1,648.6            | 16,487.5     | 14,836.6          | -                           | -                                   | 7,235.1  | 1,033.1                        | 183.7                  | 849.3                         | 779.5             | 100%              | Germany         |
| 17  | Aurovitas Spain SA                            | April 1, 2014    | EUR | 89.8775  | 11.2          | 2,670.1            | 3,982.7      | 1,301.4           | -                           | -                                   | 5,746.8  | 386.2                          | 97.7                   | 288.5                         | -                 | 100%              | Spain           |
| 18  | Aurobindo Pharma B.V.                         | April 1, 2014    | EUR | 89.8775  | 229.2         | 4,407.1            | 8,991.6      | 4,839.8           | 484.5                       | -                                   | 9,644.8  | 1,325.7                        | 345.4                  | 980.3                         | 808.9             | 100%              | The Netherlands |
| 19  | Aurovitas Spol s.r.o.                         | February 8, 2019 | CZK | 3.5570   | 432.5         | 61.9               | 514.0        | 19.6              | -                           | -                                   | -        | 47.9                           | -                      | 47.9                          | -                 | 100%              | Czech Republic  |
| 20  | Apotex Europe B.V.                            | February 8, 2019 | EUR | 89.8775  | -             | 596.1              | 702.0        | 105.9             | -                           | -                                   | -        | 18.9                           | -                      | 18.9                          | -                 | 100%              | The Netherlands |
| 21  | Aurovitas Nederland B.V                       | February 8, 2019 | EUR | 89.8775  | -             | (1,487.6)          | 403.4        | 1,891.0           | -                           | -                                   | -        | (43.8)                         | 53.9                   | (97.8)                        | -                 | 100%              | The Netherlands |
| 22  | Sameko Farma B.V. 2                           | February 8, 2019 | EUR | 89.8775  | -             | -                  | -            | -                 | -                           | -                                   | -        | -                              | -                      | -                             | -                 | 100%              | The Netherlands |
| 23  | Leidapharm B.V. 2                             | February 8, 2019 | EUR | 89.8775  | -             | -                  | -            | -                 | -                           | -                                   | -        | -                              | -                      | -                             | -                 | 100%              | The Netherlands |
| 24  | Marel B.V. 2                                  | February 8, 2019 | EUR | 89.8775  | -             | -                  | -            | -                 | -                           | -                                   | -        | -                              | -                      | -                             | -                 | 100%              | The Netherlands |
| 25  | Pharma Dossier B.V.2                          | February 8, 2019 | EUR | 89.8775  | -             | -                  | -            | -                 | -                           | -                                   | -        | -                              | -                      | -                             | -                 | 100%              | The Netherlands |
| 26  | Aurobindo NV/SA                               | Not Applicable   | EUR | 89.8775  | 786.0         | 481.2              | 1,615.5      | 348.3             | -                           | -                                   | 1,630.1  | 61.1                           | (420.1)                | 481.2                         | -                 | 100%              | Belgium         |
| 27  | CurateQ Biologics s.r.o.                      | Not Applicable   | CZK | 3.5570   | 172.6         | (42.1)             | 132.0        | 1.5               | -                           | -                                   | -        | (19.8)                         | -                      | (19.8)                        | -                 | 100%              | Czech Republic  |
| 28  | Eugia Pharma B.V.                             | Not Applicable   | EUR | 89.8775  | 1,043.5       | 718.9              | 473.4        | 1.7               | 1,290.7                     | -                                   | -        | 180.2                          | (87.0)                 | 267.2                         | -                 | 100%              | The Netherlands |
| 29  | Eugia Pharma (Malta) Limited                  | Not Applicable   | EUR | 89.8775  | 853.9         | -                  | 2,325.6      | 1,471.7           | -                           | -                                   | 4,958.4  | 289.9                          | 101.5                  | 188.4                         | 188.4             | 100%              | Malta           |
| 30  | Eugia (Uk) Limited                            | Not Applicable   | GBP | 105.0325   | 44.1          | 4.3                | 51.5         | 3.1               | -                           | -                                   | 15.0     | 7.0                            | 1.3                    | 5.7                           | -                 | 100%              | U.K.            |
| 31  | APL Pharma Thal Limited*                      | Not Applicable   | THB | 2.2850   | 228.5         | (60.9)             | 191.0        | 23.4              | -                           | -                                   | 97.7     | (1.0)                          | -                      | (1.0)                         | -                 | 97.92%            | Thailand        |
| 32  | Aurobindo Pharma Industria Farmaceutica Ltd.* | Not Applicable   | BRL | 16.6118  | 168.2         | 763.3              | 979.3        | 47.8              | -                           | -                                   | 699.5    | 225.1                          | 76.5                   | 148.6                         | -                 | 99.97%            | Brazil          |

(All amounts are in Indian Rupees millions except share data and unless otherwise stated)

| Sl. No. | Name of the subsidiary                             | The date since when subsidiary was acquired | Reporting currency | Exchange rates as on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments in Subsidiaries | Investments in other than Subsidiaries | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding | Country      |
|---------|--|---|--------------------|---|---------------|--------------------|--------------|-------------------|-----------------------------|--|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------|--------------|
| 33      | Aurobindo Pharma Productos Farmaceuticos Limitada* | Not Applicable                              | BRL                | 16.6118   | 1.7           | 268.2              | 326.4        | 56.5              | -                           | -                                      | 38.3     | 20.9                           | 7.1                    | 13.8                          | -                 | 100%              | Brazil       |
| 34      | AllPharma (Shanghai) Trading Co Ltd.*              | Not Applicable                              | RMB                | 11.4825   | 57.4          | 176.5              | 247.3        | 13.4              | -                           | -                                      | 7.4      | 10.1                           | 0.2                    | 9.9                           | -                 | 100%              | China        |
| 35      | Auro Pharma Inc.                                   | Not Applicable                              | CAD                | 61.2675   | 265.1         | 1,808.1            | 6,263.5      | 4,190.3           | -                           | -                                      | 6,587.9  | 554.6                          | 234.4                  | 320.2                         | -                 | 100%              | Canada       |
| 36      | Aurobindo Pharma (Pty) Ltd.                        | Not Applicable                              | ZAR                | 4.3700  | 183.1         | 120.9              | 1,828.2      | 1,524.2           | -                           | -                                      | 2,490.0  | 75.6                           | 18.6                   | 57.0                          | -                 | 74%               | South Africa |
| 37      | Aurobindo Pharma Japan KK                          | Not Applicable                              | JPY                | 0.5507  | 81.9          | 111.8              | 332.0        | 138.3             | -                           | -                                      | 374.6    | 40.5                           | 11.6                   | 28.9                          | -                 | 100%              | Japan        |
| 38      | Aurovida Farmaceutica SA DE CV *                   | Not Applicable                              | MXN                | 5.0276  | 763.0         | (254.3)            | 2,142.4      | 1,633.7           | -                           | -                                      | 1,446.5  | (196.2)                        | 34.3                   | (230.5)                       | -                 | 100%              | Mexico       |
| 39      | Aurobindo Pharma Colombia S A*                     | Not Applicable                              | Opeso              | 0.0215  | 34.4          | 421.4              | 768.6        | 312.8             | -                           | -                                      | 690.2    | 52.7                           | 27.2                   | 25.5                          | -                 | 100%              | Colombia     |
| 40      | Aurogen South Africa (PTY) Ltd.                    | Not Applicable                              | ZAR                | 4.3700  | 183.1         | 1,403.9            | 2,906.5      | 1,575.5           | 183.1                       | 72.9                                   | 3,013.3  | 204.1                          | 55.5                   | 148.6                         | -                 | 100%              | South Africa |
| 41      | Aurobindo Pharma Saudi Arabia Limited Company      | Not Applicable                              | SAR                | 22.2375   | 667.1         | (377.9)            | 294.1        | 4.9               | -                           | -                                      | 37.0     | (101.6)                        | 49.5                   | (151.1)                       | -                 | 100%              | Soudi Arabia |
| 42      | Aurovitas Pharma (Taizhou) Ltd.*                   | Not Applicable                              | RMB                | 11.4825   | 5,898.9       | (400.6)            | 9,712.0      | 4,213.7           | -                           | -                                      | 4.5      | (234.8)                        | -                      | (234.8)                       | -                 | 100%              | China        |
| 43      | Aurobindo Pharma FZ-LLC                            | Not Applicable                              | AED                | 22.7125   | 2,158.5       | 2,105.3            | 4,564.3      | 300.5             | -                           | -                                      | 2,579.1  | 2,179.1                        | -                      | 2,179.1                       | -                 | 100%              | Dubai        |
| 44      | Aurosalud SA De CV *                               | Not Applicable                              | MXN                | 5.0276  | 0.3           | (11.6)             | 101.3        | 112.6             | -                           | -                                      | -        | (4.6)                          | -                      | (4.6)                         | -                 | 100%              | Mexico       |
| 45      | Auro PR Inc  | Not Applicable                              | USD                | 83.4050   | 500.4         | 984.3              | 2,748.4      | 1,263.7           | -                           | -                                      | 3,449.6  | 677.3                          | 96.6                   | 580.7                         | -                 | 100%              | Puerto Rico  |
| 46      | Eugia Pharma INC                                   | Not Applicable                              | CAD                | 61.2675   | -             | 158.9              | 364.7        | 205.8             | -                           | -                                      | 1.8      | (37.1)                         | -                      | (37.1)                        | -                 | 100%              | Canada       |
| 47      | Eugia Pharma (Australia) PTY Limited               | Not Applicable                              | AUD                | 54.1125   | 109.6         | (107.1)            | 15.4         | 12.9              | -                           | -                                      | -        | (80.2)                         | -                      | (80.2)                        | -                 | 100%              | Australia    |
| 48      | Eugia Pharma Industria Farmaceutica Limitada *     | Not Applicable                              | BRL                | 16.6118   | 51.4          | 295.7              | 859.2        | 512.1             | -                           | -                                      | 1,451.6  | 475.4                          | 161.6                  | 313.8                         | -                 | 100%              | Brazil       |

(All amounts are in Indian Rupees millions except share data and unless otherwise stated)

| Sl. No. | Name of the subsidiary                                    | The date since when subsidiary was acquired | Reporting currency | Exchange rates as on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments in Subsidiaries | Investments in other than Subsidiaries | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding | Country   |
|---------|---|---|--------------------|---|---------------|--------------------|--------------|-------------------|-----------------------------|--|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------|-----------|
| 49      | Aurobindo Pharma Ukraine LLC <sup>3</sup> *               | Not Applicable                              | UAH                | 2.1098  | -             | -                  | -            | -                 | -                           | -                                      | -        | -                              | -                      | -                             | -                 | 100%              | Ukraine   |
| 50      | Eugia Pharma Colombia S.A.*                               | Not Applicable                              | COP                | 0.0215  | 10.8          | (3.4)              | 24.5         | 17.1              | -                           | -                                      | 5.0      | (3.3)                          | 0.1                    | (3.4)                         | -                 | 100%              | Colombia  |
| 51      | PT Aurogen Pharma Indonesia *                             | Not Applicable                              | IDR                | 0.0052  | 1,808.3       | (124.6)            | 2,040.9      | 357.2             | -                           | -                                      | 724.9    | (153.0)                        | (33.5)                 | (119.5)                       | -                 | 100%              | Indonesia |
| 52      | Auro Pharma LLC <sup>4</sup>                              | Not Applicable                              | RUB                | 0.8982  | 242.5         | 1.1                | 244.0        | 0.4               | -                           | -                                      | -        | 1.5                            | 0.4                    | 1.1                           | -                 | 100%              | Russia    |
| 53      | Auroscience PTY Ltd, Australia <sup>5</sup>               | Not Applicable                              | USD                | 83.4050   | -             | -                  | -            | -                 | -                           | -                                      | -        | -                              | -                      | -                             | -                 | 100%              | Australia |
| 54      | Aurobindo Pharma USA Inc.                                 | Not Applicable                              | USD                | 83.4050   | 5,144.0       | 56,661.1           | 94,052.2     | 39,401.0          | 5,283.7                     | 1,870.2                                | 79,951.5 | 7,914.8                        | 816.0                  | 7,098.7                       | -                 | 100%              | USA       |
| 55      | Aurolife Pharma LLC                                       | Not Applicable                              | USD                | 83.4050   | 5,087.7       | 2,116.0            | 15,887.9     | 8,684.2           | -                           | -                                      | 603.4    | (26162)                        | -                      | (26162)                       | -                 | 100%              | USA       |
| 56      | Eugia US LLC.   | Not Applicable                              | USD                | 83.4050   | 17.1          | 9,471.9            | 15,744.3     | 6,255.3           | -                           | -                                      | 23,700.4 | 1,467.5                        | 108.2                  | 1,359.3                       | -                 | 100%              | USA       |
| 57      | Auro Health LLC   | Not Applicable                              | USD                | 83.4050   | 20.9          | 2,151.0            | 7,347.6      | 5,217.4           | 41.7                        | -                                      | 6,103.0  | 201.3                          | 35.6                   | 165.8                         | -                 | 100%              | USA       |
| 58      | Auro AR LLC   | Not Applicable                              | USD                | 83.4050   | 8.3           | -                  | 8.3          | -                 | -                           | -                                      | -        | -                              | -                      | -                             | -                 | 100%              | USA       |
| 59      | Auro Vaccines LLC   | Not Applicable                              | USD                | 83.4050   | 41.7          | (3,508.2)          | 263.4        | 3,729.9           | -                           | -                                      | -        | (115.3)                        | -                      | (115.3)                       | -                 | 100%              | USA       |
| 60      | AuroLogistics LLC   | Not Applicable                              | USD                | 83.4050   | 41.7          | 343.3              | 1,645.0      | 1,260.0           | -                           | -                                      | 2,368.6  | 77.7                           | 13.7                   | 64.0                          | -                 | 100%              | USA       |
| 61      | Acrotech Biopharma Inc. (Formerly Acrotech Biopharma LLC) | Not Applicable                              | USD                | 83.4050   | 41.7          | 7,425.0            | 9,173.9      | 1,707.2           | -                           | -                                      | 9,737.7  | 1,274.1                        | 225.1                  | 1,049.0                       | -                 | 100%              | USA       |
| 62      | Auro Science LLC  | Not Applicable                              | USD                | 83.4050   | -             | -                  | -            | -                 | -                           | -                                      | -        | -                              | -                      | -                             | -                 | 100%              | USA       |
| 63      | Auro Packaging LLC  | Not Applicable                              | USD                | 83.4050   | 41.7          | (160.6)            | 1,142.6      | 1,261.5           | -                           | -                                      | 437.0    | (78.2)                         | -                      | (78.2)                        | -                 | 100%              | USA       |
| 64      | Vespyr Brands LLC (formerly known as Vespyr Brands, Inc)  | Not Applicable                              | USD                | 83.4050   | 41.7          | (556.6)            | 4,739.0      | 5,253.9           | -                           | -                                      | 2,251.3  | (518.9)                        | -                      | (518.9)                       | -                 | 100%              | USA       |
| 65      | Eugia US Manufacturing LLC                                | Not Applicable                              | USD                | 83.4050   | 0.4           | (3,496.7)          | 4,826.4      | 8,322.7           | -                           | -                                      | -        | (3,099.5)                      | -                      | (3,099.5)                     | -                 | 100%              | USA       |
| 66      | Eugia Inc   | Not Applicable                              | USD                | 83.4050   | 0.8           | 7,574.1            | -            | 0.1               | 7,575.0                     | -                                      | -        | -                              | -                      | -                             | -                 | 100%              | USA       |

| (All amounts are in Indian Rupees millions except share data and unless otherwise stated) |  |   |                    |  |               |                    |              |                   |                             |                                     |          |                                |                               |                   |                   |         |       |
|---|--|---|--------------------|--|---------------|--------------------|--------------|-------------------|-----------------------------|-------------------------------------|----------|--------------------------------|-------------------------------|-------------------|-------------------|---------|-------|
| Sl. No.   | Name of the subsidiary   | The date since when subsidiary was acquired | Reporting currency | Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments in Subsidiaries | Investments other than Subsidiaries | Turnover | Profit/ (Loss) before taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding | Country |       |
| 67  | APL Healthcare Limited <sup>9</sup>  | Not Applicable                              | INR                | 1.0000   | 2,160.0       | 15,221.3           | 32,621.7     | 15,240.4          | -                           | -                                   | 31,300.5 | 6,140.2                        | 1,197.0                       | 4,943.2           | -                 | 100%    | India |
| 68  | Auronext Pharma Private Limited <sup>6</sup>                                 | Not Applicable                              | INR                | 1.0000   | -             | -                  | -            | -                 | -                           | -                                   | -        | -                              | -                             | -                 | -                 | 100%    | India |
| 69  | Auro Peptides Ltd.   | Not Applicable                              | INR                | 1.0000   | 1.0           | (2,043.2)          | 1,304.9      | 3,347.1           | -                           | -                                   | 273.4    | (522.4)                        | -                             | (522.4)           | -                 | 95%     | India |
| 70  | Apitoria Pharma Private Limited (formerly Auro Pharma India Private Limited) | Not Applicable                              | INR                | 1.0000   | 990.0         | 505.3              | 61,937.9     | 60,442.6          | -                           | -                                   | 32,544.0 | 1,732.3                        | 446.0                         | 1,286.3           | -                 | 100%    | India |
| 71  | Auroactive Pharma Private Limited <sup>8</sup>                               | Not Applicable                              | INR                | 1.0000   | 1,000.0       | 363.2              | 4,821.2      | 3,715.9           | 257.9                       | -                                   | 0.7      | (27.0)                         | -                             | (27.0)            | -                 | 100%    | India |
| 72  | CuraTeQ Biologics Private Limited <sup>9</sup>                               | Not Applicable                              | INR                | 1.0000   | 1,000.0       | (10,963.6)         | 11,937.6     | 21,902.2          | 1.0                         | -                                   | 0.1      | (6,799.4)                      | -                             | (6,799.4)         | -                 | 100%    | India |
| 73  | Eugia Steriles Private Limited <sup>9</sup>                                  | Not Applicable                              | INR                | 1.0000   | 442.5         | 501.9              | 6,821.9      | 5,877.5           | -                           | -                                   | 0.4      | (114.5)                        | (17.3)                        | (97.2)            | -                 | 100%    | India |
| 74  | AuroZest Private Limited <sup>9</sup>  | Not Applicable                              | INR                | 1.0000   | 1.0           | 233.7              | 520.6        | 285.9             | -                           | -                                   | -        | (19.9)                         | -                             | (19.9)            | -                 | 100%    | India |
| 75  | Aurobindo Antibiotics Private Limited  | Not Applicable                              | INR                | 1.0000   | 10.0          | (0.9)              | 7.1          | -                 | 2.0                         | -                                   | -        | (0.1)                          | -                             | (0.1)             | -                 | 100%    | India |
| 76  | Eugia Pharma Specialities Ltd. 2020  | November 6, 2020                            | INR                | 1.0000   | 6,210.1       | 13,523.0           | 37,487.1     | 23,722.3          | 5,968.3                     | -                                   | 31,509.3 | 10,770.4                       | 2,775.1                       | 7,995.3           | -                 | 100%    | India |
| 77  | Mviyes Pharma Ventures Private Limited <sup>7</sup>                          | November 6, 2020                            | INR                | 1.0000   | -             | -                  | -            | -                 | -                           | -                                   | -        | -                              | -                             | -                 | -                 | 100%    | India |
| 78  | Lyfius Pharma Private Limited <sup>9</sup>                                   | Not Applicable                              | INR                | 1.0000   | 1.0           | 5,808.9            | 26,078.4     | 20,268.5          | -                           | -                                   | 2.4      | (534.2)                        | -                             | (534.2)           | -                 | 100%    | India |
| 79  | Que Pharma Private Limited <sup>9</sup>                                      | Not Applicable                              | INR                | 1.0000   | 1.0           | 616.5              | 3,424.6      | 2,807.1           | -                           | -                                   | 3.5      | (59.4)                         | -                             | (59.4)            | -                 | 100%    | India |
| 80  | Eugia SEZ Private Limited  | Not Applicable                              | INR                | 1.0000   | 40.0          | (448.1)            | 4,126.8      | 4,534.9           | -                           | -                                   | 3,453.0  | (37.0)                         | -                             | (37.0)            | -                 | 100%    | India |
| 81  | Auro vaccines Private Limited <sup>9</sup>                                   | Not Applicable                              | INR                | 1.0000   | 1.0           | 144.0              | 4,288.4      | 4,143.4           | -                           | -                                   | -        | (344.7)                        | -                             | (344.7)           | -                 | 100%    | India |
| 82  | GLS Pharma Limited   | August 17, 2022                             | INR                | 1.0000   | 12.0          | 141.8              | 580.1        | 426.3             | -                           | -                                   | 328.7    | (39.4)                         | (1.3)                         | (38.0)            | -                 | 51%     | India |

| (All amounts are in Indian Rupees millions except share data and unless otherwise stated) |   |   |                    |  |               |                    |              |                   |                             |                                     |          |                                |                        |                               |                   |                   |         |
|---|---|---|--------------------|--|---------------|--------------------|--------------|-------------------|-----------------------------|-------------------------------------|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------|---------|
| Sl. No.   | Name of the subsidiary                          | The date since when subsidiary was acquired | Reporting currency | Exchange rates on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments in Subsidiaries | Investments other than Subsidiaries | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding | Country |
| 83  | TheraNym Biologics Private Limited <sup>7</sup> | Not Applicable                              | INR                | 1.0000   | 1.0           | (0.3)              | 231.9        | 231.2             | -                           | -                                   | -        | (0.3)                          | -                      | (0.3)                         | -                 | 100%              | India   |
| 84  | Auro Trading Private Limited <sup>8</sup>       | Not Applicable                              | INR                | 1.0000   | 1.0           | -                  | 1.0          | -                 | -                           | -                                   | -        | -                              | -                      | -                             | -                 | 100%              | India   |

1. Laboratorios Aurobindo S.L. Merged with Aurovitas Spain SA w.e.f. April 1, 2023.

2. The Financial Statements of these entities are consolidated in Aurovitas Nederland BV.

3. Aurobindo Pharma Ukraine LLC there were no activity during the financial year.

4. Auro Pharma LLC was incorporated on July 24, 2023, results given are from the date of incorporation.

5. Auroscience PTY Ltd., Australia deregistered w.e.f. June 4, 2023.

6. Auronext Pharma Private Limited merged with Aurobindo Pharma Ltd., India w.e.f. April 1, 2023.

7. Mviyes Pharma Ventures Private Limited merged with Aurobindo Pharma Ltd., India w.e.f. April 1, 2023.

8. Auro Trading Private Limited was incorporated on November 2, 2023 results given are from date of incorporation.

9. Reserves & Surplus includes equity portion of Compound financial instrument and financial commitment.
- \*The financial year of these companies end on 31 December. However, the results given are as of 31 March 2024.

For and on behalf of the Board of Directors of  
Aurobindo Pharma Limited

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

Place: Hyderabad  
Date: May 25, 2024

**Santhanam Subramanian**  
Chief Financial Officer

**B. Adi Reddy**  
Company Secretary  
Membership No: 13709



Part "B": Associates and Joint Ventures

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

| (All amounts are in Indian Rupees millions except share data and unless otherwise stated) |   |                           |                |                              |                |   |                |                              |                |  |                |                                   |                |   |                |  |                |
|---|---|---------------------------|----------------|------------------------------|----------------|---|----------------|------------------------------|----------------|--|----------------|-----------------------------------|----------------|---|----------------|--|----------------|
| Name of Joint Venture/Associate   |   | Novagen Pharma (Pty) Ltd. |                | Purple Bellflower (Pty) Ltd. |                | Tergene Biotech Limited (formerly known as Tergene Biotech Pvt. Ltd.) |                | Raidurgam Developers Limited |                | Luoxin Aurovitas Pharm (Chengdu) Co. Ltd.* |                | Novagen BBEE Invest Co (Pty) Ltd. |                | NVNR (Ramannapet I) Power Plant Private Limited |                | NVNR (Ramannapet II) Power Plant Private Limited |                |
|   |   | March 31, 2024            | March 31, 2024 | March 31, 2024               | March 31, 2024 | March 31, 2024  | March 31, 2024 | March 31, 2024               | March 31, 2024 | March 31, 2024                             | March 31, 2024 | March 31, 2024                    | March 31, 2024 | March 31, 2024                                  | March 31, 2024 | March 31, 2024                                   | March 31, 2024 |
| 1.  | Latest audited Balance Sheet Date   | March 31, 2024            | March 31, 2024 | March 31, 2024               | March 31, 2024 | March 31, 2024  | March 31, 2024 | March 31, 2024               | March 31, 2024 | March 31, 2024                             | March 31, 2024 | March 31, 2024                    | March 31, 2024 | March 31, 2024                                  | March 31, 2024 | March 31, 2024                                   | March 31, 2024 |
| 2.  | Shares of Associate/Joint Venture held by the company on the year end     |                           |                |                              |                |   |                |                              |                |  |                |                                   |                |   |                |  |                |
|   | No.   | 9,27,237                  | 480            | 90,40,000                    | 40,00,000      | 40,00,000   | 40,00,000      | 40,00,000                    | 40,00,000      | Not applicable                             | 245            | 5,20,000                          | 5,20,000       | 5,20,000  | 5,20,000       | 5,20,000   | 5,20,000       |
|   | Amount of Investment in Associate/Joint Venture                           | 72.1                      | -              | 90.4                         | 40.0           | 40.0  | 40.0           | 40.0                         | 40.0           | 960.6                                      | 0.8            | 5.2                               | 5.2            | 5.2   | 5.2            | 5.2  | 5.2            |
|   | Extent of Holding %   | 50.00%                    | 48.00%         | 80.00%                       | 40.00%         | 40.00%  | 40.00%         | 40.00%                       | 40.00%         | 30.00%                                     | 24.50%         | 26.00%                            | 26.00%         | 26.00%  | 26.00%         | 26.00%   | 26.00%         |
| 3.  | Description of how there is significant influence                         | Joint Venture             | Joint Venture  | Joint Venture                | Joint Venture  | Joint Venture   | Joint Venture  | Joint Venture                | Joint Venture  | Joint Venture                              | Joint Venture  | Associate                         | Associate      | Associate                                       | Associate      | Associate  | Associate      |
| 4.  | Reason why the Associate/Joint Venture is not consolidated                | Not applicable            | Not applicable | Not applicable               | Not applicable | Not applicable  | Not applicable | Not applicable               | Not applicable | Not applicable                             | Not applicable | Not applicable                    | Not applicable | Not applicable                                  | Not applicable | Not applicable                                   | Not applicable |
| 5.  | Networth attributable to Shareholding as per latest audited Balance Sheet | (244.2)                   | (0.10)         | (339.2)                      | (151.7)        | (151.7)   | (151.7)        | (151.7)                      | (151.7)        | 752.6                                      | 0.5            | 9.7                               | 9.7            | 9.7   | 9.7            | 6.2  | 6.2            |
| 6.  | Profit for the year   |                           |                |                              |                |   |                |                              |                |  |                |                                   |                |   |                |  |                |
|   | i. Considered in Consolidation  | (79.4)                    | 2.4            | (51.6)                       | 63.8           | 63.8  | 63.8           | 63.8                         | 63.8           | (40.3)                                     | 0.2            | 9.9                               | 9.9            | 9.9   | 9.9            | 9.1  | 9.1            |
|   | ii. Not Considered in Consolidation                                       | (79.4)                    | 2.6            | (12.9)                       | 95.7           | 95.7  | 95.7           | 95.7                         | 95.7           | (94.0)                                     | 0.7            | 28.3                              | 28.3           | 28.3  | 28.3           | 25.8   | 25.8           |

\*The financial year of these companies end on 31 December. However, the results given are as of 31 March 2024  
\*\* The results given are based on the provisional financial statements.

For and on behalf of the Board of Directors of Aurobindo Pharma Limited

Place: Hyderabad  
Date: May 25, 2024

K. Nithyananda Reddy

Vice Chairman & Managing Director  
DIN-01284195

M. Madan Mohan Reddy

Director  
DIN-01284266

B. Adi Reddy

Company Secretary  
Membership No: 13709

Annexure – 2

Form No. AOC-2

Particulars of Contracts/Arrangements entered into by the Company with the related parties

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

(Referred to in sub-section(1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto)

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

All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis:

| Sl. No. | Name of the related party      | Nature of relationship  | Nature of contracts/ arrangements/ transactions | Duration of the Contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Amount (₹ million) |
|---------|--------------------------------|-------------------------|---|---|--|--------------------|
| 1       | Aurobindo Pharma USA Inc., USA | Wholly owned subsidiary | Sale of products                                | on going  | Based on transfer pricing guidelines   | 41,735.7           |
|         |                                |                         | Reimbursement of expenses received              | on going  | Based on transfer pricing guidelines   | 69.1               |
|         |                                |                         | Dividend received                               |   |  | 2,646.7            |
|         |                                |                         | Purchase of property, plant and equipment       | on going  | Based on transfer pricing guidelines   | 1.1                |
|         |                                |                         | Reimbursement of expenses paid                  | on going  | Based on transfer pricing guidelines   | 393.8              |
|         |                                |                         | Purchase of samples                             | on going  | Based on transfer pricing guidelines   | 11.4               |

Appropriate approvals have been taken for related party transactions. No amount was paid as advance.

For and on behalf of the Board

Mangalam Ramasubramanian Kumar

Chairman  
DIN: 03628755

Place: Hyderabad  
Date: May 25, 2024

Annexure – 3

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

(Pursuant to the provisions of section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014)

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

- Retrofit Chillers installation by ESCO under Build Own Operate Transfer (BOOT) model at Eugia Unit 4 leading to a saving of 21.3 lakh KWH
- Retrofit Chillers installation by ESCO under Build Own Operate Transfer (BOOT) model at APL Unit-7 leading to saving of 12.2 lakh KWH
- Installation of VFDs to Secondary Brine & Chilled Water pumps for conservation of Energy of 9.7 lakh KWH at Apitoria-IVU
- Optimisation by replacing the existing +5C reciprocating compressor to screw compressors of rating 300TR at site at Apitoria Unit -4 leading to saving s of 8.91 lakh units
- Energy Savings in Lighting by replacing of 160 Watts MLL Lamps with 45 Watt retrofit LED lamps at Block areas – 1,000 nos (In second Phase) at Apitoria Unit-4
- G-Block +5°c 177 TR chiller stopped and diverted load to H-Block 400 TR chiller at Apitoria Unit 5 leading to saving of 6.5 lakh KWH
- Proposed to arrange VFDs for Aerators at MBR Plant for optimisation of energy (Total quantity: 21nos) at Apitoria Unit-4 leading to saving of 5.8 lakh KWH
- Synchronisation of all Nitrogen plants (300nm3/hr., 150nm3/hr., 100nm3/hr. and 60Nm3/hr.) and leak detection provided to centrifuge during N2 Blanketing for controlling unnecessary venting to atmosphere at F&G Blocks. In this results 60Nm3/hr. and 100Nm3/hr. N2 plant completely stopped at Apitoria Unit -1 leading to saving of 4.3 lakh KWH
- No air loss auto drain valves arranged instead timer based auto drain valve: 5 nos at Apitoria Unit-4U leading to saving of 3.5 lakh KWH
- Energy Conservation Idea Implemented: By modification pipelines, switched off one 300TR Chiller (Reciprocating) and its connected pumps and provided complete load on two chillers (i.e. new Daikin chiller & blue star-vi.)
- Replaced existing horisontal centrifugal pumps (8 Nos) with vertical inline pumps for primary pumps and Cooling towers pumps of + 5° C Compressor (CMU101) and -35° C Compressor (CMU102) at Apitoria Unit-7

- Enabled the steam coils as primary heaters to increase the steam consumption and avoid the steam venting in the Boiler by keeping electrical heaters as standby at Apitoria Unit-5
- Chilled water circulated to AHUs of all blocks from cold well using one secondary pump due to this change we eliminated the primary circulation pump for hot well at Apitoria Unit-2 leading to saving of 2.8 lakh KWH
- Installation of VFDs to Secondary Brine & Chilled Water pumps for conservation of Energy at Apitoria Unit-IV and Unit-IVU
- Optimisation of running hours of CMU088, CMU084 related cooling tower circulation pumps and CT fans interlocking with chiller compressor running time at Apitoria Unit-4 leading to saving of 2.3 lakh KWH
- Installation filter press in place of Centrifuges and avoided electrical consumption at Apitoria Unit 1
- Air compressors stopped for G&H block daily 8-10 x 02 nos Hours and diverted to C-block Air compressor

(ii) the steps taken by the company for utilising alternate sources of energy

- Solar panels installed at Eugia Unit 1 which generates about 16.2 Lakh units per year.
- Solar panels installed at Eugia Unit 4 which generates about 14.3 Lakh units per year.
- Solar panels installed at Eugia Unit 3 leading to energy savings of 7.2 lakh KWh
- Rooftop solar power panel is installed with APL Unit 3 which generates 12.6 Lakhs units of power per annum.

(iii) the capital investment on energy conservation equipment

- VFDs are installed for 80 AHUs in Eugia Unit 3 resulting in 19.2 Lakhs units saving per annum.
- Auto tube cleaning system installed for chillers at Unit 15 to reduce the condenser approach to 3 deg C from more than 5 deg C. This saves about 49 Lakhs of units annually.
- AHU blowers (7 nos) at Eugia Unit 3 were replaced by energy efficient blowers which saves about 2 Lakhs units per year.

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption

We are exploring the integration of emerging technologies such as Raman and NRI technologies to strengthen our analytical capabilities. Additionally, our digitisation efforts aim to enhance data management and retrieval systems, ensuring streamlined processes and improved outcomes across our R&D endeavours.

We are leveraging robust in-house R&D capabilities and cutting-edge technologies to develop complex generics, including nasal, topical, transdermal, and MDI projects. Furthermore, our APL FDF team is dedicated to 505 b (2) projects, aiming to address unmet medical needs and expanding our presence in the competitive generic business.

Enhanced analytical capabilities

At Aurobindo Pharma, we prioritise the continuous enhancement of our analytical capabilities to ensure compliance with stringent regulatory standards. Through strategic investments, we have acquired advanced analytical tools such as GC-MS-MS and LC-MS-MS. These state-of-the-art instruments enable us to conduct comprehensive analyses of our pharmaceutical products, ensuring their quality, safety, and efficacy. By leveraging these advanced technologies, we uphold our commitment to delivering high-quality pharmaceuticals that meet the rigorous standards set forth by regulatory authorities.

Sustainability & Green Initiatives

We are investing in R&D programs that make full use of green initiatives like cutting the use of class-II solvents, optimised solvent consumption, and recover, recycle and reuse platforms. The quality is built in each innovation that we perform, and this initiative ensures risk free and high-quality APIs are developed and supplied to our customers.

The new scientific ideas and implementation of advanced technologies like use of enzymes and flow chemistry have simplified the process in our product pipeline which leveraged a cost effective and sustainable supply of APIs to our customers.

Embarked on a monumental digital transformation orchestrating a seamless fusion of compliance, operational efficiency enhancements, and a robust framework for continuous learning and development, thereby fortifying our organisational resilience and adaptability in an ever-evolving regulatory landscape

By integrating cutting-edge technologies, the Company achieved significant strides in sustainability, effectively lowering carbon emissions by continued focus on utilising conventional fuels to renewable energy sources, responsibly managing water and waste,

and recycling non-hazardous materials. Throughout the year, there was a steady rise in implementing sustainable packaging methods, reinforcing initiatives aimed at further greening the supply chain.

(ii) Benefits derived like product improvement, cost reduction, product development, or import substitution

The Company has achieved a significant milestone in its efforts to further vertically integrate the operations which decreases the dependency on import of intermediaries through commercialisation of its Pen-G facility and 6-APA facility

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Not applicable

(iv) Expenditure incurred on Research and development

| (₹ million)                    |         |          |
|--------------------------------|---------|----------|
| Particulars                    | 2023-24 | 2022-23* |
| Capital                        | 268.0   | 338.1    |
| Recurring                      | 6,021.7 | 6,450.8  |
| Total R&D expenditure          | 6,289.7 | 6,788.9  |
| As a % of gross total turnover | 5.91%   | 5.31%    |

\* Transactions disclosed above include those relating to discontinued operations also.

(C) FOREIGN EXCHANGE EARNING AND OUTGO

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows

Foreign Exchange Earned

| (₹ million)   |          |          |
|---------------|----------|----------|
| Particulars   | 2023-24  | 2022-23* |
| Exports – FOB | 95,342.0 | 83,703.4 |
| Others        | 2,948.0  | 1,779.9  |
|               | 98,290.0 | 85,483.3 |

Foreign Exchange Outgo

| (₹ million)   |          |          |
|---------------|----------|----------|
| Particulars   | 2023-24  | 2022-23* |
| Imports – CIF | 33,307.8 | 38,059.8 |
| Others        | 4,830.4  | 3,387.5  |
|               | 38,138.2 | 41,447.2 |

\* Transactions disclosed above include those relating to discontinued operations also.

For and on behalf of the Board

Mangalam Ramasubramanian Kumar

Place: Hyderabad  
Date: May 25, 2024

Chairman  
DIN: 03628755

Annexure – 4

FORM NO. MR-3

[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]

SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To,  
The Members  
**Aurobindo Pharma Limited**  
(CIN: L24239TG1986PLC015190)  
Plot No.2, Maithrivi, Ameerpet,  
Hyderabad - 500 038

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aurobindo Pharma Limited (hereinafter referred to as the "Company") for the financial year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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, and declarations made by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (i.e. from April 1, 2023 to March 31, 2024) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions/clauses of:

- 1) The Companies Act, 2013 (the "Act") and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI ACT"):

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

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

c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the financial year);

d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the financial year);

e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time;

f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the financial year);

g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the financial year);

h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the financial year).

- 6) Memorandum and Articles of Association of the Company.
- I further report that having regard to compliance systems prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test check basis and also on reliance of the management representation letters issued by the respective department heads, the Company has complied with the following Laws as applicable to the Company:
1. The Factories Act, 1948 and allied state laws;
2. Telangana Shops and Establishment Act, 1988 and Andhra Pradesh Shops and Establishment Act, 1988;
3. Employees' State Insurance Act, 1948 and the Employees' State Insurance (General) Regulations, 1950;
4. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employees' Provident Funds Scheme, 1952, Employees' Pension Scheme, 1995 and Employee Deposit Linked Insurance Scheme, 1976;
5. The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;
6. The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;
7. The Payment of Gratuity Act, 1972;
8. The Maternity Benefits Act, 1961;
9. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
10. Drugs (Control) Act, 1950;
11. The Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945 and other rules made thereunder;
12. The Narcotic Drugs and Psychotropic Substances Act, 1985;
13. The Food Safety and Standards Act, 2006 and the rules made thereunder;

14. The Indian Boilers Act, 1923 and the Indian Boiler Regulations, 1950 and the Rules framed under the Act;
15. The Inflammable Substances Act, 1952;
16. The Poisons Act, 1919;
17. The Air (Prevention and control of pollution) Act, 1981 and Air (Prevention and control of pollution) Rules, 1982;
18. The Water (Prevention and control of pollution) Act, 1974 and Water (Prevention and control of pollution) Rules, 1975;
19. Environment Protection Act, 1986 and the rules, notifications issued thereunder.

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

- i. Secretarial Standards pursuant to Section 118(10) of the Act, issued by the Institute of Company Secretaries of India;
- ii. The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited;
- iii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

During the period under review, the Company has generally complied with the provisions of the acts, rules, regulations, guidelines, and standards etc., mentioned above.

I further report that in the Secretarial Audit report for the year ended March 31, 2023, it was reported that during 2008-09, the Company in the ordinary course of its business, entered into several Licensing and Supply Agreements with Pfizer Inc. ("Pfizer"). The Company has issued a Press Release consistent with the Pfizer Press Release on March 3, 2009 to avoid any conjecture in the market. When things stand as above, some trades in the shares of the Company were undertaken by some of the promoters to consolidate their shareholding in the Company as per the amendments brought in by SEBI to Takeover Code Regulations. However, the above act of promoters has been considered by SEBI as violation of Insider Trading Regulations of SEBI.

The contentions of the Company and its promoters were not accepted by the Adjudicating Officer (AO) and on September 23, 2019, an order was passed by the AO and levied a penalty of ₹10 million under Section 23 E of SCRA for violation of Clause 36 of the Equity Listing Agreement read with Section 21 of the SCRA and ₹10 million under Section 15HB for violation of Regulation 12 (1) read with Clause 3.2.1 of Schedule I of the PIT Regulations, 1992 read with Regulation 12 (2) of the PIT Regulations, 2015 and Regulation 12 (2) read with Clause 2.1 of Schedule II of the PIT Regulations, 1992 read with Regulation 12 (2) of the PIT Regulations, 2015 on the Company and ₹132 million under Section 15G for violation of Regulations 3 and 4 of PIT Regulations on the promoters/promoter group of the Company.

Thereafter, the Company and the promoters have filed an Appeal before the Securities Appellate Tribunal in the above matter. Meanwhile, the Company and the promoters have made settlement application on October 25, 2019 before SEBI without admitting or denying any violation for settlement of the matter. Accordingly, a meeting with Internal Committee of SEBI was held on February 5, 2020. The SEBI on April 16, 2020 has communicated its acceptance to the settlement proposal of the Company and its promoters. Accordingly, on April 30, 2020 the Company has paid ₹22 million and the promoters cumulatively have paid ₹198.2 million to SEBI towards settlement amount for settlement of the above matter.

SEBI vide settlement order dated May 6, 2020 disposed of all the enforcement proceedings of SEBI in respect of the aforesaid allegations against the Company and the Promoters and the matter was closed.

However, SEBI on October 23, 2020 informed some of the Promoters that there are some calculation errors in the Settlement amounts and asked them to make good certain amounts for which the said promoters have filed a writ petition before Hon'ble High Court of Telangana, at Hyderabad. The Hon'ble High Court on November 18, 2020 has granted interim relief to the said promoters by way of suspension of the SEBI direction dated October 23, 2020, subject to depositing of around ₹17.5 million with SEBI. Accordingly, the said amount was deposited by the Promoters and presently the matter is pending for disposal before the Hon'ble High Court of Telangana, at Hyderabad.

There were no proceedings pending in the above matter against the Company with SEBI.

I further report that:

- a) the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- c) All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.
- d) the compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by me since the same have been subject to review by statutory auditors and other professionals.

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 period under review:

- 1) The Members of the Company have approved to sell and transfer the Company's business (other than land and buildings) being operated through its manufacturing plants, viz., Unit I, VIII, IX, XI, XIV and R & D unit 2 , along with all the related assets and liabilities including but not limited to movable assets, employees, contracts (including lease deeds), intellectual property other intangible assets, licenses,

permits, consents, approvals, trade receivable, inventory, trade payables and insurance policies to Apitoria Pharma Private Limited (formerly known as Auro Pharma India Private Limited), a wholly owned subsidiary of the Company, with effect from October 1, 2023..

- 2) The Company has further approved to sell and transfer the Company's business (other than land and buildings) being operated through its manufacturing plants, viz., Unit V and XVII by way of slump sale, on a going concern basis, to Apitoria Pharma Private Limited (formerly known as Auro Pharma India Private Limited), a wholly owned subsidiary of the Company with effect from October 1, 2023.
- 3) Pursuant to the provisions of Section 230 to 232 read with Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on April 1, 2023 has approved the Scheme of Amalgamation for amalgamation of its wholly owned subsidiaries viz. Auronext Pharma Private Limited and Mviyes Pharma Ventures Private Limited (Transferor Companies) with the Company (Transferee Company) w.e.f. April 1, 2023. Though the matter was pending before the Hon'ble National Company Law Tribunal, Hyderabad Bench (NCLT) for final orders as on March 31, 2024,

the said Scheme of Amalgamation has been approved by the NCLT vide its order dated April 29, 2024 and the order copies were filed by all Transferor Companies and the Transferee Company with the Registrar of Companies on May 8, 2024 and with that the Transferor Companies cease to exist.

- 4) The Company has transferred its entire shareholding of 1,00,000 equity shares of ₹10/- each held in Auro Vaccines Private Limited (a wholly owned Subsidiary of the Company) to Curateq Biologics Private limited (a wholly owned Subsidiary of the Company) and thus Auro Vaccines Private Limited has become a stepdown Subsidiary of the Company.
- 5) The Company purchased entire 1,00,000 equity shares of ₹10/- each in TheraNym Biologics Private Limited held by Curateq Biologics Private Limited (a wholly owned subsidiary of the Company) and thus TheraNym Biologics Private Limited has become direct subsidiary of the Company.

**A. Mohan Rami Reddy**  
Practicing Company Secretary  
FCS No: 2147 II COP No: 16660  
UDIN: F002147F000448659

Date: May 25, 2024  
Place: Hyderabad

This Report is to be read with my letter which is annexed as Annexure and forms an integral part of this report.

Annexure

To,  
The Members  
**M/s. Aurobindo Pharma Limited**  
(CIN: L24239TG1986PLC015190)  
Plot No. 2, Maithrivihar, Ameerpet,  
Hyderabad - 500 038

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My 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.

Date: May 25, 2024  
Place: Hyderabad

**A. Mohan Rami Reddy**  
Practicing Company Secretary  
FCS No: 2147 II COP No: 16660

**Secretarial Audit Report of APL Healthcare Limited, a material unlisted subsidiary pursuant to Regulation 24A (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**FORM NO. MR-3**

[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]

**SECRETARIAL AUDIT REPORT**

For the Financial Year ended March 31, 2024

To  
The Members  
**APL Healthcare Limited**  
(CIN: U24239TG2006PLC052053)  
Plot No.2, Maithrivihar, Ameerpet,  
Hyderabad - 500 038, Telangana.

I have conducted the Secretarial Audit of the compliance with the applicable statutory provisions and the adherence to good corporate practices by **APL Healthcare Limited** (hereinafter referred to as the 'Company') for the financial year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 and declarations made by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (i.e. from April 1, 2023 to March 31, 2024) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions/clauses of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;  
  
(Not Applicable to the Company)
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- 5) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (Not Applicable to the Company)
- 6) Memorandum and Articles of Association of the Company.

I further report that having regard to compliance systems prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test check basis and also on reliance of the management representation letters issued by the respective department heads, the Company has complied with the following Laws as applicable to the Company:

1. Factories Act, 1948 and allied state Laws;
2. Telangana Shops and Establishment Act, 1988 and Andhra Pradesh Shops and Establishment Act, 1988;
3. Employees' State Insurance Act, 1948 and the Employees' State Insurance (General) Regulations, 1950;
4. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' Provident Funds Scheme, 1952;
5. The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;
6. The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;
7. The Payment of Gratuity Act, 1972
8. The Maternity Benefits Act, 1961
9. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
10. Drugs (Control) Act, 1950

|  |   |
|--|---|
| 11. The Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945 and other rules made thereunder;   | the meeting and for meaningful participation at the meeting.  |
| 12. The Narcotic Drugs and Psychotropic Substances Act, 1985;  | c) All the decisions at Board Meetings and Committee Meetings are carried out as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.  |
| 13. The Food Safety and Standards Act, 2006  | d) The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by me since the same have been subject to review by statutory auditors and other professionals.  |
| 14. The Indian Boilers Act, 1923 and the Indian Boiler Regulations, 1950 and the Rules framed under the Act.   |   |
| 15. The Inflammable Substances Act, 1952   |   |
| 16. The Poisons Act, 1919  | 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.  |
| 17. The Air (Prevention and control of pollution) Act, 1981 and Air (Prevention and control of pollution) Rules, 1982  |   |
| 18. The Water (Prevention and control of pollution) Act, 1974 and Water (Prevention and control of pollution) Rules, 1975  | I further report that during the audit period the Company has transacted following activities-  |
| 19. Environment Protection Act, 1986 and the rules, notifications issued thereunder.   | a) The Company with the approval of the CCD holders and Members of the Company has changed the existing terms of 10,00,00,000, Compulsorily Convertible Debentures (CCDs) of ₹10/- each out of 105,00,00,000, Compulsorily Convertible Debentures (CCDs) of ₹10/-each in the Company to 10,00,00,000, Optionally Convertible Debentures (OCDs) of ₹10/- each, which are held in the Company by Aurobindo Pharma Limited. Subsequently, at the request of Aurobindo Pharma Limited of all these OCDs were redeemed by the Company. |
| I have also examined compliance with the applicable clauses Secretarial Standards issued by the Institute of Company Secretaries of India;   |   |
| During the period under review the Company has generally complied with the provisions of the acts, rules, regulations, guidelines, and standards etc., mentioned above.  |   |
| I further report that  | b) Aurobindo Pharma Limited, the Holding Company presently continues to hold 95,00,00,000, Compulsorily Convertible Debentures (CCDs) of ₹10/-each in the Company.  |
| a) The Board of Directors of the Company is duly constituted and the changes in the Board of Directors/Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.          |   |
| b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before |   |

**A. Mohan Rami Reddy**  
Practicing Company Secretary  
Date: May 17, 2024  
Place: Hyderabad  
FCS No: 2147 II COP No: 16660  
UDIN: F002147F000386861

This Report is to be read with my letter which is annexed as 'Annexure' and forms an integral part of this report.

Annexure

To  
The Members  
**APL Healthcare Limited**  
(CIN: U24239TG2006PLC052053)  
Plot No.2, Maithrivihar, Ameerpet,  
Hyderabad - 500 038, Telangana.

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

- Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices followed by me provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
- The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
- 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.

Date: May 17, 2024  
Place: Hyderabad

**A. Mohan Rami Reddy**  
Practicing Company Secretary  
FCS No: 2147 II COP No: 16660

Secretarial Audit Report of Apitoria Pharma Private Limited, a material unlisted subsidiary pursuant to Regulation 24A (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FORM NO. MR-3

[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]

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2024

To  
The Members  
**Apitoria Pharma Private Limited**  
(formerly Auro Pharma India Private Limited)  
(CIN: U24298TG2017PTC121342)  
Galaxy, Floors 22-24, Plot No. 1, Survey No. 83/1  
Hyderabad Knowledge City,Raidurg Panmaktha, Rangareddi,  
Hyderabad – 500032, Telangana

I have conducted the Secretarial Audit of the compliance with the applicable statutory provisions and the adherence to good corporate practices by Apitoria Pharma Private Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 and declarations made by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (i.e. from April 1, 2023 to March 31, 2024) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions/clauses of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable to the Company)

- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- 5) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (Not Applicable to the Company)
- 6) Memorandum and Articles of Association of the Company.

I further report that having regard to compliance systems prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test check basis and also on reliance of the management representation letters issued by the respective department heads, the Company has complied with the following Laws as applicable to the Company:

- 1. Factories Act, 1948 and allied state Laws;
- 2. Telangana Shops and Establishment Act, 1988 and Andhra Pradesh Shops and Establishment Act, 1988;
- 3. Employees' State Insurance Act, 1948 and the Employees' State Insurance (General) Regulations, 1950;
- 4. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' Provident Funds Scheme, 1952;
- 5. The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;
- 6. The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;
- 7. The Payment of Gratuity Act, 1972
- 8. The Maternity Benefits Act, 1961
- 9. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- 10. Drugs (Control) Act, 1950

- 11. The Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945 and other rules made thereunder;
- 12. The Narcotic Drugs and Psychotropic Substances Act, 1985;
- 13. The Food Safety and Standards Act, 2006
- 14. The Indian Boilers Act, 1923 and the Indian Boiler Regulations, 1950 and the Rules framed under the Act.
- 15. The Inflammable Substances Act, 1952
- 16. The Poisons Act, 1919
- 17. The Air (Prevention and control of pollution) Act, 1981 and Air (Prevention and control of pollution) Rules, 1982
- 18. The Water (Prevention and control of pollution) Act, 1974 and Water (Prevention and control of pollution) Rules, 1975
- 19. Environment Protection Act, 1986 and the rules, notifications issued thereunder.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India;

During the period under review the Company has generally complied with the provisions of the acts, rules, regulations, guidelines, and standards etc., mentioned above.

I further report that

- a) The Board of Directors of the Company is duly constituted and the changes in the Board of Directors/Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- c) All the decisions at Board Meetings and Committee Meetings are carried out as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- d) The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by me since the same have been subject to review by statutory auditors and other professionals.

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 audit period the Company has transacted following activities-

- 1. The Company has approved to purchase and acquire Aurobindo Pharma Limited's (Holding Company) business (other than land and buildings) being operated through its manufacturing plants, viz., Unit I, VIII, IX, XI, XIV and R & D unit 2 , along with all the related assets and liabilities including but not limited to movable assets, employees, contracts (including lease deeds), intellectual property other intangible assets, licenses, permits, consents, approvals, trade receivable, inventory, trade payables and insurance policies by way of slump sale, on a going concern basis with effect from October 1, 2023.
- 2. The Company has further approved to purchase and acquire Aurobindo Pharma Limited's (Holding Company) business (other than land and buildings) being operated through its manufacturing plants, viz., Unit V and XVII by way of slump sale, on a going concern basis with effect from October 1, 2023.
- 3. The Members of the Company has approved, increasing the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013 from ₹5,000 crores to ₹7,500 crores and revised Investment limits of the Company under Section 186 to ₹100 Crores.
- 4. The Members of the Company has approved to increase the Authorised Share capital of the Company from ₹10 lakhs to ₹100 crores.
- 5. The Company issued and allotted 9,89,00,000 equity shares ₹10/- each to Aurobindo Pharma Limited, Holding Company on right basis and accordingly the Paid-up share capital of the Company as on March 31, 2024 was increased from ₹10 Lakh to ₹99,00,00,000/-.
- 6. The Company has issued and allotted 38,00,00,000 Compulsorily Convertible Debentures (CCDs) of ₹10/- each to Aurobindo Pharma Limited, the Holding Company through private placement and the outstanding CCDs as on March 31, 2024 is ₹380 crores.

A. Mohan Rami Reddy  
Practicing Company Secretary

Date: May 17, 2024 FCS No: 2147 II COP No: 16660  
Place: Hyderabad UDIN: F002147F000428287

This Report is to be read with my letter which is annexed as Annexure and forms an integral part of this report.

Annexure

To  
The Members  
**Apitoria Pharma Private Limited**  
(formerly Auro Pharma India Private Limited)  
(CIN: U24298TG2017PTC121342)  
Galaxy, Floors 22-24, Plot No. 1, Survey No. 83/1  
Hyderabad Knowledge City, Raidurg Panmaktha, Rangareddi,  
Hyderabad, Telangana, India, 500032.

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2.

I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices followed by me provide a reasonable basis for my opinion.
3.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4.

Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My 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.

Date: May 23, 2024  
Place: Hyderabad

**A. Mohan Rami Reddy**  
Practicing Company Secretary  
FCS No: 2147 II COP No: 16660

**Secretarial Audit Report of Eugia Pharma Specialities Limited, a material unlisted subsidiary pursuant to Regulation 24A (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**FORM NO. MR-3**

[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]

**SECRETARIAL AUDIT REPORT**

For the Financial Year ended March 31, 2024

To  
The Members  
**Eugia Pharma Specialities Limited**  
(CIN: U24297TG2013PLC087048)  
Plot No.2, Maithrivihar, Ameerpet,  
Hyderabad - 500 038, Telangana.

I have conducted the Secretarial Audit of the compliance with the applicable statutory provisions and the adherence to good corporate practices by **Eugia Pharma Specialities Limited** (hereinafter referred to as the 'Company') for the year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 and declarations made by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (i.e. from April 1, 2023 to March 31, 2024) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions/clauses of:

- 1)

The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2)

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable to the Company)

- 3)

The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4)

Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- 5)

The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (Not Applicable to the Company)
- 6)

Memorandum and Articles of Association of the Company.

I further report that having regard to compliance systems prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test check basis and also on reliance of the management representation letters issued by the respective department heads, the Company has complied with the following Laws as applicable to the Company:

1.

Factories Act, 1948 and allied state Laws;
2.

Telangana Shops and Establishment Act, 1988 and The Rajasthan Shops and Commercial Establishment Act, 1958;
3.

Employees' State Insurance Act, 1948 and the Employees' State Insurance (General) Regulations, 1950;
4.

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' Provident Funds Scheme, 1952; , Employees' Pension Scheme, 1995 and Employee Deposit Linked Insurance Scheme, 1976;
5.

The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;
6.

The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;

7.

The Payment of Gratuity Act, 1972;
8.

The Maternity Benefits Act, 1961;
9.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
10.

Drugs (Control) Act, 1950;
11.

The Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945 and other rules made thereunder;
12.

The Narcotic Drugs and Psychotropic Substances Act, 1985;
13.

The Food Safety and Standards Act, 2006 and the rules made thereunder;
14.

The Indian Boilers Act, 1923 and the Indian Boiler Regulations, 1950 and the Rules framed under the Act;
15.

The Inflammable Substances Act, 1952;
16.

The Poisons Act, 1919;
17.

The Air (Prevention and control of pollution) Act, 1981 and Air (Prevention and control of pollution) Rules, 1982;
18.

The Water (Prevention and control of pollution) Act, 1974 and Water (Prevention and control of pollution) Rules, 1975;
19.

Environment Protection Act, 1986 and the rules, notifications issued thereunder.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India;

During the period under review the Company has generally complied with the provisions of the acts, rules, regulations, guidelines, and standards etc., mentioned above.

- I further report that
- a)

The Board of Directors of the Company is duly constituted and the changes in the Board of Directors/Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.
- b)

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- c)

All the decisions at Board Meetings and Committee Meetings are carried out as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- d)

The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by me since the same have been subject to review by statutory auditors and other professionals.
- 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 audit period under review:
- The Company has redeemed 57,50,00,000 Non-Convertible Debentures (NCDs) of ₹10/- each at par held by Aurobindo Pharma Limited (APL), Holding Company in the Company.

A. Mohan Rami Reddy

Practicing Company Secretary

Date: May 20, 2024

Place: Hyderabad

FCS No: 2147 II COP No: 16660

UDIN: F002147F000401986

This Report is to be read with my letter which is annexed as Annexure and forms an integral part of this report.

Annexure

To  
The Members  
**Eugia Pharma Specialities Limited**  
(CIN: U24297TG2013PLC087048)  
Plot No.2, Maithrivihar, Ameerpet,  
Hyderabad - 500 038, Telangana.

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2.

I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices followed by me provide a reasonable basis for my opinion.
3.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4.

Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My 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.

Date: May 20, 2024  
Place: Hyderabad

A. Mohan Rami Reddy

Practicing Company Secretary

FCS No: 2147 II COP No: 16660

ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibilities) Rules, 2014 as amended)

1. Brief outline of the CSR Policy of the Company:

The CSR Policy, which encompasses the Company's philosophy for defining its social responsibility and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. This Policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of society as per approach and direction given by the Board of Directors of the Company. This Policy and the operational guidelines are subject to and pursuant to the provisions of the Companies Act, 2013 (Act) and the schedules, rules and regulations made thereunder. The CSR Activities of the Company are being implemented through Aurobindo Pharma Foundation, a Section 8 company and a wholly owned subsidiary of the Company.

2. Composition of CSR Committee:

| Sl. No. | Name of Director                | Designation/ Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------------|-------------------------------------|--|--|
| 1       | Mr. K. Nithyananda Reddy        | Chairman                            | 5  | 5  |
| 2       | Mr. K. Raghunathan*             | Member                              | 5  | 5  |
| 3       | Mr. P. Sarath Chandra Reddy     | Member                              | 5  | 4  |
| 4       | Mrs. Savita Mahajan             | Member                              | 5  | 5  |
| 5       | Mr. Girish Paman Vanvari        | Member                              | 5  | 4  |
| 6       | Dr. (Mrs.) Deepali Pant Joshi   | Member                              | 1  | 1  |
| 7       | Dr. M. Sivakumaran**            | Member                              | 2  | 2  |
| 8       | Dr. (Mrs.) Avnit Bimal Singh*** | Member                              | 4  | 4  |

\* Mr. K. Ragunathan retired as an Independent Director of the Company on close of business hours of March 31, 2024, upon completion of his second term as an Independent Director of the Company. Consequently, he also ceased to be the Member of CSR Committee with effect from April 1, 2024.

\*\* Dr. M. Sivakumaran resigned as a Whole-time Director and Director of the Company w.e.f. August 25, 2023. He attended all the 2 meetings of CSR Committee held during his tenure in the financial year 2023-24.

\*\*\* Dr. (Mrs.) Avnit Bimal Singh resigned as an Independent Director of the Company w.e.f. February 11, 2024. She attended all the 4 meetings of CSR Committee held during her tenure in the financial year 2023-24.

Mr. Mangalam Ramasubramanian Kumar has been appointed as a Non-executive Independent Director of the Company with effect from April 1, 2024. He has also been appointed as a member of CSR Committee with effect from April 1, 2024.

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

Composition of the CSR Committee shared above, is available on the Company's website at:  
<https://www.aurobindo.com/investors/disclosures-under-regulation-46/board-committees#csr>

The CSR Policy is available on the Company's website at:  
<https://www.aurobindo.com/api/uploads/CSR-policy.pdf>

The details of various CSR projects and activities approved by the Board of Directors of the Company for the financial year 2024-25 are available on the Company's website at:  
<https://www.aurobindo.com/sustainability/annual-action-plan/>

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

The Company takes cognizance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and has initiated impact assessment of CSR projects through independent agencies. The reports are available on the Company's website at <https://www.aurobindo.com/sustainability/impact-assessment-reports-csr-projects/>

IMPACT ASSESSMENT STUDY- SUMMARY (2023-24)

| Name of the independent agency conducting impact assessment | Anusandhan Social Consultants  | Anusandhan Social Consultants  | Anusandhan Social Consultants  | Anusandhan Social Consultants   |
|---|--|--|--|---|
| Scope of the project  | Provided world class equipment for the complete hospital, bus & ambulance to the newly established Pushpagiri Vitreo Retina Institute (PVRI), Kadapa district, Andhra Pradesh state  | Establishment of centralised kitchen with kitchen equipment & dining hall at Dr.B.R. Ambedkar University, Etcherla, Srikakulam district, Andhra Pradesh state  | Establishment of centralised kitchen in collaboration with Hare Krishna Movement Charitable Foundation in Mahbubnagar district, Telangana state  | Establishment of lift irrigation facility in partnership with Ramky Foundation at Mojerla, Wanaparthy district, Telangana state   |
| Key highlights of the impact                                | <ul style="list-style-type: none"><li>Majority of patients are from socio economically challenged backgrounds (99.3%), with a significant portion of them being elderly patients aged 60 and above (51%).</li><li>Following treatment/surgery, 98.5% patients have reported a transformative enhancement of their visual acuity, quality of life, and overall well-being.</li><li>Furthermore, 98.5% of the patients praised the various aspects of treatment, including:<ul style="list-style-type: none"><li>Quality of care</li><li>Empathetic conduct of hospital staff</li><li>Availability of transport vehicles (particularly for patients from remote areas), and</li><li>Comprehensive nature of post-operative services.</li></ul></li></ul> | <ul style="list-style-type: none"><li>Around 72.7% of the hostellers are regularly using the canteen facilities.</li><li>There was a marked improvement in the operational efficiency of the kitchen and dining hall, with meal times being aligned with their class schedules, acknowledged by 68.6% of the students.</li><li>84.5% of the students acknowledged that the new centralised kitchen has significantly reduced waiting times and ensured timely meals.</li><li>The dining hall has enabled the students to gather in one place during meal times, which has improved social interactions and fostered a sense of community among the students.</li></ul> | <ul style="list-style-type: none"><li>Student &amp; Teacher perspectives:<ul style="list-style-type: none"><li>Majority of the students expressed high satisfaction with the meals provided by the kitchen in terms of food quality (93.3%), taste (86.5%), and portion sizes (95.2%).</li><li>93.8% of students reported that the meals led to an improvement in their energy and focus levels.</li><li>98% of students agreed that the meals have increased their motivation to attend school and meet their nutritional needs.</li><li>100% of teachers observed an increase in student participation, concentration, academic performance, and learning outcomes following the regular distribution of meals through the kitchen.</li></ul></li><li>Government established (Annapurna) Canteen Users perspectives:<ul style="list-style-type: none"><li>The canteen users expressed high satisfaction with various aspects of the canteen facilities such as high quality of food (100%), variety of meals (88.3%), pricing (85%), staff behaviour (95%), and hygiene (88.3%).</li><li>Furthermore, 93.3% of the canteen users acknowledged that the meals fulfilled their dietary requirements with 78.3% observing that their health and well-being has improved.</li><li>Around 81.7% of the canteen users agreed that the canteen has enhanced their food security and is promoting healthier eating habits among 70% of them.</li></ul></li></ul> | <ul style="list-style-type: none"><li>This project has been effective in addressing the following:<ul style="list-style-type: none"><li>Addressing Water Scarcity: The project alleviates severe water scarcity challenges and offers a dependable water source for agriculture.</li><li>Crop Yield Enhancement: The lift irrigation facility has boosted water availability which has increased crop yield, bringing a shift to double cropping, and providing economic relief for the farmers.</li><li>Economic Upliftment: With increased cropping intensity, crop diversification, and reduced irrigation costs, have led to 20-30% increase in the income of local farmers, contributing to their economic stability.</li><li>Community Involvement: Following the project, a Farmer Water Committee was formed for the management and maintenance of the project, which has ensured a sense of community ownership and sustainability of the project.</li></ul></li></ul> |

| Name of the independent agency conducting impact assessment                 | Anusandhan Social Consultants   | Anusandhan Social Consultants   | Anusandhan Social Consultants   | Anusandhan Social Consultants   |
|---|---|---|---|---|
| Recommendations to implementing partners/committees formed by beneficiaries | <ul style="list-style-type: none"><li>Expand scope of the project through eye camps for students and enhance communication through pictorial charts for patients with limited literacy.</li><li>Bolster awareness campaigns to provide beneficiaries with a more comprehensive understanding of the intervention's processes, services, and long-term advantages.</li><li>Conduct social impact assessment (by Pushpagiri Vitreo Retina Institute) to further quantify the impact and communicate the far-reaching societal benefits of the intervention.</li></ul> | <ul style="list-style-type: none"><li>Strengthen sustainability of the project by focusing on waste reduction, responsible sourcing of ingredients</li><li>Enhance maintenance practices and conduct regular inspections for food safety to ensure a hygienic kitchen</li></ul> | <ul style="list-style-type: none"><li>Coordinate with the government authorities to further improve the Annapurna canteen facilities.</li></ul> | <ul style="list-style-type: none"><li>Promote water conservation practices such as rainwater harvesting and continue educating and encouraging crop diversification among farmers.</li><li>Water Committee and farmers should work together and create mechanism for covering operational and maintenance costs as well as engage the Lift Operator in the operation and maintenance of the infrastructure.</li></ul> |

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹25,125 million

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹502.50 million

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:  
₹2.54 + ₹0.52 + ₹7.93 = ₹10.99 million

(Surplus amount is the interests realised on unspent CSR funds of previous year (FY 2022-23 unspent account and TDS amount received) lying in the bank, which has been shifted to newly opened unspent account FY 2023-24)

(d) Amount required to be set-off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c) - (d)]: ₹513.49 million

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects): ₹189.23 + ₹159.83 = ₹349.06 million

(b) Amount spent in Administrative Overheads: ₹22.72 million

(c) Amount spent on Impact Assessment, if applicable: ₹0.75 million

(d) Total amount spent for the Financial Year [(a)+(b) + (c)]: ₹372.52 million

(e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year.<br>(in ₹) (in millions) | Amount Unspent (₹ million)  |                  |  |        |                  |
|--|---|------------------|--|--------|------------------|
|  | Total Amount transferred to Unspent CSR Account as per section 135 (6) of the Act |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5) |        |                  |
|  | Amount<br>(₹ million)   | Date of transfer | Name of the Fund   | Amount | Date of transfer |
| 372.52   | 140.97  | 23.04.2024       | --   | --     | --               |

Note: Total amount spent in FY 2023-24 is ₹554.35 million which also includes the amount spent from Unspent CSR account for FY 2020-21, FY 2021-22 & FY 2022-23 aggregating to ₹181.83 million. The surplus amount of ₹7.93 million realised in Unspent accounts of FY 2020-21 & FY 2021-22 has been spent in FY 2023-24, and it has been spent on other-than ongoing CSR projects.

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

| Sl. No. | Particular  | Amount<br>(₹ million) |
|---------|---|-----------------------|
| (i)     | Two percent of average net profit of the company as per section 135 (5)                                     | 502.50                |
| (ii)    | Total amount spent for the Financial Year   | 372.52                |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | -                     |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 10.99                 |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | -                     |

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

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (₹ million) | Balance amount in Unspent CSR Account under section 135(6) (₹ million) | Amount spent in the reporting Financial Year (₹ million) | Amount transferred to any fund specified under Schedule VII as per section 135 (5), if any. |                    |                  | Amount remaining to be spent in the succeeding financial years (₹ million) | Deficiency if any |
|---------|--------------------------|---|--|--|---|--------------------|------------------|--|-------------------|
|         |                          |   |  |  | Name of the Fund  | Amount (₹ million) | Date of transfer |  |                   |
| 1.      | 2020-21                  | 392.20  | 13.34  | 13.34  | --  | --                 | --               | --   | --                |
| 2.      | 2021-22                  | 272.40  | 21.53  | 21.53  | --  | --                 | --               | --   | --                |
| 3.      | 2022-23                  | 186.57  | 186.57   | 146.94   | --  | --                 | --               | 39.63  | --                |
| 4.      | 2023-24                  | 140.97  | 140.97   | --   | --  | --                 | --               | 140.97   | --                |
| TOTAL   |                          | 992.14  | 362.41   | 181.81   |   |                    |                  | 180.60   | --                |

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

Yes ☒ No ☐

If Yes, enter the number of Capital assets created/acquired: 2

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

| (1)     | (2)  | (3)                                 | (4)              | (5)                                    | (6)   |                             |  |
|---------|--|-------------------------------------|------------------|--|---|-----------------------------|--|
| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property]  | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent (₹ million) | Details of entity/Authority/beneficiary of the registered owner |                             |  |
|         |  |                                     |                  |  | CSR Registration Number, if applicable                          | Name                        | Registered address   |
| 1       | 4-wheeler vehicle(car) to be used for travelling to CSR project sites to monitor projects' progress at various locations<br><br>Address of asset: Aurobindo Pharma Foundation, Galaxy Towers, Floors 22-24, Plot No. 1, Sy. No. 83/1, Hyderabad Knowledge City, Raidurg Panmaktha, Hyderabad, Telangana, 500 032 | 500 032                             | 31.07.2023       | 2.99                                   | CSR00017111   | Aurobindo Pharma Foundation | Aurobindo Pharma Foundation, Galaxy Towers, Floors 22-24, Plot No. 1, Sy. No. 83/1, Hyderabad Knowledge City, Raidurg Panmaktha, Hyderabad, Telangana, 500 032 |
| 2       | 4-wheeler vehicle(car) to be used for travelling to CSR project sites to monitor projects' progress at various locations<br><br>Address of asset: Aurobindo Pharma Foundation, Galaxy Towers, Floors 22-24, Plot No. 1, Sy. No. 83/1, Hyderabad Knowledge City, Raidurg Panmaktha, Hyderabad, Telangana, 500 032 | 500 032                             | 31.08.2023       | 1.20                                   | CSR00017111   | Aurobindo Pharma Foundation | Aurobindo Pharma Foundation, Galaxy Towers, Floors 22-24, Plot No. 1, Sy. No. 83/1, Hyderabad Knowledge City, Raidurg Panmaktha, Hyderabad, Telangana, 500 032 |

(All fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/Gram panchayath are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:

Since the projects are of long-term nature, the total amount committed to some of the projects was not spent during the year, but such unspent amount related to on-going projects has been transferred to separate Unspent CSR Account opened for this purpose by the Company.

K.Nithyananda Reddy  
Vice Chairman & Managing Director  
DIN: 01284195

Place: Hyderabad  
Date: May 25, 2024

K.Nithyananda Reddy  
Chairman of CSR Committee  
DIN: 01284195

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

|   | Name & designation  | Ratio |
|---|---|-------|
| a | Mr. K. Nithyananda Reddy, Vice Chairman & Managing Director | 69: 1 |
| b | Dr. M. Sivakumaran, Whole-time Director*                    | 18: 1 |
| c | Mr. M. Madan Mohan Reddy, whole-time Director               | 93: 1 |

\* Dr. M. Sivakumaran resigned as a Whole-time Director of the Company w.e.f. August 25, 2023.

- (ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager in the financial year

|   | Name & category   | Increment Percentage |
|---|---|----------------------|
| a | Mr. K. Nithyananda Reddy, Vice Chairman & Managing Director | 20.43                |
| b | Dr. M. Sivakumaran, Whole-time Director                     | 0.00                 |
| c | Mr. M. Madan Mohan Reddy, Whole-time Director               | 14.89                |
| d | Mr. S. Subramanian, Chief Financial Officer                 | 9.71                 |
| e | Mr. B. Adi Reddy, Company Secretary                         | 10.12                |

For calculation of increment percentage, considered remuneration including encashment of earned leaves and excluding retention bonus.

- (iii) The percentage increase in the median remuneration of employees in the financial year was 3.17%
- (iv) The number of permanent employees on the rolls of the Company as on March 31, 2024, was 8,797.
- (v) Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The percentage increase in the salaries of the employees other than managerial personnel in the last financial year is 10.35% as against 6.95% increase in the salaries of managerial persons. The increase in salary in case of managerial persons is mainly on account of revision in the salary.

- (vi) The remuneration paid to Key Managerial Persons is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Mangalam Ramasubramanian Kumar  
Chairman  
DIN: 03628755

Place: Hyderabad  
Date: May 25, 2024

In accordance with the provisions of Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Directors have pleasure in presenting the Company's Report on Corporate Governance for the financial year 2023-24.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Aurobindo has always attached great importance to good and responsible corporate governance. This is based on the principle that the Company belongs to all the stakeholders and the corporate objective is to maximize shareholder value ethically and legally. Efforts are therefore made to raise the level of transparency, trust and confidence of stakeholders in the way the Company is run. The team at Aurobindo operates as a trustee on behalf of every shareholder - large or small.

The Company will continue to strive to be a wealth creator to meet stakeholders expectations and be a responsible citizen in its societal commitments. In the achievement of

its goals, in its societal commitments. In the achievement of its goals, the Company utilises its resources with accountability and professionalism to meet the needs of customers and deliver on their expectations; meet the commitments with vendors, partners, employees, governments and the community.

BOARD OF DIRECTORS

The Board of Directors along with its Committees, guides, directs and oversees the management and protects long term interests of shareholders, employees and the society, at large. The Board also ensures compliance of the applicable provisions and code of ethical standards wherever the Company and its subsidiaries are present.

Size and Composition of the Board

As on March 31, 2024, the Board consists of ten Directors, two of them are Executive and eight are Non-executive Directors, including five independent of which two are women directors. Your Company has taken all the necessary steps to strengthen the Board with the optimum combination of executive and nonexecutive/ independent directors

Composition of Board of Directors as on March 31, 2024

| Name                            | Category                           | Number of Board Meetings attended | Attendance at the last AGM held on August 25, 2023 | Number of Directorships in other companies* | Number of Committee positions held in other companies** |        | No. of shares of ₹1 each held in the Company |
|---------------------------------|------------------------------------|-----------------------------------|--|---|---|--------|--|
|                                 |                                    |                                   |  |   | Chairperson   | Member |  |
| Mr. K. Ragunathan               | Non-executive Independent Chairman | 7                                 | Yes  | 8   | 1   | --     | --   |
| Mr. K. Nithyananda Reddy        | Promoter and Executive             | 7                                 | Yes  | 8   | --  | --     | 25,359,572                                   |
| Mr. M. Madan Mohan Reddy        | Executive                          | 7                                 | Yes  | 8   | --  | --     | 2,010  |
| Mr. P. V. Ramprasad Reddy       | Promoter and Non-Executive         | 6                                 | Yes  | 2   | --  | --     | 18,000,000                                   |
| Mr. P. Sarath Chandra Reddy     | Non-executive Non-Independent      | 5                                 | Yes  | 5   | --  | --     | --   |
| Mrs. Savita Mahajan             | Non-executive Independent          | 7                                 | Yes  | 4   | 3   | 1      | --   |
| Mr. Girish Paman Vanvari        | Non-executive Independent          | 7                                 | Yes  | 6   | 6   | 4      | --   |
| Mr. Santanu Mukherjee           | Non-executive Independent          | 7                                 | Yes  | 7   | 6   | 3      | --   |
| Dr. Satakarni Makkapati#        | Non-executive Non-Independent      | 3                                 | NA   | 4   | --  | --     | --   |
| Dr. (Mrs.) Deepali Pant Joshi## | Non-executive Independent          | 2                                 | NA   | 6   | 5   | 1      | --   |

\* The directorships are in the companies incorporated under the Companies Act, 1956/2013.

\*\* Includes only Audit and Stakeholders Relationship Committees (excluding private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013 or Section 25 of the Companies Act, 1956).

# Dr. Satakarni Makkapati has been appointed as Non-executive Director w.e.f. November 9, 2023 and he attended all the meetings held from the date of his appointment.

## Dr. (Mrs.) Deepali Pant Joshi has been appointed as an Independent Director w.e.f. February 10, 2024 and she attended all the meetings held from the date of her appointment.

Dr. M. Sivakumaran (DIN: 01284320) resigned as Whole-time Director and Director of the Company w.e.f. August 25, 2023.

Dr. (Mrs). Avnit Bimal Singh (DIN: 01316166) resigned as Non-executive Independent Director of the Company w.e.f. February 11, 2024.

Mr. K. Ragunathan (DIN: 00523576) retired as an Independent Director of the Company on close of business hours of March 31, 2024, upon completion of his second term as an Independent Director of the Company. Consequently, he also ceased to be the Chairman of Board of Directors of the Company and Member of various Committees of Board of Directors of the Company.

Mr. Mangalam Ramasubramanian Kumar (DIN: 03628755) has been appointed as a Non-executive Independent Director of the Company with effect from April 1, 2024. The Board of Directors of the Company also appointed him as Chairman of the Board of Directors of the Company with effect from April 1, 2024.

Notes:

1. Leave of absence was granted on request to those directors who could not attend the meeting(s) due to their pre-occupations.
2. None of the directors of the Company is a director in other listed entity(ies) other than:
  - Mr. Girish Paman Vanvari who is an independent director in Tarsons Products Ltd., Himadri Speciality Chemical Ltd., RateGain Travel Technologies Ltd., Kolte-Patil Developers Ltd. and Blue Jet Healthcare Limited.
  - Mr. Santanu Mukherjee who is an Independent director in Suven Life Sciences Limited, Sumedha Fiscal Services Limited, Rainbow Children's Medicare Limited, Bandhan Bank Limited and NACL Industries Limited.

- Ms. Savita Mahajan who is an Independent Director in India Shelter Finance Corporation Limited and Avanse Financial Services Limited (Debt-listed).
  - Mr. Mangalam Ramasubramanian Kumar is an Independent Director in Bank of India and Ambuja Cements Limited.
3. None of the Non-Independent Directors of the Company are Independent Directors of the company(ies) where the Independent Directors of the Company are Non-Independent Directors or vice versa.
4. None of the Directors hold directorships in more than 10 public companies.
5. Video/teleconferencing facilities are also used to enable Directors travelling/residing abroad or at other locations, to participate in the meetings of Board and Committees.
6. During the financial year 2023-24, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

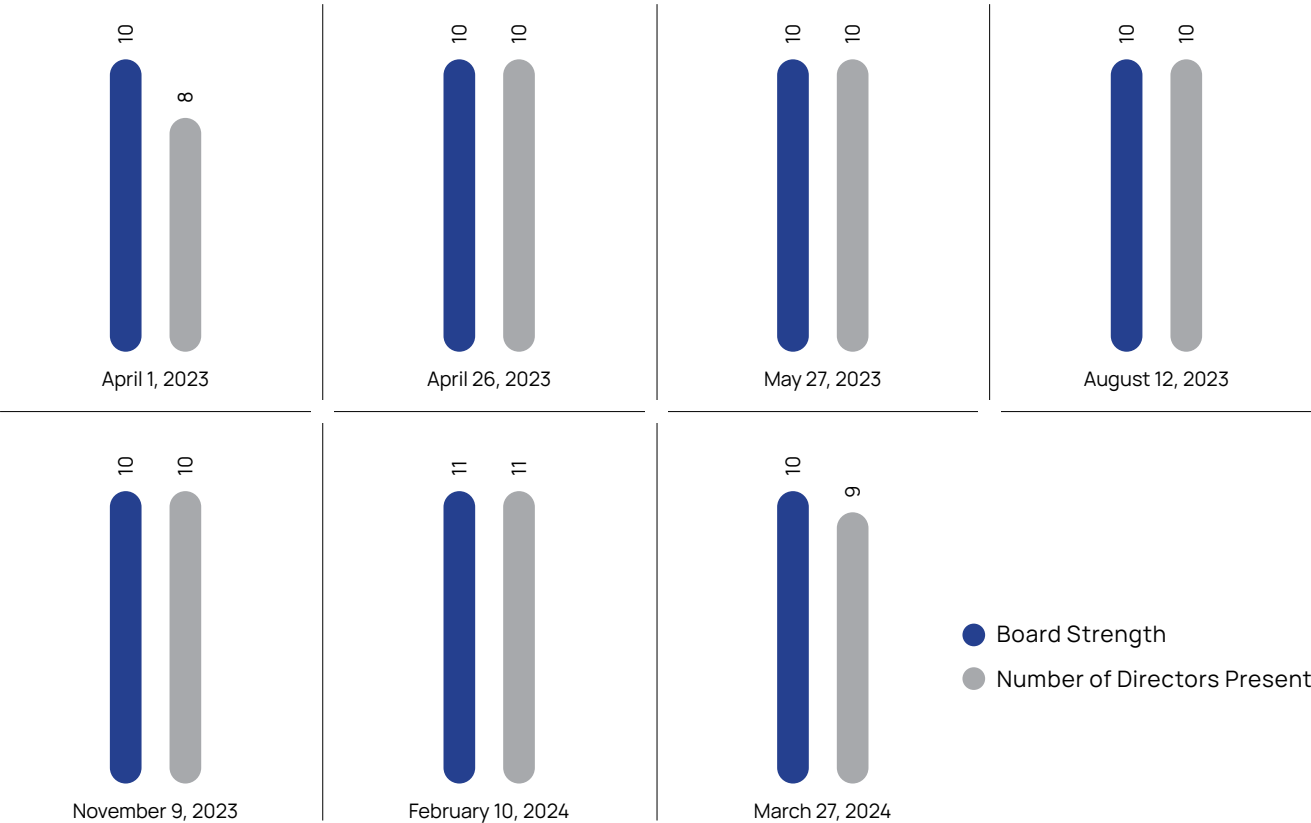
Meeting of Independent Directors

During financial year 2023-24, one meeting of the Independent Directors was held on March 27, 2024. All the five Independent Directors of the Company attended the meeting. The Independent Directors, inter-alia, reviewed the performance of Non-independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

Number of Meetings of the Board

During the financial year 2023-24, seven Board meetings were held on the following dates and the maximum gap between any two consecutive meetings did not exceed one hundred and twenty days.



Disclosure of relationships between directors inter-se

Mr. P. Sarath Chandra Reddy, Director, is son of Mr. P. V. Ramprasad Reddy, Director, and as such they are related to each other as defined under Section 2(77) of the Companies Act, 2013. Other than Mr. P. Sarath Chandra Reddy and Mr. P. V. Ramprasad Reddy, none of the Directors are related to any other Director.

Details about familiarisation program

Senior management personnel of the Company make presentations to the Board Members on periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives etc., and seek their opinions and suggestions on the same. Also, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company and its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on material subsidiaries, Whistle Blower Policy, Risk Management Policy, Corporate Social Responsibility Policy, etc.

The details of the familiarisation programmes are placed on the Company’s website at: [https://www.aurobindo.com/api/uploads/disclosure\\_under\\_regulation/FamiliarizationProgramme-2023-24.pdf](https://www.aurobindo.com/api/uploads/disclosure_under_regulation/FamiliarizationProgramme-2023-24.pdf)

Details of skills/expertise/competence of the Board of Directors:

|   |  |
|---|--|
| <div>Mr. K. Ragunathan</div> <div>Category<br/>Non-executive Independent Chairman</div> <div>Skills/Expertise/Competence<br/>He is a Chartered Accountant and has rich experience in accounting, management, strategy, etc.</div>   | <div>Mr. K. Nithyananda Reddy</div> <div>Category<br/>Promoter and Executive</div> <div>Skills/Expertise/Competence<br/>He has expertise in manufacturing technology and he oversees the production planning and provides guidance in effective utilisation of capacities.</div>   |
| <div>Mr. M. Madan Mohan Reddy</div> <div>Category<br/>Executive</div> <div>Skills/Expertise/Competence<br/>Apart from general management, he has rich experience in regulatory affairs of the pharma industry.</div>  | <div>Mr. P. V. Ramprasad Reddy</div> <div>Category<br/>Promoter and Non-executive</div> <div>Skills/Expertise/Competence<br/>Focus on strategy and future plans, identification of key areas for growth, acquisitions, consolidation, etc.</div>   |
| <div>Mr. P. Sarath Chandra Reddy</div> <div>Category<br/>Non-executive</div> <div>Skills/Expertise/Competence<br/>His core areas of expertise include procurement, logistics, clinical trials, trading and information technology.</div>  | <div>Mrs. Savita Mahajan</div> <div>Category<br/>Non-executive Independent</div> <div>Skills/Expertise/Competence<br/>Mrs. Savita Mahajan is the former Deputy Dean of the Indian School of Business. She was associated with the ISB for 14 years, since its inception in 2001, and was responsible for building its second campus at Mohali, Punjab, as its CEO. She has rich experience in overall management, organisation, etc.</div> |
| <div>Mr. Girish Paman Vanvari</div> <div>Category<br/>Non-executive Independent</div> <div>Skills/Expertise/Competence<br/>He is a Chartered Accountant and has around three decades of consulting experience. He is the Founder of Transaction Square – a Tax, Regulatory and Business Advisory Firm. Prior to his entrepreneurial venture, Mr. Girish had a 13-year stint with KPMG wherein he was the National Leader for Tax at KPMG India. Prior to KPMG, Mr. Girish was at Arthur Andersen for over a decade.</div> | <div>Mr. Santanu Mukherjee</div> <div>Category<br/>Non-executive Independent</div> <div>Skills/Expertise/Competence<br/>He is the former Managing Director of State Bank of Hyderabad. He has around four decades of experience in the field of banking, finance, risk management, etc., in various capacities.</div>  |

Dr. Satakarni Makkapati

Category  
Non-executive

**Skills/Expertise/Competence**  
Dr. Satakarni joined the Company in 2016 as President, Biologics Division and later he was appointed as Chief Executive Officer of CuraTeQ Biologics Private Limited, a wholly owned subsidiary of the Company with effect from August 9, 2021. During this time, he has helped envision and build a Biologics Organisation from scratch by crafting business strategy, organising top-notch infrastructure and talented human resources.

Statement on Declaration by Independent Directors

Mr. K. Ragunathan, Mrs. Savita Mahajan, Mr. Girish Paman Vanvari, Mr. Santanu Mukherjee and Dr. (Mrs.) Deepali Pant Joshi are the Independent Directors on the Board of the Company as on March 31, 2024. Mr. Mangalam Ramasubramanian Kumar (DIN: 03628755) has been appointed as a Non-executive Independent Director of the Company with effect from April 1, 2024. All the Independent Directors have given their respective declarations under Section 149 (6) and (7) of the Companies Act, 2013 and the Rules made thereunder and SEBI Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such declarations and confirm that the Independent Directors fulfil the conditions of independence specified in the SEBI Listing Regulations and the Companies Act, 2013.

As required by SEBI Listing Regulations, a certificate obtained from a Company Secretary in Practice that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as **Annexure-A**.

Further, Annual Secretarial Compliance Report issued by the Company Secretary in Practice pursuant to Circular dated February 8, 2019 issued by SEBI is also attached to this Reports as **Annexure-B**.

Detailed reasons for resignation of an Independent Director

Due to pre-occupation and other personal commitments, Dr. (Mrs.) Avnit Bimal Singh (DIN: 01316166) resigned as an Independent Director of the Company with effect from close of business hours on February 10, 2024. Consequently, she also ceased to be the Chairperson of Stakeholders Relationship Committee, Member of the Nomination and Remuneration/Compensation Committee and Corporate Social Responsibilities Committee of the Company.

Dr. (Mrs.) Deepali Pant Joshi

Category  
Non-executive Independent

**Skills/Expertise/Competence**  
Dr. (Mrs.) Deepali Pant Joshi has more than four decades of experience in the formulation of macro- economic policies. Dr. (Mrs.) Deepali Pant Joshi joined as a Direct Recruit Grade B officer in 1981 and retired after a long and distinguished career as Executive Director. She headed various departments in RBI including the Department of Rural Planning and Credit and Financial Inclusion Department and Customer Service & Financial Education Department.

Dr. (Mrs.) Avnit Bimal Singh further confirmed that there are no other material reasons other than those mentioned in her resignation letter.

Details of Directors proposed for appointment/ reappointment at the Annual General Meeting:

Mr. K. Nithyananda Reddy and Mr. M. Madan Mohan Reddy will retire by rotation at this Annual General Meeting and being eligible, seek reappointment.

As per new regulation 17(1D) of Listing Regulations, with effect from April 1, 2024, the continuation of a director serving on the Board of Directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be.

The shareholders of the Company at their 24<sup>th</sup> Annual General Meeting held on July 29, 2011, re-appointed Mr. P. V. Ramprasad Reddy as a Whole-time Director with effect from June 29, 2011 and whose term of office shall not be liable to determination by retirement of Directors by rotation. Upto November 30, 2012 Mr. P. V. Ramprasad Reddy was a Whole-time Director of the Company. With effect from December 1, 2012 he relinquished his executive responsibilities and continues as a non-executive director of the Company.

Since Mr. P. V. Ramprasad Reddy's re-appointment was approved by the shareholders of the Company on July 29, 2011 as a Non-Rotational Director, he is continuing on the Board as a Non-Executive Director without retiring at annual general meetings of the Company. As per new Regulation 17(1D) of Listing Regulations, his continuation on the Board shall be subject to the approval of shareholders in the first general meeting to be held after March 31, 2024. Hence, it is proposed to re-appoint Mr. P. V. Ramprasad Reddy as a Non-Executive Director of the Company in the ensuing Annual General Meeting of the Company.



AUDIT COMMITTEE

The scope and function of the Audit Committee is to regularly review the internal control systems and procedures, accounting policies and other matters that protect the interest of the stakeholders, ensure compliance with the laws of the land that are applicable to the Company, and monitor with a view to provide effective supervision of the management's process, ensure accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting. The composition, procedures, powers and role/functions of the Audit Committee constituted by the Company comply with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013.

Role of Audit Committee

The terms of reference of Audit Committee as approved by the Board and amended from time to time includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review, with the management, the annual financial statements and Auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgement by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;

- Qualifications in the draft audit report;
- Review, with the management, the quarterly financial statements before submission to the Board for approval;
- Review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.
- Review, with the management, performance of statutory and internal auditors, adequacy of the internal financial control systems;
- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- Examine into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e. the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Carry out any other function as is mentioned in the terms of reference of the Audit Committee under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations and Companies Act, 2013.

To review:

- Management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters/letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, statutory and internal auditors;

- Reports of Internal Audit and discussion with internal auditors on any significant findings and follow-up thereon;
- System for storage, retrieval, security etc. of books of account maintained in the electronic form;
- The functioning of the Whistle Blower mechanism in the Company.
- Review the utilisation of loans and or advances from investment by the holding company in the subsidiary(ies).
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015

Composition and other details of Audit Committee

The Audit Committee comprises of three non-executive directors, all of them being independent directors. The heads of finance & accounts, internal auditors and the representative of the statutory auditors are permanent invitees to the meetings of the Audit Committee where the financial results are considered, apart from other departmental heads for reviewing the compliance of applicable laws and provisions. The Company Secretary is the Secretary to the Committee. The minutes of Audit Committee meetings are placed at every Board meeting for its perusal and noting.

Mr. Girish Paman Vanvari, Non-Executive, Independent Director having expertise in accounting and financial management is Chairman of Audit Committee. Mr. K. Ragunathan and Mr. Santanu Mukherjee are the other members of the Committee as on March 31, 2024.

Meetings and attendance during the financial year

During the financial year, the Audit Committee met five times on May 27, 2023, August 12, 2023, November 9, 2023, February 10, 2024 and March 27, 2024.

The attendance at the Audit Committee meetings during the financial year 2023-24 is as under:

| Name of the Committee Member | No. of Meetings held during tenure | Attended |
|------------------------------|------------------------------------|----------|
| Mr. Girish Paman Vanvari     | 5                                  | 5        |
| Mr. K. Ragunathan*           | 5                                  | 5        |
| Mr. Santanu Mukherjee        | 5                                  | 5        |

\* Mr. K. Ragunathan ceased to be a director of the Company w.e.f. April 1, 2024.

Further, the Board of Directors of the Company re-constituted the Audit Committee w.e.f. May 25, 2024 as under:

1. Mr. Girish Paman Vanvari – Chairman
2. Mrs. Savita Mahajan – Member
3. Mr. Santanu Mukherjee – Member



NOMINATION AND REMUNERATION/COMPENSATION COMMITTEE

Brief description of terms of reference of the Nomination and Remuneration/Compensation Committee

The terms of reference of Nomination and Remuneration/Compensation Committee as approved by the Board and amended from time to time includes the following:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down in this Policy
- Recommend to the Board, appointment, and removal of Director, KMP and Senior Management Personnel.
- Formulation of criteria for evaluation of Independent Directors and the Board and whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors
- Formulate, implement, and administer Employee Stock Option Scheme(s) of the Company and grant stock options to the employees.
- Devising a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment, or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties. Any other matter the Board may decide from time to time.

Composition and other details of Nomination and Remuneration/Compensation Committee

The composition of the Nomination and Remuneration/Compensation Committee comprises of four non-executive directors, all of them are independent directors.

Dr. (Mrs.) Avnit Bimal Singh, Non-executive Independent Director ceased to be member of Nomination and Remuneration/Compensation Committee on her resignation as Independent Director of the Company w.e.f. February 11, 2024. She was Chairperson of the Committee up to close of business hours on February 10, 2024. Mr. Santanu Mukherjee was appointed as the Chairman of the Committee w.e.f. February 11, 2024 and Mr. K. Ragunathan, Mr. Girish Paman Vanvari and Dr. (Mrs.) Deepali Pant Joshi are the other Members of the Committee as on March 31, 2024.

Meetings and attendance during the financial year

During the financial year, the Nomination and Remuneration/Compensation Committee met three times on May 27, 2023, February 10, 2024 and March 27, 2024.

The attendance at the Nomination and Remuneration/Compensation Committee meetings during the financial year 2023-24 is as under:

| Name of the Committee Member     | No. of Meetings held during tenure | Attended |
|----------------------------------|------------------------------------|----------|
| Mr. Santanu Mukherjee            | 3                                  | 3        |
| Mr. K. Ragunathan*               | 3                                  | 3        |
| Mr. Girish Paman Vanvari         | 3                                  | 3        |
| Dr. (Mrs.) Avnit Bimal Singh**   | 2                                  | 2        |
| Dr. (Mrs.) Deepali Pant Joshi*** | 1                                  | 1        |

\* Mr. K. Ragunathan ceased to be a director of the Company w.e.f. April 1, 2024.

\*\* Dr. (Mrs.) Avnit Bimal Singh resigned as an Independent Director of the Company w.e.f. February 11, 2024.

\*\*\* Dr. (Mrs.) Deepali Pant Joshi is appointed as a member of the Committee w.e.f. February 10, 2024.

Further, the Board of Directors of the Company re-constituted the Nomination and Remuneration/Compensation Committee w.e.f. April 1, 2024, as under:

1. Mr. Santanu Mukherjee – Chairman
2. Dr. (Mrs.) Deepali Pant Joshi – Member
3. Mr. Mangalam Ramasubramanian Kumar – Member
4. Mr. Girish Paman Vanvari – Member

Nomination and Remuneration Policy

The compensation of the executive directors comprises of fixed components, perquisites and commission. The compensation is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the executive directors is periodically reviewed, and suitable revision is recommended to the Board by the Committee. The non-executive directors are paid sitting fees for attending meetings of the Board/Committee.

The Nomination, Remuneration and Compensation Policy is placed on the Company’s website at: <https://www.aurobindo.com/api/uploads/NRC-Policy-AUROBINDO-May2024.pdf>

REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors during the financial year 2023-24 are as follows:

a. Executive Directors

| (Amount in ₹)            |             |                       |            |                    |              |
|--------------------------|-------------|-----------------------|------------|--------------------|--------------|
| Name of the Director     | Salary      | Benefits/ Perquisites | Commission | Contribution to PF | Total        |
| Mr. K. Nithyananda Reddy | 2,29,50,000 | 2,20,76,942           | -          | 21,600             | 4,50,48,542  |
| *Dr. M. Sivakumaran      | 47,74,194   | 71,33,345             | -          | 9,000              | 1,19,16,539  |
| Mr. M. Madan Mohan Reddy | 3,07,50,000 | 2,93,74,596           | -          | 21,600             | 6,01,46,196  |
| Total                    | 5,84,74,194 | 5,85,84,883           | -          | 52,200             | 11,71,11,277 |

\* Dr. M. Sivakumaran resigned from the Board of the Company w.e.f. August 25, 2023.

b. Non-Executive Directors

There were no pecuniary transactions with any non-executive director of the Company.

Non-Executive Directors are paid a sitting fee for attending the Board and Committee meetings. A sitting fee of ₹1,00,000 is being paid to Non-Executive Directors for attending each meeting of the Board of Directors and of Committees of the Board of Directors. During the financial year 2023-24, the sitting fees paid was as follows:

| Name                          | Sitting fee (₹) |
|-------------------------------|-----------------|
| Mr. K. Ragunathan             | 28,00,000       |
| Mr. Girish Paman Vanvari      | 26,00,000       |
| Dr. (Mrs.) Avnit Bimal Singh  | 14,00,000       |
| Mrs. Savita Mahajan           | 22,00,000       |
| Mr. P. V. Ram Prasad Reddy    | 6,00,000        |
| Mr. P. Sarath Chandra Reddy   | 9,00,000        |
| Mr. Santanu Mukherjee         | 25,00,000       |
| Dr. Satakarni Makkapati       | 3,00,000        |
| Dr. (Mrs.) Deepali Pant Joshi | 5,00,000        |

Performance evaluation criteria for independent directors

The performance evaluation shall be done on an annual basis. Each Director shall be provided with an evaluation sheet in the form of a questionnaire. The ratings shall be provided by all the Directors except the Independent Director being evaluated.

Based on the report of performance evaluation, it shall be determined by the Nomination and Remuneration/ Compensation Committee and Board whether to extend or continue the term of appointment of Independent Director subject to all other applicable provisions



STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

Dr. (Mrs.) Avnit Bimal Singh, Non-executive Independent Director ceased to be member of Stakeholders Relationship Committee on her resignation as Independent Director of the Company w.e.f. February 11, 2024. She was Chairperson of the Committee up to close of business hours on February 10, 2024. Dr. (Mrs.) Deepali Pant Joshi, a Non-Executive Independent Director was appointed as the Chairperson of the Committee w.e.f. February 11, 2024 and Mr. K. Nithyananda Reddy, Mr. K. Ragunathan, Mrs. Savita Mahajan, Mr. Girish Paman Vanvari and Mr. Santanu Mukherjee are the other members of the Committee as on March 31, 2024.

Meetings and attendance during the financial year

During the year, the Stakeholders Relationship Committee met two times on July 24, 2023 and January 3, 2024.

The attendance at the Stakeholders Relationship Committee meetings during the financial year 2023-24 is as under:

| Name of the Committee Member     | No. of Meetings held during tenure | Attended |
|----------------------------------|------------------------------------|----------|
| Dr. (Mrs.) Avnit Bimal Singh*    | 2                                  | 2        |
| Mr. K. Nithyananda Reddy         | 2                                  | 2        |
| Mr. K. Ragunathan**              | 2                                  | 2        |
| Mr. Girish Vanvari               | 2                                  | 2        |
| Mrs. Savita Mahajan              | 2                                  | 2        |
| Mr. Santanu Mukherjee            | 2                                  | 2        |
| Dr. (Mrs.) Deepali Pant Joshi*** | -                                  | -        |

\*Dr. (Mrs.) Avnit Bimal Singh ceased to be a Director of the Company w.e.f. February 11, 2024.

\*\*Mr. K. Ragunathan ceased to be a director of the Company w.e.f. April 1, 2024.

\*\*\*Dr. (Mrs.) Deepali Pant Joshi is appointed as a member and Chairperson of the Committee w.e.f. February 10, 2024 and no meetings were held during the year after her appointment.

Further, the Board of Directors of the Company re-constituted the Stakeholders Relationship Committee w.e.f. April 1, 2024 as under:

1. Dr. (Mrs.) Deepali Pant Joshi – Chairperson
2. Mr. K. Nithyananda Reddy – Member
3. Mr. Mangalam Ramasubramanian Kumar – Member
4. Mr. Girish Vanvari – Member
5. Mrs. Savita Mahajan – Member
6. Mr. Santanu Mukherjee – Member

Terms of reference

Stakeholders Relationship Committee considers and resolves all matters of the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of duplicate share certificates, general meetings etc.

Specifically look into various aspects of interest of shareholders, debenture holders and other security holders.

Review of measures taken for effective exercise of voting rights by shareholders.

Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Name and designation of Compliance Officer

Mr. B. Adi Reddy, Company Secretary and Compliance Officer

Email ID for investor grievances: [ig@aurobindo.com](mailto:ig@aurobindo.com)

Investor Complaints

During the financial year ended March 31, 2024, the Company has received and resolved 6 complaints from investors. All the complaints were resolved to the satisfaction of shareholders and there were no pending complaints at the year end.



RISK MANAGEMENT COMMITTEE

The Company recognises that it faces various financial, market, technical and operational risks including regulatory and compliance risks and needs to take appropriate steps to minimise such risks. The Board regularly discusses the significant business risks identified by the management and the mitigation process being taken up.

Composition

Mr. Girish Paman Vanvari, a Non-Executive Independent Director is the Chairman of the Committee and Mrs. Savita Mahajan and Mr. Santanu Mukherjee are the other members of the Committee as on March 31, 2024.

Meetings and attendance during the financial year

During the year the Risk Management Committee met two times on September 13, 2023 and March 11, 2024.

The attendance at the Risk Management Committee meetings during the financial year 2023-24 is as under:

| Name of the Committee Member | No. of Meetings held during tenure | Attended |
|------------------------------|------------------------------------|----------|
| Mr. Girish Paman Vanvari     | 2                                  | 1        |
| Mrs. Savita Mahajan          | 2                                  | 2        |
| Mr. Santanu Mukherjee        | 2                                  | 2        |

Terms of reference

The terms of reference of Risk Management Committee as approved by the Board and amended from time to time includes the following:

- To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.



CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

The Committee consists of Mr. K. Nithyananda Reddy as Chairman, Mr. K. Ragunathan, Mr. P. Sarath Chandra Reddy, Mrs. Savita Mahajan, Mr. Girish Paman Vanvari and Dr. (Mrs.) Deepali Pant Joshi (w.e.f. February 11, 2024) as Members as on March 31, 2024.

Dr. M. Sivakumaran and Dr. (Mrs.) Avnit Bimal Singh ceased to be members of the Committee on their resignations as Director of the Company w.e.f. August 25, 2023 and February 11, 2024 respectively.

Meetings and attendance during the financial year

During the financial year 2023-24, the Corporate Social Responsibility Committee met five times on May 27, 2023, August 12, 2023, November 9, 2023, February 10, 2024, and March 27, 2024.

The attendance at the Corporate Social Responsibility Committee meetings during the financial year 2023-24 is as under:

| Name of the Committee Member     | No. of Meetings held during tenure | Attended |
|----------------------------------|------------------------------------|----------|
| Mr. K. Nithyananda Reddy         | 5                                  | 5        |
| Mr. K. Ragunathan*               | 5                                  | 5        |
| Mr. P. Sarath Chandra Reddy      | 5                                  | 4        |
| Mrs. Savita Mahajan              | 5                                  | 5        |
| Mr. Girish Paman Vanvari         | 5                                  | 4        |
| Dr. (Mrs.) Deepali Pant Joshi**  | 1                                  | 1        |
| Dr. M. Sivakumaran***            | 2                                  | 2        |
| Dr. (Mrs.) Avnit Bimal Singh**** | 4                                  | 4        |

\* Mr. K. Ragunathan ceased to be a director of the Company w.e.f. April 1, 2024.

\*\* Dr. (Mrs.) Deepali Pant Joshi is appointed as a member of the Committee w.e.f. February 10, 2024

\*\*\* Dr. M. Sivakumaran resigned as a Whole-time Director and Director of the Company w.e.f. August 25, 2023.

\*\*\*\* Dr. (Mrs.) Avnit Bimal Singh resigned as an Independent Director of the Company w.e.f. February 11, 2024.

Further, the Board of Directors of the Company re-constituted the Corporate Social Responsibility Committee w.e.f. April 1, 2024 as under:

- Mr. K. Nithyananda Reddy
- Mr. Mangalam Ramasubramanian Kumar
- Mr. P. Sarath Chandra Reddy
- Mrs. Savita Mahajan

- Dr. (Mrs.) Deepali Pant Joshi
- Mr. Girish Paman Vanvari

Terms of reference

The terms of reference of Corporate Social Responsibility Committee as approved by the Board and amended from time to time includes the following:

- formulating the CSR policy in compliance to Section 135 of the Companies Act 2013
- identifying activities to be undertaken as per Schedule VII of the Companies Act 2013
- recommending to Board the CSR expenditure to be incurred.
- recommending to Board, modifications to the CSR policy as and when required.
- regularly monitoring the implementation of the CSR policy
- approving the budgetary allocation funds to various units/groups monitoring the CSR activities
- Recommend to the board an Annual CSR Action Plan delineating the CSR projects or programmes to be undertaken during the financial year and
- Appoint an independent agency/firm to carry out impact assessment study, if any

The CSR Policy has been placed on the Company's website at: <https://www.aurobindo.com/api/uploads/CSR-policy.pdf>

Annual report on the CSR activities of the Company during the financial year is also placed on the Company's website at: <https://www.aurobindo.com/sustainability/annual-csr-report>

The Company has formulated the CSR annual action plan for the financial year 2024-25. The details of CSR projects approved by the Board of Directors of the Company for the financial year 2024-25 is placed on the Company's website at <https://www.aurobindo.com/sustainability/annual-action-plan>

The Company has opened a CSR Unspent Account for transfer of amounts remaining unspent and pertaining to Ongoing CSR projects as on March 31, 2024, and transferred ₹14,09,67,829 unspent CSR amount pertaining to Ongoing CSR projects as on March 31, 2024, to the said CSR Unspent Account.



SUSTAINABILITY REPORTING & ESG COMMITTEE

Composition

The Committee consists of Mrs. Savita Mahajan as Chairperson, Mr. K. Ragunathan, Mr. Santanu Mukherjee, Mr. Nithyananda Reddy and Mr. M.Madan Mohan Reddy as members with EHS Heads of API & Formulation Divisions as permanent invitees of the Committee as on March 31, 2024.

Meetings and attendance during the financial year

During the financial year 2023-24, the Sustainability Reporting & ESG Committee met one time on August 12, 2023.

The attendance at Sustainability Reporting & ESG Committee meetings during the financial year 2023-24 is as under:

| Name of the Committee Member | No. of Meetings held during tenure | Attended |
|------------------------------|------------------------------------|----------|
| Mrs. Savita Mahajan          | 1                                  | 1        |
| Mr. K. Ragunathan*           | 1                                  | 1        |
| Mr. K. Nithyananda Reddy     | 1                                  | 1        |
| Mr. M. Madan Mohan Reddy     | 1                                  | 1        |
| Mr. Santanu Mukherjee        | 1                                  | 1        |

\* Mr. K. Ragunathan ceased to be a director of the Company w.e.f. April 1, 2024.

Further, the Board of Directors of the Company re-constituted the Sustainability Reporting & ESG Committee w.e.f. April 1, 2024 as under:

- Mrs. Savita Mahajan – Chairperson
- Mr. Mangalam Ramasubramanian Kumar – Member
- Mr. K. Nithyananda Reddy – Member
- Mr. M. Madan Mohan Reddy – Member
- Mr. Santanu Mukherjee – Member

Terms of reference

The terms of reference of Business Responsibility/ Sustainability Reporting Committee as approved by the Board includes the following:

- Responsible for the adoption of National Guidelines on Responsible Business Conduct (NGRBC) in business practices of the Company.
- Responsible for the policies created for or linked to the 9 key principles of the 'National Guidelines on Responsible Business Conduct (NGRBC)'.
- Review the progress of initiatives under the purview of business responsibility (sustainability) policies mentioned above.
- Review business responsibility reporting disclosures on a pre-decided frequency (monthly, quarterly, bi- annually).
- Review the progress of business responsibility initiatives at the Company.
- Review the annual business responsibility report and present it to the Board for approval.
- Assist the Board in establishing and monitoring the Company's ESG policies and practices.
- Propose changes as necessary from time to time to respond to ESG recommendations or guidelines from authorities or investors as well as changes in the Company's business environment.
- Ensure that the Company has in effect adequate policies and procedures to identify and manage the principal ESG risks of the Company's business.
- Review the main challenges the Company faces in ESG.
- Review and approve material ESG disclosure.
- Review and approve the external party assurance process and report.



IT STEWARDSHIP COMMITTEE

Composition

The Committee consists of Mr. Santanu Mukherjee – Chairman, Mr. K. Ragunathan, Mrs. Savita Mahajan and Mr. M Madan Mohan Reddy as members with Chief Information Officer as permanent invitee of the Committee as on March 31, 2024.

Meetings and attendance during the financial year

During the financial year 2023-24, the IT Stewardship Committee met one time on November 9, 2023.

The attendance at IT Stewardship Committee meetings during the financial year 2023-24 is as under:

| Name of the Committee Member | No. of Meetings held during tenure | Attended |
|------------------------------|------------------------------------|----------|
| Mr. Santanu Mukherjee        | 1                                  | 1        |
| Mr. K. Ragunathan*           | 1                                  | 1        |
| Mrs. Savita Mahajan          | 1                                  | 1        |
| Mr. M. Madan Mohan Reddy     | 1                                  | 0        |

\* Mr. K. Ragunathan ceased to be a director of the Company w.e.f. April 1, 2024.

Further, the Board of Directors of the Company re-constituted the IT Stewardship Committee w.e.f. April 1, 2024 as under:

- Mr. Santanu Mukherjee – Chairman
- Mr. Mangalam Ramasubramanian Kumar – Member
- Mrs. Savita Mahajan – Member
- Mr. M. Madan Mohan Reddy – Member

Terms of reference

The terms of reference of IT Stewardship Committee as approved by the Board includes the following:

- Oversee the control environment in place for Information Technology and for Cyber Security.
- Review risks relating to Information Technology and Cyber Security and plans for mitigation or treatment
- Review and endorse the Information Technology and Digital Strategy and Cyber Security Strategy of the Company and their implementation plans.
- Review and endorse the organisation and operating model in place for Information Technology and Cyber Security, and subsequently consider its ongoing suitability.
- Oversee technology aspects of major change programmes, understanding their strategic contribution and risks.
- Consider current capability relating to Technology, Cyber and Digital skills and plans to address any issues.
- Consider the adequacy and performance of Suppliers and Supply Chain for IT and Cyber.
- Consider service ticketing requests.





Senior Management

Following are the particulars of senior management including the changes therein since the close of the previous financial year.

| S. No. | Name                             | Designation   | Particulars of changes during the year |
|--------|----------------------------------|---|--|
| 1      | Mr. Sanjeev I Dani               | Chief Operating Officer                                 | Deceased on November 21, 2023.         |
| 2      | Mr. A. Rama Mohana Rao           | Chief Quality Officer, Corporate QA                     | –                                      |
| 3      | Mr. P. Srinivasa Reddy           | Associate President, Corporate Engineering              | –                                      |
| 4      | Dr. K Suresh Kumar               | Associate President, HR                                 | –                                      |
| 5      | Mr. Godi Bhaskara Reddy          | Associate President, Operations                         | –                                      |
| 6      | Mr. A.V.S. Mallikharjuna         | Associate President, Operations                         | –                                      |
| 7      | Mr. V. Naga Prasad               | Chief Scientific Officer, R&D                           | –                                      |
| 8      | Dr. Gita Rao                     | President, RAD-II                                       | –                                      |
| 9      | Mr. Roopak Sawhney               | Associate President, RAD-II                             | –                                      |
| 10     | Mr. Kandi S Chandrashekhar       | Associate President, FRD                                | –                                      |
| 11     | Mr. Mula Surya Narayana Murthy   | Group Accounts Controller                               | –                                      |
| 12     | Mr. N. Ravi Kiran                | Chief Business Officer, BD                              | –                                      |
| 13     | Mr. T Vijay Kumar                | President – R&D (Specialty Drug Delivery)               | –                                      |
| 14     | Mr. S. Subramanian               | Chief Financial Officer                                 | –                                      |
| 15     | Mr. Baddigam Adi Reddy           | Company Secretary                                       | –                                      |
| 16     | Dr Parveen Kumar Luthra          | CSO, R & D  | –                                      |
| 17     | Dr Hemant Kumar Sharma           | President-ARD   | –                                      |
| 18     | Mr. P. Shashikumaran             | Associate President. Sourcing Logistics                 | –                                      |
| 19     | Mr. K P Ravinatha Shetty         | Associate President, Operations                         | –                                      |
| 20     | Mr. S. V.S.S.S.Prasad            | Senior Vice President, Eng. Purchases, Capital Items    | –                                      |
| 21     | Dr. K. Rama Srinivas             | Associate President, Corporate Quality                  | –                                      |
| 22     | Dr. Mandepudi Sudhakara Reddy    | Associate President, Corporate QA                       | –                                      |
| 23     | Mr. U.N.B. Raju                  | Senior Vice President, HR                               | –                                      |
| 24     | Mr. Ilapakurty S R . Chandra Rao | Senior Vice President, Admin                            | –                                      |
| 25     | Mr. S Venkatesh Kumar            | Associate Vice President, Eng. Purchases, Revenue Items | –                                      |
| 26     | Mr. A. V.S.Murali Mohan          | Vice President, Commercial                              | –                                      |
| 27     | Mr. Mohammed. Amjad              | Senior General Manager, Projects                        | –                                      |

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as under:

|   |  |   |
|---|--|---|
| <div>2021</div> <div><b>Location</b></div> <div>Held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")</div> <div> August 26, 2021</div> <div> 3:30 PM</div> <div><b>No. of Special Resolutions passed</b></div> <div>1</div> | <div>2022</div> <div><b>Location</b></div> <div>Held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")</div> <div> August 2, 2022</div> <div> 3:30 PM</div> <div><b>No. of Special Resolutions passed</b></div> <div>0</div> | <div>2023</div> <div><b>Location</b></div> <div>Held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")</div> <div> August 25, 2023</div> <div> 3:30 PM</div> <div><b>No. of Special Resolutions passed</b></div> <div>0</div> |
|---|--|---|

Details of special resolutions passed through postal ballot in Financial Year 2023-24 and details of the voting pattern:

The Company sought the approval of shareholders by way of special resolutions through notice of postal ballot dated February 10, 2024 and March 27, 2024 and the details are provided below.

Mr. A. Mohan Rami Reddy, Practicing Company Secretary, was appointed as the Scrutinizer to scrutinize all the above postal ballot events and reported that the remote e-voting processes in all these events conducted in a fair and transparent manner.

The procedure for Postal Ballot as prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, has been followed. The scrutinizer submitted reports to the Chairman stating that the resolutions have been duly passed by the members with requisite majority.

The details of the voting pattern of the aforesaid two Postal Ballot processes are as below:

| Postal Ballot Number | Postal Ballot Notice Date | Remote e-voting Commencement and Closing details        | Particulars of Special Resolution   | No. of Votes Polled | No. of Votes Cast in Favour | No. of Votes Cast Against | % of Votes Cast in Favour on Votes Polled | % of Votes Cast Against on Votes Polled | Date of declaration of evoting results |
|----------------------|---------------------------|---|---|---------------------|-----------------------------|---------------------------|---|---|--|
| 1                    | February 10, 2024         | February 26, 2024 (9.00 AM) to March 26, 2024 (5.00 PM) | Appointment of Dr. (Mrs.) Deepali Pant Joshi (DIN: 07139051) as an Independent Director of the Company      | 51,06,39,508        | 51,04,73,402                | 1,66,106                  | 99.97%                                    | 0.03%                                   | March 26, 2024                         |
| 2                    | March 27, 2024            | April 8, 2024 (9.00 AM) to May 7, 2024 (5.00 PM)        | Appointment of Mr. Mangalam Ramasubramanian Kumar (DIN: 03628755) as an Independent Director of the Company | 51,42,85,200        | 51,28,22,847                | 14,62,353                 | 99.72%                                    | 0.28%                                   | May 7, 2024                            |

Proposal to conduct postal ballot for any matter in the ensuing Annual General Meeting:

There is no proposal to conduct postal ballot for any matter in the ensuing Annual General Meeting.

The Management Discussion and Analysis forms part of this Report and is provided separately in the Annual Report.

GENERAL SHAREHOLDERS INFORMATION  
37<sup>th</sup> Annual General Meeting

As mentioned in the Notice, the 37<sup>th</sup> Annual General Meeting of the Company will be held on Thursday, the 29<sup>th</sup> day of August 2024 at 3:30 PM (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") pursuant to the MCA Circular and as such there is no requirement to have a venue for the 37<sup>th</sup> AGM but Corporate Office of the Company will be deemed to be the venue of the AGM. For more details, please refer to the Notice of this AGM.

Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by fintech at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and selecting the EVENT for Company's AGM.

Financial Year

The financial year of the Company commences on April 1 of each year and ends on March 31 of the next year.

Financial calendar (tentative and subject to change) of the financial year 2024-25 is as follows:

| Declaration of Financial results for | Declaration on or before |
|--------------------------------------|--------------------------|
| 1 <sup>st</sup> Quarter              | August 14, 2024          |
| 2 <sup>nd</sup> Quarter              | November 14, 2024        |
| 3 <sup>rd</sup> Quarter              | February 14, 2025        |
| 4 <sup>th</sup> Quarter              | May 30, 2025             |

Payment of Dividend

The Board of Directors of the Company in its meeting held on:

- November 9, 2023 declared an interim dividend of 300% (₹3.00 per equity share of ₹1 each) which was paid in the month of December 2023 on the equity share capital of the Company for the financial year 2023-24.
- February 10, 2024 declared second interim dividend of 150% (₹1.50 per equity share of ₹1 each) which was

paid in the month of March 2024 on the equity share capital of the Company for the financial year 2023-24.

The Board of Directors did not recommend any final dividend for the financial year 2023-24.

Name and address of each stock exchange(s) at which the Company's shares are listed.

The Company's equity shares are listed on the following stock exchanges:

| Name and address of the Stock Exchange(s)   | Stock Code |
|---|------------|
| BSE Limited (BSE)<br>Phiroze Jeejeebhoy Towers, 25 <sup>th</sup> Floor, Dalal Street, Mumbai – 400 001                  | 524804     |
| National Stock Exchange of India Limited (NSE)<br>Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 | AUROPHARMA |

Listing fees for the financial year 2024-25 has been paid to the above stock exchanges.

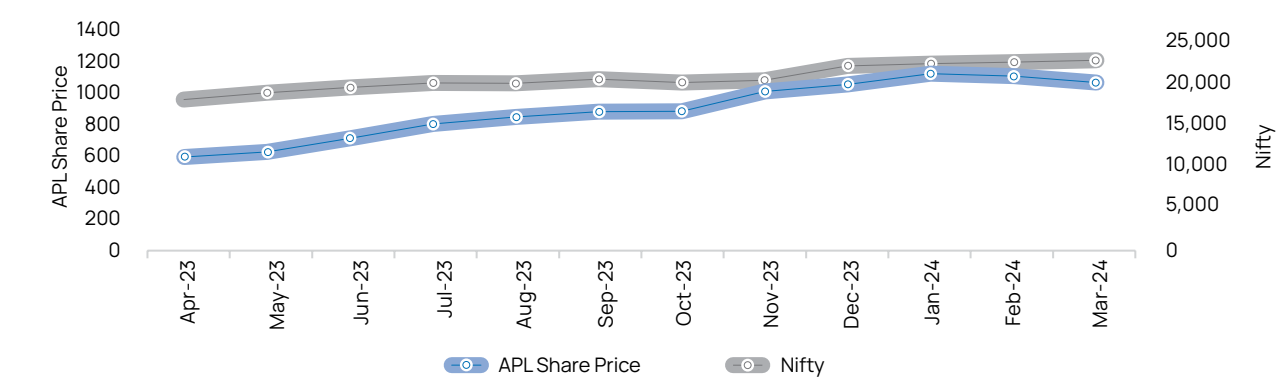
Issuer Identification Number (ISIN) of the Company: INE406A01037

Market Price data:

High, low during each month in last financial year and volume of shares traded on NSE

| Month |           | NSE Share Price |          |          |            | S & P CNX Nifty |           |
|-------|-----------|-----------------|----------|----------|------------|-----------------|-----------|
|       |           | High            | Low      | Close    | Volume     | High            | Low       |
| 2023  | April     | 623.25          | 516.45   | 617.00   | 35,438,408 | 18,089.15       | 17,312.75 |
|       | May       | 662.95          | 581.25   | 658.60   | 42,284,669 | 18,662.45       | 18,042.40 |
|       | June      | 741.85          | 646.15   | 727.35   | 35,307,894 | 19,201.70       | 18,464.55 |
|       | July      | 846.50          | 708.85   | 822.25   | 41,966,843 | 19,991.85       | 19,234.40 |
|       | August    | 887.70          | 805.65   | 830.00   | 42,745,767 | 19,795.60       | 19,223.65 |
|       | September | 930.00          | 815.80   | 914.35   | 41,703,376 | 20,222.45       | 19,255.70 |
|       | October   | 924.45          | 845.00   | 849.50   | 34,938,950 | 19,849.75       | 18,837.85 |
|       | November  | 1,058.00        | 834.65   | 1,041.55 | 51,367,882 | 20,158.70       | 18,973.70 |
|       | December  | 1,099.90        | 996.30   | 1,084.00 | 40,354,525 | 21,801.45       | 20,183.70 |
|       | January   | 1,177.10        | 1,061.40 | 1,150.40 | 50,317,278 | 22,124.15       | 21,137.20 |
|       | February  | 1,155.05        | 958.50   | 1,028.10 | 81,504,225 | 22,297.50       | 21,530.20 |
|       | March     | 1,114.00        | 984.30   | 1,088.75 | 36,249,186 | 22,526.60       | 21,710.20 |

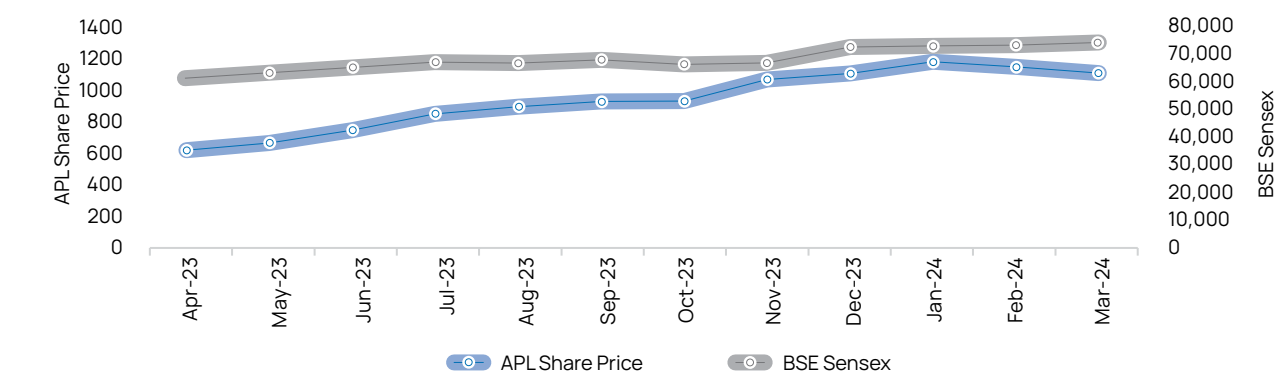
NSE-APL Share Price



High, low during each month in last financial year and volume of shares traded on BSE

| Month |           | NSE Share Price |          |          |           | S & P CNX Nifty |           |
|-------|-----------|-----------------|----------|----------|-----------|-----------------|-----------|
|       |           | High            | Low      | Close    | Volume    | High            | Low       |
| 2023  | April     | 623.00          | 517.00   | 616.45   | 1,239,293 | 61,209.46       | 58,793.08 |
|       | May       | 662.70          | 581.50   | 658.55   | 1,362,167 | 63,036.12       | 61,002.17 |
|       | June      | 741.40          | 646.25   | 727.55   | 1,037,042 | 64,768.58       | 62,359.14 |
|       | July      | 846.50          | 709.00   | 822.30   | 1,321,526 | 67,619.17       | 64,836.16 |
|       | August    | 887.20          | 805.90   | 828.30   | 1,448,144 | 66,658.12       | 64,723.63 |
|       | September | 930.00          | 815.15   | 914.20   | 1,239,908 | 67,927.23       | 64,818.37 |
|       | October   | 924.50          | 845.30   | 849.35   | 1,694,513 | 66,592.16       | 63,092.98 |
|       | November  | 1,058.95        | 834.90   | 1,042.95 | 2,556,439 | 67,069.89       | 63,550.46 |
|       | December  | 1,100.00        | 996.30   | 1,084.05 | 1,775,954 | 72,484.34       | 67,149.07 |
|       | January   | 1,177.00        | 1,062.00 | 1,150.35 | 4,448,521 | 73,427.59       | 70,001.60 |
|       | February  | 1,153.75        | 959.05   | 1,027.45 | 3,825,453 | 73,413.93       | 70,809.84 |
|       | March     | 1,113.85        | 985.00   | 1,089.45 | 810,067   | 74,245.17       | 71,674.42 |

BSE-APL Share Price



There was no suspension of trading in securities of the Company during the financial year under review.

Registrar and Share Transfer Agents

M/s. KFin Technologies Limited (formerly known as KFin Technologies Private Limited) is the Registrar & Share Transfer Agent (RTA) and Depository Transfer Agent of the Company. Any request pertaining to investor grievances may be forwarded to them at the following address:

KFin Technologies Limited  
Unit: Aurobindo Pharma Limited  
Selenium Tower B, Plot No.31&32,  
Gachibowli, Financial District, Nanakramguda,  
Serilingampally, Hyderabad – 500 032, Telangana  
Email id – [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Toll free number – 1- 800-309-4001  
Contact Person : Ms. C Shobha Anand, Deputy Vice President

Share transfer system.

In accordance with amendments to Regulation 40 of the SEBI Listing Regulations, physical transfer of shares is not permitted with effect from April 1, 2019. Therefore, requests for transferring physical shares are not accepted by the Company and/or its Registrar and Share Transfer Agent, KFinTech. Even in case of transmission, transposition and duplicate issue of shares, letter of confirmations are issued

Distribution of Shareholding

Distribution Schedule – As on March 31, 2024

| Sno | Category        | No. of Cases | % of Cases | Total shares | Amount (₹)  | % of Amount |
|-----|-----------------|--------------|------------|--------------|-------------|-------------|
| 1   | 1-5,000         | 243,085      | 99.39      | 23,403,661   | 23,403,661  | 3.99        |
| 2   | 5,001- 10,000   | 668          | 0.27       | 4,864,547    | 4,864,547   | 0.83        |
| 3   | 10,001- 20,000  | 248          | 0.10       | 3,618,034    | 3,618,034   | 0.62        |
| 4   | 20,001- 30,000  | 108          | 0.04       | 2,664,237    | 2,664,237   | 0.45        |
| 5   | 30,001- 40,000  | 72           | 0.03       | 2,541,062    | 2,541,062   | 0.43        |
| 6   | 40,001- 50,000  | 39           | 0.02       | 1,787,086    | 1,787,086   | 0.30        |
| 7   | 50,001- 100,000 | 114          | 0.05       | 8,321,847    | 8,321,847   | 1.42        |
| 8   | 100,001& Above  | 241          | 0.10       | 538,738,135  | 538,738,135 | 91.94       |
|     | Total:          | 244,575      | 100.00     | 585,938,609  | 585,938,609 | 100.00      |

240,353 Folios comprising of 585,146,517 equity shares forming 99.86% of the share capital of the Company are in demat form and 4,222 Folios comprising of 792,092 equity shares forming 0.14% of the share capital of the Company are in physical form.

to the shareholders in lieu of physical share certificates to enable them to make a request to DP for dematerialising their shares. We request shareholders whose shares are in physical mode to dematerialise their shares. Shareholders holding shares in dematerialised mode have been requested to register their email address, bank account details and mobile number with their depository participants. Those holding shares in physical mode have been requested to furnish PAN, nomination, contact details, bank account details and specimen signature for their corresponding folios. Shareholders may contact RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) and also refer details <https://www.aurobindo.com/investors/shareholder-information/registrar-and-share-transfer-agent>.

Dematerialisation of Shares

The Company's Shares form part of the compulsory dematerialisation segment and are transferable through the depository system. To facilitate easy access of the dematerialised system to the investors, Company signed up with both the depositories in India viz. the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and have established connectivity with the depositories through KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company.

Categories of shareholders as on March 31, 2024

| Category                    | No. of Shares | %      |
|-----------------------------|---------------|--------|
| Promoters & Directors       | 303,717,481   | 51.83  |
| NRIs/FPIs/Foreign Nationals | 107,597,942   | 18.36  |
| Banks                       | 1,210         | 0.00   |
| Mutual Funds                | 104,447,944   | 17.83  |
| Insurance companies         | 20,379,207    | 3.48   |
| Body corporates             | 3,155,159     | 0.54   |
| General public and others   | 4,6639,666    | 7.96   |
| Total                       | 585,938,609   | 100.00 |

Liquidity

The Company's Equity Shares are among the most liquid and actively traded shares on the Stock Exchanges.









Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDR/ADR and there are no outstanding warrants or any convertible instruments.









Commodity Price Risk or Foreign Exchange risk and hedging activities

Detailed information on commodity price risk and foreign exchange risk has been provided under Management of Risks which forms part of this annual report. The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.

Plant locations of manufacturing and R&D facilities

|   |   |   |
|---|---|---|
| <b>Unit-II</b><br> Plot No.103/A & 104/A, SVCIE, Industrial Development Area, Bollaram, Jinnaram Mandal Sangareddy District, 500 092, Telangana.             | <b>Unit-III</b><br> Survey No.313 & 314 Bachupally Village, Bachupally Mandal, Medchal Malkajgiri District, 500090, Telangana.   | <b>Unit-VI A</b><br> Survey No. 329/39 & 329/47, Chitkul Village, Patancheru Mandal, Sangareddy District, 502307, Telangana. |
| <b>Unit-VI B</b><br> Survey No. 329/39 & 329/47, Chitkul Village, Patancheru Mandal, Sangareddy District, 502307, Telangana.                                 | <b>Unit-VII (SEZ)</b><br> Sy.Nos.411/P, 425/P, 434/P, 435/P & 458/P, Plot No.S1/A, Special Economic Zone (Pharma), TSIC, Green Industrial Park, Polepally Village, Jedcherla Mandal, Mahaboob Nagar District, 509302, Telangana. | <b>Unit-XII</b><br> Survey No.314, Bachupally Village, Bachupally Mandal, Medchal Malkajgiri District, 500090, Telangana.    |
| <b>Unit - XV</b><br> JN Pharma City, Plot NO 17A, Road No.10,11 & 19,20, E Bonangi Village, Parawada Mandal, Visakhapatnam District, 531021, Andhra Pradesh. | <b>APLRC-I@</b><br> Survey No.313 & 314 Bachupally Village, Bachupally Mandal, Medchal Malkajgiri District, 500090, Telangana.   |   |

Pursuant to the Business Transfer Agreements entered into between the Company and Apitoria Pharma Private Limited (formerly known as Auro Pharma India Private Limited), a wholly owned subsidiary of the Company, the following units of the Company were sold and transferred to Apitoria Pharma Private Limited with effect from October 1, 2023. Initially, it was decided to transfer the said Units to Apitoria Pharma Private Limited with effect from April 1, 2023. Given that the key regulatory approvals in respect of the above business transfers were received on September 30, 2023, and the consequent restrictions to account the business transfer with effect from April 1, 2023, the aforesaid business transfers made effective from October 1, 2023.

|   |   |   |
|---|---|---|
| <b>Unit-I</b><br> Survey No.379, 385, 386, 388 to 396 & 269, Borpatla Village, Hatnoor Mandal, Sangareddy District, 502296, Telangana.   | <b>Unit-VIII</b><br> Survey No.10 & 13, Gaddapothram, Industrial Development Area – Kazipally Industrial Area, Jinnaram Mandal, Sangareddy District, 502319, Telangana.                        | <b>Unit-IX</b><br> Survey No.305, 369, 370, 371, 372, 373, 374& 377, Gundlamachanoor Village, Hatnoora Mandal, Sangareddy District, 502296, Telangana.       |
| <b>Unit-XI</b><br> Survey No. 52-78, of Pydibhimavaram Village, Survey No.2-11 & 29-32 of Chittivalasa Village Industrial Development Area, Pydibhimavaram, Ranasthalam Mandal, Srikakulam District, 532409, Andhra Pradesh. | <b>Unit-V</b><br> Plot Nos.68 to 70, 73 to 91, 95, 96, 260 & 261, Industrial Development Area, Chemical Zone, Pashamylaram Village, Patancheru Mandal, Sangareddy District, 502307, Telangana. | <b>Unit – XIV</b><br> JN Pharma City, Plot NO 17, Road No.10,11 & 19,20, E Bonangi Village, Parawada Mandal, Visakhapatnam District, 531021, Andhra Pradesh. |
| <b>Unit – XVII</b><br> Plot no. 41, JN Pharma City, E Bonangi Village, Parawada, Visakhapatnam District, 531 021, Andhra Pradesh.  | <b>APLRC-II@</b><br> Sy 71 & 72 Indrakaran Village, Kandi Mandal, Sangareddy District - 502329, Telangana.   | © Research and Development Centres  |

Address for correspondence:

|   |   |   |
|---|---|---|
| <b>Registered Office</b><br><b>Aurobindo Pharma Limited</b><br>(CIN - L24239TG1986PLC015190)<br>Plot No.2, Maithrivihar, Ameerpet<br>Hyderabad - 500 038, Telangana, India<br>Phone: +91 40 2373 6370<br>Fax: +91 40 2374 7340<br>Email: <a href="mailto:info@aurobindo.com">info@aurobindo.com</a> | <b>Corporate Office</b><br><b>Corp. Off:</b> Galaxy, Floors: 22-24,<br>Plot No. 1, Survey No. 83/1,<br>Hyderabad Knowledge City, Raidurg,<br>Panmaktha, Ranga Reddy District,<br>Hyderabad - 500 032, Telangana, India<br>Phone: +91 40 6672 5000<br>Fax : +91 40 6707 4044/4059<br>Email: <a href="mailto:info@aurobindo.com">info@aurobindo.com</a> | <b>Name &amp; Designation of Compliance Officer</b><br><b>Mr. B. Adi Reddy</b><br>Company Secretary and Compliance Officer<br><br><b>Aurobindo Pharma Limited</b><br>Corp. Off: Galaxy, Floors: 22-24,<br>Plot No. 1, Survey No. 83/1,<br>Hyderabad Knowledge City, Raidurg<br>Panmaktha, Ranga Reddy District<br>Hyderabad - 500 032, Telangana, India<br>Phone: +91 40 6672 5333<br>Fax: +91 40 6707 4044/4059<br>Email: <a href="mailto:cs@aurobindo.com">cs@aurobindo.com</a> |
|---|---|---|

Contact address for investor grievances.

Email: [ig@aurobindo.com](mailto:ig@aurobindo.com)

List of all credit ratings obtained by the entity along with any revision thereto.

The Company has obtained the following ratings from India Ratings & Research Private Limited on December 20, 2023.

Fund-based working capital limits: IND AA+/Stable/IND A1+  
Non-fund-based working capital limits: IND A1+

OTHER DISCLOSURES  
Related Party Transactions

No transaction of a material nature has been entered into by the Company with its Directors/management and their relatives, etc. that may have a potential conflict with the interests of the Company. The Register of Contracts containing transactions in which Directors are interested, is placed before the Board regularly.

Transactions with related parties are disclosed in the Notes to Accounts in the Annual Report. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee and Board of Directors of the Company have adopted a policy to determine Related Party Transactions. The policy is placed on the Company's website at: <https://www.aurobindo.com/investors/disclosures-under-regulation-46/policy-on-rpt>

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 were no instances of non-compliance or penalties/strictures by the stock exchanges/SEBI/statutory authorities on any matter related to capital markets during the last three years.

Details of establishment of Vigil Mechanism (Whistle Blower policy)

The Board of Directors of the Company had adopted the Whistle Blower policy. The Company has established a mechanism for employees to report to the management, concerns about unethical behaviour, actual or suspected

fraud or violation of the Company's code of conduct or ethics. The employees have been appropriately communicated within the organisation about the mechanism and have been provided direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The mechanism also lays emphasis on making enquiry into whistleblower complaint received by the Company. No personnel have been denied access to the Audit Committee. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No employee has been denied access to the Audit Committee. An amended copy of the Whistle Blower Policy is hosted on the Company's website at <https://www.aurobindo.com/investors/disclosures-under-regulation-46/vigil-mechanism-whistle-blower-policy>

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is in the process of implementation of non-mandatory requirements.

Policy on Material Subsidiaries

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. The policy is placed on the Company's website: [https://www.aurobindo.com/api/uploads/disclosure\\_under\\_regulation/Policy-MaterialSubsidiary.pdf](https://www.aurobindo.com/api/uploads/disclosure_under_regulation/Policy-MaterialSubsidiary.pdf)

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

During the period under review, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Recommendations of Committees of the Board

There were no instances during the financial year 2023-24 wherein the Board had not accepted the recommendations made by any Committee of the Board.

Total fee for all services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

During the year ended March 31, 2024 fees paid to the Statutory Auditors (Deloitte Haskins & Sells) and its network firms are as follows:

|                                       | (₹ million)                                    |   |  |
|---------------------------------------|--|---|--|
| Fees (including taxes)                | Aurobindo Pharma Limited to Statutory Auditors | Aurobindo Pharma Limited to network firms of Statutory Auditors | Subsidiaries of Aurobindo Pharma Limited to Statutory Auditors and its network firms |
| Statutory Audit                       | 14.50  | --  | 6.50   |
| Certification & other attest services | 2.60   | --  | 11.80  |
| Non-audit services                    | --   | --  | 45.90  |
| Outlays and Taxes                     | 0.70   | --  | 0.60   |
| Total                                 | 17.80  | --  | 64.80  |

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013:

- a. Number of complaints filed during the financial year: Nil
- b. Number of complaints disposed of during the financial year: Nil
- c. Number of complaints pending as on end of the financial year: Nil

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

Nil

Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule-V

The Company has complied with the requirements of corporate governance report of sub-paras (2) to (10) of clause C of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Adoption of discretionary requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Regarding discretionary requirements, the Company has adopted clauses relating to the following:

Separate persons were appointed for the post of Chairman and Managing Director and Internal Auditors report directly to the Audit Committee.

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 are as follows:

| Regulation       | Particulars of Regulations  | Compliance status (Yes/No) |
|------------------|---|----------------------------|
| 17               | Board of Directors  | 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- 24 (5 & 6) | Yes                        |
| 24A              | Secretarial Audit and Secretarial Compliance Report                                       | 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                        |

Code of Conduct

The Board of Directors has laid down a 'Code of Conduct' (the "Code") for all the Board members and the senior management of the Company and this Code is posted on the website of the Company. An annual declaration is obtained from every person covered by the Code.

The Company has a comprehensive Code of Conduct for prevention of insider trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. Pursuant to the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, which is effective from April 1, 2019, the Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders and the Board has also adopted a code of practices and procedures for fair disclosure of un-published price sensitive information. The data management and monitoring of insider trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 is done through a dedicated application provided by Company's Registrar

Subsidiary Companies

Regulation 16 of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, Aurobindo Pharma USA Inc., USA, Helix Healthcare B.V., Netherlands, APL Healthcare limited, India and Apitoria Pharma Private Limited, India are material subsidiaries of the Company. The required details as per Listing Regulations of material subsidiaries are given below:

| Name of Material Subsidiary              | Date and place of incorporation                                  | Name and date of appointment of the Statutory Auditors |
|--|--|--|
| Aurobindo Pharma USA Inc, USA            | Incorporated on February 26, 2004 in Delaware, USA               | Deloitte Haskins & Sells August 10, 2022               |
| Helix Healthcare B.V., Netherlands       | March 14, 2003 Amsterdam, The Netherlands                        | Crowe Peak Audit & Assurance B.V. November 4, 2022     |
| APL Healthcare Limited, India            | Incorporated on December 19, 2006 at Hyderabad, Telangana, India | Reddy A.V & Co., August 26, 2019.                      |
| Apitoria Pharma Private Limited, India   | Incorporated on December 20, 2017 at Hyderabad, Telangana, India | Deloitte Haskins & Sells August 21, 2023               |
| Eugia Pharma Specialities Limited, India | Incorporated on April 17, 2013 at Hyderabad, Telangana, India    | Walker ChandioK & Co LLP August 10, 2020               |

In addition to the above, Regulation 24 of the Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Aurobindo Pharma USA Inc falls under this definition of unlisted material subsidiary for the financial year ended March 31, 2024. Accordingly, Mr. K. Ragunathan, Independent Director of the Company, was appointed as a Director of Aurobindo Pharma USA Inc upto March 31, 2024. Mr. Mangalam Ramasubramanian Kumar,

& Share Transfer Agent, KFin Technologies Limited. The Company has also put in place a Structured Digital Database for monitoring the sharing of unpublished price sensitive information.

Letter of appointment

Each independent director upon appointment is given a letter of appointment. The terms and conditions of the appointment of the independent directors is available on the Company's website at: <https://www.aurobindo.com/investors/disclosures-under-regulation-46/terms-of-appointment-of-independent-directors>

Independent Director of the Company has been appointed as a Director of Aurobindo Pharma USA Inc w.e.f. April 1, 2024.

The Audit Committee of the Company reviewed the financial statements and also the investments made by the unlisted subsidiaries.

The minutes of the meetings of the board of directors of the unlisted subsidiaries are placed at the meeting of the Board of Directors of the Company.

The management of the unlisted subsidiary provides a statement of all significant transactions and arrangements entered into by them to the Board of Directors of the Company.

CEO and CFO Certification:

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the CEO & CFO certification is provided in this Annual report as **Annexure-C**.

Disclosures with respect to demat suspense account/unclaimed suspense account

As on March 31, 2024, there are no outstanding shares lying in the unclaimed suspense account of the Company.

Certificate on Corporate Governance

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Certificate on Corporate Governance issued by practising Company Secretary is annexed to the Board's report as **Annexure-D**.

Disclosure of certain types of agreements binding listed entities

There are no agreements impacting the management or control of the Company or imposing any restriction or creating any liability upon the Company as per SEBI Listing Regulations.

Declaration

I, K. Nithyananda Reddy, hereby declare that as provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the senior management personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2024.

For Aurobindo Pharma Limited

K. Nithyananda Reddy

Place: Hyderabad Vice Chairman & Managing Director  
Date: May 25, 2024 DIN: 01284195

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members of  
**Aurobindo Pharma Limited**  
Plot No.2, Maithrivihar, Ameerpet  
Hyderabad – 500 038

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Aurobindo Pharma Limited** (CIN – L24239TG1986PLC015190) having Registered Office at Plot No.2, Maithrivihar, Ameerpet, Hyderabad – 500 038, Telangana (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of the Director               | DIN      | Date of appointment in the Company |
|---------|------------------------------------|----------|------------------------------------|
| 1       | Mr. Kannan Ragunathan              | 00523576 | 30.01.2008                         |
| 2       | Mr. Kambam Nithyananda Reddy       | 01284195 | 26.12.1986                         |
| 3       | Mr. Mettu Madan Mohan Reddy        | 01284266 | 18.09.2006                         |
| 4       | Mr. Penaka Sarath Chandra Reddy    | 01628013 | 27.09.2007                         |
| 5       | Mr. Penaka Venkata Ramprasad Reddy | 01284132 | 26.12.1986                         |
| 6       | Mrs. Savita Mahajan                | 06492679 | 16.12.2017                         |
| 7       | Mr. Girish Paman Vanvari           | 07376482 | 05.11.2020                         |
| 8       | Mr. Santanu Mukherjee              | 07716452 | 09.02.2023                         |
| 9       | Dr. (Mr.) Satakarni Makkapati      | 09377266 | 09.11.2023                         |
| 10      | Dr. (Mrs.) Deepali Pant Joshi      | 07139051 | 10.02.2024                         |

Ensuring the eligibility of, 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 disqualification or non-disqualification of directors based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad  
Date: May 25, 2024

A. Mohan Rami Reddy  
Practicing Company Secretary  
FCS No. 2147 II C. P. No.16660  
UDIN: F002147F00448626

Secretarial Compliance Report of  
Aurobindo Pharma Limited for the financial year ended March 31, 2024

(Pursuant to Regulation 24A of SEBI (LODR) Regulations,2015)

I, A. Mohan Rami Reddy, Practicing Company Secretary, conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Aurobindo Pharma Limited [CIN: L24239TG1986PLC015190] (hereinafter referred as the "listed entity"), having its Registered Office at Plot No.2, Maithrivihar, Ameerpet, Hyderabad-500 038. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorised representatives during the conduct of Secretarial Review, I hereby report that in my opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

I, A. Mohan Rami Reddy, Practicing Company Secretary, have examined:

- (a)

All the documents and records made available to me and explanations provided by **Aurobindo Pharma Limited** (the "listed entity"),
- (b)

The filings/submissions made by the listed entity to the stock exchanges,
- (c)

Website of the listed entity and,
- (d)

Other documents/filings, as are relevant, which have been relied upon to make this report, for the financial year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

(a)

The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, and guidelines issued thereunder; and

- (b)

The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars and guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, including:

- a)

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b)

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the year under review)
- c)

Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d)

Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the year under review)
- e)

Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the year under review)
- f)

Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable during the year under review)
- g)

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h)

Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and circulars/guidelines issued thereunder, and based on the above examination, I hereby report that during the review period.

- I.

(a)

The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks |
|---------|---|--------------------------|------------|-----------------|----------------|----------------------|-------------|---|---------------------|---------|
|         |   |                          |            |                 |                |                      |             |   |                     | None    |

- (b)

The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks  |
|---------|---|--------------------------|------------|-----------------|----------------|----------------------|-------------|---|---------------------|--|
|         |   |                          |            |                 |                |                      |             |   |                     | There was no observation made in the previous reports. |

- II.

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019:

I further report that M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm's Registration No. 008072S) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 35<sup>th</sup> Annual General Meeting held on August 2, 2022 until the conclusion of 40<sup>th</sup> Annual General Meeting of the Company. There was no event of re-appointment/resignation of statutory auditors of the Company or its material subsidiaries during the year under review.

- III.

I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

| Sr. No. | Particulars  | Compliance Status (Yes/No/NA) | Observations/ Remarks by PCS |
|---------|--|-------------------------------|------------------------------|
| 1       | <b>Secretarial Standards:</b><br>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).  | Yes                           | None                         |
| 2       | <b>Adoption and timely updation of the Policies:</b> <ul style="list-style-type: none"><li>All applicable policies under SEBI Regulations are adopted with the approval of the board of directors of the listed entity</li><li>All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations/circulars/guidelines issued by SEBI</li></ul>  | Yes                           | None                         |
| 3       | <b>Maintenance and disclosures on Website:</b> <ul style="list-style-type: none"><li>The Listed entity is maintaining a functional website</li><li>Timely dissemination of the documents/information under a separate section on the website</li><li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</li></ul> | Yes                           | None                         |
| 4       | <b>Disqualification of Director:</b><br>None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.  | Yes                           | None                         |
| 5       | <b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b><br>(a) Identification of material subsidiary companies<br>(b) Requirements with respect to disclosure of material as well as other subsidiaries   | Yes                           | None                         |
| 6       | <b>Preservation of Documents:</b><br>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.   | Yes                           | None                         |
| 7       | <b>Performance Evaluation:</b><br>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees during the financial year as prescribed in SEBI Regulations  | Yes                           | None                         |

| Sr. No. | Particulars  | Compliance Status (Yes/No/NA) | Observations/ Remarks by PCS   |
|---------|--|-------------------------------|--|
| 8       | <b>Related Party Transactions:</b>   |                               |  |
|         | (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.   | Yes                           | None   |
|         | (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee.   | Yes                           |  |
| 9       | <b>Disclosure of events or information:</b>  |                               |  |
|         | The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.   | Yes                           | None   |
| 10      | <b>Prohibition of Insider Trading:</b>   |                               |  |
|         | The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015   | Yes                           | None   |
| 11      | <b>Actions taken by SEBI or Stock Exchange(s), if any:</b>   |                               |  |
|         | No Actions taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder. | Yes                           | i) During the Review Period there was no action taken by SEBI/ Stock Exchange(s).<br><br>ii) However, there is a pending matter under SEBI (PIT) Regulations, 2015 against the promoters and not against the Company.<br><br>Details as per <b>Annexure.</b> |
| 12      | <b>Additional Non-compliances, if any:</b>   |                               |  |
|         | No additional non-compliance observed for all SEBI regulation/circular/guidance note, etc.   | Yes                           | None   |

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. My responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place: Hyderabad  
Date: May 14, 2024

A. Mohan Rami Reddy  
Practicing Company Secretary  
FCS No. 2147 II C. P. No.16660  
UDIN: F002147F000363596

Annexure

In the secretarial compliance report issued under Regulation 24A of SEBI (LODR) Regulations for the year ended March 31, 2023, it was reported that during the financial year 2008-09, the Company in the ordinary course of its business, entered into several Licensing and Supply Agreements with Pfizer Inc. ("Pfizer"). The Company has issued a Press Release consistent with the Pfizer Press Release on March 3, 2009 to avoid any conjecture in the market. When things stand as above, some trades in the shares of the Company were undertaken by some of the promoters to consolidate their shareholding in the Company as per the amendments brought in by SEBI to Takeover Code Regulations. However, the above act of promoters has been considered by SEBI as violation of Insider Trading Regulations of SEBI.

The contentions of the Company and its promoters were not accepted by the Adjudicating Officer (AO) and on September 23, 2019, an order was passed by the AO and levied a penalty of ₹10 million under Section 23 E of SCRA for violation of Clause 36 of the Equity Listing Agreement read with Section 21 of the SCRA and ₹10 million under Section 15HB for violation of Regulation 12 (1) read with Clause 3.2.1 of Schedule I of the PIT Regulations, 1992 read with regulation 12 (2) of the PIT Regulations, 2015 and Regulation 12 (2) read with Clause 2.1 of Schedule II of the PIT Regulations, 1992 read with Regulation 12 (2) of the PIT Regulations, 2015 on the Company and ₹132 million under Section 15G for violation of Regulations 3 and 4 of PIT Regulations on the promoters/promoter group of the Company

Thereafter, the Company and the promoters have filed an Appeal before the Securities Appellate Tribunal in the above matter. Meanwhile, the Company and the promoters have made settlement application on October 25, 2019 before SEBI without admitting or denying any violation for settlement of the matter. Accordingly, a meeting with Internal Committee of SEBI was held on February 5, 2020. The SEBI on April 16, 2020 has communicated its acceptance to the settlement proposal of the Company and its promoters. Accordingly, on April 30, 2020 the Company has paid ₹22 million and the promoters cumulatively have paid ₹198.2 million to SEBI towards settlement amount for settlement of the above matter.

SEBI vide settlement order dated May 6, 2020 disposed of all the enforcement proceedings of SEBI in respect of the aforesaid allegations against the Company and the Promoters and the matter was closed.

However, SEBI on October 23, 2020 informed some of the Promoters that there are some calculation errors in the Settlement amounts and asked them to make good certain amounts for which the said promoters have filed a writ petition before Hon'ble High Court of Telangana, at Hyderabad. The Hon'ble High Court on November 18, 2020 has granted interim relief to the said promoters by way of suspension of the SEBI direction dated October 23, 2020, subject to depositing of around ₹17.5 million with SEBI. Accordingly, the said amount was deposited by the Promoters and presently the matter is pending for disposal before Hon'ble High Court of Telangana, at Hyderabad.

There were no proceedings pending in the above matter against the Company with SEBI.

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We hereby certify that:

We have reviewed financial statement and cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief:

- a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- c. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct;
- d. We accept responsibility for establishing and maintaining internal controls for financials reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we have aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee that there are no:

- a. Significant changes in internal control over financial reporting during the year;
- b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over financial reporting.

For Aurobindo Pharma Limited

Place: Hyderabad  
Date: May 25, 2024

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN: 01284195

**S.Subramanian**  
Chief Financial Officer

Certificate on Compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members of  
**Aurobindo Pharma Limited**  
Plot No.2, Maithrivihar, Ameerpet  
Hyderabad – 500 038

I have examined the compliance of conditions of corporate governance by Aurobindo Pharma Limited (the Company) for the financial year ended on March 31, 2024, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 1, 2023 to March 31, 2024.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to review the procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of corporate governance as stipulated in the above Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad  
Date: May 24, 2024

**S.Chidambaram**  
Practicing Company Secretary  
C.P. No. 2286  
UDIN: F003935F000439568

To The Members of Aurobindo Pharma Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **Aurobindo Pharma Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Auditor’s Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 ICAI’s Code of Ethics. We believe that the audit evidence obtained by us 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 judgement, 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.

| Sr. No. | Key Audit Matter   | Auditor’s Response  |
|---------|--|---|
| 1.      | <b>Revenue recognition – Refer to note 20 of the Standalone financial statements:</b><br>Refer to Note 2.2(c) of the summary of material accounting policies.<br>The Company recognises revenue from sale of Pharmaceutical products based on the shipping terms which varies with different customers which defines the timing of the transfer of control to the customer. For revenue recognized during the period near to the Balance Sheet date, it is essential to ensure that the control of goods have transferred to the customers.<br>Dispatch of goods to the customer’s location happens from multiple locations including factories, warehouses and third-party locations.<br>Revenue recognition being subject to the manual exercise of tracking the evidence of delivery and ascertaining the revenue recognition date against each invoice, we identified the Cut-off of revenue as a key audit matter | <b>Principal audit procedures performed:</b> <ul style="list-style-type: none"><li>Evaluated the Company’s revenue recognition policy and assessed compliance with the Indian Accounting Standard (Ind AS).</li><li>Obtained an understanding of the revenue recognition process and evaluated the design and tested the implementation and operating effectiveness of the Company’s Internal controls around the timely and accurate recording of sales transactions including controls around the identification and reversal of cut-off sales.</li><li>The Company recognises the revenue upon the transfer of control of goods to the customer in the ERP system. Accordingly, we have tested the General information technology controls around the system.</li><li>Tested the access and change management controls of the relevant information technology system in which shipments are recorded.</li><li>Basis of the sales recorded during the year, performed a lead time analysis to arrive at the average lead time taken for transfer of control to the customers from the date of dispatch, against the various shipping terms.</li><li>We selected samples from invoices recorded during such lead sales time immediately before the balance sheet date and obtained evidence of delivery to support the revenue recognition/reversal of revenue as the case may be.</li></ul> |

| Sr. No. | Key Audit Matter   | Auditor’s Response  |
|---------|--|---|
| 2.      | <b>Assessment of impairment of investments in and unsecured loans given to subsidiaries and joint ventures – Refer to Notes 4 and 5 of the standalone financial statements.</b><br><br>Refer to note 2.1 (d) (v) of the summary of material accounting policies.<br><br>The carrying value of investments in and unsecured loans given to certain subsidiaries is ₹ 27,480 million.<br><br>The Company performs annual assessment of investments to identify any indicators of impairment. Based on internal and external factors considered, where such evidence exists, impairment loss is determined and recognised in accordance with note 2.1 (d) (v) of accounting policies to the standalone financial statements.<br><br>The Company’s evaluation of impairment of its investments involves comparison of their recoverable value to their corresponding carrying values. The Company used the discounted cash flow model to estimate recoverable values, which requires management to make estimates and assumptions related to forecasts of future Revenues, operating margins, and discount rates. Changes in these assumptions could have a significant impact on either the recoverable value, the amount of any impairment charge, or both.<br><br>We considered this as a Key Audit Matter due to the materiality of the investment, and because the Company’s assessment of the recoverable values involves judgements around the future results of the business and the discount rates applied to future cash flow forecasts. | <b>Principal audit procedures performed:</b> <ul style="list-style-type: none"><li>Evaluated the design, tested the implementation and operating effectiveness of the internal controls over impairment assessment process, including those over the forecasts made and the selection of the appropriate discount rate.</li><li>Evaluated the impairment indicator assessment performed by the Company considering quantitative and qualitative factors.</li><li>Evaluated the reasonableness of the Management’s estimates and judgements through discussion with management and by comparing the forecasts to historical revenues, margins, growth rate etc.</li><li>Where necessary, obtained the assistance of our internal fair value specialists, evaluated the reasonableness of the valuation methodology, discount rate and other key business assumptions used in the assessment.</li><li>Tested the mathematical accuracy of the model to conclude that the model is accurately calculating the value in use.</li><li>Performed sensitivity analysis around these key estimates to ascertain the extent of change in those assumptions that either individually or collectively would be required for the investments and loans tested were to be impaired.</li><li>Evaluated the adequacy of disclosures made in the standalone financial statements.</li></ul> |
| 3.      | <b>Litigation, Claims and Contingent Liabilities - Refer to note 30 of the standalone financial statements.</b><br><br>Refer to Note 2.2(m) of the summary of material accounting policies.<br><br>The Company is involved in various legal proceedings including, product liability, contracts, investigations, disputed taxes and other regulatory matters relating to conduct of its business.<br><br>Most of the claims involve complex legal and regulatory issues. The Company, assisted by their external legal counsel assesses the need to make provision or disclose a contingency on a case-to-case basis considering the underlying facts of each litigation. The Company’s conclusions may result in an incorrect Provision or disclosure in the Standalone financial statements considering the aforesaid assessment involves significant judgement to be exercised by the Company based on current developments. Further, unexpected adverse outcomes could also significantly impact the Company’s reported results.<br><br>Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgement necessary to determine required disclosures, this is a key audit matter.   | <b>Principal audit procedures performed:</b> <ul style="list-style-type: none"><li>Understood the process, evaluated the design and implementation of controls and tested the operating effectiveness of the Company’s controls over the recording and assessment of uncertain legal positions, claims &amp; contingent liabilities.</li><li>Held discussions with management including the person responsible for legal &amp; compliance to obtain an understanding of the factors considered by management in classification of the matter as probable, possible and remote.</li><li>Examined the Company’s legal expenses on sample basis and read the minutes of the board meetings in order to ensure completeness.</li><li>Circulated obtained and read legal confirmations from Company’s external legal counsels in respect of material litigations and considered probability assessment of the outcomes.</li><li>Examined documents in the Company’s possession concerning litigation and claims, legal advice/opinion received by the Company. Obtained corroborative evidence to confirm the status &amp; existence of the litigation.</li><li>Evaluated the adequacy of disclosures made in the standalone financial statements.</li></ul>   |

Information Other than the Financial Statements and Auditor’s Report Thereon

- The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management discussion & analysis, Board’s Report, Business Responsibility and Sustainability report and Report on Corporate Governance including annexures, but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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.

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 accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and 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 financial statements

that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company’s Board of Directors are also responsible for overseeing the Company’s financial reporting process.

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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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 Section 143(3) of the Act, based on our audit 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 matters stated in (i) (iv) below.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

h) With respect to the other matters 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 Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 30(c) to the standalone financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 51(v) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 51(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to

- believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**C Manish Muralidhar**  
(Partner)  
(Membership No. 213649)  
(UDIN: 24213649BKCJGF1724)
- Place: Hyderabad  
Date: May 25, 2024

Annexure “A” to the Independent Auditor’s Report  
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS 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 **Aurobindo Pharma Limited** (“the Company”) as at March 31, 2024 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 with reference to the standalone financial statements 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITOR’S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to

standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to 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 control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements 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.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm’s Registration No. 008072S)

**C Manish Muralidhar**  
(Partner)  
(Membership No. 213649)  
(UDIN: 24213649BKCJGF1724)

Place: Hyderabad  
Date: May 25, 2024

Annexure “B” to the Independent Auditor’s Report  
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

- (i)

(a)

A.

The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital-work-in-progress and relevant details of right-of-use assets.

B.

The Company has maintained proper records showing full particulars of intangible assets.
- (b)

The Company has a program of verification of Property, Plant & Equipment, capital work-in-progress and right-of-use assets so to cover all the items once every 3 years which, in our

opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

- (c)

With respect to immovable properties other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company disclosed in the financial statements included in Property, Plant and Equipment, capital work-in progress, according to the information and explanations given to us and based on the examination of the registered sale deed/transfer deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

| Description of property   | Gross Carrying Value<br>(₹ million) | Title deeds held in the name of  | Whether promoter, director or their relative or employee | Period held | Reason for not being held in name of Company  |
|---|-------------------------------------|----------------------------------|--|-------------|---|
| Freehold land located in Telangana admeasuring 24 Acres 15 Guntas     | 3.1                                 | Sri Chakra Remedies Limited      | No   | Since 2001  | 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 April 03, 2001.    |
| Building located in Telangana   | 35.3                                |                                  | No   |             |   |
| Freehold land located in Telangana admeasuring 26 Acres 27 Guntas     | 3.4                                 | Ranit Pharma Limited             | No   | Since 2003  | 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 April 09, 2003.    |
| Freehold land located in Telangana admeasuring 1 Acres 20 Guntas      | 0.3                                 | Senor Organics Private Limited   | No   | Since 2007  | 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 June 21, 2007.     |
| Freehold land located in Andhra Pradesh admeasuring 69 Acres 27 Cents | 96.5                                | Hyacinths Pharma Private Limited | No   | Since 2019  | 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 National Company Law Tribunal, Hyderabad dated March 30, 2021 |

| Description of property   | Gross Carrying Value<br>(₹ million) | Title deeds held in the name of       | Whether promoter, director or their relative or employee | Period held | Reason for not being held in name of Company   |
|---|-------------------------------------|---------------------------------------|--|-------------|--|
| Freehold land located in Andhra Pradesh admeasuring 109 Acres 5 Cents | 85.3                                | APL Research Center Limited           | No   | Since 2019  | 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 National Company Law Tribunal, Hyderabad dated March 30, 2021. |
| Freehold land located in Andhra Pradesh admeasuring 4 Acres 36 Cents  | 19.3                                | Silicon Life Sciences Private Limited | No   | Since 2019  | The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of   |
| Building located in Andhra Pradesh                                    | 213.7                               |                                       | No   | Since 2019  | Amalgamation sanctioned by the National Company Law Tribunal, Hyderabad dated March 30, 2021   |
| Freehold land located in Telangana admeasuring 37 Acres 37 Guntas     | 47.7                                | TSIIC                                 | No   | Since 2016  | Agreement of Sale is executed with TSIIC by the Company, however, fulfillment of conditions to transfer the title deeds is in progress   |
| Freehold land located in Telangana admeasuring 4 Acres 39 Guntas      | 6.9                                 | APIIC                                 | No   | Since 2010  | Government has alienated the Land for the purpose of development and expansion of unit   |
| Freehold land located in Andhra Pradesh admeasuring 25 Acres 72 Cents | 12.9                                |                                       | No   | Since 2010  |  |
| Freehold land located in Telangana admeasuring 3 Acres 6 Guntas       | 1.0                                 | TSIIC                                 | No   | Since 2004  |  |
| Freehold land located in Andhra Pradesh admeasuring 0 Acres 12 Cents  | 0.9                                 | Apitoria Pharma Private Limited       | No   | Since 2024  | Title Deed name changes are being in the process   |

- (d)

The Company has not revalued any of its Property, Plant and Equipment including Right of Use assets and intangible assets during the year.
- (e)

No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)

(a)

The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at

reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in-transit, the goods have been received subsequent to the year-end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at various points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and statements on ageing analysis of the debtors/

other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- (a) The Company has made investment in, provided loans or advances in the nature of loans and stood guarantee during the year and details of which are given below:

(iii) The Company has made investments in and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

| (₹ million)  |             |            |          |
|--|-------------|------------|----------|
| Particulars  | Investments | Guarantees | Loans    |
| <b>Aggregate amount granted/provided during the year:</b>                      |             |            |          |
| Subsidiaries   | 59,961.0*   | 2,640      | 23,453.0 |
| Others   | 39.5        | -          | 111.6    |
| <b>Balance outstanding as at balance sheet date in respect of above cases:</b> |             |            |          |
| Subsidiaries   | 1,32,475.4  | 16,640.0   | 14,261.4 |
| Others   | 1,459.0     | 990.0      | 79.3     |

\*includes loans converted to Investments aggregating ₹ 13,930 million.

- (b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(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 and securities provided, as applicable.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either

- (vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been generally regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

| Name of the Statue            | Nature of dispute   | Gross Amount | Amount of demand paid under protest | Period to which the amount relates | Forum where Dispute is pending   |
|-------------------------------|---------------------|--------------|-------------------------------------|------------------------------------|--|
| Central Excise Act, 1944      | Excise Duty         | 56.5         | -                                   | 2004-2015                          | High Court of Telangana  |
|                               |                     | 1289.2       | 7.9                                 | 2004-2018                          | Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Hyderabad |
|                               |                     | 2.3          | 2.3                                 | 2007-2010                          | Revision Authority, New Delhi  |
| Customs Act, 1962             | Custom Duty         | 14.4         | 0.7                                 | 2002-2015                          | Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chennai   |
|                               |                     | 65.0         | 6.5                                 | 2011-2015                          | Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Hyderabad |
|                               |                     | 4.0          | 0.4                                 | 2012-2015                          | Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai    |
|                               |                     | 4.7          | 3.7                                 | 2011-2013                          | Deputy Commissioner, Vishakhapatnam                                    |
| Finance Act, 1994             | Service Tax         | 21.4         | -                                   | 2021-2022                          | Deputy Commissioner, Ameerpet GST division                             |
|                               |                     | 269.7        | 16.2                                | 2014-2016                          | Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Hyderabad |
|                               |                     | 70.1         | 5.1                                 | 2011-2018                          | ADC Appeals, Hyderabad   |
| Goods & Service Tax Act, 2017 | Goods & Service Tax | 131.3        | 0.8                                 | 2018-2021                          | Appellate Authority, Vijayawada  |
| Sales Tax and VAT laws        | Sales Tax           | 70.3         | 6.2                                 | 2017-2020                          | High Court of Telangana  |
|                               |                     | 15.9         | 5.6                                 | 2011-2018                          | High Court of Andhra Pradesh   |
| Income Tax Act, 1961          | Income Tax          | 13.5         | 3.4                                 | 2014-2017                          | High Court of Telangana  |
|                               |                     | 488.2        | -                                   | 2010-2014                          | Income Tax Appellate Tribunal Hyderabad                                |
|                               |                     | 617.1        | -                                   | 2014-2019                          | Commissioner (Appeals) Hyderabad                                       |
|                               |                     | 615.1        | -                                   | 2019-2021                          |  |

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(e) On an overall examination of the financial statements of the Company, the Company has not taken funds from any entity or person

- on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associates companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up-to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up-to the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto (January 2024) and the final internal audit reports where issued after the balance sheet date covering the period (February 2023 to January 2024) for the period under audit.

(xv) In our opinion during the year 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) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any Core Investment Company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) 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, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**C Manish Muralidhar**  
(Partner)  
(Membership No. 213649)  
(UDIN: 24213649BKCJGF1724)

Place: Hyderabad  
Date: May 25, 2024

Balance Sheet

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Note  | As at<br>March 31, 2024 | As at<br>March 31, 2023* |
|--|-------|-------------------------|--------------------------|
| I ASSETS   |       |                         |                          |
| Non-current assets   |       |                         |                          |
| (a) Property, plant and equipment  | 3(A)  | 21,853.0                | 34,268.5                 |
| (b) Capital work-in-progress   | 3(B)  | 1,326.8                 | 2,390.9                  |
| (c) Right-of-use assets  | 3(C)  | 369.1                   | 550.2                    |
| (d) Goodwill   | 3(D)  | 917.0                   | 917.0                    |
| (e) Other intangible assets  | 3(D)  | 1,052.2                 | 1,139.3                  |
| (f) Financial assets   |       |                         |                          |
| (i) Investments  | 4(A)  | 133,934.3               | 81,053.6                 |
| (ii) Loans   | 5(A)  | 14,294.7                | 26,011.5                 |
| (iii) Trade receivables  | 6(A)  | -                       | -                        |
| (iv) Other financial assets  | 7(A)  | 391.6                   | 747.7                    |
| (g) Income tax assets (net)  | 9(A)  | 2,753.0                 | 2,816.6                  |
| (h) Other non-current assets   | 10(A) | 2,256.8                 | 1,042.9                  |
| Total non-current assets   |       | 179,148.5               | 150,938.2                |
| Current assets   |       |                         |                          |
| (a) Inventories  | 11    | 23,676.0                | 41,252.6                 |
| (b) Financial assets   |       |                         |                          |
| (i) Investments  | 4(B)  | 0.1                     | 0.1                      |
| (ii) Trade receivables   | 6(B)  | 37,765.9                | 45,602.6                 |
| (iii) Cash and cash equivalents  | 12(A) | 833.2                   | 3,571.3                  |
| (iv) Bank balances other than (iii) above  | 12(B) | 110.2                   | 162.8                    |
| (v) Loans  | 5(B)  | 46.0                    | 79.9                     |
| (vi) Other financial assets  | 7(B)  | 2,233.2                 | 1,596.2                  |
| (c) Other current assets   | 10(B) | 7,726.7                 | 7,384.4                  |
| Total current assets   |       | 72,391.3                | 99,649.9                 |
| Total Assets   |       | 251,539.8               | 250,588.1                |
| II EQUITY AND LIABILITIES  |       |                         |                          |
| Equity   |       |                         |                          |
| (a) Equity share capital   | 13    | 585.9                   | 585.9                    |
| (b) Other equity   | 14    | 196,642.3               | 179,754.4                |
| Total equity   |       | 197,228.2               | 180,340.3                |
| Liabilities  |       |                         |                          |
| Non-current liabilities  |       |                         |                          |
| (a) Financial liabilities  |       |                         |                          |
| (i) Lease liabilities  | 30(A) | 215.1                   | 429.1                    |
| (b) Provisions   | 16(A) | 460.0                   | 873.1                    |
| (c) Deferred tax liability (net)   | 8     | 1,189.1                 | 2,159.1                  |
| Total non-current liabilities  |       | 1,864.2                 | 3,461.3                  |
| Current liabilities  |       |                         |                          |
| (a) Financial liabilities  |       |                         |                          |
| (i) Borrowings   | 15    | 28,178.4                | 41,425.7                 |
| (ii) Lease liabilities   | 30(A) | 213.9                   | 176.8                    |
| (iii) Trade payables   | 17    |                         |                          |
| (A) total outstanding dues of micro enterprises and small enterprises                      |       | 389.3                   | 465.1                    |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises |       | 17,503.0                | 21,557.8                 |
| (iv) Other financial liabilities   | 18    | 4,171.0                 | 1,023.2                  |
| (b) Other current liabilities  | 19    | 795.3                   | 917.0                    |
| (c) Provisions   | 16(B) | 180.3                   | 296.6                    |
| (d) Current tax liabilities (net)  | 9(B)  | 1,016.2                 | 924.3                    |
| Total current liabilities  |       | 52,447.4                | 66,786.5                 |
| Total Equity and Liabilities   |       | 251,539.8               | 250,588.1                |
| *Restated; refer note 43   |       |                         |                          |
| Summary of material accounting policies  | 2.2   |                         |                          |

The accompanying notes are an integral part of the standalone financial statements.  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

Place: Hyderabad  
Date: May 25, 2024

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

Place: Hyderabad  
Date: May 25, 2024

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No:13709

Statement of Profit and Loss

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Note | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023* |
|--|------|------------------------------|-------------------------------|
| A CONTINUING OPERATIONS:   |      |                              |                               |
| I INCOME   |      |                              |                               |
| Revenue from operations  | 20   | 106,456.4                    | 84,570.0                      |
| Other income   | 21   | 6,160.6                      | 4,439.2                       |
| TOTAL INCOME (I)   |      | 112,617.0                    | 89,009.2                      |
| II EXPENSES  |      |                              |                               |
| Cost of materials consumed   | 22   | 57,610.8                     | 46,667.2                      |
| Purchases of stock-in-trade  |      | 2,034.0                      | 892.3                         |
| Changes in inventories of finished goods and work-in-progress                    | 23   | (1,162.3)                    | (2,639.5)                     |
| Employee benefits expense  | 24   | 9,805.6                      | 8,905.3                       |
| Finance costs  | 25   | 1,826.0                      | 745.8                         |
| Depreciation and amortisation expense  | 26   | 2,545.8                      | 2,432.6                       |
| Other expenses   | 27   | 15,927.9                     | 15,695.6                      |
| TOTAL EXPENSES (II)  |      | 88,587.8                     | 72,699.3                      |
| III PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (I-II)                          |      | 24,029.2                     | 16,309.9                      |
| IV TAX EXPENSE :   |      |                              |                               |
| Current tax  | 28   | 5,980.8                      | 4,121.6                       |
| Deferred tax   | 8    | (952.6)                      | (233.4)                       |
| TOTAL TAX EXPENSE (IV)   |      | 5,028.2                      | 3,888.2                       |
| V PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS(III-IV)                         |      | 19,001.0                     | 12,421.7                      |
| B DISCONTINUED OPERATIONS:   |      |                              |                               |
| VI Profit/(loss) before tax from discontinued operations                         | 42   | 724.9                        | (197.6)                       |
| VII Tax expense from discontinued operations                                     |      | 184.5                        | (47.0)                        |
| VIII Profit/(loss) for the year from discontinued operations (VI-VII)            |      | 540.4                        | (150.6)                       |
| IX PROFIT FOR THE YEAR (V+VIII)  |      | 19,541.4                     | 12,271.1                      |
| X OTHER COMPREHENSIVE INCOME (OCI)   |      |                              |                               |
| Items that will not to be reclassified subsequently to profit or loss:           |      |                              |                               |
| (a) Re-measurement of defined benefit liability                                  |      | (22.6)                       | 78.4                          |
| (b) Income-tax relating to items that will not be reclassified to profit or loss |      | 5.7                          | (19.7)                        |
| TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)                       |      | (16.9)                       | 58.7                          |
| XI TOTAL COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX) (IX+X)                   |      | 19,524.5                     | 12,329.8                      |
| XII EARNINGS PER EQUITY SHARE FROM CONTINUING OPERATIONS                         | 29   |                              |                               |
| Basic (in ₹)   |      | 32.43                        | 21.20                         |
| Diluted (in ₹)   |      | 32.43                        | 21.20                         |
| XIII EARNINGS PER EQUITY SHARE FROM DISCONTINUED OPERATIONS                      |      |                              |                               |
| Basic (in ₹)   |      | 0.92                         | (0.26)                        |
| Diluted (in ₹)   |      | 0.92                         | (0.26)                        |
| XIV EARNINGS PER EQUITY SHARE FROM TOTAL OPERATIONS                              |      |                              |                               |
| Basic (in ₹)   |      | 33.35                        | 20.94                         |
| Diluted (in ₹)   |      | 33.35                        | 20.94                         |
| Nominal value per equity share   |      | 1.00                         | 1.00                          |
| *Restated; refer note 43   |      |                              |                               |
| Summary of material accounting policies  | 2.2  |                              |                               |

The accompanying notes are an integral part of the standalone financial statements.  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

Place: Hyderabad  
Date: May 25, 2024

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

Place: Hyderabad  
Date: May 25, 2024

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No:13709

Statement of Changes in Equity

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(A) EQUITY SHARE CAPITAL (REFER NOTE 13)

|   | Number      | Amount |
|---|-------------|--------|
| Balance as at April 1, 2023                     | 585,938,609 | 585.9  |
| Changes in equity share capital during the year | -           | -      |
| Balance as at March 31, 2024                    | 585,938,609 | 585.9  |
| Balance as at April 1, 2022                     | 585,938,609 | 585.9  |
| Changes in equity share capital during the year | -           | -      |
| Balance as at March 31, 2023                    | 585,938,609 | 585.9  |

(B) OTHER EQUITY

| Particulars   | Reserves and surplus |                            |                    |                 |                   | Total     |
|---|----------------------|----------------------------|--------------------|-----------------|-------------------|-----------|
|   | Capital reserve      | Capital redemption reserve | Securities premium | General reserve | Retained earnings |           |
| Balance as at April 1, 2023                                   | 721.1                | 1,116.2                    | 3,427.9            | 7,888.4         | 166,600.8         | 179,754.4 |
| Profit for the year   | -                    | -                          | -                  | -               | 19,541.4          | 19,541.4  |
| Other comprehensive income (net of tax)                       | -                    | -                          | -                  | -               | (16.9)            | (16.9)    |
| Total comprehensive income                                    | -                    | -                          | -                  | -               | 19,524.5          | 19,524.5  |
| Dividend paid ( refer note 13 d)                              | -                    | -                          | -                  | -               | (2,636.6)         | (2,636.6) |
| Balance as at March 31, 2024                                  | 721.1                | 1,116.2                    | 3,427.9            | 7,888.4         | 183,488.7         | 196,642.3 |
| Balance at April 1, 2022                                      | 539.8                | 90.0                       | 3,427.9            | 7,888.4         | 158,641.4         | 170,587.5 |
| Effect of common control business combination (refer note 43) | 181.3                | 1,026.2                    | -                  | -               | 24.1              | 1,231.6   |
| Profit for the year   | -                    | -                          | -                  | -               | 12,271.1          | 12,271.1  |
| Other comprehensive income (net of tax)                       | -                    | -                          | -                  | -               | 58.7              | 58.7      |
| Total comprehensive income                                    | -                    | -                          | -                  | -               | 12,329.8          | 12,329.8  |
| Dividend paid (refer note 13 d)                               | -                    | -                          | -                  | -               | (4,394.5)         | (4,394.5) |
| Balance at March 31, 2023                                     | 721.1                | 1,116.2                    | 3,427.9            | 7,888.4         | 166,600.8         | 179,754.4 |

Refer note 14B for nature and purpose of reserves  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

Place: Hyderabad  
Date: May 25, 2024

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

Place: Hyderabad  
Date: May 25, 2024

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No: 13709

Statement of Cash Flows

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023* |
|--|------------------------------|-------------------------------|
| <b>1 CASH FLOW FROM OPERATING ACTIVITIES</b>   |                              |                               |
| Net profit before tax  |                              |                               |
| Continuing operations  | 24,029.2                     | 16,309.9                      |
| Discontinued operations (refer note 42)  | 724.9                        | (197.6)                       |
| Adjustments to reconcile profit before tax to net cash flow:   |                              |                               |
| Depreciation, amortisation and impairment expense  | 3,486.6                      | 4,353.6                       |
| Allowance for credit losses on trade receivables and other advances (net)  | 114.5                        | 186.3                         |
| Provision for diminution of investment   | 328.5                        | -                             |
| Provisions no longer required written back   | (3.4)                        | (51.6)                        |
| Unrealised foreign exchange gain on non derivative assets (net)  | (381.1)                      | (139.9)                       |
| Mark-to-market (gain) on derivative foreign currency forward contracts   | (1.3)                        | (87.8)                        |
| Profit on sale of property, plant and equipment (net)  | (14.3)                       | (133.5)                       |
| Profit on sale of investment   | (27.8)                       | -                             |
| Dividend income  | (2,646.7)                    | (1,648.7)                     |
| Finance costs  | 2,153.7                      | 1,130.7                       |
| Interest income  | (2,312.6)                    | (1,857.1)                     |
| Operating profit before working capital changes  | 25,450.2                     | 17,864.3                      |
| Movements in working capital:  |                              |                               |
| (Increase)/decrease in trade receivables   | (7,435.9)                    | (5,366.0)                     |
| (Increase)/decrease in inventories   | (3,083.4)                    | (7,399.0)                     |
| (Increase)/decrease in loans   | (11.1)                       | 10.5                          |
| (Increase)/decrease in other financial assets  | (1,107.6)                    | 14,538.3                      |
| (Increase)/decrease in other current/non-current assets  | (2,023.0)                    | 727.0                         |
| Increase/(decrease) in trade payables  | 7,519.0                      | 788.6                         |
| Increase in provision for employee benefits  | 83.8                         | 82.9                          |
| Increase in other financial liabilities  | 3,735.3                      | 3.8                           |
| Increase/(Decrease) in other current liabilities   | 42.5                         | (82.4)                        |
| Cash generated from operating activities   | 23,169.8                     | 21,168.0                      |
| Income-tax paid (net)  | (6,021.8)                    | (3,006.3)                     |
| Net cash flow generated from operating activities (A)  | 17,148.0                     | 18,161.7                      |
| <b>2 CASH FLOW FROM INVESTING ACTIVITIES</b>   |                              |                               |
| Purchase of property, plant and equipment including movement in capital work-in-progress, capital advances and capital creditors | (4,175.9)                    | (3,537.5)                     |
| Purchase of intangible assets and intangible assets under development  | (91.6)                       | (45.4)                        |
| Proceeds from sale of property, plant and equipment and Intangibles  | 46.8                         | 232.2                         |
| Purchase of non-current investments  | (39,320.5)                   | (9,503.4)                     |
| Acquisition of business including certain assets (refer note 44)   | -                            | (1,689.2)                     |
| Proceeds from sale of non - current investments  | 119.2                        | -                             |
| Consideration on slump sale (refer note 42)  | 38,948.2                     | -                             |
| Dividend received from subsidiaries  | 2,646.7                      | 1,648.7                       |
| Loans given to subsidiaries/joint venture  | (23,453.5)                   | (26,350.0)                    |
| Loans repaid by subsidiaries/joint venture   | 21,633.2                     | 3,737.5                       |
| Interest received  | 1,995.1                      | 797.2                         |
| Bank balances not considered as cash and cash equivalents (net)  | 52.7                         | 133.7                         |
| Net cash flow used in investing activities (B)   | (1,599.6)                    | (34,576.2)                    |

Statement of Cash Flows

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023* |
|---|------------------------------|-------------------------------|
| 3 CASH FLOW FROM FINANCING ACTIVITIES                               |                              |                               |
| Proceeds from/(repayment of) current borrowings (net)               | (13,419.6)                   | 22,873.1                      |
| Repayment of lease liabilities                                      | (217.1)                      | (209.6)                       |
| Interest paid   | (2,097.2)                    | (1,073.4)                     |
| Dividends paid on equity shares                                     | (2,636.4)                    | (4,395.3)                     |
| Net cash generated from/(used) in financing activities (C)          | (18,370.3)                   | 17,194.8                      |
| Net increase/(decrease) in cash and cash equivalents (A+B+C)        | (2,821.9)                    | 780.3                         |
| Cash and cash equivalents at the beginning of the year              | 3,571.3                      | 511.3                         |
| Effect of exchange differences on cash and cash equivalents         | 83.8                         | 4.8                           |
| Transferred pursuant to the scheme of amalgamation ( refer note 43) | -                            | 2,274.9                       |
| Cash and cash equivalents at the end of the year (refer note 12(C)) | 833.2                        | 3,571.3                       |

\*Restated; refer note 43

Note:

- a) The above statement of cash flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS-7) "Statement of Cash Flows"
- b) Cash and cash equivalents comprises of:

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023* |
|--|-------------------------|--------------------------|
| Cash on hand                                       | 0.5                     | 0.3                      |
| Balance with banks:                                |                         |                          |
| Current accounts                                   | 832.7                   | 1,321.0                  |
| Fixed Deposits                                     | -                       | 2,250.0                  |
| Total cash and cash equivalents (refer note 12(C)) | 833.2                   | 3,571.3                  |

- c) Reconciliation of liabilities from financing activities are given below:

| Particulars        | As at<br>March 31, 2023 | Cash flows | Non-cash<br>transactions<br>Foreign exchange<br>loss | As at<br>March 31, 2024 |
|--------------------|-------------------------|------------|--|-------------------------|
| Current borrowings | 41,425.7                | (13,419.6) | 172.3  | 28,178.4                |

| Particulars        | As at<br>March 31, 2022 | Cash flows | Non-cash<br>transactions<br>Foreign exchange<br>loss | As at<br>March 31, 2023 |
|--------------------|-------------------------|------------|--|-------------------------|
| Current borrowings | 18,186.2                | 22,873.1   | 366.4  | 41,425.7                |

Refer note 30 (A )for change in lease liabilities arising from financing activities.

The accompanying notes are an integral part of the standalone financial statements.  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

Place: Hyderabad  
Date: May 25, 2024

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

Place: Hyderabad  
Date: May 25, 2024

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No: 13709

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

1. CORPORATE INFORMATION

Aurobindo Pharma Limited ("the Company") is a public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at Plot No.2, Maitri Vihar, Ameerpet, Hyderabad - 500038, India and the Corporate office is located at Galaxy, Floors: 22-24, Plot No-1, Survey No.83, Hyderabad Knowledge City, Raidurg Panmaktha, Ranga Reddy District, Hyderabad - 500032, Telangana, India. The Company's shares are listed on the BSE Limited and the National Stock Exchange of India Limited in India.

The Company is principally engaged in manufacturing and marketing of active pharmaceutical ingredients, generic pharmaceuticals and related services. The standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 25, 2024.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and presentation

a) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These standalone financial statements comprise the Balance Sheets as at March 31, 2024 and March 31, 2023, the Statements of Profit and Loss, Statements of Changes in Equity and the Statements of Cash Flows for the year ended March 31, 2024 and for the year ended March 31, 2023, and a summary of the significant accounting policies, notes and other explanatory information (together hereinafter referred to as "Standalone Financial Statements")

These standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in these standalone financial statements.

Current vs. Non-current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the

Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The statement of cash flows have been prepared under indirect method.

b) Functional and presentation currency

These standalone financial statements are presented in Indian rupees (₹), which is the functional currency of the Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated. Transactions and balances with values below ₹0.1 million have been reflected as "0.0" in the standalone financial statements.

c) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value or amortised cost.
- employee defined benefit assets/liability recognised as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation.

d) Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 30(A) - Leases: whether an arrangement contains a lease; lease classification.
- Note 30(C) - Contingent liabilities: Measurement and likelihood of occurrence of provisions and contingencies.
- Note 2.2(j), 8 and 28: Provision for income taxes: related tax contingencies and evaluation of recoverability of deferred tax assets.
- Note 31: Assets and obligations relating to employee benefits

Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Defined employee benefit plan (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation and accumulated leave obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the

Management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 31.

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 39 and 41 for further disclosures.

(iii) Depreciation on property, plant and equipment and amortisation of intangible assets

Depreciation on property, plant and equipment is calculated on a straight-line basis based on the useful lives estimated by the Management. The Company, based on technical assessment and Management estimate, depreciates property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that useful lives currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment and intangible assets though these in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

(iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

(v) Impairment of investments in subsidiaries, associates and joint ventures

The Company reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(vi) Intangible assets under development

The Company capitalises acquired intangible asset under development for a project in accordance with the accounting policy. In determining the amounts to be capitalised, Management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The innovative nature of the product gives rise to some uncertainty as to whether the final approval for the products will be obtained.

(vii) Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence by applying certain percentages over different age category of such inventories, expected loss rate considering the past trend and future outlook. Inventories are written down to NRV where such NRV is lower than their cost.

(viii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

2.2 Material accounting policies

a. Foreign currencies

The standalone financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**Initial recognition:** On initial recognition, transactions in currencies other than the Company's functional currency (foreign currencies) are translated at exchange rates on the date of the transactions.

**Conversion:** Monetary assets and liabilities denominated in foreign currencies are reported at functional currency spot rate of exchange on that date. 'Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**Exchange differences:** Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous standalone financial statements, are recognised in profit or loss in the year in which they arise.

b. Fair value measurement

The financial statements have been prepared on the historical cost basis, except for:

- (i) Certain financial instruments that are measured at fair values at the end of each reporting period;
- (ii) Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell;

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- (iii) Derivative financial instrument and
- (iv) Defined benefit plans – plan assets that are measured at fair values at the end of each reporting period

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Revenue recognition

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

**Sale of goods:** Revenue from contract with customers is recognised when a promise in a customer contract (performance obligation) has been satisfied upon transferring control over the promised goods to the customer. Control is usually transferred upon shipment, delivery to or upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, net of trade discounts, volume discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc., where applicable. Invoices are payable within contractually agreed credit period. Any additional

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure is available.

**Profit Sharing Revenues:** The Company from time to time enters into arrangements for the sale of its products in certain markets. Under such arrangements, the Company sells its products to the business partners at a base purchase price agreed upon in the arrangement and is also entitled to a profit share which is over and above the base purchase price. The profit share is typically dependent on the ultimate net sale proceeds or net profits, subject to any reductions or adjustments that are required by the terms of the arrangement. Revenue in an amount equal to the base purchase price is recognised in these transactions upon delivery of products to the business partners. An additional amount representing the profit share component is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur.

**Out-licensing arrangements:** Revenues include amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement. Non-refundable up-front license fees received in connection with product out-licensing agreements are deferred and recognised over the period in which the Company has continuing performance obligations. 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 the Company has continuing performance obligations, if the milestones are not considered substantive. If milestone payments are creditable against future royalty payments, the milestones are deferred and released over the period in which the royalties are anticipated to be received.

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

Contract balances

**Contract assets:** Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

Dividend and interest income

**Interest income:** Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognised with reference to the Effective Interest Rate (EIR) method.

The ‘effective interest rate’ is the rate that discounts estimated future cash payments or receipts through expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

**Dividend income:** Revenue is recognised when the Company’s right to receive the payment is established, which is generally when shareholders approve the dividend.

d. Property, plant and equipment

Freehold land and buildings (property) and other plant and equipment held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment. .

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment

Notes to Standalone Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful life. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

Subsequent expenditure is capitalised only when they increase the future economic benefits embodied. In the specific asset to which they relate. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Assets in the course of construction (Capital work in progress) for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the Management.

The Company, based on technical assessment and Management estimate, depreciates property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful life to provide depreciation on its property, plant and equipment:

Freehold land is not depreciated

| Nature of the assets   | Useful life as estimated by the Management (in years) | Useful life as stated in the Companies Act, 2013 (in years) |
|------------------------|---|---|
| Right -of- use assets  | 5- 35   | 5- 35   |
| Freehold buildings     | 15 - 60   | 10 - 60   |
| Plant and equipment    | 3 - 20  | 8 - 40  |
| Furniture and fixtures | 10  | 10  |
| Vehicles               | 4 - 8   | 8 - 10  |
| Office equipment       | 5   | 5   |

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end and adjusted prospectively, if appropriate.

e. Goodwill and Other intangible assets

Goodwill

Goodwill represents the excess of purchase consideration over the fair value of assets acquired of the subsidiary companies as on the date of investment. Goodwill is not amortised but is tested for impairment on a periodic basis and impairment losses are recognised where applicable.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Notes to Standalone Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is a Impairment indicator. The estimated useful life and amortisation method are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Estimated useful lives of intangible assets ranges from 5-10 years.

De-recognition of intangible assets

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development costs:

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and use or sell the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Acquired research and development intangible assets that are under development are recognised as Intangible assets under development. These assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss.

Subsequent expenditure on in process research and development project acquired separately and recognised as an intangible asset is:

- recognised as an expense, if it is research expenditure.
- recognised as an expense, if its development expenditure that does not satisfy the criteria for recognition as an Intangible asset; and
- added to the carrying amount of acquired in process research and development project, only when it increases the future economic benefits embodied in the specific asset to which it relates and satisfies the recognition criteria

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets relating to products in development and other intangible assets not available for use is tested for impairment annually.

f. Government grants and subsidies

Government grants are recognised when there is reasonable assurance that all attached conditions will be complied with and there is no uncertainty on collection. When the grant relates to an expense item, it is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets. Entitlement from government authorities are recognised in the profit or loss as other operating revenue when the right to receive is established as per the terms of the scheme with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant proceeds.

g. Inventories

Inventories are valued at lower of cost, determined on "Weighted average" basis and net realisable

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packing materials, stores, spares and consumables: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work-in-progress: cost includes direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excludes borrowing costs.

Stock-in-trade: cost includes cost of purchase 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 estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Employee benefits

Defined contribution plans

Contribution to funds such as provident fund and Employee State insurance Corporation (ESIC) are defined contribution plans. The Company has no obligation, other than the contribution payable to these funds. The Company recognizes contribution payable to the fund schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation using projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Past service costs are recognised in profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Short term compensated absences are provided for based on estimates. The Company treats accumulated leave, as a short-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an actuarial valuation using the projected unit credit method at the period-end/year-end. The Company presents the entire liability in respect of leave as a liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date. These are encashable at any point of time and no remeasurement is required.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

i. Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). The Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment terms ranging from 7 days to 270 days are offered (Refer note 41 (c) i). Terms of payment for sale of services are ranging from on presentation of bill to 270 days.

j. Income tax

Income tax expense comprises of current and deferred tax. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Indian Income-tax Act, 1961. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate. The tax rate and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each

reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

k. Leases

The Company assesses at contract inception if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Assets acquired under leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Where the Company is lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right of use asset

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using useful life of right-of-use asset. The estimated useful lives of Right-of-use assets are determined as shorter of lease term and estimated useful life of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liabilities

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an

option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Short term leases and leases of low value

**assets:** The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Where the Company is lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

I. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as bonus issue that have changed the number of shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m. Provisions contingent liabilities and contingent assets

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax 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 recognised as a finance cost.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liabilities

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability

has been incurred and the amount can be estimated reliably. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

n. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of cheques, cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash Management.

o. Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of cost of the asset. All other borrowing costs are expensed in the period in which they occur.

p. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

q. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets excluding trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Any financial instrument, which does not meet the criteria for categorization at amortized cost or at FVTOCI (fair value through other comprehensive income), is classified at FVTPL (fair value through profit and loss). In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments:

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

If the Company decides to classify an equity instrument at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain/loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Derecognition

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

- i) the rights to receive cash flows from the asset have expired, or
- ii) the Company has transferred its rights to receive cash flows from the asset, and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109 - Financial instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- (i) Financial assets that are debt instruments, and are measured at amortised cost, e.g. loans, deposits, debt securities, etc.
- (ii) Trade receivables that result from transactions that are within the scope of Ind AS 115 - Revenue from contracts with customers.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL (simplified approach). Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which

results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR (effective interest rate). When estimating the cash flows, an entity is required to consider:

- (i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- (ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head other expenses/other income in the statement of profit and loss. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The Company enters into supplier credit arrangements (acceptances) whereby lenders such as banks and financial institutions make payments to supplier's banks for import of raw materials. The banks and financial institutions are subsequently repaid by the Company at a later date. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances under other financial liabilities. Interest borne by the Company on such arrangements is accounted as finance costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Derecognition

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

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

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

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised classification | Accounting treatment   |
|-------------------------|------------------------|--|
| Amortised cost          | FVTPL                  | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in statement of profit and loss.  |
| FVTPL                   | Amortised cost         | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.   |
| Amortised cost          | FVTOCI                 | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.   |
| FVTOCI                  | Amortised cost         | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL                   | FVTOCI                 | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.  |
| FVTOCI                  | FVTPL                  | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.   |

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The forward contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

s. Dividend distribution to equity holders of the Company

The Company recognises a liability to make dividend distribution to equity holders when the distribution is authorised and the distribution is no longer at the

discretion of the Company. As per the Corporate laws in India, a final dividend distribution is authorised when it is approved by the shareholders whereas for interim dividend when authorised by board of directors of the Company. A corresponding amount is recognised directly in equity. Non cash distribution are measured at fair value of the assets distributed with fair value re-measurement recognised directly in equity.

t. Discontinued Operations

A discontinued operation is a 'component' of the Company's business that represents a separate line of business that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale. The Company considers the guidance in Ind AS 105 Non-Current assets held for sale and discontinued operations to assess whether a divestment asset would qualify the definition of 'component' prior to classification into discontinued operation.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

3(A). PROPERTY, PLANT AND EQUIPMENT

|  | Freehold land | Freehold buildings | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Total    |
|--|---------------|--------------------|---------------------|------------------------|----------|------------------|----------|
| Gross carrying value (at cost)                     |               |                    |                     |                        |          |                  |          |
| As at March 31, 2022                               | 1,102.9       | 11,287.9           | 41,156.2            | 1,521.6                | 327.3    | 419.6            | 55,815.5 |
| Additions (refer note 44)                          | 289.6         | 580.1              | 2,369.5             | 78.1                   | 94.3     | 52.7             | 3,464.3  |
| Disposals  | 39.8          | -                  | 272.3               | 14.8                   | 64.4     | 5.2              | 396.5    |
| As at March 31, 2023                               | 1,352.7       | 11,868.0           | 43,253.4            | 1,584.9                | 357.2    | 467.1            | 58,883.3 |
| Additions  | 69.1          | 620.6              | 1,490.7             | 58.8                   | 160.3    | 1,233.1          | 3,632.6  |
| Disposals  | 12.1          | -                  | 80.9                | 6.8                    | 61.4     | 7.8              | 169.0    |
| Disposals on account of Slump sale (refer note 42) | -             | -                  | 24,091.2            | 578.6                  | 88.3     | 509.2            | 25,267.3 |
| As at March 31, 2024                               | 1,409.7       | 12,488.6           | 20,572.0            | 1,058.3                | 367.8    | 1,183.2          | 37,079.6 |
| Accumulated depreciation                           |               |                    |                     |                        |          |                  |          |
| As at March 31, 2022                               | -             | 2,178.7            | 17,652.0            | 656.7                  | 201.1    | 256.1            | 20,944.6 |
| Charge for the year                                | -             | 437.4              | 3,235.6             | 138.0                  | 64.4     | 55.0             | 3,930.4  |
| Disposals  | -             | -                  | 188.7               | 13.6                   | 52.9     | 5.0              | 260.2    |
| As at March 31, 2023                               | -             | 2,616.1            | 20,698.9            | 781.1                  | 212.6    | 306.1            | 24,614.8 |
| Charge for the year                                | -             | 460.5              | 1,605.7             | 116.7                  | 76.0     | 868.0            | 3,126.9  |
| Disposals  | -             | -                  | 69.4                | 6.6                    | 52.7     | 7.6              | 136.3    |
| Disposals on account of Slump sale (refer note 42) | -             | -                  | 11,686.2            | 323.3                  | 41.2     | 328.1            | 12,378.8 |
| As at March 31, 2024                               | -             | 3,076.6            | 10,549.0            | 567.9                  | 194.7    | 838.4            | 15,226.6 |
| Net carrying value                                 |               |                    |                     |                        |          |                  |          |
| As at March 31, 2023                               | 1,352.7       | 9,251.9            | 22,554.5            | 803.8                  | 144.6    | 161.0            | 34,268.5 |
| As at March 31, 2024                               | 1,409.7       | 9,412.0            | 10,023.0            | 490.4                  | 173.1    | 344.8            | 21,853.0 |

1.

The title deeds of land and buildings aggregating gross value of ₹526.3 (March 31, 2023: ₹629.1) are pending transfer to the Company's name (refer note 45)
2.

Refer note 34 for details of capital research and development expenditure.

3(B). CAPITAL WORK-IN-PROGRESS

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| Opening balance                                    | 2,390.9                      | 2,251.5                      |
| Additions during the year *                        | 3,788.6                      | 3,601.1                      |
| Disposals on account of slump sale (refer note 42) | 1,210.5                      | -                            |
| Disposals  | 9.6                          | 1.2                          |
| Capitalised during the year                        | 3,632.6                      | 3,460.5                      |
| Closing balance                                    | 1,326.8                      | 2,390.9                      |

\* Refer note 46 for ageing of Capital work-in-progress

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

3(C). RIGHT-OF-USE ASSETS

|                                | Land  | Building | Total   |
|--------------------------------|-------|----------|---------|
| Gross carrying value (at cost) |       |          |         |
| As at March 31, 2022           | 174.7 | 932.5    | 1,107.2 |
| Additions                      | -     | -        | -       |
| Disposals                      | 7.4   | 117.3    | 124.7   |
| As at March 31, 2023           | 167.3 | 815.2    | 982.5   |
| Additions                      | -     | -        | -       |
| Disposals                      | -     | -        | -       |
| As at March 31, 2024           | 167.3 | 815.2    | 982.5   |
| Accumulated depreciation       |       |          |         |
| As at March 31, 2022           | 54.4  | 321.0    | 375.4   |
| Charge for the year            | 18.6  | 163.0    | 181.6   |
| Disposals                      | 7.4   | 117.3    | 124.7   |
| As at March 31, 2023           | 65.6  | 366.7    | 432.3   |
| Charge for the year            | 18.0  | 163.1    | 181.1   |
| Disposals                      | -     | -        | -       |
| As at March 31, 2024           | 83.6  | 529.8    | 613.4   |
| Net carrying value             |       |          |         |
| As at March 31, 2023           | 101.7 | 448.5    | 550.2   |
| As at March 31, 2024           | 83.7  | 285.4    | 369.1   |

Refer note 30 (A) for details of leases.

3(D). GOODWILL AND OTHER INTANGIBLE ASSETS

|                                | Goodwill | Licenses | Trade Marks |
|--------------------------------|----------|----------|-------------|
| Gross carrying value (at cost) |          |          |             |
| As at March 31, 2022           | 69.9     | 256.4    | -           |
| Additions (refer note 44)      | 917.0    | 264.8    | 884.3       |
| Disposals                      | -        | 111.1    | -           |
| As at March 31, 2023           | 986.9    | 410.1    | 884.3       |
| Additions                      | -        | 91.5     | -           |
| Disposals                      | -        | -        | -           |
| As at March 31, 2024           | 986.9    | 501.6    | 884.3       |
| Accumulated amortisation       |          |          |             |
| As at March 31, 2022           | -        | 70.7     | -           |
| Charge for the year            | 69.9     | 83.1     | 88.4        |
| Disposals                      | -        | 87.1     | -           |
| As at March 31, 2023           | 69.9     | 66.7     | 88.4        |
| Charge for the year            | -        | 90.2     | 88.4        |
| Disposals                      | -        | -        | -           |
| As at March 31, 2024           | 69.9     | 156.9    | 176.8       |
| Net carrying value             |          |          |             |
| As at March 31, 2023           | 917.0    | 343.4    | 795.9       |
| As at March 31, 2024           | 917.0    | 344.7    | 707.5       |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

For the purpose of impairment testing carrying amount of Goodwill has been allocated to the following Cash generating unit (CGU):

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| India Business formulation (refer note 44) | 917.0                        | 917.0                        |

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

4. INVESTMENTS

(A) Non-current investments

|  | Face value | As at March 31, 2024                |          | As at March 31, 2023                |          |
|--|------------|-------------------------------------|----------|-------------------------------------|----------|
|  |            | Number of shares<br>(% of interest) | Amount   | Number of shares<br>(% of interest) | Amount   |
| Investments in unquoted equity shares<br>(fully paid, carried at cost, unless stated<br>otherwise)         |            |                                     |          |                                     |          |
| In subsidiaries  |            |                                     |          |                                     |          |
| Aurobindo Pharma USA Inc, USA *  | -          | 100% of paid-in-capital             | 2,832.5  | 100% of paid-in-capital             | 2,832.5  |
| APL Pharma Thai Limited, Thailand  | Baht 100   | 979,200 (97.9%)                     | 145.6    | 979,200 (97.9%)                     | 145.6    |
| Aurobindo Pharma Industria Farmaceutica<br>Ltda, Brazil  | Real 1     | 10,124,795(99.97%)                  | 260.0    | 10,124,795(99.97%)                  | 260.0    |
| Helix Healthcare B.V., The Netherlands   | Euro 10    | 30,188,957(100%)                    | 23,107.4 | 30,188,957(100%)                    | 23,107.4 |
| APL Health Care Limited, India   | ₹ 10       | 216,000,000(100%)                   | 2,160.0  | 216,000,000(100%)                   | 2,160.0  |
| All Pharma (Shanghai) Trading Company<br>Limited, China  | -          | 100% of paid-in-capital             | 27.5     | 100% of paid-in-capital             | 27.5     |
| Aurobindo Pharma Produtos<br>Farmaceuticos Ltda, Brazil  | Real 1     | 99,000(100%)                        | 2.1      | 99,000(100%)                        | 2.1      |
| Auro Peptides Limited, India   | ₹ 10       | 95,000(95%)                         | 1.0      | 95,000(95%)                         | 1.0      |
| Apitoria Pharma Private Limited, India<br>( formerly known as Auro Pharma India<br>Private Limited, India) | ₹ 10       | 99,000,000(100%)                    | 990.0    | 100,000(100%)                       | 1.0      |
| Auro Active Pharma Private Limited, India  | ₹ 10       | 100,000,000(100%)                   | 1,000.0  | 81,000,000(100%)                    | 810.0    |
| Curateq Biologics Private Limited, India   | ₹ 10       | 100,000,000(100%)                   | 1,000.0  | 100,000,000(100%)                   | 1,000.0  |
| Aurozest Private limited, India  | ₹ 10       | 100,000(100%)                       | 1.0      | 100,000(100%)                       | 1.0      |
| Aurobindo Pharma Foundation Pvt. Ltd.<br>(Section 8 Company), India  | ₹ 10       | 10,000(100%)                        | 0.1      | 10,000(100%)                        | 0.1      |
| Eugia Pharma Specialties Limited, India  | ₹ 10       | 621,008,693(100%)                   | 7,327.8  | 440,110,218(100%)                   | 7,277.7  |
| Aurobindo Antibiotics Private Limited, India   | ₹10        | 1,000,000(100%)                     | 10.0     | 1,000,000(100%)                     | 10.0     |
| Auro Vaccines Private Limited, India   | ₹10        | -                                   | -        | 100,000(100%)                       | 1.0      |
| GLS Pharma Limited, India (refer note 1<br>below)  | ₹10        | 614,458(51%)                        | 280.5    | 614,458(51%)                        | 280.5    |
| Auro Trading Private Limited, India  | ₹10        | 10,000(100%)                        | 1.0      | -                                   | -        |
| TheraNym Biologics Private Limited, India  | ₹10        | 10,000(100%)                        | 1.0      | -                                   | -        |
| Lyfius Pharma Private Limited, India (refer<br>note 2 below)   |            | -                                   | 4.1      | -                                   | 4.1      |
| In joint ventures  |            |                                     |          |                                     |          |
| Tergene Biotech Private Limited, India   | ₹ 10       | 9,040,000(80%)                      | -        | 9,040,000(80%)                      | 90.4     |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Face value | As at March 31, 2024                |          | As at March 31, 2023                |          |
|--|------------|-------------------------------------|----------|-------------------------------------|----------|
|  |            | Number of shares<br>(% of interest) | Amount   | Number of shares<br>(% of interest) | Amount   |
| Raidurgam Developers Limited, India                      | ₹ 10       | 4,000,000 (40%)                     | 40.0     | 4,000,000 (40%)                     | 40.0     |
| <b>In Associates</b>                                     |            |                                     |          |                                     |          |
| NVNR (Ramannapet I) Power Plant Private Limited, India   | ₹ 10       | 520,000 (26%)                       | 5.2      | 520,000 (26%)                       | 5.2      |
| NVNR (Ramannapet II) Power Plant Private Limited, India  | ₹ 10       | 520,000 (26%)                       | 5.2      | 520,000 (26%)                       | 5.2      |
| <b>In others (At fair value through profit and loss)</b> |            |                                     |          |                                     |          |
| Jeedimetla Effluent Treatment Limited, India             | ₹ 100      | 753                                 | 0.1      | 753                                 | 0.1      |
| Patancheru Envirotech Limited, India                     | ₹ 10       | 103,709                             | 1.0      | 103,709                             | 1.0      |
| Progressive Effluent Treatment Limited, India            | ₹ 100      | 1,000                               | 0.1      | 1,000                               | 0.1      |
| Synergy Remedies Private Limited, India                  | ₹10        | 10,489,500                          | 150.0    | 10,489,500                          | 150.0    |
|  |            |                                     | 39,353.2 |                                     | 38,213.5 |
| Less: Provision for impairment in value of investments   |            |                                     | 2,533.9  |                                     | 2,533.9  |
|  |            | A                                   | 36,819.3 |                                     | 35,679.6 |

|  | Face value | As at March 31, 2024 |          | As at March 31, 2023 |          |
|--|------------|----------------------|----------|----------------------|----------|
|  |            | Quantity             | Amount   | Quantity             | Amount   |
| Investments in unquoted preference shares (fully paid, carried at amortised cost, unless stated otherwise)   |            |                      |          |                      |          |
| In subsidiaries  |            |                      |          |                      |          |
| Auro Peptides Limited, India<br>(9.5% Cumulative Preference shares redeemable at par ranging from five years to twenty years from the date of issue) | ₹ 100      | 23,975,000           | 2,397.5  | 20,175,000           | 2,017.5  |
| APL Health Care Limited, India<br>(9.5% Cumulative Preference shares redeemable at par within five years from the date of issue)                     | ₹ 100      | 600,000              | 60.0     | 600,000              | 60.0     |
| In joint ventures  |            |                      |          |                      |          |
| Tergene Biotech Private Limited, India<br>(10.5% Cumulative Preference shares redeemable at par within six years from the date of issue)             | ₹ 100      | 3,285,000            | 328.5    | 2,890,000            | 289.0    |
|  |            |                      | 2,786.0  |                      | 2,366.5  |
| Less: Provision for impairment in value of investments   |            |                      | 1,609.6  |                      | 1,281.1  |
|  |            | B                    | 1,176.4  |                      | 1,085.4  |
| Investments in unquoted Compulsorily Convertible Debentures (CCDs) (fully paid, carried at cost, unless stated otherwise)                            |            |                      |          |                      |          |
| In subsidiaries  |            |                      |          |                      |          |
| Curateq Biologics Private Limited, India   | ₹ 10       | 2,605,000,000        | 26,050.0 | 1,620,000,000        | 16,200.0 |

Notes to Standalone Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Face value | As at March 31, 2024 |          | As at March 31, 2023 |          |
|--|------------|----------------------|----------|----------------------|----------|
|  |            | Quantity             | Amount   | Quantity             | Amount   |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| APL Health Care Limited, India   | ₹ 10       | 950,000,000          | 9,500.0  | 1,050,000,000        | 10,500.0 |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| Auro Vaccines Private Limited, India   | ₹ 10       | 518,000,000          | 5,180.0  | 396,000,000          | 3,960.0  |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| Aurozest Private Limited, India  | ₹ 10       | 52,000,000           | 520.0    | 52,000,000           | 520.0    |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| Qule Pharma Private Limited, India   | ₹ 10       | 139,000,000          | 1,390.0  | 139,000,000          | 1,390.0  |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| Lyfius Pharma Private Limited, India   | ₹ 10       | 1,285,000,000        | 12,850.0 | 500,000,000          | 5,000.0  |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| Auro Active Pharma Private Limited, India  | ₹ 10       | 137,000,000          | 1,370.0  | -                    | -        |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| Apitoria Pharma Private Limited , India (formerly known as Auro Pharma India Private Limited, India)   | ₹ 10       | 3,800,000,000        | 38,000.0 | -                    | -        |
| (0.1% Compulsorily Convertible Debentures (CCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
|  |            | C                    | 94,860.0 |                      | 37,570.0 |
| <b>Investments in unquoted optionally convertible debentures (fully paid, carried at amortised cost, unless stated otherwise)</b>  |            |                      |          |                      |          |
| <b>In subsidiaries</b>   |            |                      |          |                      |          |
| GLS Pharma Limited, India  | ₹ 10       | 15,000,000           | 150.0    | 4,000,000            | 40.0     |
| (Interest of 9.5% . These are optionally convertible into equity shares not earlier than 3 years and not later than 4 years)   |            |                      |          |                      |          |
| <b>In joint ventures</b>   |            |                      |          |                      |          |
| Raidurgam Developers Limited, India  | ₹ 1000     | 831,232              | 831.2    | 831,232              | 831.2    |
| (Interest of 1.5% to 9.5% over a period of ten years redeemable at par within ten years from date of issue. These are optionally convertible into 100 equity shares per debenture at any time after one year.) |            |                      |          |                      |          |
| <b>In Associates</b>   |            |                      |          |                      |          |
| NVNR (Ramannapet I) Power Plant Private Limited, India   | ₹ 10       | 4,862,000            | 48.6     | 4,862,000            | 48.6     |
| (8% Optionally Convertible Debentures (OCDs) of ₹ 10/- each)   |            |                      |          |                      |          |
| NVNR (Ramannapet II) Power Plant Private Limited, India  | ₹ 10       | 4,862,000            | 48.6     | 4,862,000            | 48.6     |
| (8% Optionally Convertible Debentures (OCDs) of ₹ 10/- each)   |            |                      |          |                      |          |

Notes to Standalone Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Face value | As at March 31, 2024 |           | As at March 31, 2023 |          |
|--|------------|----------------------|-----------|----------------------|----------|
|  |            | Quantity             | Amount    | Quantity             | Amount   |
|  |            | D                    | 1,078.4   |                      | 968.4    |
| <b>Investments in unquoted non convertible debentures (fully paid, carried at amortised cost, unless stated otherwise)</b> |            |                      |           |                      |          |
| <b>In subsidiaries</b>   |            |                      |           |                      |          |
| Eugia Pharma Specialties Limited, India  | ₹ 10       | 575,000,000          | -         | 575,000,000          | 5,750.0  |
| (7.5% Non Convertible Debentures (NCDs) of ₹ 10/- each)  |            |                      |           |                      |          |
| <b>Unquoted investment in government securities (Carried at fair value through profit and loss)</b>                        |            | E                    | -         |                      | 5,750.0  |
| National Savings Certificate (includes held by Income tax authorities ₹ 0.1 (31 March 2023: ₹0.1))                         |            |                      | 0.2       |                      | 0.2      |
|  |            | F                    | 0.2       |                      | 0.2      |
|  |            | A+B+C+D+E+F          | 133,934.3 |                      | 81,053.6 |
| Aggregate value of unquoted investments  |            |                      | 133,934.3 |                      | 81,053.6 |
| Aggregate amount of impairment in value of investments   |            |                      |           |                      | 3,815.0  |
| <b>Movement in provision for impairment in value of investments:</b>   |            |                      |           |                      |          |
| Opening balance  |            |                      | 3,815.0   |                      | 3,815.0  |
| Provision made during the year towards Tergene Biotech Private Limited   |            |                      | 328.5     |                      | -        |
| Closing balance  |            |                      | 4,143.5   |                      | 3,815.0  |

\* Includes employee stock options given to group employees considered as investment as per Ind AS-102 share based payments.

**Note:**

1.    The Board of Directors of the company at its meeting held on June 17, 2022 approved investment in GLS Pharma Limited(GLS) through subscription of 204,819 equity shares for an aggregate consideration of ₹ 93.5(constituting 17% of the equity share capital of GLS) and acquisition of 409,339 equity shares from the selling shareholders for an aggregate consideration of ₹ 187(constituting 34% of the equity share capital of GLS). During the Quarter ended June 30, 2022 the Company subscribed to 204,819 equity shares of GLS consequent to execution of share subscription and purchase agreement. During the previous year on satisfaction of the closing conditions, the Company acquired the additional 409,339 equity shares. As at March 31, 2024 and March 31, 2023 the Company holds 51% of the equity shares in GLS.
2.    Investment of ₹ 4.1(March 31, 2023 ₹ 4.1) on account of fair valuation of corporate guarantee given by the Company on behalf of Lyfius Pharma Private Limited, a wholly - owned subsidiary of Aurobindo Antibiotics Private Limited

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(B) Current investments

|   | Face value | As at March 31, 2024 |        | As at March 31, 2023 |        |
|---|------------|----------------------|--------|----------------------|--------|
|   |            | Quantity             | Amount | Quantity             | Amount |
| Investments in unquoted equity shares (fully paid, carried at fair value through profit and loss) |            |                      |        |                      |        |
| Citadel Aurobindo Biotech Limited, India  | ₹ 100      | 70,000               | -      | 70,000               | -      |
| (At cost less impairment of ₹ 7.0 (March 31, 2023: ₹ 7.0))  |            |                      |        |                      |        |
| Investments in quoted equity shares (fully paid, carried at fair value through profit and loss)   |            |                      |        |                      |        |
| Union Bank of India (formerly known as Andhra Bank)   | ₹ 10       | 1,469                | 0.1    | 1,469                | 0.1    |
|   |            |                      | 0.1    |                      | 0.1    |
| Aggregate value of unquoted investments   |            |                      | -      |                      | -      |
| Aggregate value of quoted investments   |            |                      | 0.1    |                      | 0.1    |
| Market value of quoted investments  |            |                      | 0.1    |                      | 0.1    |
| Aggregate amount of impairment in value of investments  |            |                      | 7.0    |                      | 7.0    |

Provision for impairment

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 0-1%. 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 14%-15%

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

5. LOANS

(A) Non current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Loans receivables considered good - unsecured                    |                         |                         |
| Loans to related parties (refer note 37)*#                       | 14,261.4                | 25,958.8                |
| Loans to employees   | 33.3                    | 52.7                    |
| Loans receivables which have significant increase in credit risk |                         | -                       |
| Loans receivables - credit impaired                              | 1.4                     | 1.5                     |
|  | 14,296.1                | 26,013.0                |
| Less: provision for loans  | 1.4                     | 1.5                     |
|  | 14,294.7                | 26,011.5                |

\*Loan of ₹ 13,052.4(March 31, 2023: ₹ 24,862.6) has been given to wholly owned subsidiaries towards project development cost, at interest rate of 7.5% p.a.

#Includes Interest accrued on the loans given amounting to ₹ 1209.0(March 31, 2023 : ₹ 1,096.2)

(B) Current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Loans receivables considered good - unsecured                    |                         |                         |
| Loans to employees   | 46.0                    | 79.9                    |
| Loans receivables which have significant increase in credit risk | -                       | -                       |
| Loans receivables - credit impaired                              | -                       | -                       |
|  | 46.0                    | 79.9                    |

No loans are due from directors or other officers of the Company either severally or jointly with any other person. Refer note 37 for dues from related parties.

Included in loans are certain loans given to wholly-owned subsidiaries towards project development cost, the particulars of which are disclosed below as required by Section 186(4) of the Companies Act 2013.

| Name of the loanee   | Rate of Interest | Secured/<br>Unsecured | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|------------------|-----------------------|-------------------------|-------------------------|
| Lyfius Pharma Private Limited, India   | 7.50%            | Unsecured             | 150.1                   | 2,478.9                 |
| Qule Pharma Private Limited, India   | 7.50%            | Unsecured             | 1,008.3                 | 100.8                   |
| Eugia Steriles private limited, India (formerly known as Auro Cure Private Limited)                  | 7.50%            | Unsecured             | 573.5                   | 3,883.2                 |
| Auro Vaccines Private Limited, India   | 7.50%            | Unsecured             | 10.0                    | 60.3                    |
| Eugia Pharma Specialities Limited, India   | 7.50%            | Unsecured             | 11,024.4                | 15,079.2                |
| APL Health Care Limited, India   | 7.50%            | Unsecured             | -                       | 2,100.4                 |
| Curateq Biologics Private Limited, India   | 7.50%            | Unsecured             | -                       | 2,013.3                 |
| Auroactive Pharma Private Limited, India   | 7.50%            | Unsecured             | 10.0                    | 242.7                   |
| Apitoria Pharma Private Limited, India ( formerly known as Auro Pharma India Private Limited, India) | 7.50%            | Unsecured             | 1,261.8                 | -                       |
| TheraNym Biologics Private Limited, India  | 7.50%            | Unsecured             | 223.3                   | -                       |
|  |                  |                       | 14,261.4                | 25,958.8                |

Note: The amount of Loan and Interest are payable after a period of 3 years from the date of disbursement.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

6. TRADE RECEIVABLES

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(A) Non current</b>   |                         |                         |
| Trade receivables considered good - secured                      | -                       | -                       |
| Trade receivables considered good - unsecured                    | -                       | -                       |
| Trade receivables which have significant increase in credit risk | -                       | -                       |
| Trade receivables - credit impaired                              | 607.7                   | 433.0                   |
|  | <b>607.7</b>            | <b>433.0</b>            |
| Less: loss allowance   | 607.7                   | 433.0                   |
|  | -                       | -                       |
| <b>(B) Current</b>   |                         |                         |
| Trade receivables considered good - secured                      | -                       | -                       |
| Trade receivables considered good - unsecured                    | 37,765.9                | 45,602.6                |
| Trade receivables which have significant increase in credit risk | -                       | -                       |
| Trade receivables - credit impaired                              | 222.6                   | 381.5                   |
|  | <b>37,988.5</b>         | <b>45,984.1</b>         |
| Less: loss allowance   | 222.6                   | 381.5                   |
|  | <b>37,765.9</b>         | <b>45,602.6</b>         |

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or debts due from firms or private companies respectively in which any director is a partner or a director or member. Refer note 37 for dues from related parties.

Refer Note 41 for the Company’s credit risk management process.

Refer Note 47 and 48 for ageing of trade receivables.

7. OTHER FINANCIAL ASSETS

(Unsecured, considered good unless stated otherwise)

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>(A) Non current</b>  |                         |                         |
| Security deposits   | 391.6                   | 747.7                   |
|   | <b>391.6</b>            | <b>747.7</b>            |
| <b>(B) Current</b>  |                         |                         |
| Derivatives - foreign currency forward contracts                                    | -                       | 87.7                    |
| Receivable for capital assets   | -                       | 61.6                    |
| Interest accrued on security deposits   | 18.0                    | 33.4                    |
| Interest accrued on investments in debentures and preference shares to subsidiaries | 54.1                    | 133.5                   |
| Incentives receivable   | 1,997.5                 | 1,280.0                 |
| Other receivables (refer note 37)   | 163.6                   | -                       |
|   | <b>2,233.2</b>          | <b>1,596.2</b>          |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

8. DEFERRED TAX LIABILITY (NET)

|                                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| <b>Deferred tax assets</b>          |                         |                         |
| Loss allowance on trade receivables | 217.5                   | 213.8                   |
| Employee benefits                   | 257.0                   | 338.6                   |
| <b>Deferred tax liability</b>       |                         |                         |
| Property, plant and equipment       | 1,501.2                 | 2,593.6                 |
| Lease liability                     | 162.4                   | 117.9                   |
|                                     | <b>(1,189.1)</b>        | <b>(2,159.1)</b>        |

Movement in deferred tax liability (net)

|                                     | As at<br>April 1, 2023 | Recognised in<br>statement of<br>profit and loss | Recognised in OCI | As at<br>March 31, 2024 |
|-------------------------------------|------------------------|--|-------------------|-------------------------|
| <b>Deferred tax asset</b>           |                        |  |                   |                         |
| Loss allowance on trade receivables | 213.8                  | 3.7  | -                 | 217.5                   |
| Employee benefits                   | 338.6                  | (87.3)   | 5.7               | 257.0                   |
| <b>Deferred tax liability</b>       |                        |  |                   |                         |
| Property plant and equipment        | 2,593.6                | (1,092.4)  | -                 | 1,501.2                 |
| Lease liability                     | 117.9                  | 44.5   | -                 | 162.4                   |
|                                     | <b>(2,159.1)</b>       | <b>964.3</b>                                     | <b>5.7</b>        | <b>(1,189.1)</b>        |

|                                     | As at<br>April 1, 2022 | Recognised in<br>statement of<br>profit and loss | Recognised in OCI | As at<br>March 31, 2023 |
|-------------------------------------|------------------------|--|-------------------|-------------------------|
| <b>Deferred tax asset</b>           |                        |  |                   |                         |
| Loss allowance on trade receivables | 167.4                  | 46.4   | -                 | 213.8                   |
| Employee benefits                   | 270.8                  | 87.5   | (19.7)            | 338.6                   |
| <b>Deferred tax liability</b>       |                        |  |                   |                         |
| Property plant and equipment        | 2,730.1                | (136.5)  | -                 | 2,593.6                 |
| Lease liability                     | 78.4                   | 39.5   | -                 | 117.9                   |
|                                     | <b>(2,370.3)</b>       | <b>230.9</b>                                     | <b>(19.7)</b>     | <b>(2,159.1)</b>        |

9. INCOME TAX ASSETS (NET)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(A) Income tax assets (net) - Non-Current</b> |                         |                         |
| Tax assets                                       | 34,887.1                | 30,740.2                |
| Tax provisions outstanding                       | 32,134.1                | 27,923.6                |
|  | <b>2,753.0</b>          | <b>2,816.6</b>          |
| <b>(B) Income tax liability (net) - Current</b>  |                         |                         |
| Tax provision                                    | 6,036.9                 | 4,070.2                 |
| Advance Tax (Including TDS receivable)           | 5,020.7                 | 3,145.9                 |
|  | <b>1,016.2</b>          | <b>924.3</b>            |

Refer note 28 for details of income tax expense

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

10. OTHER ASSETS

(Unsecured, considered good unless stated otherwise)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(A) Non current</b>   |                         |                         |
| Export incentives receivable   |                         |                         |
| Considered good  | -                       | -                       |
| Doubtful   | 68.2                    | 68.2                    |
|  | <b>68.2</b>             | <b>68.2</b>             |
| Provision for doubtful receivables   | 68.2                    | 68.2                    |
|  | -                       | -                       |
| Export rebate claims receivable  | 545.4                   | 537.8                   |
| Contribution to Gratuity Fund (net) (refer note 31)  | 1,163.8                 | -                       |
| Capital advances   |                         |                         |
| Considered good  | 95.6                    | 56.2                    |
| Doubtful   | 14.2                    | 15.6                    |
|  | <b>109.8</b>            | <b>71.8</b>             |
| Provision for doubtful advances  | 14.2                    | 15.6                    |
|  | <b>95.6</b>             | <b>56.2</b>             |
| Advances other than capital advances   |                         |                         |
| Considered good  | 15.1                    | 33.9                    |
| Doubtful   | 30.0                    | 30.0                    |
|  | <b>45.1</b>             | <b>63.9</b>             |
| Provision for doubtful advances  | 30.0                    | 30.0                    |
|  | <b>15.1</b>             | <b>33.9</b>             |
| Balance with government authorities  |                         |                         |
| Considered good*   | 436.9                   | 415.0                   |
| Doubtful   | 0.4                     | 0.4                     |
|  | <b>437.3</b>            | <b>415.4</b>            |
| Provision for doubtful receivables   | 0.4                     | 0.4                     |
|  | <b>436.9</b>            | <b>415.0</b>            |
|  | <b>2,256.8</b>          | <b>1,042.9</b>          |
| * Balance with government authorities include restricted deposits pledged with Enforcement Directorate of ₹ 131.6 (March 31, 2023: ₹ 131.6). |                         |                         |
| <b>(B) Current</b>   |                         |                         |
| Export rebate claims receivable  | 1,576.7                 | 2,524.7                 |
| Export incentives receivable   | 47.5                    | 147.0                   |
| Advances other than capital advances   |                         |                         |
| Considered good  | 1,682.9                 | 1,499.7                 |
| Doubtful   | 5.4                     | 8.8                     |
|  | <b>1,688.3</b>          | <b>1,508.5</b>          |
| Provision for doubtful advances  | 5.4                     | 8.8                     |
|  | <b>1,682.9</b>          | <b>1,499.7</b>          |
| Balance with government authorities  | 4,419.6                 | 3,213.0                 |
|  | <b>7,726.7</b>          | <b>7,384.4</b>          |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

11. INVENTORIES

(Valued at lower of cost and net realisable value)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Raw materials  | 11,023.9                | 17,558.4                |
| Packing materials  | 1,701.8                 | 1,584.5                 |
| Work-in-progress   | 2,683.2                 | 12,148.7                |
| Finished goods   | 7,266.2                 | 8,287.7                 |
| Finished goods - Traded goods                                | 136.2                   | 157.0                   |
| Stores, spares and consumables                               | 864.7                   | 1,516.3                 |
|  | <b>23,676.0</b>         | <b>41,252.6</b>         |
| Details of material in transit included in inventories above |                         |                         |
| Raw materials, packing materials and stores                  | 217.1                   | 670.0                   |
| Finished goods   | 4,626.3                 | 5,031.8                 |

During the year, the Company recorded inventory (write-up)/write-downs to net realisable value of ₹ (1,951.6) (March 31, 2023: ₹ 315.2). These adjustments were included in cost of material consumed and changes in inventories.

12. CASH AND BANK BALANCES

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>(A) Cash and cash equivalents</b>  |                         |                         |
| Balance with banks  | 832.7                   | 1,321.0                 |
| Deposits with original maturity of less than 3 months   | -                       | 2,250.0                 |
| Cash on hand  | 0.5                     | 0.3                     |
|   | <b>833.2</b>            | <b>3,571.3</b>          |
| <b>(B) Bank balances other than cash and cash equivalents</b>   |                         |                         |
| Balance in unpaid dividend account  | 25.2                    | 24.9                    |
| Deposits with original maturity of more than 3 months and less than 12 moths                            | 85.0                    | 137.9                   |
|   | <b>110.2</b>            | <b>162.8</b>            |
| <b>(C) For the purpose of statement of cash flows, cash and cash equivalents comprise of following:</b> |                         |                         |
| Cash and cash equivalents as above  | 833.2                   | 3,571.3                 |

13. EQUITY SHARE CAPITAL

a) Authorised\*

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| 1,790,500,000 (March 31, 2023: 1,790,500,000) equity shares of ₹ 1 each | 1,790.5                 | 1,790.5                 |
| 8,210,000 (March 31, 2023: 8,210,000) preference shares of ₹ 100 each   | 821.0                   | 821.0                   |
|   | <b>2,611.5</b>          | <b>2,611.5</b>          |

\* Consequent to the approval of Scheme of amalgamation of Aurobindo Pharma Limited (APL), Mviyes Pharma Ventures Private Limited and Auronext Pharma Private Limited, by the Hyderabad bench of National Company Law Tribunal dated April 29, 2024., the authorised share capital of APL stands increased by the authorised share capital of Mviyes Pharma Ventures Private Limited and Auronext Pharma Private Limited aggregating to ₹ 4,052.5. However, the said increase is subject to the Company filing the necessary documents including payment of stamp duty etc. which has been done by the Company subsequent to the year end.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

b) Issued, subscribed and fully paid-up equity shares

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| 585,938,609 (March 31, 2023: 585,938,609) equity shares of ₹ 1 each fully paid-up | 585.9                   | 585.9                   |

c) Movement in equity share capital

|                      | Equity Shares |        |
|----------------------|---------------|--------|
|                      | Numbers       | Amount |
| As at April 1, 2022  | 585,938,609   | 585.9  |
| As at March 31, 2023 | 585,938,609   | 585.9  |
| As at March 31, 2024 | 585,938,609   | 585.9  |

d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Details of shareholders holding more than 5% total number of equity shares in the Company (refer note 49)

|   | As at March 31, 2023 |           |
|---|----------------------|-----------|
|   | Numbers              | % holding |
| RPR Sons Advisors Private Limited and Mrs. P. Suneela Rani (Joint Holders)* | 196,376,250          | 33.51%    |

|   | As at March 31, 2024 |           |
|---|----------------------|-----------|
|   | Numbers              | % holding |
| RPR Sons Advisors Private Limited and Mrs. P. Suneela Rani (Joint Holders)* | 196,376,250          | 33.51%    |

\*As per records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of shares and the beneficial ownership is with RPR Enterprises, a partnership firm.

Refer note 49 for shares held by promoters

f) No shares have been allotted without payment being received in cash or by way of bonus shares or allotted as fully paid-up pursuant to a contract during the period of five years immediately preceding the reporting date.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

14. OTHER EQUITY

A. Summary of other equity balance

|                            | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----------------------------|-------------------------|-------------------------|
| Capital reserve            | 721.1                   | 721.1                   |
| Capital redemption reserve | 1,116.2                 | 1,116.2                 |
| Securities premium account | 3,427.9                 | 3,427.9                 |
| General reserve            | 7,888.4                 | 7,888.4                 |
| Retained earnings          | 183,488.7               | 166,600.8               |
|                            | 196,642.3               | 179,754.4               |

a) The disaggregation of changes in reserves and surplus and OCI are disclosed in statement of changes in equity.

b) The details of distribution of dividend made are as under:

|   | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Cash dividends on equity shares declared and paid during the year                                     |                |                |
| Interim dividend paid in year ended March 31, 2024: ₹ 4.5 per share (March 31, 2023: ₹ 7.5 per share) | 2,636.6        | 4,394.5        |
|   | 2,636.6        | 4,394.5        |

Proposed dividends on equity shares:

Proposed interim dividend for the year ended March 31, 2024: ₹ Nil per share (March 31, 2023: ₹ Nil per share) not recognised as liability.

B. Nature and purpose of reserves

|                                |  |
|--------------------------------|--|
| (a) Capital reserve            | Represents capital reserve balances of acquired entities which are transferred to the Company upon mergers .   |
| (b) Capital redemption reserve | The Company has recognised capital redemption reserve on redemption of non-convertible preference shares. The amount in capital redemption reserve is equal to nominal amount of the non convertible preference shares redeemed. This reserve will be utilised in accordance with Section 69 of the Companies Act, 2013.   |
| (c) Securities premium         | The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. This reserve will be utilised in accordance with provisions of Section 52 of the Companies Act, 2013. |
| (d) General reserve            | The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.  |
| (e) Retained earnings          | Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.  |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

15. CURRENT BORROWINGS

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>(A) Loans repayable on demand from Banks - working capital loans</b> |                         |                         |
| Working capital demand loan (unsecured)                                 | -                       | 2,200.0                 |
| Packing credit loans (secured)  | 14,319.9                | 19,227.8                |
| Packing credit loans (unsecured)  | 10,523.7                | 14,978.1                |
| Bill discounting (unsecured)  | 3,334.8                 | 5,019.8                 |
|   | 28,178.4                | 41,425.7                |
| <b>(B) Details of secured and unsecured borrowings</b>                  |                         |                         |
| The aggregate amount of borrowing includes:                             |                         |                         |
| Secured borrowings  | 14,319.9                | 19,227.8                |
| Unsecured borrowings  | 13,858.5                | 22,197.9                |

(C) Terms of borrowings

- (i) All unsecured working capital demand loans carry interest rate in the range of 7.25% to 9.00% (March 31, 2023:4.25% to 7.75%).
- (ii) All secured packing credit foreign currency loans carry interest rate in the range of respective SOFR plus 0 to 10 basis points (March 31, 2023: respective SOFR plus 0 to 15 basis points) with maturity within 6 months.
- (iii) All unsecured packing credit foreign currency loans carry interest rate in the range of respective SOFR plus 20 to 90 basis points and respective EURIBOR plus 35 to 90 basis points for EURO (March 31, 2023: SOFR plus 0 to 160 basis points and respective EURIBOR plus 0 to 150 basis points for EURO and 4.7% linked to 3Month SONIA for GBP.
- (iv) All unsecured bills discounted carry interest rate in the range of respective SOFR plus 50 basis points EURIBOR Plus 50 to 75 basis points (31 March 2023: respective EURIBOR plus 40 to 75 basis points).
- (v) Secured bills discounted is not availed during the year. Interest rate in the range of (March 31, 2023 EURIBOR plus 5 basis points)

16. PROVISIONS

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(A) Non-current</b>                   |                         |                         |
| For employee benefits                    |                         |                         |
| Gratuity [refer note 31 (b)]             | -                       | 92.6                    |
| Compensated absences [refer note 31 (c)] | 460.0                   | 780.5                   |
|  | 460.0                   | 873.1                   |
| <b>(B) Current</b>                       |                         |                         |
| For employee benefits                    |                         |                         |
| Gratuity [refer note 31 (b)]             | -                       | -                       |
| Compensated absences [refer note 31 (c)] | 180.3                   | 296.6                   |
|  | 180.3                   | 296.6                   |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

17. TRADE PAYABLES

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises (refer note 32)      | 389.3                   | 465.1                   |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 17,503.0                | 21,557.8                |
|  | 17,892.3                | 22,022.9                |

Refer note 41 for the Company's liquidity risk management process

Refer note 37 for the related party payables

Refer note 50 for trade payables ageing schedule

18. OTHER FINANCIAL LIABILITIES

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Current</b>                                   |                         |                         |
| Interest accrued but not due on borrowings       | 20.8                    | 4.6                     |
| Unclaimed dividend (refer note 33)               | 25.2                    | 24.9                    |
| Capital creditors (refer note 32)                | 623.1                   | 982.0                   |
| Security deposits                                | 7.9                     | 7.9                     |
| Employee payables                                | 691.1                   | -                       |
| Fair Value of Corporate Guarantee Liability      | 3.5                     | 3.8                     |
| Derivatives - foreign currency forward contracts | 1.3                     | -                       |
| Other payables (refer note 37)                   | 2,798.1                 | -                       |
|  | 4,171.0                 | 1,023.2                 |

19. OTHER CURRENT LIABILITIES

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Contract liabilities - advance from customers (refer note 20 (d)) | 100.6                   | 232.4                   |
| Deferred income (EPCG)  | 19.1                    | 14.2                    |
| Statutory liabilities   | 675.6                   | 376.7                   |
| Employee payables   | -                       | 293.7                   |
|   | 795.3                   | 917.0                   |

20. REVENUE FROM OPERATIONS

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Sale of products (Active Pharma Ingredients (API) and Formulations) | 102,708.5                            | 81,710.1                             |
| Other contract revenue - sale of services                           | 2,713.6                              | 2,005.3                              |
| Other operating revenues  |                                      |                                      |
| Scrap sales   | 80.4                                 | 77.4                                 |
| Government Incentive Schemes  | 953.9                                | 777.2                                |
|   | 106,456.4                            | 84,570.0                             |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(a) Reconciliation of revenue from sale of products with the contracted price:

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Revenue as per contracted price             | 97,013.1                             | 77,388.6                             |
| Adjusted for:                               |                                      |                                      |
| Sales returns                               | (175.9)                              | (174.0)                              |
| Sale price adjustments                      | 3,840.1                              | 2,788.1                              |
| Profit sharing adjustments                  | 2,031.2                              | 1,707.4                              |
| Total revenue from contracts with customers | 102,708.5                            | 81,710.1                             |

(b) Disaggregation of revenue:

| Primary geographical markets | For the year ended March 31, 2024 |                               | For the year ended March 31, 2023 |                               |
|------------------------------|-----------------------------------|-------------------------------|-----------------------------------|-------------------------------|
|                              | Related parties                   | Other than<br>related parties | Related parties                   | Other than<br>related parties |
| India                        | 2,364.1                           | 7,891.3                       | 112.2                             | 6,633.7                       |
| USA                          | 45,135.8                          | 9,716.5                       | 37,294.5                          | 7,915.8                       |
| Europe                       | 17,702.4                          | 8,952.0                       | 13,228.4                          | 6,643.9                       |
| Rest of the world            | 5,977.7                           | 4,968.7                       | 6,051.0                           | 3,830.6                       |

(c) Primary geographical markets

|                   | For the year ended March 31, 2024 |              | For the year ended March 31, 2023 |              |
|-------------------|-----------------------------------|--------------|-----------------------------------|--------------|
|                   | API                               | Formulations | API                               | Formulations |
| India             | 8,134.4                           | 2,121.0      | 4,750.0                           | 1,995.9      |
| USA               | 6.7                               | 54,845.6     | 1.9                               | 45,208.3     |
| Europe            | 100.5                             | 26,553.9     | 132.0                             | 19,740.4     |
| Rest of the world | 188.3                             | 10,758.1     | 172.7                             | 9,708.9      |

(d) The amount of revenue recognised during the year from contract liabilities outstanding at the beginning of the year ₹ 232.4 (March 31, 2023 ₹ 176.6). Contract liabilities represents amounts received from customers in advance of sale of products. These contract liabilities are expected to be completed with in one year.

21. OTHER INCOME

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Interest income under effective interest rate method                  |                                      |                                      |
| Security and other deposits carried at amortised cost                 | 29.2                                 | 46.7                                 |
| Loans to subsidiaries and investments in debentures carried at cost   | 2,271.5                              | 1,817.4                              |
| Dividend income received from subsidiaries                            | 2,646.7                              | 1,648.7                              |
| Profit on sale of property, plant and equipment (net) and intangibles | 15.5                                 | 133.5                                |
| Provision/liabilities no longer required written back                 | 2.6                                  | 32.8                                 |
| Foreign exchange gain (net)   | 942.6                                | 695.3                                |
| Miscellaneous income  | 252.5                                | 64.8                                 |
|   | 6,160.6                              | 4,439.2                              |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

22. COST OF MATERIALS CONSUMED

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| A. Raw material consumed  |                                      |                                      |
| Opening stock   | 17,558.4                             | 15,057.1                             |
| Add: Purchases  | 55,767.8                             | 68,473.4                             |
|   | 73,326.2                             | 83,530.5                             |
| Less: Closing stock   | 11,023.9                             | 17,558.4                             |
| Cost of raw material consumed   | 62,302.3                             | 65,972.1                             |
| Less: related to discontinuing operations                               | 11,840.9                             | 25,316.6                             |
| Cost of raw material consumed - related to continuing operations(A)     | 50,461.4                             | 40,655.5                             |
| B. Packing material consumed  |                                      |                                      |
| Opening stock   | 1,584.5                              | 1,115.8                              |
| Add: Purchases  | 7,555.0                              | 6,973.5                              |
|   | 9,139.5                              | 8,089.3                              |
| Less: Closing stock   | 1,701.8                              | 1,584.5                              |
| Cost of packing material consumed                                       | 7,437.7                              | 6,504.8                              |
| Less: related to discontinuing operations                               | 288.3                                | 493.1                                |
| Cost of packing material consumed - related to continuing operations(B) | 7,149.4                              | 6,011.7                              |
| Cost of materials consumed (A+B)  | 57,610.8                             | 46,667.2                             |

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Inventories at the end of the year       |                                      |                                      |
| Finished goods                           | 7,402.4                              | 8,444.7                              |
| Work-in-progress                         | 2,683.2                              | 12,148.7                             |
|  | 10,085.6                             | 20,593.4                             |
| Inventories at the beginning of the year |                                      |                                      |
| Finished goods                           | 8,444.7                              | 6,119.5                              |
| Work-in-progress                         | 12,148.7                             | 9,813.9                              |
|  | 20,593.4                             | 15,933.4                             |
|  | 10,507.8                             | (4,660.0)                            |
| Inventory transferred on slump sale      | 11,670.1                             | 2,020.5                              |
|  | (1,162.3)                            | (2,639.5)                            |

24. EMPLOYEE BENEFITS EXPENSE

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus                                   | 9,026.9                              | 8,189.9                              |
| Contribution to provident and other funds (refer note 31 a) | 333.5                                | 287.5                                |
| Gratuity expense (refer note 31 b)                          | 74.7                                 | 160.7                                |
| Compensated absences expense                                | 210.2                                | 142.7                                |
| Staff welfare expenses                                      | 160.3                                | 124.5                                |
|   | 9,805.6                              | 8,905.3                              |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

25. FINANCE COSTS

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Interest expense on financial liabilities measured at amortised cost | 1,766.6                              | 673.9                                |
| Interest on Lease Liability  | 40.2                                 | 52.8                                 |
| Other borrowing costs  | 19.2                                 | 19.1                                 |
|  | 1,826.0                              | 745.8                                |

26. DEPRECIATION AND AMORTISATION EXPENSE

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Depreciation of property, plant and equipment    | 2,186.1                              | 2,009.5                              |
| Depreciation on right of use assets              | 181.1                                | 181.7                                |
| Amortisation and impairment on intangible assets | 178.6                                | 241.4                                |
|  | 2,545.8                              | 2,432.6                              |

27. OTHER EXPENSES

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Conversion charges  | 73.5                                 | 63.1                                 |
| Consumption of stores and spares  | 691.7                                | 639.3                                |
| Chemicals consumed  | 2,121.0                              | 1,668.8                              |
| Power and fuel  | 1,915.8                              | 1,678.6                              |
| Factory maintenance   | 96.8                                 | 85.8                                 |
| Effluent treatment expenses   | 140.0                                | 124.5                                |
| Repairs and maintenance   |                                      |                                      |
| i) Plant and machinery  | 903.9                                | 606.5                                |
| ii) Buildings   | 101.9                                | 66.7                                 |
| iii) Others   | 16.3                                 | 29.5                                 |
| Rent (refer note 30(A))   | 2.4                                  | 3.8                                  |
| Rates and taxes   | 156.0                                | 129.6                                |
| Printing and stationery   | 116.3                                | 104.4                                |
| Postage and telephones  | 41.6                                 | 45.2                                 |
| Insurance   | 243.8                                | 246.2                                |
| Legal and professional charges  | 1,012.9                              | 1,311.4                              |
| Directors sitting fees  | 13.8                                 | 10.1                                 |
| Remuneration to statutory auditors (refer note 35)                        | 17.8                                 | 16.9                                 |
| Sales commission  | 66.1                                 | 73.3                                 |
| Carriage outwards   | 3,676.8                              | 4,823.1                              |
| Selling expenses  | 429.0                                | 319.6                                |
| Travelling and conveyance   | 245.7                                | 236.8                                |
| Vehicle maintenance expenses  | 4.8                                  | 3.6                                  |
| Clinical and analytical charges   | 1,219.8                              | 1,250.5                              |
| Provision for impairment of investments (refer note 4)                    | 328.5                                | -                                    |
| Registration and filing charges   | 975.3                                | 819.3                                |
| Allowance for credit losses on trade receivables and other advances (net) | 113.7                                | 157.8                                |
| Corporate Social Responsibility expenditure (CSR) (refer note below)      | 513.4                                | 594.0                                |
| Miscellaneous expenses  | 689.3                                | 587.2                                |
|   | 15,927.9                             | 15,695.6                             |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Note: Details of CSR expenditure as per Section 135 of the Companies Act, 2013

|   | For the year ended<br>March 31, 2024   | For the year ended<br>March 31, 2023 |
|---|--|--------------------------------------|
| - Amount required to be spent by the Company during the year  | 502.5  | 554.5                                |
| - Amount approved by the Board to be spent during the year  | 502.5  | 554.5                                |
| - Amount spent on:  |  |                                      |
| i) Construction/acquisition of any asset  |  |                                      |
| ii) On purposes other than (i) above  | 513.4*   | 554.5*                               |
| - Shortfall at the end of the year  | -  | -                                    |
| - Total of previous years shortfall   | -  | -                                    |
| - Reason for shortfall  | NA   | NA                                   |
| - Nature of CSR activities  | Disaster Relief, Education, Skilling, Employment, Entrepreneurship, Health, Wellness and Water, Sanitation and Hygiene, Heritage |                                      |
| - Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard                                |  |                                      |
| Contribution to Aurobindo Pharma Foundation (Sec 8 Company) in relation to CSR expenditure  | 502.5  | 554.5                                |
| - Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision | NA   | NA                                   |

\* It includes amount of ₹ 138.4 (March 31, 2023 : ₹ 186.6) unspent at Aurobindo Pharma Foundation (Sec 8 Company) and transferred to unspent CSR account.

28. INCOME TAX

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are:

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Statement of profit and loss</b>   |                                      |                                      |
| <b>On Continuing Operations</b>   |                                      |                                      |
| Current tax   | 5,980.8                              | 4,121.6                              |
| Deferred tax  | (952.6)                              | (233.4)                              |
|   | 5,028.2                              | 3,888.2                              |
| <b>On Discontinued Operations</b>   |                                      |                                      |
| Current tax   | 196.3                                | (49.8)                               |
| Deferred tax  | (11.8)                               | 2.8                                  |
|   | 184.5                                | (47.0)                               |
| <b>Other comprehensive income</b>   |                                      |                                      |
| Deferred tax - net loss on remeasurements of defined benefit plan                         | 5.7                                  | (19.7)                               |
|   | 5.7                                  | (19.7)                               |
| Reconciliation of effective tax rate for the year ended March 31, 2024 and March 31, 2023 |                                      |                                      |
| Profit before tax from continuing operations  | 24,029.2                             | 16,309.9                             |
| Profit/(Loss) before tax from discontinued operations                                     | 724.9                                | (197.6)                              |
| Enacted tax rate in India (refer note (a) below)  | 25.168%                              | 25.168%                              |
| Tax at statutory tax rate   | 6,230.1                              | 4,055.1                              |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Effect of :   |                                      |                                      |
| Expenses not deductible for tax purposes                              | 265.3                                | 167.9                                |
| Dividend received from subsidiaries                                   | (666.1)                              | (414.9)                              |
| Deferred tax reversal on account of transfer of units (refer note 42) | (780.7)                              | -                                    |
| Provision on account of assessment orders relating to prior years     | 150.0                                | -                                    |
| Others (net)  | 14.1                                 | 33.1                                 |
| Total   | (1,017.4)                            | (213.9)                              |
| Income tax expense  | 5,212.7                              | 3,841.2                              |
| Effective tax rate  | 21.06%                               | 23.84%                               |

Notes:

(a) There are no unrecognised deferred tax assets and liabilities as at March 31, 2024 and March 31, 2023.

29. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted EPS computations:

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Earnings                                      |                                      |                                      |
| Profit from Continuing Operations after tax   | 19,001.0                             | 12,421.7                             |
| Shares  |                                      |                                      |
| Weighted average number of equity shares      | 585,938,609                          | 585,938,609                          |
| Earnings per share of face value ₹ 1/-        |                                      |                                      |
| - Basic                                       | 32.43                                | 21.20                                |
| - Diluted                                     | 32.43                                | 21.20                                |
| Earnings                                      |                                      |                                      |
| Profit from Discontinued Operations after tax | 540.4                                | (150.6)                              |
| Shares  |                                      |                                      |
| Weighted average number of equity shares      | 585,938,609                          | 585,938,609                          |
| Earnings per share of face value ₹ 1/-        |                                      |                                      |
| - Basic                                       | 0.92                                 | (0.26)                               |
| - Diluted                                     | 0.92                                 | (0.26)                               |
| Earnings                                      |                                      |                                      |
| Profit from total operations after tax        | 19,541.4                             | 12,271.1                             |
| Shares  |                                      |                                      |
| Weighted average number of equity shares      | 585,938,609                          | 585,938,609                          |
| Earnings per share of face value ₹ 1/-        |                                      |                                      |
| - Basic                                       | 33.35                                | 20.94                                |
| - Diluted                                     | 33.35                                | 20.94                                |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

30. COMMITMENTS AND CONTINGENCIES

A. Leases

The Company has lease contracts for land and buildings. The lease term generally varies between 4 to 10 years. These contracts include extension and termination options.

The Company also has certain leases with lease terms of less than 12 months or with low value. The Company applies short term lease and lease of low value assets recognition exemption for these leases."

Changes in lease liabilities

| Particulars                         | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| Opening balance as at April 1, 2023 | 605.9                   | 762.7                   |
| Additions                           | -                       | -                       |
| Finance cost                        | 40.2                    | 52.8                    |
| Payment of lease liabilities        | (217.1)                 | (209.6)                 |
| Closing balance                     | 429.0                   | 605.9                   |
| Non-current lease liability         | 215.1                   | 429.1                   |
| Current lease liability             | 213.9                   | 176.8                   |

Cash outflow on leases

| Particulars                   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------|-------------------------|-------------------------|
| Payment of lease liabilities  | 176.9                   | 156.8                   |
| Interest on lease liabilities | 40.2                    | 52.8                    |
| Total cash outflow on leases  | 217.1                   | 209.6                   |

Amount recognised in statement of profit and loss

| Particulars                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Depreciation                     | 181.1                                | 181.6                                |
| Interest expense                 | 40.2                                 | 52.8                                 |
| Short term and low value leases  | 2.4                                  | 3.8                                  |
| Total expense relating to leases | 223.7                                | 238.2                                |

Contractual maturities of lease liabilities

| Particulars        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------------|-------------------------|-------------------------|
| Less than one year | 239.3                   | 217.1                   |
| 1 to 5 years       | 226.6                   | 465.9                   |
| above 5 years      | -                       | -                       |
|                    | 465.9                   | 683.0                   |

B. Capital and other commitments

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for | 844.2                   | 826.0                   |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

C. Contingent liabilities

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Claims against the Company not acknowledged as debt</b>   |                         |                         |
| Claims arising from disputes not acknowledged as debts - indirect taxes (excise duty and service tax)* | 1,065.8                 | 597.0                   |
| Claims arising from disputes not acknowledged as debts - direct taxes*                                 | 513.2                   | 254.6                   |
| Claims against the Company not acknowledged as debts - other duties/claims*^                           | 149.3                   | 149.3                   |

\* in respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. The Company is contesting these demands (including certain demands which are not treated as contingent based on assessment) and the Management, including its advisors, believe that its position will likely be upheld in the appellate process. No expense has been accrued in the stand alone financial statements for the demands raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations. The above does not include show cause notices received by the Company against which no demand has been levied by the department.

^ The Company is involved in disputes, claims, Governmental and/or regulatory inspection, inquires, including patents and commercial matters that arise from time to time in the ordinary course of business. The same are subject to uncertain future events not wholly within the control of the Company. The Management does not expect the same to have materially adverse effect on its financial position, as it believes the likely hood of any loss is not probable.

Corporate guarantee (includes Debt shortfall undertaking) given by the Company are in relation to its subsidiaries which aggregate to ₹ 17,630 (March 31, 2023 ₹ 4,140). Subsidiaries have availed loan against the said corporate guarantee which have been considered as contingent liabilities (refer note 37).

In addition to the above, the Company along with a subsidiary is a party to certain pending disputes with regulatory authorities relating to allotment of certain lands that have taken place in earlier years. During the year 2018-19, pursuant to the order of the Honorable Appellate Tribunal, land belonging to APL Research Centre Limited, subsidiary, which were attached earlier, were released after placing a fixed deposit of ₹ 131.6 with a bank as a security deposit with Enforcement Directorate. While the disposal of the cases are subject to final judgement from the Central Bureau of Investigation (CBI) Special Court, in the assessment of the Management and as legally advised, the allegations are unlikely to have a significant material impact on the financial statements of the Company.

D. Other guarantees

| Particulars                       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Other performance bank guarantees | 333.2                   | 201.7                   |

31. EMPLOYEE BENEFITS

a) Disclosures related to defined contribution plan

|                               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Provident fund contribution * | 442.9                                | 527.6                                |
| Contribution to ESI*          | 10.2                                 | 12.4                                 |

\*Transactions disclosed above includes those relating to discontinued operations also.

b) Disclosures related to defined benefit plan

The Company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

This defined benefit plan exposes the Company to actuarial risk, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The plan is funded with Life Insurance Corporation in the form of a qualifying insurance policy. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the fund status and amounts recognised in the balance sheet:

Net employee benefit expense (included under employee benefit expenses)

|                                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Current service cost                  | 204.8                                | 265.7                                |
| Past service cost                     | -                                    | -                                    |
| Interest on defined benefit liability | (54.4)                               | (3.1)                                |
| <b>Net employee benefit expenses*</b> | <b>150.4</b>                         | <b>262.6</b>                         |

\* Includes ₹ Nil (March 31, 2023: ₹ Nil) transferred to capital work in progress

\* Includes ₹ Nil (March 31, 2023: ₹ 1.1) paid in cash

Details of the employee benefits obligations and plan assets are as follows:

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Present value of funded obligation           | 1,263.1                 | 2,395.2                 |
| Fair value of plan assets                    | 2,426.9                 | 2,302.6                 |
| <b>Net defined benefit (asset)/liability</b> | <b>(1,163.8)</b>        | <b>92.6</b>             |

Details of changes in present value of defined benefit obligation are as follows:

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Opening defined benefit obligation                                   | 2,395.2                              | 2,189.6                              |
| Current service cost   | 204.8                                | 265.7                                |
| Past service cost  | -                                    | -                                    |
| Interest on defined benefit obligation                               | 116.2                                | 144.5                                |
| Acquisition/ (Divestiture)   | (1,352.4)                            | 49.0                                 |
| Benefits paid  | (124.0)                              | (197.7)                              |
| Remeasurement due to:  |                                      |                                      |
| Actuarial loss arising from changes in experience                    | 7.6                                  | 21.3                                 |
| Actuarial loss arising from changes in demographic assumptions       | -                                    | -                                    |
| Actuarial loss/ (gain) arising from changes in financial assumptions | 15.7                                 | (77.2)                               |
| <b>Closing defined benefit obligation</b>                            | <b>1,263.1</b>                       | <b>2,395.2</b>                       |

Details of changes in fair value of plan assets are as follows:

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Opening fair value of plan assets  | 2,302.6                              | 2,139.3                              |
| Interest on plan assets  | 170.6                                | 147.6                                |
| Employer Contribution  | 117.1                                | 190.8                                |
| Acquisition/ (Divestiture)   | -                                    | -                                    |
| Benefits paid  | (164.1)                              | (197.7)                              |
| Remeasurement due to - actual return on plan assets less interest on plan assets | 0.7                                  | 22.6                                 |
| <b>Closing fair value of plan assets</b>   | <b>2,426.9</b>                       | <b>2,302.6</b>                       |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Sensitivity analysis

The sensitivity of over all plan obligations to changes in key assumptions are as follows:

|   | As at<br>March 31, 2024           | As at<br>March 31, 2023           |
|---|-----------------------------------|-----------------------------------|
| Defined benefit obligation without effect of projected salary growth rate   | 837.4                             | 1,592.9                           |
| Add: effect of salary growth rate   | 425.7                             | 802.3                             |
| Defined benefit obligation with effect of projected salary growth   | 1,263.1                           | 2,395.2                           |
| Defined benefit obligation, using discount rate plus 50 basis points  | 1,224.4                           | 2,323.7                           |
| Defined benefit obligation, using discount rate minus 50 basis points   | 1,304.1                           | 2,470.8                           |
| Defined benefit obligation, using salary growth rate plus 50 basis points   | 1,301.2                           | 2,466.7                           |
| Defined benefit obligation, using salary growth rate minus 50 basis points  | 1,226.5                           | 2,326.6                           |
| <b>The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:</b> |                                   |                                   |
| Funds managed by Insurers   | 100%                              | 100%                              |
| <b>The principal assumptions used in determining gratuity obligations for the Company's plans are shown below</b> |                                   |                                   |
| <b>Financial assumptions</b>  |                                   |                                   |
| Discount rate (p.a.)  | 7.21%                             | 7.41%                             |
| Expected salary increase (p.a)  | 10% for 2 Years and 7% thereafter | 10% for 2 Years and 7% thereafter |
| <b>Demographic assumptions</b>  |                                   |                                   |
| Mortality rate  | IALM (2012-14) Ultimate           | IALM (2012-14) Ultimate           |

| Attrition rate | As at March 31, 2024 |             | As at March 31, 2023 |             |
|----------------|----------------------|-------------|----------------------|-------------|
|                | Age (years)          | Rates (p.a) | Age (years)          | Rates (p.a) |
|                | Upto 30              | 16%         | Upto 30              | 16%         |
|                | 31 - 40              | 12%         | 31 - 40              | 12%         |
|                | 41 - 50              | 6%          | 41 - 50              | 6%          |
|                | 51 - 57              | 23%         | 51 - 57              | 23%         |

**Discount rate :** The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date for the estimated term of obligations.

**Salary escalation rate :** The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other related factors.

| Maturity profile of the defined benefit obligation    | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Weighted average expected future working life (Years) | 8.1                     | 8.0                     |
| Expected future cash flow of gratuity                 |                         |                         |
| Within 12 months                                      | 167.8                   | 330.4                   |
| Between 2 and 5 years                                 | 553.1                   | 1,068.3                 |
| Beyond 5 years  | 1,485.8                 | 2,792.0                 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

c) Disclosures related to compensated absences

|                                | As at<br>March 31, 2024           | As at<br>March 31, 2023           |
|--------------------------------|-----------------------------------|-----------------------------------|
| <b>Financial assumptions</b>   |                                   |                                   |
| Discount rate (p.a.)           | 7.21%                             | 7.41%                             |
| Expected salary increase (p.a) | 10% for 2 Years and 7% thereafter | 10% for 2 Years and 7% thereafter |
| <b>Demographic assumptions</b> |                                   |                                   |
| Mortality rate                 | IALM (2012-14) Ultimate           | IALM (2012-14) Ultimate           |

| Withdrawal rate | As at March 31, 2024 |             | As at March 31, 2023 |             |
|-----------------|----------------------|-------------|----------------------|-------------|
|                 | Age (years)          | Rates (p.a) | Age (years)          | Rates (p.a) |
|                 | Upto 30              | 16%         | Upto 30              | 16%         |
|                 | 31 - 40              | 12%         | 31 - 40              | 12%         |
|                 | 41 - 50              | 6%          | 41 - 50              | 6%          |
|                 | 51 - 57              | 23%         | 51 - 57              | 23%         |
| Retirement age  | 58 years             |             | 58 years             |             |

32. DISCLOSURES REQUIRED UNDER SECTION 22 OF MICRO AND SMALL ENTERPRISES DEVELOPMENT ACT, 2006

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. The amount of dues payable to micro, small and medium enterprises are as follow:

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| The principal amount remaining unpaid to any supplier as at the end of each accounting year (including ₹ 78.1 shown under capital creditors [March 31, 2023: ₹ 98.1])  | 467.4                   | 563.2                   |
| The amount of interest accrued and remaining unpaid as at the end of the year.   | 37.1                    | 12.1                    |
| Amount of interest paid by the Company in terms of Sec 16, of Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of payments made beyond the appointed date during the year.  | -                       | -                       |
| Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) without the interest specified under the Micro, Small and Medium Enterprise Development Act, 2006.   | -                       | -                       |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and  | -                       | -                       |
| The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006. | -                       | -                       |

33. In respect of the amounts mentioned under Section 125 of the Companies Act, 2013 there are no dues that are to be credited to the Investor Education and Protection Fund as at March 31, 2024 (March 31, 2023: ₹ Nil).

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

34. RESEARCH AND DEVELOPMENT EXPENSES

a. Details of Research and development expenses incurred during the year, debited under various heads of statement of profit and loss is given below:

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Material and stores and spares consumption | 1,621.0                              | 1,331.0                              |
| Power and fuel                             | 103.7                                | 154.5                                |
| Repairs and maintenance                    | 81.9                                 | 103.3                                |
| Employee benefits expense                  | 1,563.9                              | 1,925.8                              |
| Analytical charges                         | 1,173.8                              | 1,201.1                              |
| Legal and professional charges             | 279.4                                | 504.3                                |
| Registration and filing fee                | 734.4                                | 659.4                                |
| Depreciation expense                       | 269.4                                | 329.1                                |
| Others                                     | 194.2                                | 242.3                                |
| Total                                      | 6,021.7                              | 6,450.8                              |

\*Transactions disclosed above includes those relating to discontinued operations also.

b. Details of capital expenditure incurred for Research and development are given below:

|                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|-----------------------------|--------------------------------------|--------------------------------------|
| Buildings                   | 1.8                                  | 24.9                                 |
| Plant and equipment         |                                      |                                      |
| - Plant and equipment       | 10.1                                 | 17.8                                 |
| - Lab equipment             | 240.5                                | 266.0                                |
| - Electrical installations  | -                                    | 2.8                                  |
| Office equipment            |                                      |                                      |
| - Office equipment          | 4.0                                  | 6.3                                  |
| - Data processing equipment | 9.0                                  | 12.5                                 |
| Furniture and fixtures      | 2.6                                  | 7.8                                  |
| Total                       | 268.0                                | 338.1                                |

35. REMUNERATION TO STATUTORY AUDITORS

|                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| For audit (including limited review) | 14.5                                 | 14.5                                 |
| For other services                   | 2.6                                  | 1.1                                  |
| For reimbursement of expenses        | 0.7                                  | 1.3                                  |
|                                      | 17.8                                 | 16.9                                 |

36. CONTRIBUTION TO POLITICAL PARTIES AS PER SECTION 182 OF COMPANIES ACT, 2013. (INCLUDED IN MISCELLANEOUS EXPENSES)

Political contributions amounting to ₹ 251.5 (March 31, 2023: ₹ 216.3), which includes ₹ 250.0 (March 31, 2023: ₹ 215.0) contributed through electoral bonds made in accordance with Section 182 of the Act during the year ended March 31, 2024, and March 31, 2023, respectively. The Company has considered the Supreme Court judgement dated February 15, 2024, including the directions to the State Bank of India and the Election Commission of India on furnishing and public disclosure of information in respect of the electoral bonds. Political contributions via Electoral Bonds for the year ended March 31, 2024, were made by the Company prior to the Hon'ble Supreme Court judgement pronounced on February 15, 2024.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

37. RELATED PARTY DISCLOSURES

Names of related parties and description of relationship

Subsidiaries

- 1980 Puren Pharma GmbH, Germany (formerly Actavis Management GmbH)
- Acrotech Biopharma Inc. USA (Formerly Acrotech Biopharma LLC) name changed w.e.f. June 2, 2022.
- Agile Pharma B.V., The Netherlands
- All Pharma (Shanghai) Trading Company Limited, China
- Apitoria Pharma Private Limited, India (formerly known as Auro Pharma India Private Limited)
- APL Healthcare Limited, India
- APL Pharma Thai Limited, Thailand
- APL Swift Services (Malta) Limited, Malta
- Apotex Europe B.V., The Netherlands
- Arrow Generiques SAS, France
- Aurex B.V. (formerly Pharmacin B.V.), The Netherlands
- Auro AR LLC, USA
- Auro Health LLC, USA
- Auro Logistics LLC, USA
- Auro Packaging LLC, USA
- Auro Peptides Limited, India
- Auro Pharma Inc., Canada
- Auro Pharma LLC, Russia (w.e.f. July 24, 2023)
- Auro PR I LLC, Puerto Rico (formerly known as Mylan LLC) Merged with Auro PR Inc w.e.f. May 22, 2022.
- Auro PR Inc, Puerto Rico
- Auro Science (Pty) Ltd., Australia ( liquidated w.e.f. June 4, 2023)
- Auro Science LLC, U.S.A
- Auro Steriles LLC, USA (dissolved w.e.f. September 30, 2022 and notified on November 16, 2022)
- Auro Trading Private Limited, India (w.e.f. November 22, 2023)
- Auro Vaccines LLC, USA
- Auro vaccines Private Limited, India
- Auroactive Pharma Private Limited, India
- Aurobindo Antibiotics Private Limited, India
- Aurobindo N.V. Belgium,
- Aurobindo Pharma (Italia) S.r.l, Italy
- Aurobindo Pharma (Malta) Limited, Malta
- Aurobindo Pharma (Pty) Limited, South Africa
- Aurobindo Pharma (Romania) S.r.l, Romania
- Aurobindo Pharma B.V., The Netherlands (formerly known as Actavis B.V.)
- Aurobindo Pharma Colombia S.A.S, Colombia

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- 36 Aurobindo Pharma FZ-LLC, Dubai
- 37 Aurobindo Pharma Industria Farmaceutica Ltda, Brazil
- 38 Aurobindo Pharma Japan K.K., Japan
- 39 Aurobindo Pharma Produtos Farmaceuticos Limitada, Brazil
- 40 Aurobindo Pharma Saudi Arabia Limited Company, Saudi Arabia
- 41 Aurobindo Pharma Ukraine LLC, Ukraine
- 42 Aurobindo Pharma USA Inc., USA
- 43 Aurogen South Africa (Pty) Ltd., South Africa
- 44 Aurolife Pharma LLC, USA
- 45 Auronext Pharma Private Limited, India ( Merged with Aurobindo Pharma Limited w e f April 1 2023)
- 46 Aurosaud SA De CV , Mexico
- 47 Aurovida Farmaceutica S.A. DE C.V., Mexico
- 48 Aurovitas Nederland B.V, The Netherlands
- 49 Aurovitas Pharma (Tazihou) Ltd., China
- 50 Aurovitas Pharma Polska, Sp. z o o, Poland
- 51 Aurovitas Spain SA (formerly Actavis Spain SA), Spain
- 52 Aurovitas Spol s.r.o (formerly Apotex (CR) Spol s.r.o.) , Czech Republic
- 53 AuroZest Private Limited, India
- 54 CuraTeq Biologics Private Limited, India
- 55 CuraTeQ Biologics s.r.o., Czech Republic
- 56 Eugia (UK) Limited, UK
- 57 Eugia Inc, USA
- 58 Eugia Injectable Inc, USA (closed w.e.f. April 26, 2022)
- 59 Eugia Pharma (Australia) PTY Limited, Australia
- 60 Eugia Pharma (Malta) Limited, Malta
- 61 Eugia Pharma B.V. ,The Netherlands
- 62 Eugia Pharma Colombia S.A.S., Colombia
- 63 Eugia Pharma INC, Canada
- 64 Eugia Pharma Industria Farmaceutica Limitada, Brazil
- 65 Eugia Pharma Specialities Limited, India
- 66 Eugia SEZ Private Limited, India (formerly known as Wytells Pharma Private Limited) Name changed w.e.f. September 2, 2022.
- 67 Eugia Steriles Private Limited, India (formerly know as Auro Cure Private Limited ) Name changed w.e.f. July 26, 2022.
- 68 Eugia US LLC, USA ( formerly known as Auro Medics Pharma LLC), U.S.A.) Name changed w.e.f. August 8, 2022
- 69 Eugia US Manufacturing LLC, USA
- 70 Generis Farmaceutica S.A, Portugal
- 71 Generis Phar Unipessoal Lda., Portugal

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- 72 GLS Pharma Limited, India (w.e.f. August 17, 2022)
- 73 Helix Healthcare B.V., The Netherlands
- 74 Laboratorios Aurobindo S.L., Spain (merged with Aurovitas spain w.e.f. April 1, 2023)
- 75 Leidapharm B.V, The Netherlands
- 76 Lyfius Pharma Private Limited, India
- 77 Marel B.V, The Netherlands
- 78 Milpharm Limited, UK
- 79 Mviyes Pharma Ventures Private Limited, India (merged with Aurobindo Pharma Limited w.e.f. April 1, 2023)
- 80 Pharma Dossier B.V, The Netherlands
- 81 Pharmacin B.V., The Netherlands (formerly Aurex B.V.)
- 82 PT Aurogen Pharma Indonesia, Indonesia (w.e.f. July 1, 2022)
- 83 Puren Pharma GmbH & Co., KG, Germany (formerly Actavis Deutschland GmbH & Co., KG)
- 84 Qule Pharma Private Limited, India
- 85 Sameko Farma B.V, The Netherlands
- 86 TheraNym Biologics Private Limited, India (w.e.f. September 22, 2022)
- 87 Vespyr Brands, Inc, USA (formerly known as Nurya Brands Inc)

Joint ventures

- 1 Luoxin Aurovitas Pharm (Chengdu) Co, Ltd., China
- 2 Novagen BBBEE Invest Co, (Pty) Ltd., South Africa
- 3 Novagen Pharma (Pty) Limited, South Africa (Joint Venture of a Subsidiary, Aurobindo Pharma (Pty) Limited, South Africa)
- 4 Purple Bellflower (Pty) Ltd., South Africa
- 5 Raidurgam Developers Limited, India (formerly known as Aurobindo Antibiotics limited, India)
- 6 Tergene Biotech Limited, India

In Associates

- 1 NVNR (Ramannapet I) Power Plant Private Limited, India
- 2 NVNR (Ramannapet II) Power Plant Private Limited, India

Enterprises over which key management personnel or their relatives exercise significant influence

- 1 Alcedo Pharmachem Private Limited, India
- 2 Ambipack Industries, India
- 3 Aurobindo Pharma Foundation (Trust), India
- 4 Aurobindo Pharma Foundation, India
- 5 Auro Infra Private Limited, India (formerly Aurobindo Realty & Infrastructure Private Limited, India)
- 6 Auropro Soft Systems Private Limited, India
- 7 Axis Clinicals Latina SA DE CV, Mexico
- 8 Axis Clinicals Limited, India
- 9 Axis Clinicals LLC, USA

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- 10 Crest Cellulose Private Limited, India (Upto July 4,2022)
- 11 East Pharma Technologies, India (Partnership firm)
- 12 Gelcaps Industries, India
- 13 Giyaan Pharma Private Limited, India
- 14 K Vijayaraghavan & Associates LLP, India
- 15 Orem Access Bio Inc, India
- 16 Pranit Packaging Private Limited, India
- 17 Pravesha Industries Private Limited, India
- 18 Sathguru Software Products Private limited, India
- 19 Sportz And Live Entertainment Private Limited, India
- 20 Sri Sai Packaging, India (Partnership firm)
- 21 Transaction Square LLP, India
- 22 Trident Chemphar Limited, India
- 23 Veritaz Healthcare Limited, India
- 24 Zoylo Digihealth Private Limited, India

Key managerial personnel

- 1 Mr. K. Nityananda Reddy, Vice chairman and Managing Director
- 2 Dr. M. Sivakumaran, Whole-time Director (Upto August 25, 2023)
- 3 Mr. M. Madan Mohan Reddy, Whole-time Director
- 4 Mr. P. Sarath Chandra Reddy, Non Executive Director (Whole-time Director upto November 12, 2022)
- 5 Mr. K. Ragunathan, Non-executive Chairman and Independent Director (Upto March 31, 2024)
- 6 Dr. (Mrs.) Avnit Bimal Singh, Independent Director (Upto February 11, 2024)
- 7 Mr. P. Venkata Ramprasad Reddy, Non Executive promoter director
- 8 Mrs. Savitha Mahajan, Independent Director
- 9 Mr. Girish Paman Vanvari, Independent Director
- 10 Mr. Santanu Mukherjee, Independent Director (w.e.f. February 9, 2023)
- 11 Dr. Satakarni Makkapati, Non-Executive Director (w.e.f. November 9, 2023)
- 12 Dr. Deepali Pant Josh, Independent Director (w.e.f. February 10, 2024)
- 13 Mr. Santhanam Subramanian, Chief Financial Officer
- 14 Mr. B. Adi Reddy, Company Secretary

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Transactions with related parties

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>a. Loans given and repayment thereof Transactions with subsidiaries and outstanding balances</b> |                                      |                                      |
| <b>APL Healthcare Limited, India</b>  |                                      |                                      |
| Receipt against loan and interest   | 2,117.5                              | 1,004.4                              |
| Interest accrued  | 17.1                                 | 4.8                                  |
| Loan given  | -                                    | 3,100.0                              |
| Balance receivable  | -                                    | 2,100.4                              |
| <b>Auro Vaccines Private Limited, India</b>   |                                      |                                      |
| Receipt against loan and interest   | 6.3                                  | 15.1                                 |
| Loan and interest converted into CCD  | 910.0                                | -                                    |
| Interest accrued  | 31.0                                 | 0.4                                  |
| Loan given  | 835.0                                | 60.0                                 |
| Balance receivable  | 10.0                                 | 60.3                                 |
| <b>Auroactive Pharma Private Limited, India</b>   |                                      |                                      |
| Receipt against loan and interest   | 957.7                                | -                                    |
| Loan and interest converted into CCD  | 1,370.0                              | -                                    |
| Interest accrued  | 55.0                                 | 2.7                                  |
| Loan given  | 2,040.0                              | 240.0                                |
| Balance receivable  | 10.0                                 | 242.7                                |
| <b>AuroZest Private Limited, India</b>  |                                      |                                      |
| Receipt against loan and interest   | -                                    | 14.5                                 |
| Loan and interest converted into CCD  | -                                    | 500.0                                |
| Interest accrued  | -                                    | 13.4                                 |
| <b>CurateQ Biologics Private Limited, India</b>   |                                      |                                      |
| Receipt against loan and interest   | 71.4                                 | 120.5                                |
| Loan and interest converted into CCD  | 4,150.0                              | -                                    |
| Interest accrued  | 208.2                                | 23.7                                 |
| Loan given  | 2,000.0                              | 2,110.0                              |
| Balance receivable  | -                                    | 2,013.2                              |
| <b>Eugia Steriles Private Limited, India (formerly known as Aurocure Private Limited)</b>           |                                      |                                      |
| Receipt against loan and interest   | 4,390                                | -                                    |
| Interest accrued  | 148.9                                | 169.2                                |
| Loan given  | 931.0                                | 2,695.0                              |
| Balance receivable  | 573.4                                | 3,883.2                              |
| <b>Eugia Pharma Specialities Limited, India</b>   |                                      |                                      |
| Receipt against loan and interest   | 5,000                                | -                                    |
| Interest accrued  | 945.6                                | 769.2                                |
| Loan given  | -                                    | 11,070.0                             |
| Balance receivable  | 11,024.4                             | 15,079.2                             |
| <b>Lyfius Pharma Private Limited, India</b>   |                                      |                                      |
| Receipt against loan and interest   | 6,685.3                              | 2,800.6                              |
| Loan and interest converted into CCD  | 7,500.0                              | 4,000.0                              |
| Interest accrued  | 196.5                                | 125.6                                |
| Loan given  | 11,660.0                             | 6,975.0                              |
| Balance receivable  | 150.1                                | 2,478.9                              |

## Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>Qule Pharma Private Limited, India</b>        |                                      |                                      |
| Receipt against loan and interest                | 150.0                                | 7.0                                  |
| Loan and interest converted into CCD             | -                                    | 1,300.0                              |
| Interest accrued                                 | 22.0                                 | 32.4                                 |
| Loan given                                       | 1,035.5                              | 100.0                                |
| Balance receivable                               | 1,008.3                              | 100.8                                |
| <b>Apitoria Pharma Private Limited, India</b>    |                                      |                                      |
| Receipt against loan and interest                | 3,502.8                              | -                                    |
| Interest accrued                                 | 34.5                                 | -                                    |
| Loan given                                       | 4,730.0                              | -                                    |
| Balance receivable                               | 1,261.7                              | -                                    |
| <b>TheraNym Biologics Private Limited, India</b> |                                      |                                      |
| Receipt against loan and interest                | -                                    | -                                    |
| Interest accrued                                 | 1.3                                  | -                                    |
| Loan given                                       | 222.0                                | -                                    |
| Balance receivable                               | 223.3                                | -                                    |

## Transactions with subsidiaries

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>b. Sale of products/purchases, services and other transactions</b> |                                      |                                      |
| <b>Acrotech Biopharma LLC, USA</b>                                    |                                      |                                      |
| Reimbursement of expenses received                                    | 0.4                                  | 0.3                                  |
| Reimbursement of expenses paid  | 3.0                                  | -                                    |
| <b>All Pharma (Shanghai) Trading Company Limited, China</b>           |                                      |                                      |
| Purchases   | 5.0                                  | 3.9                                  |
| Purchase of property, plant and equipment                             | -                                    | 22.2                                 |
| Reimbursement of expenses paid  | 3.3                                  | 13.8                                 |
| <b>APL Swift Services (Malta) Limited, Malta</b>                      |                                      |                                      |
| Sale of products  | 9,778.1                              | 6,993.5                              |
| Sales Commission  | 0.2                                  | 0.3                                  |
| Purchase of services  | 67.7                                 | 71.1                                 |
| Reimbursement of expenses received                                    | 5.2                                  | 2.3                                  |
| <b>APL Healthcare Limited, India</b>                                  |                                      |                                      |
| Sale of products  | 4,657.2                              | 8,137.5                              |
| Sale of fixed assets  | 0.1                                  | -                                    |
| Purchases   | 85.7                                 | 246.2                                |
| Purchase of property, plant and equipment                             | -                                    | 2.4                                  |
| Reimbursement of expenses received                                    | 1,408.3                              | 1,349.0                              |
| Rent received   | 7.1                                  | 7.1                                  |
| CCDs Converted to OCD   | 1,000.0                              | -                                    |
| Interest Accrued on OCDs  | 1.1                                  | -                                    |
| <b>APL Pharma Thai Limited, Thailand</b>                              |                                      |                                      |
| Sale of products  | 52.3                                 | 46.5                                 |
| <b>Arrow Generiques S.A.S., France</b>                                |                                      |                                      |
| Sale of products  | 3,097.9                              | 2,088.4                              |
| Purchases   | 0.1                                  | 0.2                                  |
| Reimbursement of expenses received                                    | 0.2                                  | 3.3                                  |

## Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>Aurobindo Pharma Produtos Farmaceuticos Ltda, Brazil</b>  |                                      |                                      |
| Sale of products   | -                                    | 83.1                                 |
| Reimbursement of expenses paid                               | -                                    | 1.2                                  |
| Sales Commission   | 19.4                                 | 20.6                                 |
| <b>Aurobindo Pharma USA Inc., USA</b>                        |                                      |                                      |
| Sale of products   | 41,735.7                             | 33,879.0                             |
| Reimbursement of expenses received                           | 69.1                                 | 58.0                                 |
| Dividend received  | 2,646.7                              | -                                    |
| Purchase of property, plant and equipment                    | 1.1                                  | 18.4                                 |
| Reimbursement of expenses paid                               | 393.8                                | 264.7                                |
| Purchase of samples  | 11.4                                 | 74.1                                 |
| <b>Aurobindo Pharma Industria Farmaceutica Ltda, Brazil</b>  |                                      |                                      |
| Sale of products   | 193.9                                | 225.8                                |
| Reimbursement of expenses paid                               | 5.1                                  | 12.3                                 |
| Dividend received  | -                                    | 1,648.6                              |
| <b>Auro Pharma Inc., Canada</b>                              |                                      |                                      |
| Sale of products   | 3,601.4                              | 3,417.6                              |
| Reimbursement of expenses received                           | 11.0                                 | 3.0                                  |
| Reimbursement of expenses paid                               | 0.1                                  | 6.3                                  |
| <b>Aurex B.V., The Netherlands (formerly Pharmacin B.V.)</b> |                                      |                                      |
| Sale of products   | 6.4                                  | 1.7                                  |
| Reimbursement of expenses received                           | -                                    | 0.1                                  |
| <b>Aurobindo Pharma (Pty) Limited, South Africa</b>          |                                      |                                      |
| Sale of products   | 111.4                                | 612.4                                |
| <b>Aurolife Pharma LLC, USA</b>                              |                                      |                                      |
| Sale of products   | 2.6                                  | (385.2)                              |
| Reimbursement of expenses received                           | 0.1                                  | 0.9                                  |
| Purchases  | 39.2                                 | 329.2                                |
| Purchase of property, plant and equipment                    | -                                    | 6.2                                  |
| <b>Aurobindo Pharma Japan K.K., Japan</b>                    |                                      |                                      |
| Sale of products   | 145.0                                | 513.1                                |
| Sales Commission   | 40.3                                 | 59.5                                 |
| <b>Aurobindo Pharma (Malta) Limited, Malta</b>               |                                      |                                      |
| Reimbursement of expenses paid                               | 24.1                                 | 16.1                                 |
| Reimbursement of expenses received                           | 0.1                                  | 0.1                                  |
| <b>Auro Medics Pharma LLC, USA</b>                           |                                      |                                      |
| Sale of products   | 930.0                                | 1,088.3                              |
| Reimbursement of expenses received                           | 10.9                                 | 0.1                                  |
| <b>Auro Peptides Limited, India</b>                          |                                      |                                      |
| Rent Received  | 13.8                                 | 13.1                                 |
| Reimbursement of expenses received                           | 67.8                                 | 61.4                                 |
| Investment in 9.5% cumulative redeemable preference shares   | 380.0                                | 420.0                                |
| Sale of products   | 0.1                                  | 0.6                                  |
| Purchases  | 43.0                                 | 19.7                                 |
| Sale of property, plant and equipment                        | -                                    | 43.9                                 |

## Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Aurovida Farmaceutica, SA DE CV, Mexico</b>                        |                                      |                                      |
| Sale of products  | 505.2                                | 1,318.5                              |
| Reimbursement of expenses received                                    | 1.1                                  | 1.1                                  |
| Reimbursement of expenses paid  | -                                    | 27.1                                 |
| <b>b. Sale of products/purchases, services and other transactions</b> |                                      |                                      |
| <b>Aurobindo Pharma Colombia S.A.S., Colombia</b>                     |                                      |                                      |
| Sale of products  | 341.6                                | 167.6                                |
| Reimbursement of expenses paid  | 13.4                                 | -                                    |
| <b>Aurobindo Pharma B.V. (formerly Actavis B.V.), The Netherlands</b> |                                      |                                      |
| Sale of products  | 626.4                                | 555.5                                |
| Reimbursement of expenses received                                    | 5.3                                  | 0.2                                  |
| Reimbursement of expenses paid  | 1.1                                  | -                                    |
| <b>Aurovitas Spain SAS, Spain</b>                                     |                                      |                                      |
| Sale of products  | 150.2                                | 52.4                                 |
| Reimbursement of expenses received                                    | 0.2                                  | 0.7                                  |
| <b>Aurobindo Pharma (Italia) S.r.l, Italy</b>                         |                                      |                                      |
| Sale of products  | 11.4                                 | 64.3                                 |
| Reimbursement of expenses received                                    | 0.1                                  | 0.1                                  |
| Reimbursement of expenses paid  | 0.3                                  | 0.5                                  |
| <b>Auro Health LLC, USA</b>   |                                      |                                      |
| Sale of products  | 2,470.1                              | 2,343.8                              |
| Reimbursement of expenses received                                    | 0.2                                  | -                                    |
| Purchases   | 51.2                                 | 13.2                                 |
| <b>Aurovitas Pharma Polska, Poland</b>                                |                                      |                                      |
| Reimbursement of expenses received                                    | 1.5                                  | 8.4                                  |
| Reimbursement of expenses paid  | 3.7                                  | -                                    |
| <b>Aurobindo Pharma (Romania) S.r.l, Romania</b>                      |                                      |                                      |
| Reimbursement of expenses paid  | -                                    | 0.1                                  |
| <b>Auro Active Pharma Private Limited, India</b>                      |                                      |                                      |
| Equity contribution   | 190.0                                | 580.0                                |
| Reimbursement of expenses received                                    | 1.0                                  | 1.0                                  |
| Rent received   | 6.4                                  | 6.4                                  |
| Sale of property, plant and equipment                                 | 7.5                                  | 5.5                                  |
| Sale of products  | 4.8                                  | 0.2                                  |
| Loan and interest converted into CCD                                  | 1,370.0                              | -                                    |
| <b>Auro Packaging LLC, USA</b>  |                                      |                                      |
| Purchase of property, plant and equipment                             | -                                    | 10.9                                 |
| <b>Aurobindo Pharma FZ LLC, Dubai</b>                                 |                                      |                                      |
| Sale of products  | 16.6                                 | 10.2                                 |
| Reimbursement of expenses paid  | 0.7                                  | -                                    |
| <b>Aurovitas Pharma (Taizhou) Ltd., China</b>                         |                                      |                                      |
| Sale of products  | 11.5                                 | 110.2                                |
| Reimbursement of expenses received                                    | 0.9                                  | 0.6                                  |
| <b>Aurozest Pvt. Ltd., India</b>                                      |                                      |                                      |
| Investment in Compulsory convertible debentures (CCD)                 | -                                    | 20.0                                 |
| Loan and interest converted into CCD                                  | -                                    | 500.0                                |

## Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>Aurobindo Pharma Saudi Arabia Limited, Saudi Arabia</b>                                 |                                      |                                      |
| Sale of products   | 35.1                                 | 73.7                                 |
| <b>Aurogen South Africa (PTY) Limited, South Africa</b>                                    |                                      |                                      |
| Sale of products   | 614.5                                | 111.8                                |
| <b>Auro Vaccines Private Limited, India</b>  |                                      |                                      |
| Reimbursement of expenses  | -                                    | 3.6                                  |
| Sale of fixed assets   | -                                    | 24.6                                 |
| Investment in Compulsorily convertible debentures (CCDs)                                   | 310.0                                | 3,960.0                              |
| Loan and interest converted into CCD   | 910.0                                | -                                    |
| <b>Auro PR Inc, Puerto Rico</b>  |                                      |                                      |
| Sale of products   | 4.6                                  | 4.2                                  |
| Reimbursement of expenses paid   | 2.0                                  | -                                    |
| Reimbursement of expenses received   | 1.7                                  | 17.2                                 |
| <b>Aurobindo NV, Belgium</b>   |                                      |                                      |
| Reimbursement of expenses received   | 0.2                                  | 0.1                                  |
| <b>Curateq Biologics Private Limited, India</b>  |                                      |                                      |
| Sale of products   | 0.1                                  | 0.2                                  |
| Sale of property, plant and equipment  | -                                    | 2.0                                  |
| Investment in Compulsory convertible debentures  | 5,700.0                              | 4,400.0                              |
| Loan and interest converted into CCD   | 4,150.0                              | -                                    |
| Corporate guarantee fee received   | 13.0                                 | 1.3                                  |
| Reimbursement of expenses received   | 0.8                                  | 3.7                                  |
| <b>Eugia Pharma Specialities Limited, India</b>  |                                      |                                      |
| Sale of products   | 927.6                                | 1,731.9                              |
| Purchases  | 13.9                                 | 32.3                                 |
| Purchase of intangible assets  | -                                    | 103.3                                |
| Purchase of property, plant and equipment  | -                                    | 2.4                                  |
| Sale of services   | 1,267.2                              | 662.7                                |
| Purchase of service  | 6.4                                  | 22.2                                 |
| Sale of property, plant and equipment  | 0.1                                  | -                                    |
| <b>Eugia Steriles Private Limited, India (formerly known as Auro Cure Private Limited)</b> |                                      |                                      |
| Sale of products   | 0.7                                  | 1.0                                  |
| Sale of services   | 1.0                                  | 1.0                                  |
| Sale of fixed assets   | -                                    | 1.5                                  |
| Corporate guarantee given  | -                                    | 650.0                                |
| Corporate guarantee fee received   | 1.3                                  | 1.4                                  |
| <b>Eugia Sez Private Limited, India (formerly known as Wytells Pharma Private Limited)</b> |                                      |                                      |
| Purchases  | 45.7                                 | 130.6                                |
| Sale of products   | 671.4                                | 851.6                                |
| Reimbursement of expenses received   | 0.5                                  | 1.1                                  |
| Purchase of property, plant and equipment  | -                                    | 0.1                                  |
| <b>Eugia Pharma (Malta) Limited, Malta</b>   |                                      |                                      |
| Sale of products   | 36.1                                 | 159.0                                |
| Reimbursement of expenses received   | 0.1                                  | -                                    |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Eugia Pharma Industria Farmaceutica Limitada, Brazil</b>           |                                      |                                      |
| Sale of products  | 420.5                                | 73.7                                 |
| Reimbursement of expenses paid  | 1.3                                  | -                                    |
| <b>Generis Farmaceutica SA, Portugal</b>                              |                                      |                                      |
| Sale of products  | 156.9                                | 226.0                                |
| Reimbursement of expenses received                                    | 0.1                                  | 0.1                                  |
| Purchases   | 0.2                                  | 4.0                                  |
| Reimbursement of expenses paid  | 4.4                                  | -                                    |
| <b>GLS Pharma Limited, India</b>                                      |                                      |                                      |
| Equity contribution   | -                                    | 280.5                                |
| Investment in optionally convertible debentures                       | 110.0                                | 40.0                                 |
| Interest accrued  | 9.6                                  | 0.7                                  |
| <b>Helix Healthcare B.V., The Netherlands</b>                         |                                      |                                      |
| Equity contribution   | -                                    | 1,183.3                              |
| <b>b. Sale of products/purchases, services and other transactions</b> |                                      |                                      |
| <b>Lyfius Pharma Private Limited, India</b>                           |                                      |                                      |
| Corporate guarantee fair value  | -                                    | 4.1                                  |
| Reimbursement of expenses received                                    | 2.1                                  | 2.6                                  |
| Sale of property, plant and equipment                                 | -                                    | 2.1                                  |
| Sale of products  | 4.9                                  | 0.1                                  |
| Corporate guarantee fee received                                      | -                                    | 0.7                                  |
| Investment in Compulsorily convertible debentures (CCDs)              | 350.0                                | 1,000.0                              |
| Loan and interest converted into CCD                                  | 7,500.0                              | 4,000.0                              |
| Corporate guarantee given   | 12,500.0                             | 2,500.0                              |
| Interest on corporate guarantee                                       | -                                    | 0.3                                  |
| <b>Milpharm Limited, UK</b>   |                                      |                                      |
| Sale of products  | 3,880.1                              | 3,164.8                              |
| Reimbursement of expenses paid  | 3.7                                  | 10.0                                 |
| Reimbursement of expenses received                                    | 0.8                                  | 0.5                                  |
| <b>Pharmacin B.V., The Netherlands (formerly Aurex B.V.)</b>          |                                      |                                      |
| Sale of products  | 14.2                                 | 34.3                                 |
| Sales Commission  | -                                    | 0.6                                  |
| <b>Puren Pharma GmbH &amp; Co., KG, Germany</b>                       |                                      |                                      |
| Reimbursement of expenses received                                    | 0.1                                  | 3.7                                  |
| <b>Qule Pharma Private Limited, India</b>                             |                                      |                                      |
| Investment in Compulsorily convertible debentures (CCDs)              | -                                    | 90.0                                 |
| Loan and interest converted into CCD                                  | -                                    | 1,300.0                              |
| Corporate guarantee given   | 1,140.0                              | -                                    |
| Sale of property, plant and equipment                                 | 7.7                                  | -                                    |
| <b>Eugia Pharma Inc, Canada</b>                                       |                                      |                                      |
| Sale of products  | 2.1                                  | -                                    |
| <b>Theranyln Biologics Private Limited</b>                            |                                      |                                      |
| Equity contribution   | 1.0                                  | -                                    |
| Corporate guarantee given   | 1,500.0                              | -                                    |
| Rent Received   | 0.8                                  | -                                    |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Apitoria Pharma Private Limited, India</b>   |                                      |                                      |
| Reimbursement of expenses paid  | 56.0                                 | -                                    |
| Purchase of Goods   | 10,488.7                             | -                                    |
| Purchase of property, plant and equipment   | 1.4                                  | -                                    |
| Sale of property, plant and equipment   | 1.4                                  | -                                    |
| Sale of products  | 2,282.3                              | -                                    |
| Reimbursement of expenses received  | 197.1                                | -                                    |
| Sale of services  | 60.0                                 | -                                    |
| Rent Received   | 104.2                                | -                                    |
| Equity contribution   | 989.0                                | -                                    |
| Investment in Compulsorily convertible debentures (CCDs)  | 38,000.0                             | -                                    |
| <b>Auro Trading Private Limited</b>   |                                      |                                      |
| Equity contribution   | 1.0                                  | -                                    |
| <b>Transactions with Joint Venture</b>  |                                      |                                      |
| <b>c. Sale/purchase of goods, services and other transactions</b>   |                                      |                                      |
| <b>Luoxin Aurovitas Pharma (Chengdu) Co., LTD. JVC, China</b>   |                                      |                                      |
| Sale of services  | 85.4                                 | -                                    |
| Sale of intangible assets   | -                                    | 61.6                                 |
| <b>Novagen Pharma (Pty) Limited, South Africa</b>   |                                      |                                      |
| Sale of products  | 109.9                                | 92.9                                 |
| <b>Raidurgam Developers Limited, India</b>  |                                      |                                      |
| Rent expenses including maintenance   | 303.9                                | 293.0                                |
| Rent deposit  | 15.1                                 | -                                    |
| Interest accrued  | 52.0                                 | 76.8                                 |
| <b>Tergene Biotech Limited, India</b>   |                                      |                                      |
| Investment in 10.5% Cumulative Redeemable Preference shares   | 39.5                                 | 41.0                                 |
| <b>Transactions with Associates</b>   |                                      |                                      |
| <b>c. Sale/purchase of goods, services and other transactions</b>   |                                      |                                      |
| <b>NVNR (Ramannapet I) Power Plant Private Limited, India</b>   |                                      |                                      |
| Purchase of power   | 123.8                                | 84.7                                 |
| <b>NVNR (Ramannapet II) Power Plant Private Limited, India</b>  |                                      |                                      |
| Purchase of power   | 95.9                                 | 80.6                                 |
| <b>d. Transactions with enterprises over which key management personnel or their relatives exercise significant influence</b> |                                      |                                      |
| <b>Alcedo Pharmachem Private Limited, India</b>   |                                      |                                      |
| Purchases   | 594.7                                | 447.8                                |
| <b>Ambipack Industries, India</b>   |                                      |                                      |
| Purchases   | -                                    | 176.3                                |
| <b>Aurobindo Pharma Foundation, India ( Sec.8 Company )</b>   |                                      |                                      |
| Contribution towards CSR activities   | 502.5                                | 554.5                                |
| <b>Auro Infra Private Limited ,India (formerly Aurobindo Realty &amp; Infrastructure Private Limited, India)</b>              |                                      |                                      |
| Purchase of capital goods   | -                                    | 23.9                                 |
| Purchases   | 540.4                                | -                                    |
| <b>Auropro Soft Systems Private Limited, India</b>  |                                      |                                      |
| Purchase of services  | 12.4                                 | 18.1                                 |
| <b>Axis Clinicals Limited, India</b>  |                                      |                                      |
| Purchase of services  | 694.7                                | 676.9                                |
| <b>Axis Clinicals Latina SA DE CV, Mexico</b>   |                                      |                                      |
| Purchase of services  | 2.7                                  | -                                    |
| <b>Axis Clinicals LLC, USA</b>  |                                      |                                      |
| Purchase of services  | 31.8                                 | 21.5                                 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Crest Cellulose Private limited, India</b>                           |                                      |                                      |
| Purchases   | -                                    | 42.7                                 |
| <b>East Pharma Technologies, India</b>                                  |                                      |                                      |
| Purchases   | 37.9                                 | 37.7                                 |
| <b>Giyaan Pharma Private Limited, India</b>                             |                                      |                                      |
| Sale of products  | 49.2                                 | 99.5                                 |
| <b>Gelcaps Industries, India</b>  |                                      |                                      |
| Purchases   | 865.2                                | 575.6                                |
| <b>K Vijayaraghavan &amp; Associates LLP, India</b>                     |                                      |                                      |
| Purchase of services  | 1.2                                  | 1.2                                  |
| <b>Orem Access Bio Inc, India</b>                                       |                                      |                                      |
| Purchases   | 278.2                                | 295.1                                |
| <b>Pravesha Industries Private Limited, India</b>                       |                                      |                                      |
| Sale of products  | -                                    | 0.3                                  |
| Purchases   | 3,703.8                              | 3,380.8                              |
| <b>Pranit Packaging Private Limited, India</b>                          |                                      |                                      |
| Purchases   | 352.3                                | 300.8                                |
| <b>Sathguru Software Products Private limited, India</b>                |                                      |                                      |
| Purchase of services  | 2.5                                  | 2.5                                  |
| <b>Sri Sai Packaging, India</b>   |                                      |                                      |
| Sale of products  | 0.3                                  | 0.5                                  |
| Purchases   | 289.7                                | 288.6                                |
| <b>Transaction Square LLP, India</b>                                    |                                      |                                      |
| Purchase of services  | 2.7                                  | 3.8                                  |
| <b>Trident Chemphar Limited, India</b>                                  |                                      |                                      |
| Purchases   | -                                    | 2,153.8                              |
| Purchase of services  | -                                    | 27.2                                 |
| <b>Veritaz Healthcare Limited, India</b>                                |                                      |                                      |
| Acquisition of business including certain assets                        | -                                    | 1,689.2                              |
| <b>e. Remuneration to key managerial personnel and their relatives</b>  |                                      |                                      |
| Short-term employee benefits  | 168.2                                | 165.4                                |
| Post employment benefits  | 2.9                                  | 2.7                                  |
| Director sitting fees   | 13.8                                 | 10.1                                 |
| <b>f. Transactions with key managerial personnel or their relatives</b> |                                      |                                      |
| Rent expense  | 3.3                                  | 3.1                                  |

Note:

- i) Managerial remuneration does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.
- ii) All transactions with related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances for trade receivable, trade payable and other payables are unsecured, interest free and settlement occurs in cash. The Company has not recorded any impairment of balances relating to amounts owed by related parties during the year ended March 31, 2024 (March 31, 2023), provision for bad and doubtful debts will be made on an aggregate basis i.e. not specific to party. The assessment is undertaken each financial year through evaluating the financial position of the related party and the market in which the related party operates.
- iii) Transactions disclosed above includes those relating to discontinued operations also.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Name of the Companies  | Closing Balance as at<br>March 31 |           | Maximum outstanding at any time<br>during the year ended March 31 |           |
|--|-----------------------------------|-----------|---|-----------|
|  | 2024<br>₹                         | 2023<br>₹ | 2024<br>₹   | 2023<br>₹ |
| <b>g. Loans to subsidiaries - Maximum amount outstanding</b>                       |                                   |           |   |           |
| APL Health Care Limited, India   | -                                 | 2,100.4   | 2,100.4   | 2,100.4   |
| Auro Zest Pvt. Ltd., India   | -                                 | -         |   | 508.8     |
| Lyfius Pharma Private Limited, India   | 150.1                             | 2,478.9   | 7,545.4   | 4,393.7   |
| Eugia Steriles Private Limited, India (formerly known as Aurocure Private Limited) | 573.5                             | 3,883.2   | 4,878.7   | 3,883.2   |
| Qule Pharma Private Limited, India   | 1,008.3                           | 100.8     | 1,008.3   | 1,295.9   |
| Eugia Pharma specialites Ltd., India   | 11,024.4                          | 15,079.2  | 15,802.4  | 15,079.2  |
| Auro Vaccines Private Limited, India   | 10.0                              | 60.3      | 911.3   | 60.3      |
| CuraTeq Biologics Pvt. Ltd., India   | -                                 | 2,013.3   | 4,158.8   | 2,013.2   |
| Auroactive Pharma Private Limited, India   | 10.0                              | 242.7     | 1,414.0   | 242.7     |
| Apitoria Pharma Private Limited, India   | 1,261.8                           | -         | 2,730.3   | -         |
| TheraNym Biologics Private Limited, India  | 223.3                             | -         | 223.3   | -         |

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>h. Balances with Subsidiaries at the year end (excluding loan balances as mentioned in point a. above)</b> |                         |                         |
| <b>All Pharma (Shanghai) Trading Company Limited, China</b>   |                         |                         |
| Balance payable   | 0.7                     | 31.8                    |
| <b>APL Pharma Thai Limited, Thailand</b>  |                         |                         |
| Balance receivable  | -                       | 14.0                    |
| <b>APL Healthcare Limited, India</b>  |                         |                         |
| Balance receivable  | 532.5                   | 1,880.1                 |
| Balance receivable- Interest accrued on debentures  | 6.2                     | -                       |
| Other Payable   | 250.4                   | 10.5                    |
| <b>APL Swift Services (Malta) Limited, Malta</b>  |                         |                         |
| Balance receivable  | 5,034.1                 | 2,790.4                 |
| Balance payable   | 33.6                    | 70.2                    |
| <b>Arrow Generiques S.A.S., France</b>  |                         |                         |
| Balance receivable  | 1,407.4                 | 6.6                     |
| <b>Aurobindo Pharma Produtos Farmaceuticos Ltda, Brazil</b>   |                         |                         |
| Balance receivable  | -                       | 14.8                    |
| Balance payable   | -                       | 2.1                     |
| <b>Aurobindo Pharma USA Inc., USA</b>   |                         |                         |
| Balance receivable  | 12,163.8                | 13,244.9                |
| Balance payable   | -                       | 264.6                   |
| <b>Aurobindo Pharma Industria Farmaceutica Ltda, Brazil</b>   |                         |                         |
| Balance receivable  | 46.5                    | 16.4                    |
| Balance payable   | 5.1                     | 6.9                     |
| <b>Auro Pharma Inc., Canada</b>   |                         |                         |
| Balance receivable  | 2,704.9                 | 2,418.9                 |
| Balance payable   | -                       | 6.3                     |
| <b>Aurobindo Pharma (Pty) Limited, South Africa</b>   |                         |                         |
| Balance receivable  | 16.8                    | 216.6                   |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Aurolife Pharma LLC, USA</b>  |                         |                         |
| Balance receivable   | 0.1                     | 8.4                     |
| Balance payable  | 415.4                   | 168.3                   |
| <b>Aurobindo Pharma Japan K.K., Japan</b>                                |                         |                         |
| Balance receivable   | -                       | 164.8                   |
| Balance payable  | -                       | 5.1                     |
| <b>Aurobindo Pharma (Malta) Limited, Malta</b>                           |                         |                         |
| Balance receivable   | -                       | 0.1                     |
| Balance payable  | 10.7                    | 10.5                    |
| <b>Eugia US LLC , USA (formerly known as Auromedics Pharma LLC, USA)</b> |                         |                         |
| Balance receivable   | 208.5                   | 452.3                   |
| <b>Auro Peptides Limited, India</b>                                      |                         |                         |
| Balance receivable   | 7.2                     | 10.5                    |
| Balance payable  | 8.9                     | 2.3                     |
| <b>Aurovida Farmaceutica, SA DE CV, Mexico</b>                           |                         |                         |
| Balance receivable   | 828.4                   | 1,035.0                 |
| Balance payable  | -                       | 14.9                    |
| <b>Aurobindo Pharma B.V., The Netherlands</b>                            |                         |                         |
| Balance receivable   | 317.6                   | 159.7                   |
| <b>Aurobindo Pharma Colombia S.A.S., Colombia</b>                        |                         |                         |
| Balance receivable   | 248.2                   | 114.6                   |
| <b>Aurobindo Pharma (Italia) S.r.l, Italy</b>                            |                         |                         |
| Balance receivable   | 1.1                     | 36.6                    |
| <b>Auro Health LLC, USA</b>  |                         |                         |
| Balance receivable   | 488.8                   | 1,173.4                 |
| Balance payable  | 3.3                     | -                       |
| <b>Aurovitas Pharma Polska, Poland</b>                                   |                         |                         |
| Balance receivable   | 1.4                     | 8.3                     |
| <b>Aurovitas Spain SAS, Spain</b>  |                         |                         |
| Balance receivable   | 48.8                    | 43.9                    |
| <b>Aurex B.V, The Netherlands</b>  |                         |                         |
| Balance receivable   | -                       | 0.1                     |
| Balance payable  | 0.8                     | -                       |
| <b>Aurobindo Pharma FZ LLC, Dubai</b>                                    |                         |                         |
| Balance receivable   | 19.1                    | 10.4                    |
| <b>Aurovitas Pharma Taizhou Co., Ltd., China</b>                         |                         |                         |
| Balance receivable   | 0.7                     | 131.2                   |
| Other Receivable   | 0.9                     | -                       |
| <b>Auro Vaccines Private Limited, India</b>                              |                         |                         |
| Balance receivable (payment made on behalf of)                           | -                       | 24.6                    |
| Other Receivable   | 35.4                    | -                       |
| Balance receivable- Interest accrued on debentures                       | 1.0                     | -                       |
| <b>Auro Active Pharma Private Limited, India</b>                         |                         |                         |
| Balance receivable   | 4.4                     | 0.1                     |
| <b>Aurobindo Pharma Saudi Arabia Limited, Saudi Arabia</b>               |                         |                         |
| Balance receivable   | -                       | 17.0                    |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Aurogen South Africa (PTY) Limited, South Africa</b>                                    |                         |                         |
| Balance receivable   | 424.4                   | 97.1                    |
| <b>Auro PR Inc, Puerto Rico</b>  |                         |                         |
| Balance receivable   | -                       | 2.4                     |
| Balance payable  | 4.5                     | -                       |
| <b>Auro Packaging LLC, USA</b>   |                         |                         |
| Balance payable  | -                       | 10.9                    |
| <b>Curateq Biologics Private Limited, India</b>  |                         |                         |
| Balance receivable   | 12.0                    | 5.3                     |
| Balance receivable- Interest accrued on debentures   | 4.7                     | -                       |
| Balance payable  | -                       | 0.8                     |
| Corporate guarantee balance  | 1,500.0                 | 1,500.0                 |
| <b>Eugia Pharma Specialities Limited, India</b>  |                         |                         |
| Balance receivable   | 648.8                   | 1,138.5                 |
| Balance payable  | -                       | 1.9                     |
| Other payable  | 605.4                   | -                       |
| <b>Eugia Steriles Private Limited, India (formerly known as Auro Cure Private Limited)</b> |                         |                         |
| Balance receivable   | 0.3                     | 1.9                     |
| Corporate guarantee balance  | -                       | 1,650.0                 |
| <b>Eugia Sez Private Limited, India (formerly known as Wytells Pharma Private Limited)</b> |                         |                         |
| Balance receivable   | 3.1                     | 557.7                   |
| Balance payable  | 20.3                    | 9.8                     |
| <b>Eugia Pharma (Malta) Limited, Malta</b>   |                         |                         |
| Balance receivable   | 13.2                    | 123.7                   |
| <b>Eugia Pharma Industria Farmaceutica Limitada, Brazil</b>                                |                         |                         |
| Balance receivable   | 328.4                   | 54.2                    |
| Balance payable  | 1.3                     | -                       |
| <b>Generis Farmaceutica SA, Portugal</b>   |                         |                         |
| Balance receivable   | 13.5                    | 69.0                    |
| Balance payable  | -                       | 4.3                     |
| <b>GLS Pharma Limited, India</b>   |                         |                         |
| Balance receivable- Interest accrued on debentures   | 9.4                     | 0.7                     |
| <b>Lyfius Pharma Private Limited, India</b>  |                         |                         |
| Balance receivable- Interest accrued on debentures   | 1.4                     | 0.7                     |
| Corporate guarantee balance  | 12,500.0                | 1,500.0                 |
| <b>Milpharm Limited, UK</b>  |                         |                         |
| Balance receivable   | 1,457.1                 | 1,278.5                 |
| Balance payable  | 2.3                     | 4.3                     |
| <b>Puren Pharma GmbH &amp; Co., KG, Germany</b>  |                         |                         |
| Balance receivable   | -                       | 2.4                     |
| <b>Aurobindo N.V. Belgium</b>  |                         |                         |
| Balance receivable   | 0.2                     | -                       |
| <b>Eugia Pharma Inc, Canada</b>  |                         |                         |
| Balance receivable   | 2.1                     | -                       |
| <b>Apitoria Pharma Private Limited, India</b>  |                         |                         |
| Balance receivable   | 1,004.0                 | -                       |
| Other Receivable   | 125.9                   | -                       |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Balance receivable-Interest accrued on debentures  | 1.6                     |                         |
| Balance payable  | 6,219.6                 | -                       |
| Balance payable-Others   | 1,892.4                 | -                       |
| <b>Acrotech Biopharma LLC</b>  |                         |                         |
| Balance payable  | 3.0                     | -                       |
| <b>AuroZest Private Limited, India</b>   |                         |                         |
| Balance receivable- Interest accrued on debentures   | 0.1                     | -                       |
| <b>Qule Pharma Private Limited, India</b>  |                         |                         |
| Balance receivable- Interest accrued on debentures   | 0.3                     | -                       |
| Corporate guarantee balance  | 1,140.0                 | -                       |
| <b>TheraNym Biologics Private Limited</b>  |                         |                         |
| Corporate guarantee balance  | 1,500.0                 | -                       |
| Balance receivable   | 0.6                     | -                       |
| Other Receivable   | 1.2                     | -                       |
| Note: For closing balance of investments and provision for diminution in value of investments, refer note 4.                               |                         |                         |
| <b>i. Balances with Joint venture at the year end</b>  |                         |                         |
| <b>Luoxin Aurovitas Pharma(Chengdu) Co., LTD. JVC, China</b>   |                         |                         |
| Receivable for capital assets  | -                       | 61.6                    |
| <b>Novagen Pharma (Pty) Limited, South Africa</b>  |                         |                         |
| Balance receivable   | 32.6                    | 27.9                    |
| <b>Raidurgam Developers Limited, India</b>   |                         |                         |
| Balance receivable- Interest accrued on debentures   | 21.6                    | 19.7                    |
| Rent deposit Receivable  | 116.0                   | 100.8                   |
| Balance payable  | 5.3                     | 4.0                     |
| <b>Tergene Biotech Limited, India</b>  |                         |                         |
| Balance receivable – Others  | 7.9                     | -                       |
| <b>j. Balances with enterprises over which key management personnel or their relatives exercise significant influence at the year end.</b> |                         |                         |
| <b>Alcedo Pharmachem Private Limited, India</b>  |                         |                         |
| Balance payable  | 76.0                    | 51.1                    |
| <b>Ambipack Industries, India</b>  |                         |                         |
| Balance payable  | -                       | 22.3                    |
| <b>Auro Infra Private Limited<br/>(formerly Aurobindo Realty &amp; Infrastructure Private Limited, India)</b>                              |                         |                         |
| Balance payable  | 5.8                     | 22.7                    |
| <b>Aurobindo Foundation(Trust), India</b>  |                         |                         |
| Corporate guarantee outstanding  | 990.0                   | 990.0                   |
| <b>Axis Clinicals Limited, India</b>   |                         |                         |
| Balance payable  | 155.6                   | 154.0                   |
| <b>East Pharma Technologies, India</b>   |                         |                         |
| Balance payable  | 3.9                     | 6.4                     |
| <b>Gelcaps Industries, India</b>   |                         |                         |
| Balance payable  | 230.1                   | 116.1                   |
| <b>Giyaan Pharma Private Limited, India</b>  |                         |                         |
| Balance receivable   | 0.2                     | 71.6                    |
| <b>Orem Access Bio Inc, India</b>  |                         |                         |
| Balance payable  | 84.7                    | 71.0                    |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>Pranit Packaging Private Limited, India</b>                |                         |                         |
| Balance payable   | 39.1                    | 46.5                    |
| <b>Pravesha Industries Private Limited, India</b>             |                         |                         |
| Balance payable   | 907.0                   | 914.1                   |
| <b>Sri Sai Packaging, India</b>                               |                         |                         |
| Balance payable   | 29.5                    | 30.4                    |
| <b>Transaction Square LLP, India</b>                          |                         |                         |
| Balance payable   | 2.0                     | 2.4                     |
| <b>Trident Chemphar Limited, India</b>                        |                         |                         |
| Balance payable   | -                       | 25.1                    |
| <b>Balances with Associates</b>                               |                         |                         |
| <b>NVNR (Ramannapet I) Power Plant Private Limited, India</b> |                         |                         |
| Balance receivable  | 8.2                     | -                       |
| <b>Balances with key managerial personnel at the year end</b> |                         |                         |
| <b>Mr. K Nityananda Reddy</b>                                 |                         |                         |
| Balance payable   | -                       | 0.2                     |

38. HEDGING ACTIVITIES AND DERIVATIVES - DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one week to twelve months.

39. CAPITAL MANAGEMENT

For the purpose of the Company’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company’s capital management is to maximise the shareholder value.

The Company monitors capital using 'adjusted net debt to total equity ratio'. For this purpose, adjusted net debt is defined as total borrowings, less cash and cash equivalents and other bank balances.

The Company’s adjusted net debt to total equity was as follows:

|                                 | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Total borrowings                | 28,178.4                | 41,425.7                |
| Less: cash and cash equivalents | (833.2)                 | (3,571.3)               |
| Less: other bank balances       | (110.2)                 | (162.8)                 |
| Net debt                        | 27,235.0                | 37,691.6                |
| Total equity                    | 197,228.2               | 180,340.3               |
| Net debt to total equity ratio  | 0.1                     | 0.2                     |

40. SEGMENT REPORTING

In accordance with Indian Accounting Standard (Ind AS) 108 on 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 this financial statements.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

41. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

A. Accounting classifications and fair value hierarchy

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their fair value hierarchy.

March 31, 2024

| Particulars                                      | Notes       | Carrying amount |                |                       | Fair value |         |         |       |
|--|-------------|-----------------|----------------|-----------------------|------------|---------|---------|-------|
|  |             | FVTPL           | Amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| Financial assets measured at fair value          |             |                 |                |                       |            |         |         |       |
| Non-current investments in others                | 4(A)        | 151.2           | -              | 151.2                 | -          | -       | 151.2   | 151.2 |
| Non-current investments in government securities | 4(A)        | 0.2             | -              | 0.2                   | -          | -       | 0.2     | 0.2   |
| Current investments                              | 4(B)        | 0.1             | -              | 0.1                   | 0.1        | -       | -       | 0.1   |
| Derivatives - foreign currency forward contracts | 7(B)        | -               | -              | -                     | -          | -       | -       | -     |
|  |             | 151.5           | -              | 151.5                 | 0.1        | -       | 151.4   | 151.5 |
| Financial assets not measured at fair value      |             |                 |                |                       |            |         |         |       |
| Non-current investments in subsidiaries and JVs  | 4(A)        | -               | 2,254.8        | 2,254.8               |            |         |         |       |
| Trade receivables                                | 6(A)&6(B)   | -               | 37,765.9       | 37,765.9              |            |         |         |       |
| Loans  | 5(A)&5(B)   | -               | 14,340.7       | 14,340.7              |            |         |         |       |
| Cash and bank balances                           | 12(A)&12(B) | -               | 943.4          | 943.4                 |            |         |         |       |
| Other financial assets                           | 7(A)&7(B)   | -               | 2,624.8        | 2,624.8               |            |         |         |       |
|  |             | -               | 57,929.6       | 57,929.6              |            |         |         |       |
| Financial liabilities not measured at fair value |             |                 |                |                       |            |         |         |       |
| Borrowings                                       | 15(A)       | -               | 28,178.4       | 28,178.4              |            |         |         |       |
| Trade payables                                   | 17          | -               | 17,892.3       | 17,892.3              |            |         |         |       |
| Other current financial liabilities              | 18          | -               | 4,171.0        | 4,171.0               |            |         |         |       |
| Lease liabilities                                | 30(A)       | -               | 429.0          | 429.0                 |            |         |         |       |
|  |             | -               | 50,670.7       | 50,670.7              |            |         |         |       |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

March 31, 2023

| Particulars                                      | Notes       | Carrying amount |                |                       | Fair value |         |         |       |
|--|-------------|-----------------|----------------|-----------------------|------------|---------|---------|-------|
|  |             | FVTPL           | Amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| Financial assets measured at fair value          |             |                 |                |                       |            |         |         |       |
| Non-current investments in others                | 4(A)        | 151.2           | -              | 151.2                 | -          | -       | 151.2   | 151.2 |
| Non-current investments in government securities | 4(A)        | 0.2             | -              | 0.2                   | -          | -       | 0.2     | 0.2   |
| Current investments                              | 4(B)        | 0.1             | -              | 0.1                   | 0.1        | -       | -       | 0.1   |
| Derivatives - foreign currency forward contracts | 7(B)        | 87.7            | -              | 87.7                  | -          | 87.7    | -       | 87.7  |
|  |             | 239.2           | -              | 239.2                 | 0.1        | 87.7    | 151.4   | 239.2 |
| Financial assets not measured at fair value      |             |                 |                |                       |            |         |         |       |
| Non-current investments in subsidiaries and JVs  | 4(A)        | -               | 45,373.8       | 45,373.8              |            |         |         |       |
| Trade receivables                                | 6(B)        | -               | 45,602.6       | 45,602.6              |            |         |         |       |
| Loans  | 5(A)&5(B)   | -               | 26,092.9       | 26,092.9              |            |         |         |       |
| Cash and bank balances                           | 12(A)&12(B) | -               | 3,709.2        | 3,709.2               |            |         |         |       |
| Other financial assets                           | 7(A)&7(B)   | -               | 660.0          | 660.0                 |            |         |         |       |
|  |             | -               | 121,438.5      | 121,438.5             |            |         |         |       |
| Financial liabilities not measured at fair value |             |                 |                |                       |            |         |         |       |
| Borrowings                                       | 15(A)       | -               | 41,425.7       | 41,425.7              |            |         |         |       |
| Trade payables                                   | 17          | -               | 22,022.9       | 22,022.9              |            |         |         |       |
| Other current financial liabilities              | 18          | -               | 1,023.2        | 1,023.2               |            |         |         |       |
| Lease liabilities                                | 30(A)       | -               | 605.9          | 605.9                 |            |         |         |       |
|  |             | -               | 65,077.7       | 65,077.7              |            |         |         |       |

B. Measurement of fair values

i. Valuation technique and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used:

| Type                       | Valuation technique  | Significant unobservable inputs  | Inter-relationship between significant unobservable inputs and fair value   |
|----------------------------|--|--|---|
| Forward exchange contracts | Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency. | Not applicable   | Not applicable  |
| Equity investments         | Discounted cash flow method  | Forecast annual revenue growth rate (5%-9%)<br>Forecast EBIT (13%-15%)<br>Terminal growth rate- 5% | - The estimated fair value would increase (decrease) if the EBIT margin were higher (lower)<br>- Generally a change in annual revenue growth rate is accompanied by a directionally similar change in EBIT margin |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

ii. Transfer between Level 1 and 2

There have been no transfers between Level 1 and Level 2 or vice-versa in 2023-24 and no transfers in either direction in 2022-23.

C. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks being faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the audit committee.

The Company is exposed primarily to credit risk, liquidity risk and market risk (including fluctuations in foreign currency exchange rates , interest rate risk and other price risk). The Company uses derivative financial instruments such as forwards to minimise any adverse effect on its financial performance.

i. 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. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

Credit risk is controlled by analysing credit limits and credit worthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, loans and other financial assets. The Company establishes an allowance for doubtful receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Management also evaluates the factors that may influence the credit risk of its customer base, including the default risk and country in which the customers operate. The Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms are offered. The Company's review includes external ratings, if available, financial statements, credit agency information, industry information and in some case bank references. Sales limits are established for each customer and reviewed quarterly.

The Company's receivables turnover is quick and historically, there was no significant default on account of trade and other receivables. The Company assesses at each reporting date whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Set out below is the information about the credit risk exposure of the Company's trade receivables using provision matrix:

| Trade receivables         | As at March 31, 2024 |                       |                         |                     | As at March 31, 2023 |                       |                         |                     |
|---------------------------|----------------------|-----------------------|-------------------------|---------------------|----------------------|-----------------------|-------------------------|---------------------|
|                           | ECL Rate             | Gross carrying amount | ECL simplified approach | Net Carrying Amount | ECL Rate             | Gross Carrying amount | ECL simplified Approach | Net carrying Amount |
| Not due                   | 0.3%                 | 31,960.9              | 102.0                   | 31,858.9            | 0.1%                 | 38,050.6              | 35.5                    | 38,015.1            |
| below 90 days past due    | 0.4%                 | 4,032.6               | 14.2                    | 4,018.4             | 0.6%                 | 6,352.4               | 35.1                    | 6,317.3             |
| 91 to 180 days past due   | 3.4%                 | 1,091.8               | 36.6                    | 1,055.2             | 2.5%                 | 797.0                 | 20.2                    | 776.8               |
| 181 to 270 days past due  | 6.5%                 | 451.4                 | 29.2                    | 422.2               | 8.2%                 | 271.1                 | 22.3                    | 248.8               |
| 271 to 360 days past due  | 9.7%                 | 201.8                 | 19.6                    | 182.2               | 8.0%                 | 62.3                  | 5.0                     | 57.3                |
| 361 to 450 days past due  | 20.1%                | 54.8                  | 11.0                    | 43.8                | 19.3%                | 70.4                  | 13.6                    | 56.8                |
| 451 to 540 days past due  | 24.5%                | 137.9                 | 33.8                    | 104.1               | 14.3%                | 80.0                  | 11.5                    | 68.5                |
| 541 to 630 days past due  | 44.4%                | 50.9                  | 22.6                    | 28.3                | 39.3%                | 48.2                  | 19.0                    | 29.2                |
| 631 to 720 days past due  | 53.1%                | 14.3                  | 7.6                     | 6.7                 | 50.8%                | 28.6                  | 14.5                    | 14.1                |
| 721 to 810 days past due  | 38.5%                | 68.0                  | 26.2                    | 41.8                | 41.2%                | 22.6                  | 9.3                     | 13.3                |
| 811 to 900 days past due  | 76.7%                | 3.0                   | 2.3                     | 0.7                 | 85.7%                | 8.0                   | 6.8                     | 1.2                 |
| 901 to 990 days past due  | 90.4%                | 37.5                  | 33.9                    | 3.6                 | 82.1%                | 23.2                  | 19.1                    | 4.1                 |
| 991 to 1081 days past due | 100.0%               | 4.4                   | 4.4                     | -                   | 98.3%                | 6.7                   | 6.6                     | 0.1                 |
| above 1081 days past due  | 100.0%               | 486.9                 | 486.9                   | -                   | 100.0%               | 596.0                 | 596.0                   | -0.0                |
| Total                     |                      | 38,596.2              | 830.3                   | 37,765.9            |                      | 46,417.1              | 814.5                   | 45,602.6            |

Reconciliation of loss allowance on trade receivables:

| Particulars                         | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Loss allowance as at 1 April        | 814.5                             | 649.9                             |
| Net remeasurement of loss allowance | 70.6                              | 166.9                             |
| Amount written off                  | 54.8                              | 2.3                               |
| Loss allowance as at 31 March       | 830.3                             | 814.5                             |

Loan given to subsidiaries

Credit risk related to loan given to subsidiaries is not expected to be material.

Other financial assets

The Company maintains exposure in cash and cash equivalents and derivative instruments with financial institutions. The Company has loan receivables outstanding from its wholly owned subsidiaries amounting to ₹ 14,261.4 (March 31, 2023 : ₹ 25,958.8 ).

The Company's maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of each class of financial assets.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The following are the remaining contractual maturities of financial liabilities at reporting date:

| As at March 31, 2024                         | Carrying amount | Contractual cash flows |              |           |          |
|--|-----------------|------------------------|--------------|-----------|----------|
|  |                 | < 12 months            | 1 to 5 years | > 5 years | Total    |
| <b>Non-derivative financial liabilities*</b> |                 |                        |              |           |          |
| Current borrowings                           | 28,178.4        | 28,178.4               | -            | -         | 28,178.4 |
| Trade payables                               | 17,892.3        | 17,892.3               | -            | -         | 17,892.3 |
| Other current financial liabilities          | 4,171.0         | 4,171.0                | -            | -         | 4,171.0  |

\* Excludes lease liabilities. Refer note 30(A) for contractual cashflows relating to leases

| As at March 31, 2023                         | Carrying amount | Contractual cash flows |              |           |          |
|--|-----------------|------------------------|--------------|-----------|----------|
|  |                 | < 12 months            | 1 to 5 years | > 5 years | Total    |
| <b>Non-derivative financial liabilities*</b> |                 |                        |              |           |          |
| Current borrowings                           | 41,425.7        | 41,425.7               | -            | -         | 41,425.7 |
| Trade payables                               | 22,022.9        | 22,022.9               | -            | -         | 22,022.9 |
| Other current financial liabilities          | 1,023.2         | 1,023.2                | -            | -         | 1,023.2  |

\* Excludes lease liabilities. Refer note 30(A) for contractual cashflows relating to leases

iii. 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. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

a) Foreign currency risk:

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company is subject to foreign exchange risk primarily due to its foreign currency revenues, expenses and borrowings. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro and GBP against the functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Company has a treasury team which evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and advises the Management of any material adverse effect on the Company. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on foreign exchange risk from derivative instruments and non derivative instruments is as follows:

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

The summary of quantitative data about the Company's exposure to currency risk as reported to the management is as follows:

As at March 31, 2024

| Particulars  | Amount in ₹       |                |                |                |                  |
|--|-------------------|----------------|----------------|----------------|------------------|
|  | USD               | Euro           | GBP            | Others         | Total            |
| <b>Financial assets</b>  |                   |                |                |                |                  |
| Trade receivables  | 21,356.5          | 8,053.9        | 1,456.8        | 2,936.9        | 33,804.1         |
| Cash and bank balances   | 154.7             | 51.1           | 15.6           | 4.3            | 225.7            |
| <b>Total</b>   | <b>21,511.2</b>   | <b>8,105.0</b> | <b>1,472.4</b> | <b>2,941.2</b> | <b>34,029.8</b>  |
| <b>Less:</b>   |                   |                |                |                |                  |
| Derivatives - foreign currency forward contracts                   | (5,589.3)         | (943.7)        | -              | -              | (6,533.0)        |
| <b>Net exposure in financial assets</b>                            | <b>15,921.9</b>   | <b>7,161.3</b> | <b>1,472.4</b> | <b>2,941.2</b> | <b>27,496.8</b>  |
| <b>Financial liabilities</b>                                       |                   |                |                |                |                  |
| Borrowings including current maturities of non-current borrowings  | 26,291.4          | 1,887.0        | -              | -              | 28,178.4         |
| Trade payables (including capital creditors)                       | 5,181.3           | 365.3          | 8.5            | 13.6           | 5,568.7          |
| Interest accrued but not due on borrowings                         | 13.7              | 7.2            | -              | -              | 20.8             |
|  | <b>31,486.4</b>   | <b>2,259.5</b> | <b>8.5</b>     | <b>13.6</b>    | <b>33,767.9</b>  |
| <b>Less:</b>   |                   |                |                |                |                  |
| Derivatives - foreign currency forward contracts                   | -                 | (656.1)        | (462.1)        | -              | (1,118.2)        |
| <b>Net exposure in financial liabilities</b>                       | <b>31,486.4</b>   | <b>1,603.4</b> | <b>(453.6)</b> | <b>13.6</b>    | <b>32,649.7</b>  |
| <b>Net exposure in respect of recognised assets/ (liabilities)</b> | <b>(15,564.5)</b> | <b>5,557.9</b> | <b>1,926.0</b> | <b>2,927.6</b> | <b>(5,153.0)</b> |

As at March 31, 2023

| Particulars                                      | Amount in ₹     |                |                |                |                 |
|--|-----------------|----------------|----------------|----------------|-----------------|
|  | USD             | Euro           | GBP            | Others         | Total           |
| <b>Financial assets</b>                          |                 |                |                |                |                 |
| Trade receivables including capital goods sale   | 27,548.2        | 4,222.0        | 1,278.4        | 2,802.4        | 35,851.0        |
| Cash and bank balances                           | 544.8           | 303.7          | 121.3          | 6.3            | 976.1           |
| <b>Total</b>                                     | <b>28,093.0</b> | <b>4,525.7</b> | <b>1,399.7</b> | <b>2,808.7</b> | <b>36,827.1</b> |
| <b>Less:</b>                                     |                 |                |                |                |                 |
| Derivatives - foreign currency forward contracts | (2,085.1)       | -              | (609.9)        | (691.9)        | (3,386.9)       |
| <b>Net exposure in financial assets</b>          | <b>26,007.9</b> | <b>4,525.7</b> | <b>789.8</b>   | <b>2,116.8</b> | <b>33,440.2</b> |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars  | Amount in ₹      |                  |                |                |                   |
|--|------------------|------------------|----------------|----------------|-------------------|
|  | USD              | Euro             | GBP            | Others         | Total             |
| <b>Financial liabilities</b>                                       |                  |                  |                |                |                   |
| Borrowings including current maturities of non-current borrowings  | 28,594.5         | 9,635.1          | 996.1          | -              | 39,225.7          |
| Trade payables (including capital creditors)                       | 7,645.2          | 315.5            | 7.9            | 67.6           | 8,036.2           |
| Acceptances supplier credit  | -                | -                | -              | -              | -                 |
|  | <b>36,239.7</b>  | <b>9,950.6</b>   | <b>1,004.0</b> | <b>67.6</b>    | <b>47,261.9</b>   |
| <b>Less:</b>   |                  |                  |                |                |                   |
| Derivatives - foreign currency forward contracts                   | (390.4)          | (3,092.7)        | -              | -              | (3,483.1)         |
| <b>Net exposure in financial liabilities</b>                       | <b>35,849.3</b>  | <b>6,857.9</b>   | <b>1,004.0</b> | <b>67.6</b>    | <b>43,778.8</b>   |
| <b>Net exposure in respect of recognised assets/ (liabilities)</b> | <b>(9,841.4)</b> | <b>(2,332.2)</b> | <b>(214.3)</b> | <b>2,049.1</b> | <b>(10,338.6)</b> |

Sensitivity analysis:

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Euro at 31 March would have affected the measurement of financial instruments denominated in US dollars, GBP and Euro and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| Particulars          | Profit or (loss) |           | Equity, net of tax |           |
|----------------------|------------------|-----------|--------------------|-----------|
|                      | Strengthening    | Weakening | Strengthening      | Weakening |
| March 31, 2024       |                  |           |                    |           |
| USD (5% movement)    | (778.2)          | 778.2     | (614.3)            | 614.3     |
| Euro (5% movement)   | 277.9            | (277.9)   | 219.4              | (219.4)   |
| GBP (5% movement)    | 96.3             | (96.3)    | 76.0               | (76.0)    |
| Others (5% movement) | 146.4            | (146.4)   | 115.6              | (115.6)   |
| March 31, 2023       |                  |           |                    |           |
| USD (5% movement)    | (492.1)          | 492.1     | (375.0)            | 375.0     |
| Euro (5% movement)   | (116.6)          | 116.6     | (88.9)             | 88.9      |
| GBP (5% movement)    | (10.7)           | 10.7      | (8.2)              | 8.2       |
| Others (5% movement) | 102.5            | (102.5)   | 78.1               | (78.1)    |

b) Interest rate risk:

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

| Particulars   | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|-----------------------------------|-----------------------------------|
| Variable rate borrowings including current maturities | 28,178.4                          | 39,225.7                          |
| Fixed rate borrowings                                 | -                                 | 2,200.0                           |
| <b>Total borrowings</b>                               | <b>28,178.4</b>                   | <b>41,425.7</b>                   |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

**Interest rate sensitivity analysis:** The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period for floating rate borrowings only. For floating rate borrowings, the analysis is prepared assuming the amount of the borrowing outstanding at the end of the reporting period was outstanding for the entire year. A 0.5% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management’s assessment of the reasonably possible change in interest rates.

If interest rates had been 0.5% higher/lower and all other variables were held constant, the Company’s Profit for the year ended March 31, 2024 would decrease/increase by ₹140.9 (for the year ended March 31, 2023: decrease/ increase by ₹165.8). This is mainly attributable to the Company’s exposure to interest rates on its variable rate borrowings.

c) Commodity risk:

Exposure to market risk with respect to commodity prices primarily arises from the Company’s purchase of active pharmaceutical ingredients and other raw material components for its products. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company’s raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company’s business are generally more volatile. Cost of raw materials forms the largest portion of the Company’s cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2024, the Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

42. TRANSFER OF API BUSINESS

The board at its meeting held on February 9, 2023 and April 01, 2023 had approved the transfer of certain active pharmaceutical ingredients (API) business units to its wholly owned subsidiary, Apitoria Pharma Private Limited (APPL) (formerly known as Auro Pharma India Private Limited”) on a going concern basis by way of a slump sale w.e.f. April 1, 2023 subject to certain conditions precedent including receipt of requisite approval. Consequent to receipt of such approvals, the Company and APPL entered into a amended agreement to make the transfer effective from October 1, 2023.

The details of assets and liabilities of Active Pharmaceutical Ingredients (API) business units (Unit I, VIII, IX, XI,XIV, RC– 2, V and XVII) on above slump sale are as under:

| Particulars                   | Amount          |
|-------------------------------|-----------------|
| <b>Assets:</b>                |                 |
| Property plant & equipment    | 12,888.6        |
| Capital work in progress      | 1,210.6         |
| Inventories                   | 20,660.0        |
| Financial assets              | 16,238.8        |
| Other assets                  | 784.9           |
| <b>Total (A)</b>              | <b>51,782.9</b> |
| <b>Liabilities:</b>           |                 |
| Provisions                    | 635.7           |
| Current liabilities           | 11,984.6        |
| Other liabilities             | 214.1           |
| <b>Total (B)</b>              | <b>12,834.4</b> |
| <b>Net assets value (A-B)</b> | <b>38,948.5</b> |
| Consideration received        | 38,948.5        |
| Gain/(Loss)                   | -               |

Discontinuing Operations

The statement of profit/(loss) and cash flows for discontinued operations are as disclosed below

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

i. Profit/(loss) from discontinued operation

| Particulars  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>I Revenue from Operation</b>  | <b>24,343.6</b>                      | <b>43,352.8</b>                      |
| Other Income   | (160.1)                              | (92.0)                               |
| <b>Total Income</b>  | <b>24,183.5</b>                      | <b>43,260.8</b>                      |
| <b>II Expenses</b>   |                                      |                                      |
| Cost of materials consumed   | 12,129.2                             | 25,809.7                             |
| Purchases of stock-in-trade  | -                                    | -                                    |
| Changes in inventories of finished goods and work-in-progress                    | 881.1                                | (2,020.5)                            |
| Employee benefits expense  | 4,035.1                              | 7,514.1                              |
| Finance costs  | 346.8                                | 404.1                                |
| Depreciation and amortisation expense  | 940.8                                | 1,920.9                              |
| Other expenses   | 5,125.6                              | 9,830.1                              |
| <b>Total Expenses</b>  | <b>23,458.6</b>                      | <b>43,458.4</b>                      |
| <b>III PROFIT BEFORE TAX (I-II)</b>  | <b>724.9</b>                         | <b>(197.6)</b>                       |
| <b>IV TAX EXPENSE :</b>  |                                      |                                      |
| Current tax  | 196.3                                | (49.8)                               |
| Deferred tax   | (11.8)                               | 2.8                                  |
| <b>TOTAL TAX EXPENSE</b>   | <b>184.5</b>                         | <b>(47.0)</b>                        |
| <b>V PROFIT AFTER TAX (III-IV)</b>   | <b>540.4</b>                         | <b>(150.6)</b>                       |
| <b>VI Other Comprehensive Income</b>   |                                      |                                      |
| Items that will not be reclassified subsequently to profit or loss               |                                      |                                      |
| (a) remeasurement of defined benefit liability                                   | -                                    | -                                    |
| (b) Income tax relating to items that will not be reclassified to Profit or loss | -                                    | -                                    |
| <b>VII Total other Comprehensive Income for the year (net of tax)</b>            | <b>-</b>                             | <b>-</b>                             |
| <b>VIII Total Comprehensive Income for the year (net of tax) (V+VII)</b>         | <b>540.4</b>                         | <b>(150.6)</b>                       |

Net Cash Flows attributable to the discontinuing operation

| Particulars                                  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Net Cash generated from Operating activities | 960.3                                | 1,581.9                              |
| Net Cash generated from Investing activities | (613.2)                              | (1,177.4)                            |
| Net Cash generated from Financing activities | (346.8)                              | (404.1)                              |

43. AMALGAMATION OF MVIYES PHARMA VENTURES PRIVATE LIMITED AND AURONEXT PHARMA PRIVATE LIMITED.

The Company has filed a scheme of amalgamation, under section 230 to 232 and other applicable provisions of the Companies Act, 2013 for the amalgamation between M/s Mviyes Pharma Ventures Private Limited (Transferor Company I), M/s Auronext Pharma Private Limited (Transferor Company II), wholly owned subsidiaries and Aurobindo Pharma Limited (Transferee Company) with an appointed date of April 01, 2023.

The Scheme of amalgamation was sanctioned by the Hyderabad bench of National Company Law Tribunal on April 29, 2024. Accordingly the impact of M/s Mviyes Pharma Ventures Private Limited and M/s Auronext Pharma Private Limited has been included in the standalone financial statements for the previous period presented.

The transaction being a common control business combination, has been accounted under the Pooling of Interest Method in accordance with Ind AS 103 - Business combination. Accordingly, the assets and liabilities are reflected in the books of Company at their respective carrying value and prior period amounts have been restated as if the business combination had occurred from the beginning of the preceding period.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(a) Summary of assets and liabilities

| Particulars                            | Reported Amount<br>as at<br>March 31, 2023 | Balance<br>pertaining to<br>Merged entities | Restated Amount<br>as at<br>March 31, 2023 |
|--|--|---|--|
| <b>Assets</b>                          |  |   |  |
| <b>Non-current assets</b>              |  |   |  |
| Property, plant and equipment          | 34,268.7                                   | (0.2)                                       | 34,268.5                                   |
| Capital work-in-progress               | 2,390.9                                    | -   | 2,390.9                                    |
| Right-of- use assets                   | 550.1                                      | 0.1   | 550.2                                      |
| Goodwill                               | 917.0                                      | -   | 917.0                                      |
| Other intangible assets                | 1,139.2                                    | 0.1   | 1,139.3                                    |
| Financial assets                       | -  | -   | -  |
| - Investments                          | 82,217.7                                   | (1,164.1)                                   | 81,053.6                                   |
| - Loans                                | 26,011.5                                   | -   | 26,011.5                                   |
| - Trade receivables                    | -  | -   | -  |
| - Other financial assets               | 747.7                                      | -   | 747.7                                      |
| Deferred tax assets (net)              | -  | -   | -  |
| Non-current tax assets                 | 2,814.4                                    | 2.2   | 2,816.6                                    |
| Other non-current assets               | 1,042.9                                    | -   | 1,042.9                                    |
| <b>Total non-current assets</b>        | <b>152,100.1</b>                           | <b>(1,161.9)</b>                            | <b>150,938.2</b>                           |
| <b>Current assets</b>                  |  |   |  |
| Inventories                            | 41,252.6                                   | -   | 41,252.6                                   |
| Financial assets                       | -  | -   | -  |
| - Investments                          | 0.1  | -   | 0.1  |
| - Trade receivables                    | 45,602.6                                   | -   | 45,602.6                                   |
| - Cash and cash equivalents            | 1,296.5                                    | 2,274.8                                     | 3,571.3                                    |
| - Bank balances other than 15(i) above | 24.9                                       | 137.9                                       | 162.8                                      |
| - Loans                                | 79.9                                       | -   | 79.9                                       |
| - Other financial assets               | 1,595.6                                    | 0.6   | 1,596.2                                    |
| Other current assets                   | 7,384.2                                    | 0.2   | 7,384.4                                    |
| <b>Total current assets</b>            | <b>97,236.4</b>                            | <b>2,413.5</b>                              | <b>99,649.9</b>                            |
| <b>Total Assets</b>                    | <b>249,336.5</b>                           | <b>1,251.6</b>                              | <b>250,588.1</b>                           |

| Particulars                          | Reported Amount<br>as at<br>March 31, 2023 | Balance<br>pertaining to<br>Merged entities | Restated Amount<br>as at<br>March 31, 2023 |
|--------------------------------------|--|---|--|
| <b>Equity and liabilities</b>        |  |   |  |
| <b>Equity</b>                        |  |   |  |
| Equity share capital                 | 585.9                                      | -   | 585.9                                      |
| Other equity                         | 178,555.8                                  | 1,198.6                                     | 179,754.4                                  |
| <b>Total equity</b>                  | <b>179,141.7</b>                           | <b>1,198.6</b>                              | <b>180,340.3</b>                           |
| <b>Liabilities</b>                   |  |   |  |
| <b>Non-current liabilities</b>       |  |   |  |
| Financial liabilities                |  |   |  |
| - Lease Liability                    | 429.1                                      | -   | 429.1                                      |
| Provisions                           | 873.1                                      | -   | 873.1                                      |
| Deferred tax Liability               | 2,159.1                                    | -   | 2,159.1                                    |
| <b>Total non-current liabilities</b> | <b>3,461.3</b>                             | <b>-</b>                                    | <b>3,461.3</b>                             |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | Reported Amount<br>as at<br>March 31, 2023 | Balance<br>pertaining to<br>Merged entities | Restated Amount<br>as at<br>March 31, 2023 |
|---|--|---|--|
| <b>Current liabilities</b>  |  |   |  |
| Financial liabilities   |  |   |  |
| - Borrowings  | 41,425.7                                   | -   | 41,425.7                                   |
| - Lease liabilities   | 176.8                                      | -   | 176.8                                      |
| - Trade payables  | -  | -   | -  |
| (i) total outstanding dues of micro and small enterprises                       | 465.1                                      | -   | 465.1                                      |
| (ii) total outstanding dues of creditors other than micro and small enterprises | 21,558.1                                   | (0.3)                                       | 21,557.8                                   |
| - Other financial liabilities   | 1,023.2                                    | -   | 1,023.2                                    |
| Other current liabilities   | 863.7                                      | 53.3  | 917.0                                      |
| Provisions  | 296.6                                      | -   | 296.6                                      |
| Current tax liabilities   | 924.3                                      | -   | 924.3                                      |
| <b>Total current liabilities</b>  | <b>66,733.5</b>                            | <b>53.0</b>                                 | <b>66,786.5</b>                            |
| <b>Total Equity and liabilities</b>   | <b>249,336.5</b>                           | <b>1,251.6</b>                              | <b>250,588.1</b>                           |

(b) Statement of Profit or Loss

| Particulars  | Reported amount<br>for the year<br>ended March 31,<br>2023 | Transactions<br>undertaken by<br>merged entities | Transactions<br>under taken<br>on account of<br>discontinued<br>operations<br>( refer note 42) | Restated amount<br>for the year<br>ended March 31,<br>2023 |
|--|--|--|--|--|
| Revenue from operations  | 127,922.8  | -  | 43,352.8   | 84,570.0   |
| Other income   | 4,337.6  | 9.6  | (92.0)   | 4,439.2  |
| <b>Total income</b>  | <b>132,260.4</b>   | <b>9.6</b>                                       | <b>43,260.8</b>  | <b>89,009.2</b>  |
| <b>Expenses</b>  |  |  |  |  |
| Cost of materials consumed   | 72,476.9   | -  | 25,809.7   | 46,667.2   |
| Purchases of stock-in-trade  | 892.3  | -  | -  | 892.3  |
| Changes in inventories of finished goods and work-in-progress                    | (4,660.0)  | -  | (2,020.5)  | (2,639.5)  |
| Employee benefits expense  | 16,418.8   | 0.6  | 7,514.1  | 8,905.3  |
| Finance costs  | 1,149.8  | 0.1  | 404.1  | 745.8  |
| Depreciation and amortisation expense  | 4,353.5  | -  | 1,920.9  | 2,432.6  |
| Intangible assets under development impaired/ written-off                        |  | -  |  | -  |
| Other expenses   | 25,485.6   | 40.1   | 9,830.1  | 15,695.6   |
| <b>Total expenses</b>  | <b>116,116.9</b>   | <b>40.8</b>                                      | <b>43,458.4</b>  | <b>72,699.3</b>  |
| <b>Profit before tax</b>   | <b>16,143.5</b>  | <b>(31.2)</b>                                    | <b>(197.6)</b>   | <b>16,309.9</b>  |
| <b>Tax expenses</b>  |  |  |  |  |
| Current tax  | 4,070.2  | 1.6  | (49.8)   | 4,121.6  |
| Deferred tax   | (230.8)  | 0.2  | 2.8  | (233.4)  |
| <b>Total tax expense</b>   | <b>3,839.4</b>   | <b>1.8</b>                                       | <b>(47.0)</b>  | <b>3,888.2</b>   |
| <b>Profit for the year</b>   | <b>12,304.1</b>  | <b>(33.0)</b>                                    | <b>(150.60)</b>  | <b>12,421.7</b>  |
| <b>Other Comprehensive Income (OCI)</b>  |  |  |  |  |
| Items that will not to be reclassified subsequently to profit or loss:           |  |  |  |  |
| (a) Re-measurement of defined benefit liability                                  | 78.4   | -  | -  | 78.4   |
| (b) Income-tax relating to items that will not be reclassified to profit or loss | (19.7)   | -  | -  | (19.7)   |
| <b>Total Other Comprehensive Income for the Year (Net of Tax)</b>                | <b>58.7</b>  | <b>-</b>   | <b>-</b>   | <b>58.7</b>  |
| <b>Total Comprehensive Income for the Year (Net of Tax)</b>                      | <b>12,362.8</b>  | <b>(33.0)</b>                                    | <b>(150.6)</b>   | <b>12,480.4</b>  |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

44. The Board of Directors of the Company at its meeting held on March 28, 2022 had approved the acquisition of business including certain assets of Veritaz Healthcare Limited (Veritaz). Consequently, the Company entered into a definitive agreement with Veritaz for the said acquisition for a total consideration of ₹ 1,689.2 and obtained control w.e.f. April 1, 2022 over such business and assets. Consequently, basis of the purchase price allocation the Company recorded goodwill aggregating to ₹ 917.0 as at March 31, 2023.

| Particulars                   | Amount         |
|-------------------------------|----------------|
| <b>Purchase Consideration</b> | <b>1,689.2</b> |
| <b>Assets</b>                 |                |
| Property, Plant and Equipment | 4.0            |
| Current assets                | 378.9          |
| Trademarks                    | 839.0          |
| <b>Total assets</b>           | <b>1,221.9</b> |
| <b>Liabilities</b>            |                |
| Current liabilities           | 361.8          |
| Other financial liabilities   | 6.4            |
| Provisions                    | 81.5           |
| <b>Total liabilities</b>      | <b>449.7</b>   |
| Less: Net Assets              | 772.2          |
| <b>Goodwill</b>               | <b>917.0</b>   |

45. TITLE DEEDS OF IMMOVABLE PROPERTY NOT HELD IN THE NAME OF THE COMPANY (REFER NOTE 3A) March 31, 2024

| Relevant line item in the balance sheet | Description of item of property                                   | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company  |
|---|---|----------------------|---------------------------------|---|--------------------------------|---|
| Property plant and equipment            | Freehold land located in Telangana admeasuring 24 Acres 15 Guntas | 3.1                  | Sri Chakra Remedies Limited     | No  | Since 2001                     | 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 April 3, 2001. |
| Property plant and equipment            | Building located in Telangana                                     | 35.3                 | Sri Chakra Remedies Limited     | No  | Since 2001                     |   |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 26 Acres 27 Guntas | 3.4                  | Ranit Pharma Limited            | No  | Since 2003                     | 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 April 9, 2003. |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 1 Acre 20 Guntas   | 0.3                  | Senor Organics Private Limited  | No  | Since 2007                     | 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 June 21, 2007. |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Relevant line item in the balance sheet | Description of item of property                                       | Gross carrying value | Title deeds held in the name of       | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company  |
|---|---|----------------------|---------------------------------------|---|--------------------------------|---|
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 69 Acres 27 Cents | 96.5                 | Hyacinths Pharma Private Limited      | No  | Since 2019                     | 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 National Company Law Tribunal, Hyderabad dated March 30, 2021 |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 109 Acres 5 Cents | 85.3                 | APL Research Center Limited           | No  | Since 2019                     |   |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 4 Acres 36 Cents  | 19.3                 | Silicon Life Sciences Private Limited | No  | Since 2019                     |   |
| Property plant and equipment            | Building located in Andhra Pradesh                                    | 213.7                | Silicon Life Sciences Private Limited | No  | Since 2019                     |   |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 37 Acres 37 Guntas     | 47.7                 | TSIIC                                 | No  | Since 2016                     | Agreement of sale is executed with TSIIC by the Company however, fulfillment of conditions for transfer of title deeds is in progress   |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 4 Acres 39 Guntas      | 6.9                  | APIIC                                 | No  | Since 2010                     | Government has alienated the land to the company for the purpose of development and expansion of unit   |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 25 Acres 72 Cents | 12.9                 | APIIC                                 | No  | Since 2010                     | Government has alienated the land to the company for the purpose of development and expansion of unit   |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 3 Acres 6 Guntas       | 1.0                  | TSIIC                                 | No  | Since 2004                     | Government has alienated the land to the company for the purpose of development and expansion of unit   |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 0 Acres 12 Cents  | 0.9                  | Apitoria Pharma Prtivate Limited      | No  | Since 2024                     | Title Deed name changes are being in the process  |
|   |   | 526.3                |                                       |   |                                |   |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

March 31, 2023

| Relevant line item in the Balance sheet | Description of item of property                                       | Gross carrying value | Title deeds held in the name of  | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company   |
|---|---|----------------------|--|---|--------------------------------|--|
| Property plant and equipment            | Freehold land located in Telangana admeasuring 24 Acres 15 Guntas     | 3.1                  | Sri Chakra Remedies Limited  | No  | Since 2001                     | 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 April 3, 2001.      |
| Property plant and equipment            | Building located in Telangana   | 35.3                 | Sri Chakra Remedies Limited  | No  | Since 2001                     |  |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 26 Acres 27 Guntas     | 3.4                  | Ranit Pharma Limited   | No  | Since 2003                     | 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 April 9, 2003.      |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 1 Acre 20 Guntas       | 0.3                  | Senor Organics Private Limited   | No  | Since 2007                     | 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 June 21, 2007.      |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 69 Acres 27 Cents | 96.5                 | Hyacinths Pharma Private Limited   | No  | Since 2019                     | 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 National Company Law Tribunal, Hyderabad dated March 30, 2021. |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 109 Acres 5 Cents | 85.3                 | APL Research Center Limited  | No  | Since 2019                     |  |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 4 Acres 36 Cents  | 19.3                 | Silicon Life Sciences Private Limited  | No  | Since 2019                     |  |
| Property plant and equipment            | Building located in Andhra Pradesh                                    | 213.7                | Silicon Life Sciences Private Limited  | No  | Since 2019                     |  |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 43 Acres 16 Cents | 103.7                | Ramky Pharma city (India) Limited and Andhra Pradesh Industrial Infrastructure corporation Limited | No  | Since 2005                     | Agreement of Sale to the Company is completed and registration infavour of Company is completed on May 22, 2023.   |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Relevant line item in the Balance sheet | Description of item of property                                       | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company  |
|---|---|----------------------|---------------------------------|---|--------------------------------|---|
| Property plant and equipment            | Freehold land located in Telangana admeasuring 37 Acres 37 Guntas     | 47.7                 | TSIIC                           | No  | Since 2016                     | Agreement of sale is executed with TSIIC by the Company however,fullfillment of conditions for transfer of title deeds is in progress |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 4 Acres 39 Guntas      | 6.9                  | APIIC                           | No  | Since 2010                     | Government has alienated the land to the company for the purpose of development and expansion of unit                                 |
| Property plant and equipment            | Freehold land located in Andhra Pradesh admeasuring 25 Acres 72 Cents | 12.9                 | APIIC                           | No  | Since 2010                     | Government has alienated the land to the company for the purpose of development and expansion of unit                                 |
| Property plant and equipment            | Freehold land located in Telangana admeasuring 3 Acres 6 Guntas       | 1.0                  | TSIIC                           | No  | Since 2004                     | Government has alienated the land to the company for the purpose of development and expansion of unit                                 |
|   |   | 629.1                |                                 |   |                                |   |

46. CAPITAL WORK-IN-PROGRESS AGING SCHEDULE (REFER NOTE 3B)

March 31, 2024

| Particulars                    | Amount in capital work-in progress for a period of |           |           |                   |         |
|--------------------------------|--|-----------|-----------|-------------------|---------|
|                                | Less than 1 year                                   | 1-2 years | 2-3 years | More than 3 years | Total   |
| Projects in progress           | 1,273.8  | 38.4      | 14.6      | -                 | 1,326.8 |
| Projects temporarily suspended | -  | -         | -         | -                 | -       |
|                                | 1,273.8  | 38.4      | 14.6      | -                 | 1,326.8 |

March 31, 2023

| Particulars                    | Amount in capital work-in progress for a period of |           |           |                   |         |
|--------------------------------|--|-----------|-----------|-------------------|---------|
|                                | Less than 1 year                                   | 1-2 years | 2-3 years | More than 3 years | Total   |
| Projects in progress           | 1,430.2  | 896.7     | 64.1      | -                 | 2,391.0 |
| Projects temporarily suspended | -  | -         | -         | -                 | -       |
|                                | 1,430.2  | 896.7     | 64.1      | -                 | 2,391.0 |

Note: The Company does not have any capital work in progress which is overdue or has exceeded its cost compared to its original plan and hence capital work in progress completion schedule is not applicable.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

47. NON CURRENT TRADE RECEIVABLES AGEING SCHEDULE (REFER NOTE 6A)

March 31, 2024

| Particulars  | Not due | Outstanding for following periods from due date of payment |                   |           |             |                   |       |
|--|---------|--|-------------------|-----------|-------------|-------------------|-------|
|  |         | Less than 6 months   | 6 months - 1 year | 1-2 years | 2 - 3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good                                 | -       | -  | -                 | -         | -           | -                 | -     |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -       | -  | -                 | -         | -           | -                 | -     |
| (iii) Undisputed Trade Receivables – credit impaired                               | -       | 2.1  | 6.8               | 81.5      | 40.8        | 476.4             | 607.6 |
| (iv) Disputed Trade Receivables– considered good                                   | -       | -  | -                 | -         | -           | -                 | -     |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -       | -  | -                 | -         | -           | -                 | -     |
| (vi) Disputed Trade Receivables – credit impaired                                  | -       | -  | -                 | -         | -           | -                 | -     |
|  | -       | 2.1  | 6.8               | 81.5      | 40.8        | 476.4             | 607.6 |
| Less: loss allowance   |         |  |                   |           |             |                   | 607.6 |
| Net non current trade receivable   |         |  |                   |           |             |                   | -     |

March 31, 2023

| Particulars  | Not due | Outstanding for following periods from due date of payment |                   |           |             |                   |       |
|--|---------|--|-------------------|-----------|-------------|-------------------|-------|
|  |         | Less than 6 months   | 6 months - 1 year | 1-2 years | 2 - 3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good                                 | -       |  |                   |           |             |                   |       |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -       | -  | -                 | -         | -           | -                 | -     |
| (iii) Undisputed Trade Receivables – credit impaired                               | -       | -  | -                 | -         | -           | -                 | -     |
| (iv) Disputed Trade Receivables– considered good                                   | -       | -  | -                 | -         | 4.5         | 428.5             | 433.0 |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -       | -  | -                 | -         | -           | -                 | -     |
| (vi) Disputed Trade Receivables – credit impaired                                  | -       | -  | -                 | -         | -           | -                 | -     |
|  | -       | -  | -                 | -         | -           | -                 | -     |
| Less: loss allowance   |         | -  | -                 | -         | 4.5         | 428.5             | 433.0 |
| Net non current trade receivable   |         |  |                   |           |             |                   | 433.0 |
|  |         |  |                   |           |             |                   | -     |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

48. CURRENT TRADE RECEIVABLES AGING SCHEDULE (REFER NOTE 6B)

March 31, 2024

| Particulars  | Not due  | Outstanding for following periods from due date of payment |                   |           |             |                   |          |
|--|----------|--|-------------------|-----------|-------------|-------------------|----------|
|  |          | Less than 6 months   | 6 months - 1 year | 1-2 years | 2 - 3 years | More than 3 years | Total    |
| (i) Undisputed trade receivables – considered good                                 | 31,858.8 | 5,073.6  | 604.4             | 182.9     | 46.2        | -                 | 37,765.9 |
| (ii) Undisputed trade receivables – which have significant increase in credit risk | -        | -  | -                 | -         | -           | -                 | -        |
| (iii) Undisputed trade receivables – credit impaired                               | 102.0    | 48.7   | 41.9              | -         | 19.4        | 10.5              | 222.5    |
| (iv) Disputed trade receivables – considered good                                  | -        | -  | -                 | -         | -           | -                 | -        |
| (v) Disputed trade receivables – which have significant increase in credit risk    | -        | -  | -                 | -         | -           | -                 | -        |
| (vi) Disputed trade receivables – credit impaired                                  | -        | -  | -                 | -         | -           | -                 | -        |
|  | 31,960.8 | 5,122.3  | 646.3             | 182.9     | 65.6        | 10.5              | 37,988.4 |
| Less: loss allowance   | -        | -  | -                 | -         | -           | -                 | 222.5    |
| Net trade receivable   | -        | -  | -                 | -         | -           | -                 | 37,765.9 |

March 31, 2023

| Particulars  | Not due  | Outstanding for following periods from due date of payment |                   |           |             |                   |          |
|--|----------|--|-------------------|-----------|-------------|-------------------|----------|
|  |          | Less than 6 months   | 6 months - 1 year | 1-2 years | 2 - 3 years | More than 3 years | Total    |
| (i) Undisputed trade receivables – considered good                                 | 38,999.1 | 6,162.1  | 306.2             | 133.5     | 1.7         | -                 | 45,602.6 |
| (ii) Undisputed trade receivables – which have significant increase in credit risk | -        | -  | -                 | -         | -           | -                 | -        |
| (iii) Undisputed trade receivables – credit impaired                               | 36.0     | 55.4   | 27.3              | 64.5      | 35.8        | 162.5             | 381.5    |
| (iv) Disputed trade receivables – considered good                                  | -        | -  | -                 | -         | -           | -                 | -        |
| (v) Disputed trade receivables – which have significant increase in credit risk    | -        | -  | -                 | -         | -           | -                 | -        |
| (vi) Disputed trade receivables – credit impaired                                  | -        | -  | -                 | -         | -           | -                 | -        |
|  | 39,035.1 | 6,217.5  | 333.5             | 198.0     | 37.5        | 162.5             | 45,984.1 |
| Less: loss allowance   | -        | -  | -                 | -         | -           | -                 | 381.5    |
| Net trade receivable   | -        | -  | -                 | -         | -           | -                 | 45,602.6 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

49. SHARES HELD BY PROMOTERS AT THE END OF THE YEAR (REFER NOTE 13)

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

| Promoter name   | March 31, 2024   |                   | March 31, 2023   |                   |                          |
|---|------------------|-------------------|------------------|-------------------|--------------------------|
|   | Number of shares | % of total shares | Number of shares | % of total shares | % change during the year |
| M Sivakumaran   | 14,491,360       | 2.47%             | 14,491,360       | 2.47%             | -                        |
| Kottamanchi Rajeshwari  | 1,825,500        | 0.31%             | 1,825,500        | 0.31%             | -                        |
| Penaka Suneela Rani   | 130,000          | 0.02%             | 130,000          | 0.02%             | -                        |
| K Nityananda Reddy  | 25,359,572       | 4.33%             | 25,359,572       | 4.33%             | -                        |
| Prasada Reddy Kambham   | 301,156          | 0.05%             | 301,156          | 0.05%             | -                        |
| K Suryaprakash Reddy  | 7,380            | 0.00%             | 7,380            | 0.00%             | -                        |
| M Sumanth Kumar Reddy   | 1,600,000        | 0.27%             | 1,600,000        | 0.27%             | -                        |
| Kirthi Reddy Kambam   | 20,450,000       | 3.49%             | 20,450,000       | 3.49%             | -                        |
| Kambam Spoorthi   | 7,000,000        | 1.19%             | 7,000,000        | 1.19%             | -                        |
| Venkata Ramprasad Reddy Penaka  | 18,000,000       | 3.07%             | 18,000,000       | 3.07%             | -                        |
| Trident Chemphar Limited  | 789,537          | 0.13%             | 789,537          | 0.13%             | -                        |
| Axis Clinicals Limited  | 658,000          | 0.11%             | 658,000          | 0.11%             | -                        |
| RPR Sons Advisors Private Limited, Mrs. P. Suneela Rani (jointly holding)                             | 196,376,250      | 33.51%            | 196,376,250      | 33.51%            | -                        |
| Auryn Labs (Axis Clinicals Ltd., Trident Chemphar Ltd. & RPR Sons Advisors Pvt. Ltd. jointly holding) | 16,726,716       | 2.85%             | 16,726,716       | 2.85%             | -                        |
|   | 303,715,471      | 51.83%            | 303,715,471      | 51.83%            | -                        |

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

| Promoter name   | March 31, 2023   |                   | March 31, 2022   |                   |                          |
|---|------------------|-------------------|------------------|-------------------|--------------------------|
|   | Number of shares | % of total shares | Number of shares | % of total shares | % change during the year |
| M Sivakumaran   | 14,491,360       | 2.47%             | 14,491,360       | 2.47%             | -                        |
| Kottamanchi Rajeshwari  | 1,825,500        | 0.31%             | 1,825,500        | 0.31%             | -                        |
| Penaka Suneela Rani   | 130,000          | 0.02%             | 130,000          | 0.02%             | -                        |
| K Nityananda Reddy  | 25,359,572       | 4.33%             | 25,359,572       | 4.33%             | -                        |
| Prasada Reddy Kambham   | 301,156          | 0.05%             | 301,156          | 0.05%             | -                        |
| K Suryaprakash Reddy  | 7,380            | 0.00%             | 7,380            | 0.00%             | -                        |
| M Sumanth Kumar Reddy   | 1,600,000        | 0.27%             | 1,600,000        | 0.27%             | -                        |
| Kirthi Reddy Kambam   | 20,450,000       | 3.49%             | 20,450,000       | 3.49%             | -                        |
| Kambam Spoorthi   | 7,000,000        | 1.19%             | 7,000,000        | 1.19%             | -                        |
| Venkata Ramprasad Reddy Penaka  | 18,000,000       | 3.07%             | 18,000,000       | 3.07%             | -                        |
| Trident Chemphar Limited  | 789,537          | 0.13%             | 789,537          | 0.13%             | -                        |
| Axis Clinicals Limited  | 658,000          | 0.11%             | 658,000          | 0.11%             | -                        |
| RPR Sons Advisors Private Limited, Mrs. P. Suneela Rani (jointly holding)                             | 196,376,250      | 33.51%            | 196,376,250      | 33.51%            | -                        |
| Auryn Labs (Axis Clinicals Ltd., Trident Chemphar Ltd. & RPR Sons Advisors Pvt. Ltd. jointly holding) | 16,726,716       | 2.85%             | 16,726,716       | 2.85%             | -                        |
|   | 303,715,471      | 51.83%            | 303,715,471      | 51.83%            | -                        |

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

50. TRADE PAYABLES AGING SCHEDULE (REFER NOTE 17)

March 31, 2024

| Particulars                 | Not due* | Outstanding for following periods from due date of payment |           |             |                   |          |
|-----------------------------|----------|--|-----------|-------------|-------------------|----------|
|                             |          | Less than 1 year   | 1-2 years | 2 - 3 years | more than 3 years | Total    |
| (i) MSME                    | 362.1    | 27.2   | -         | -           | -                 | 389.3    |
| (ii) Others                 | 13,130.0 | 4,189.8  | 155.1     | 2.7         | 25.4              | 17,503.0 |
| (iii) Disputed dues – MSME  | -        | -  | -         | -           | -                 | -        |
| (iv) Disputed dues – Others | -        | -  | -         | -           | -                 | -        |
|                             | 13,492.1 | 4,217.0  | 155.1     | 2.7         | 25.4              | 17,892.3 |

\* Includes unbilled accrued amounts.

March 31, 2023

| Particulars                 | Not due* | Outstanding for following periods from due date of payment |           |             |                   |          |
|-----------------------------|----------|--|-----------|-------------|-------------------|----------|
|                             |          | Less than 1 year   | 1-2 years | 2 - 3 years | more than 3 years | Total    |
| (i) MSME                    | 449.8    | 15.3   | -         | -           | -                 | 465.1    |
| (ii) Others                 | 17,027.9 | 4,448.2  | 35.3      | 14.9        | 31.5              | 21,557.8 |
| (iii) Disputed dues – MSME  | -        | -  | -         | -           | -                 | -        |
| (iv) Disputed dues – Others | -        | -  | -         | -           | -                 | -        |
|                             | 17,477.7 | 4,463.5  | 35.3      | 14.9        | 31.5              | 22,022.9 |

\* Includes unbilled accrued amounts.

51. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III OF COMPANIES ACT, 2013.

Other Statutory Information:

- (i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder
- (ii) The Company is not declared a willful defaulter by any bank or financial Institution or other lender.
- (iii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts
- (iv) The Company has no transaction with the companies struck off under the Companies Act, 2013 or Companies Act, 1956.
- (v) The details of funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

For the Year ended March 31,2024

- a) Date and amount of fund advanced or loaned or invested in Intermediate with complete details:

| Purpose               | Name of the intermediary      | Date of remittance | Amount |
|-----------------------|-------------------------------|--------------------|--------|
| For onward investment | Auro vaccines Private Limited | June 20, 2023      | 118.2  |

- b) Date and amount of fund further advanced or loaned or invested by such intermediate to other intermediate or Ultimate Beneficiaries along with complete details of the ultimate beneficiary:

| Purpose                  | Name of the intermediary      | Date of remittance | Name of the Beneficiary | Amount |
|--------------------------|-------------------------------|--------------------|-------------------------|--------|
| For Investment in Equity | Auro vaccines Private Limited | June 23, 2023      | Tergene Biotech Limited | 118.2  |

For the Year ended March 31,2023

- a) Date and amount of fund advanced or loaned or invested in Intermediate with complete details:

| Purpose               | Name of the intermediary          | Date of remittance | Amount  |
|-----------------------|-----------------------------------|--------------------|---------|
| For onward investment | Eugia Pharma Specialities Limited | June 27, 2022      | 3,330.0 |

- b) Date and amount of fund further advanced or loaned or invested by such intermediate to other intermediate or Ultimate Beneficiaries along with complete details of the ultimate beneficiary:

| Purpose  | Name of the intermediary          | Date of remittance | Name of the Beneficiary   | Amount  |
|--|-----------------------------------|--------------------|---------------------------|---------|
| For payment of purchase consideration on acquisition of business | Eugia Pharma Specialities Limited | June 27, 2022      | Eugia SEZ Private Limited | 3,330.0 |

- (vi) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) There are no charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.
- (viii) All quarterly returns or statements of current assets are filed by the Company with banks or financial institutions and are in agreement with the books of account.
- (ix) The loan has been utilised for the purpose for which it was obtained and no short term funds have been used for long term purpose.
- (x) The Company has not traded or invested in Crypto currency or virtual currency during the Current or Previous year
- (xi) The Company has not entered into any scheme of arrangements other than disclosed in note 42 of this financials statements which has an accounting impact on Current or Previous year.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(xii) Ratios \*

| Ratios  | Numerator  | Denominator   | March 31, 2024 | March 31, 2023 | Percentage of variance | Reason for variance   |
|---|--|---|----------------|----------------|------------------------|---|
| (a) Current ratio (in times)                    | Current Assets   | Current liabilities   | 1.38           | 1.49           | (7%)                   | -   |
| (b) Debt-equity ratio (in times)                | Total debt   | Equity and other equity   | 0.14           | 0.23           | (39%)                  | The variance is on account of decrease in total debt which primarily comprises of working capital demand loans.   |
| (c) Debt service coverage ratio (in times)      | EBITDA (Earning before interest, amortisation, depreciation and tax) | Interest expenses including interest on lease liabilities               | 10.1           | 13.84          | (27%)                  | The variance is due to increase in finance cost during the year which is primarily on account of increase in borrowings and interest rates.   |
| (d) Return on equity ratio (in %)               | Profit after tax   | Average of Total Equity   | 10.1%          | 7.0%           | 43%                    | The variance is on account of increase in profit which is primarily on account of increase in Revenue from operations.  |
| (e) Inventory turnover ratio (in times)         | Sales of Goods   | Average inventory   | 3.16           | 3.32           | (5%)                   | -   |
| (f) Trade receivables turnover ratio (in times) | Revenue from operations  | Average trade receivables   | 2.6            | 3.00           | (15%)                  | -   |
| (g) Trade payables turnover ratio (in times)    | Purchases  | Average trade payables  | 3              | 3.91           | (23%)                  | -   |
| (h) Net capital turnover ratio (in times)       | Revenue  | Working capital (current assets-current liabilities)                    | 5.3            | 3.9            | 37%                    | The variance is on account of increase in Revenue from operations during the year and decrease in current ratio.  |
| (i) Net profit ratio (in %)                     | Profit after tax   | Net sales   | 17.85%         | 9.59%          | 86%                    | The variance is on account of increase in Revenue from operations during the year.  |
| (j) Return on capital employed (in %)           | EBIT (Earning before interest and tax)                               | Capital employed (Tangible net worth+Total debt+Deferred tax liability) | 11.49%         | 7.77%          | 48%                    | The variance is on account of decrease in total debt which primarily comprises of working capital loans.  |
| (k) Return on investment (in %)                 | Dividend and interest on investment                                  | Total investment  | 1.97%          | 2.71%          | (27%)                  | The variance is on account of decrease in dividend income from subsidiaries during the year which is being offset by increase in Interest income earned from loans granted to subsidiaries during the year. |

\*The ratios reported for the current year are not comparable with that of the previous year on account of transfer of API Business (refer note 42)

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

**52.** As per the requirements of Rule 3(1) of the Companies (Accounts) Rules, 2014, the Company is required to use only such accounting software for the purpose of maintaining its books of accounts that have a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software and ensuring that the audit trail cannot be disabled.

The Company uses accounting software for maintaining the books of accounts, which have the feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the accounting software used for maintenance of accounting and payroll records. Further no instance of audit trail feature being tampered with was noted in respect of the software.

**53.** In connection with the preparation of the standalone financial statements for the year ended March 31, 2024, the Board of Directors have confirmed the propriety of the contracts/agreements entered into by/on behalf of the Company and the resultant revenue earned/expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the standalone financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone financial statements in its meeting held on May 25, 2024 in accordance with the provisions of Companies Act, 2013.

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

Place: Hyderabad  
Date: May 25, 2024

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No: 13709

To The Members of Aurobindo Pharma Limited

Report on the Audit of the Consolidated Financial Statements  
Opinion

We have audited the accompanying consolidated financial statements of **Aurobindo Pharma Limited** (“the Parent”) and its subsidiaries, (the Parent and its subsidiaries together referred to as “the Group”) and the Group’s share of profit/loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the “Consolidated Financial Statements”).

In our opinion and to the best of our information, according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of subsidiaries and joint ventures, referred to in the Other Matters section below, the aforesaid consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

| Sr. No. | Key Audit Matter  | Auditor’s Response  |
|---------|---|---|
| 1.      | <b>Revenue recognition, Rebates and chargebacks— Refer to note 24 of the Consolidated financial statements:</b><br><br>Refer to note 2.3 (c) of the summary of material accounting policies.<br><br>The Parent recognises revenue from sale of Pharmaceutical products based on the shipping terms which varies with different customers which defines the timing of the transfer of control to the customer. For revenue recognized during the period near to the Balance Sheet date, it is essential to ensure that the control of goods have transferred to the customers. | <b>Our audit procedures and the audit procedures performed by the component auditors amongst others included the following:</b> <ul style="list-style-type: none"><li>Evaluated the Company’s revenue recognition policy and assessed compliance with the Indian Accounting Standard (Ind AS).</li><li>Obtained an understanding of the revenue recognition process and evaluated the design and tested the implementation and operating effectiveness of the Company’s Internal controls around the timely and accurate recording of sales transactions including controls around the identification and reversal of cut-off sales.</li><li>The Company recognises the revenue upon the transfer of control of goods to the customer in the ERP system. Accordingly, we have tested the General information technology controls around the system.</li></ul> |

Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Auditor’s Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures 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 consolidated 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 ICAI’s Code of Ethics. We believe that the audit evidence obtained by us, and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements 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.

| Sr. No. | Key Audit Matter   | Auditor’s Response   |
|---------|--|--|
|         | <p>Dispatch of goods to the customer’s location happens from multiple locations including factories, warehouses, and third-party locations.</p> <p>The Group generates revenue across various geographies through commercial arrangements prevalent in those geographies. These commercial arrangements involve chargebacks, rebates, discounts, and other allowances, which are deducted from the gross revenue to arrive at Revenue from Operations.</p> <p>These deductions involve significant judgement and estimation, in particular with respect to the accruals associated with the revenue transactions pertaining to the Group’s business in United States of America.</p> <p>We identified the recognition of revenue from sale of products as a key audit matter because:</p> <p>a) Revenue recognition being subject to the manual exercise of tracking the evidence of delivery and ascertaining the revenue recognition date against each invoice, we identified the Cut-off of revenue as a key audit matter.</p> <p>b) Accrual towards chargebacks and rebates is complex and involves significant management estimation.</p>   | <ul style="list-style-type: none"><li>Tested the access and change management controls of the relevant information technology system in which shipments are recorded.</li><li>Basis of the sales recorded during the year, performed a lead time analysis to arrive at the average lead time taken for transfer of control to the customers from the date of dispatch, against the various shipping terms.</li><li>Selected samples from invoices recorded during such lead sales time immediately before the balance sheet date and obtained evidence of delivery to support the revenue recognition/reversal of revenue as the case may be.</li><li>Obtained an understanding of the Group’s process for revenue recognition, judgements in estimation and accounting treatment of chargebacks and rebates.</li><li>Evaluated the design and tested the operating effectiveness of the internal controls over measurement of chargebacks and rebates.</li><li>Tested the access and change management controls of the relevant information technology system in which such chargebacks and rebates are recorded.</li><li>Obtained workings for accruals of the chargebacks and rebates, as at year end. Tested the underlying calculations for amounts recorded as accruals and provisions.</li><li>Evaluated historical accuracy of the Group’s estimates of year-end accruals pertaining to aforesaid arrangements made in the previous years to identify any management bias.</li><li>Evaluated the adequacy of disclosures in the consolidated financial statements.</li></ul> |
| 2.      | <b>Litigation, Claims and Contingent Liabilities- Refer to note 34 of the Consolidated financial statements.</b><br><br>Refer to note 2.3 (m) of the summary of material accounting policies.<br><br>The Group is involved in various legal proceedings including product liability, contracts, employment claims, investigations, disputed taxes and other regulatory matters relating to conduct of its business.<br><br>Most of the claims involve complex legal and regulatory issues. The Group, assisted by their external legal counsel assesses the need to make provision or disclose a contingency on a case-to-case basis considering the underlying facts of each litigation. The Group’s conclusions may result in an incorrect Provision or disclosure in the Consolidated financial statements considering the aforesaid assessment involves significant judgement to be exercised by the Group based on current developments. Further, unexpected adverse outcomes could also significantly impact the Group’s reported results.<br><br>Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgement necessary to determine required disclosures, this is a key audit matter. | <p><b>Our audit procedures and the audit procedures performed by the component auditors amongst others included the following:</b></p> <ul style="list-style-type: none"><li>Understood the process, evaluated the design and implementation of controls and tested the operating effectiveness of the Parent’s controls over the recording and assessment of uncertain legal positions, claims &amp; contingent liabilities.</li><li>Held discussions with management including the person responsible for legal &amp; compliance to obtain an understanding of the factors considered by management in classification of the matter as probable, possible and remote.</li><li>Examined the Group’s legal expenses on sample basis and read the minutes of the board meetings in order to ensure completeness.</li><li>Circulated, obtained and read legal confirmations from Group’s external legal counsels in respect of material litigations and considered probability assessment of the outcomes.</li><li>Examine documents in the Group’s possession concerning litigation and claims, legal advice/opinion received by the Group. Obtained corroborative evidence to confirm the status &amp; existence of the litigation.</li><li>Evaluated the adequacy of disclosures made in the Consolidated financial statements.</li></ul>   |

| Sr. No. | Key Audit Matter   | Auditor's Response   |
|---------|--|--|
| 3.      | <p><b>Assessment of impairment of Goodwill, Intangible assets and Intangible assets under Development-- Refer to note 5 and note 6 of the Consolidated financial statements:</b></p> <p>Refer to note 2.3 (e) of the summary of material accounting policies.</p> <p>The carrying value of Goodwill, Intangible assets and Intangible assets under development in respect to certain subsidiaries aggregates to ₹ 9,877 million.</p> <p>The Group performs the annual assessment of the goodwill, intangible assets and intangible assets under development at each cash generating unit (CGU) level to identify any indicators of impairment. The Group's evaluation involves comparison of its recoverable amount to its carrying amount.</p> <p>The recoverable amount is determined based on higher of fair value less costs to sell or value in use, which represents the present value of the estimated future cash flows expected to arise from the use of the asset group comprising each cash generating unit. There is a risk that the goodwill/Intangible assets/Intangible Assets under Development will be impaired if these cash flows do not meet the Group's expectations.</p> <p>Due to the significance of the amounts involved, management's assessment process involving significant judgement and estimation, the impairment assessment of goodwill, intangibles and intangible assets under development is considered as a Key Audit Matter.</p> | <p><b>Our audit procedures and the audit procedures performed by the component auditors amongst others included the following:</b></p> <ul style="list-style-type: none"><li>• Evaluated the design and tested the operating effectiveness of the internal controls relating to impairment assessment process, including those over the forecast of future revenues, terminal values and the selection of the appropriate discount rate.</li><li>• Evaluated the impairment indicator assessment performed by the Group considering quantitative and qualitative factors.</li><li>• Evaluated the reasonableness of the Management's estimates and judgements through discussion with management and by comparing the forecasts to historical revenues, margins, growth rate etc.</li><li>• Where required, obtained assistance of our internal fair value specialists, evaluated the reasonableness of the valuation methodology, discount rate and other key business assumptions used in the assessment.</li><li>• Tested the mathematical accuracy of the model to conclude that the model is accurately calculating the value in use.</li><li>• Performed sensitivity analysis around these key estimates to ascertain the extent of change in those assumptions that either individually or collectively would be required for the Goodwill, Other Intangible and Intangible assets under Development assets tested to be impaired.</li><li>• Evaluated the adequacy of disclosures made in the consolidated financial statements.</li></ul> |

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's Report, Business Responsibility Report and Report on corporate governance, including Annexures, but does not include the consolidated financial statements, standalone financial statements, and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge

obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to subsidiaries and joint ventures, is traced from their financial statements audited by other auditors.

- 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements 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 Ind AS

specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and 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 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 Parent, 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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities 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 are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional 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 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 the branches, entities or business activities within the Group and its associates and joint ventures to express an opinion on the

consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such branches or entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other branches or entities or business activities included in the consolidated financial statements, which have been audited by the branch auditors or other auditors, such branch auditors and 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent 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 financial controls 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 69 subsidiaries, whose financial statements reflect total assets of ₹ 322,909.6 million as at March 31, 2024, total revenues of ₹ 193,360.6 million and net cash flows (net) amounting to ₹ 7,927.2 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 105.6 million for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 6 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, 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 joint ventures is based solely on the reports of the other auditors.
- (b) The consolidated financial statements also include the Group's share of net profit of ₹ 19.0 million for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 2 associates, whose financial information have not been audited by us. These financial information 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 associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements/financial information 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 the reports of the other auditors on the separate financial statements/financial information of the subsidiaries and joint ventures referred to in the Other Matters section above 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 maintained by the Group and joint ventures including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the 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 Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies and joint venture companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
  - g) With respect to the other matters 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 and based on the auditor's reports of subsidiary companies and joint venture companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies and joint venture companies to their respective 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures - Refer Note 34 to the consolidated financial statements.
    - ii) The Group, its associates and joint ventures did not have any material foreseeable losses 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 Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.

- iv)

(a)

The respective Managements of the Parent and its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 55(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries 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 Parent and its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 55(vi) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v)

The interim dividend declared and paid by the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in accordance with Section 123 of the Companies Act 2013.
- vi)

Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies and joint venture companies incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary companies and joint venture companies incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with.

The financial statements of two associates that are not material to the consolidated financial statements of the Group, have not been audited under the provisions of the Act as of the date of this report. Therefore, we are unable to comment on the reporting requirement under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 in respect of these two associates.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2.
- With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

| Sr No | Name of the Company                   | CIN                   | Nature of relationship  | Clause Number of CARO report with qualification or adverse remark |
|-------|---------------------------------------|-----------------------|-------------------------|---|
| 1     | Aurobindo Pharma Limited              | L24239TG1986PLC015190 | Parent                  | (i) (c)   |
| 2     | Apitoria Pharma India Private Limited | U24298TG2017PTC121342 | Wholly Owned Subsidiary | (xvii)  |
| 3     | Auroactive Pharma Private Limited     | U24230TG2020PTC138313 |                         | (xvii)  |
| 4     | CuraTeQ Biologics Private Limited     | U24110TG2020PTC140190 |                         | (xvii)  |
| 5     | AuroZest Private Limited              | U24299TG2020PTC142578 |                         | (xvii)  |
| 6     | Aurobindo Antibiotics Private Limited | U24110AP2020PTC115965 |                         | (xvii)  |
| 7     | Auro Peptides Limited                 | U24232TG2012PLC078350 | Step Down Subsidiary    | (xvii)  |
| 8     | Auro Trading Private Limited          | U46497TS2023PTC179262 |                         | (xvii)  |
| 9     | GLS Pharma Limited                    | U24239TS2004PLC184306 |                         | (xvii)  |
| 10    | Lyfius Pharma Private Limited         | U24299AP2020PTC116443 |                         | (xvii)  |
| 11    | Qule Pharma Private Limited           | U24304AP2020PTC116442 |                         | (xvii) and (xix)  |
| 12    | Auro Vaccines Private Limited         | U24297TG2021PTC156684 | Joint Venture           | (i) (c) and (xvii)  |
| 13    | TheraNym Biologics Private Limited    | U24230TG2022PTC166946 |                         | (xvii)  |
| 14    | Eugia SEZ Private Limited             | U24299TG2021PTC148856 |                         | (xvii)  |
| 15    | Eugia Steriles Private Limited        | U24239TG2020PTC141428 |                         | (xvii)  |
| 16    | Tergene Biotech Limited               | U24230TG2008PLC113178 |                         | (xvii)  |

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**C Manish Muralidhar**  
(Partner)  
(Membership No. 213649)  
(UDIN: 24213649BKCJGE1032)

Place: Hyderabad  
Date: May 25, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements 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 Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of AUROBINDO PHARMA LIMITED (hereinafter referred to as "Parent") and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the

Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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 or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India.

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 expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to 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 the policies or procedures may deteriorate.

Opinion

In our opinion 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 referred to in the Other Matters paragraph below, the Parent, its subsidiary companies 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, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to eighteen (18) subsidiary companies, and two (2) joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

The parent has consolidated financial statements of two (2) associates which are companies incorporated in India on basis of Unaudited Financial Statements/ financial information. In our opinion and according to the information and explanations given to us by the management, such associates are not material to the Group.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm's Registration No. 008072S)

C Manish Muralidhar  
(Partner)

(Membership No. 213649)  
(UDIN: 24213649BKCJGE1032)

Place: Hyderabad  
Date: May 25, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Note    | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|---------|-------------------------|-------------------------|
| <b>I ASSETS</b>  |         |                         |                         |
| <b>Non-current assets</b>  |         |                         |                         |
| (a) Property, plant and equipment  | 3 (A)   | 112,608.3               | 75,433.7                |
| (b) Capital work-in-progress   | 3 (B)   | 27,393.9                | 44,964.0                |
| (c) Right-of-use assets  | 4       | 2,846.8                 | 4,520.1                 |
| (d) Goodwill   | 5       | 5,951.5                 | 5,960.7                 |
| (e) Other intangible assets  | 6 (A)   | 23,521.3                | 24,322.4                |
| (f) Intangible assets under development  | 6 (B)   | 11,293.3                | 8,936.1                 |
| (g) Investments in Associates and Joint ventures   | 7 (A)   | 947.8                   | 900.0                   |
| (h) Financial assets   |         |                         |                         |
| (i) Investments  | 7 (B)   | 2,268.7                 | 3,017.4                 |
| (ii) Loans   | 8 (A)   | 58.3                    | 55.7                    |
| (iii) Trade receivables  | 9 (A)   | -                       | -                       |
| (iv) Other financial assets  | 10 (A)  | 3,510.0                 | 1,503.7                 |
| (i) Deferred tax assets (net)  | 11 (A)  | 12,126.4                | 6,774.9                 |
| (j) Non current tax assets (net)   | 12 (A)  | 3,832.9                 | 2,885.2                 |
| (k) Other non-current assets   | 13 (A)  | 2,299.6                 | 4,169.3                 |
| <b>Total non-current assets</b>  |         | <b>208,658.8</b>        | <b>183,443.2</b>        |
| <b>Current assets</b>  |         |                         |                         |
| (a) Inventories  | 14      | 98,082.3                | 85,112.3                |
| (b) Financial assets   |         |                         |                         |
| (i) Investments  | 7 (C)   | 505.8                   | 1,510.0                 |
| (ii) Trade receivables   | 9 (B)   | 48,167.4                | 44,663.8                |
| (iii) Cash and cash equivalents  | 15 (A)  | 33,934.8                | 43,962.9                |
| (iv) Bank balances other than (iii) above  | 15 (B)  | 28,848.2                | 16,879.1                |
| (v) Loans  | 8 (B)   | 128.6                   | 124.3                   |
| (vi) Other financial assets  | 10 (B)  | 2,631.1                 | 2,903.5                 |
| (c) Current tax assets (net)   | 12 (B)  | 56.7                    | 756.2                   |
| (d) Other current assets   | 13 (B)  | 25,364.3                | 18,687.0                |
| <b>Total current assets</b>  |         | <b>237,719.2</b>        | <b>214,599.1</b>        |
| Assets held for sale   | 13 (C)  | 4,337.1                 | 857.6                   |
| <b>TOTAL ASSETS</b>  |         | <b>450,715.1</b>        | <b>398,899.9</b>        |
| <b>II EQUITY AND LIABILITIES</b>   |         |                         |                         |
| <b>Equity</b>  |         |                         |                         |
| (a) Equity share capital   | 16      | 585.9                   | 585.9                   |
| (b) Other equity   | 17      | 297,842.1               | 267,812.6               |
| <b>Equity attributable to owners of the Company</b>  |         | <b>298,428.0</b>        | <b>268,398.5</b>        |
| (c) Non-controlling interest   |         | 80.0                    | 120.0                   |
| <b>Total equity</b>  |         | <b>298,508.0</b>        | <b>268,518.5</b>        |
| <b>Liabilities</b>   |         |                         |                         |
| <b>Non-current liabilities</b>   |         |                         |                         |
| (a) Financial liabilities  |         |                         |                         |
| (i) Borrowings   | 18 (A)  | 21,349.0                | 6,189.6                 |
| (ii) Lease liabilities   | 33 (A)  | 2,525.3                 | 3,215.3                 |
| (iii) Other financial liabilities  | 21 (A)  | 154.2                   | 125.0                   |
| (b) Provisions   | 19 (A)  | 2,257.0                 | 1,727.2                 |
| (c) Deferred tax liabilities (net)   | 11 (B)  | 3,565.6                 | 3,896.1                 |
| (d) Other non-current liabilities  | 22 (A)  | 364.7                   | 290.4                   |
| <b>Total non-current liabilities</b>   |         | <b>30,215.8</b>         | <b>15,443.6</b>         |
| <b>Current liabilities</b>   |         |                         |                         |
| (a) Financial liabilities  |         |                         |                         |
| (i) Borrowings   | 18 (B)  | 41,803.2                | 42,425.6                |
| (ii) Lease liabilities   | 33 (A)  | 798.8                   | 1,031.6                 |
| (iii) Trade payables   | 20      |                         |                         |
| (A) total outstanding dues of micro enterprises and small enterprises                      |         | 791.5                   | 622.7                   |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises |         | 43,750.1                | 38,090.4                |
| (iv) Other financial liabilities   | 21 (B)  | 21,015.9                | 17,213.7                |
| (b) Other current liabilities  | 22 (B)  | 8,773.8                 | 11,432.5                |
| (c) Provisions   | 19 (B)  | 2,567.9                 | 2,005.3                 |
| (d) Current tax liabilities (net)  | 23      | 2,490.1                 | 2,116.0                 |
| <b>Total current liabilities</b>   |         | <b>121,991.3</b>        | <b>114,937.8</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |         | <b>450,715.1</b>        | <b>398,899.9</b>        |
| Corporate information & Summary of material accounting policies                            | 1 & 2.3 |                         |                         |

The accompanying notes form an integral part of the consolidated financial statements.  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No: 13709

Place: Hyderabad  
Date: May 25, 2024

Place: Hyderabad  
Date: May 25, 2024

Statement of Profit and Loss

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|   | Note    | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|---------|------------------------------|------------------------------|
| <b>I INCOME</b>   |         |                              |                              |
| Revenue from operations   | 24      | 290,018.7                    | 248,553.8                    |
| Other income  | 25      | 5,573.8                      | 2,905.9                      |
| <b>TOTAL INCOME (I)</b>   |         | <b>295,592.5</b>             | <b>251,459.7</b>             |
| <b>II EXPENSES</b>  |         |                              |                              |
| Cost of materials consumed  | 26      | 107,761.4                    | 96,525.1                     |
| Purchases of stock-in-trade   |         | 27,729.3                     | 20,504.3                     |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress                             | 27      | (9,461.7)                    | (4,096.8)                    |
| Employee benefits expense   | 28      | 39,229.4                     | 35,222.5                     |
| Finance costs   | 29      | 2,897.1                      | 1,404.8                      |
| Depreciation, amortisation and impairment expense   | 30      | 15,216.6                     | 12,445.8                     |
| Other expenses  | 31      | 66,330.3                     | 63,212.3                     |
| <b>TOTAL EXPENSES (II)</b>  |         | <b>249,702.4</b>             | <b>225,218.0</b>             |
| <b>III PROFIT BEFORE SHARE OF LOSS OF JOINT VENTURES AND ASSOCIATES, EXCEPTIONAL ITEMS AND TAX (I-II)</b> |         | <b>45,890.1</b>              | <b>26,241.7</b>              |
| <b>IV Share of loss of joint ventures and associates (net of tax)</b>                                     |         | <b>(171.6)</b>               | <b>(116.7)</b>               |
| <b>V PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III+IV)</b>   |         | <b>45,718.5</b>              | <b>26,125.0</b>              |
| <b>VI Exceptional items</b>   | 47      | <b>1,918.6</b>               | <b>-</b>                     |
| <b>VII PROFIT BEFORE TAX (V-VI)</b>   |         | <b>43,799.9</b>              | <b>26,125.0</b>              |
| <b>VIII TAX EXPENSE</b>   |         |                              |                              |
| Current tax   | 32      | 17,775.4                     | 10,714.8                     |
| Deferred tax  |         | (5,665.2)                    | (3,866.3)                    |
| <b>TOTAL TAX EXPENSE (VIII)</b>   |         | <b>12,110.2</b>              | <b>6,848.5</b>               |
| <b>IX PROFIT FOR THE YEAR (VII-VIII)</b>  |         | <b>31,689.7</b>              | <b>19,276.5</b>              |
| <b>X OTHER COMPREHENSIVE INCOME</b>   |         |                              |                              |
| (A) Items that will not to be reclassified subsequently to profit or loss:                                |         |                              |                              |
| (i) Re-measurement of net defined benefit liability   |         | (157.3)                      | 79.4                         |
| (ii) Fair value gain/ (loss) on investments in equity instruments designated at FVTOCI                    |         | 20.9                         | (65.8)                       |
| (iii) Income-tax relating to items under (A) above  |         | 29.5                         | (19.5)                       |
| (B) Items that will be reclassified subsequently to profit or loss:                                       |         |                              |                              |
| (i) Exchange differences on translation of foreign operations   |         | 1,098.5                      | 7,361.7                      |
| (ii) Income-tax on items under (B) above  |         | -                            | -                            |
| <b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX) (X)</b>                                     |         | <b>991.6</b>                 | <b>7,355.8</b>               |
| <b>XI TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)</b>  |         | <b>32,681.3</b>              | <b>26,632.3</b>              |
| <b>Attributable to:</b>   |         |                              |                              |
| Owners of the Company   |         | 32,721.3                     | 26,630.8                     |
| Non-controlling interest  |         | (40.0)                       | 1.5                          |
| <b>OUT OF THE TOTAL COMPREHENSIVE INCOME ABOVE,</b>   |         |                              |                              |
| <b>Profit for the year attributable to:</b>   |         |                              |                              |
| Owners of the Company   |         | 31,729.7                     | 19,275.0                     |
| Non-controlling interest  |         | (40.0)                       | 1.5                          |
| <b>Other comprehensive income attributable to:</b>  |         |                              |                              |
| Owners of the Company   |         | 991.6                        | 7,355.8                      |
| Non-controlling interest  |         | -                            | -                            |
| <b>XII EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 1 EACH :</b>  | 35      |                              |                              |
| Basic and diluted (in ₹)  |         | 54.16                        | 32.90                        |
| Corporate information & Summary of material accounting policies   | 1 & 2.3 |                              |                              |

The accompanying notes form an integral part of the consolidated financial statements.  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No: 13709

Place: Hyderabad  
Date: May 25, 2024

Place: Hyderabad  
Date: May 25, 2024

Statement of Changes in Equity

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(A) EQUITY SHARE CAPITAL (refer note 16)

|   | Number      | Amount |
|---|-------------|--------|
| As at April 1, 2022                             | 585,938,609 | 585.9  |
| Changes in equity share capital during the year | -           | -      |
| As at March 31, 2023                            | 585,938,609 | 585.9  |
| Changes in equity share capital during the year | -           | -      |
| As at March 31, 2024                            | 585,938,609 | 585.9  |

(B) OTHER EQUITY (refer note 17)

|  | Attributable to the owners of the company |                            |                    |                 |                   |   |   |   | Attributable to non-controlling interest | Total            |
|--|---|----------------------------|--------------------|-----------------|-------------------|---|---|---|--|------------------|
|  | Reserves and surplus                      |                            |                    |                 |                   | Items of other comprehensive income                       |   |   |  |                  |
|  | Capital reserve                           | Capital redemption reserve | Securities premium | General reserve | Retained earnings | Exchange differences on translation of foreign operations | Fair value gain/ (loss) on investments in equity instruments designated at FVTOCI | Total attributable to owners of the company |  |                  |
|  |   |                            |                    |                 |                   |   |   |   |  |                  |
| Balance at April 1, 2023                           | 1,221.3                                   | 1,116.2                    | 4,178.9            | 8,131.6         | 239,104.1         | 14,080.5  | (20.0)  | 267,812.6                                   | 120.0                                    | 267,932.6        |
| Profit for the year                                | -   | -                          | -                  | -               | 31,729.7          | -   | -   | 31,729.7                                    | (40.0)                                   | 31,689.7         |
| Other comprehensive income (net of tax)            | -   | -                          | -                  | -               | (127.8)           | 1,098.5   | 20.9  | 991.6                                       | -  | 991.6            |
| <b>Total comprehensive income</b>                  | -   | -                          | -                  | -               | <b>31,601.9</b>   | <b>1,098.5</b>  | <b>20.9</b>   | <b>32,721.3</b>                             | <b>(40.0)</b>                            | <b>32,681.3</b>  |
| Others   | -   | -                          | -                  | -               | (55.2)            | -   | -   | (55.2)                                      | -  | (55.2)           |
| Dividend paid (Refer note 17)                      | -   | -                          | -                  | -               | (2,636.6)         | -   | -   | (2,636.6)                                   | -  | (2,636.6)        |
| <b>Balance at March 31, 2024</b>                   | <b>1,221.3</b>                            | <b>1,116.2</b>             | <b>4,178.9</b>     | <b>8,131.6</b>  | <b>268,014.2</b>  | <b>15,179.0</b>   | <b>0.9</b>  | <b>297,842.1</b>                            | <b>80.0</b>                              | <b>297,922.1</b> |
| Balance at April 1, 2022                           | 818.9                                     | 90.0                       | 4,178.9            | 8,131.6         | 225,189.9         | 6,718.8   | 45.8  | 245,173.9                                   | (19.3)                                   | 245,154.6        |
| Profit for the year                                | -   | -                          | -                  | -               | 19,275.0          | -   | -   | 19,275.0                                    | 1.5                                      | 19,276.5         |
| Other comprehensive income (net of tax)            | -   | -                          | -                  | -               | 59.9              | 7,361.7   | (65.8)  | 7,355.8                                     | -  | 7,355.8          |
| <b>Total comprehensive income</b>                  | -   | -                          | -                  | -               | <b>19,334.9</b>   | <b>7,361.7</b>  | <b>(65.8)</b>   | <b>26,630.8</b>                             | <b>1.5</b>                               | <b>26,632.3</b>  |
| On account of business combination (refer note 54) | -   | 1,026.2                    | -                  | -               | (1,026.2)         | -   | -   | -   | -  | -                |
| Non-controlling interest in an acquired subsidiary | -   | -                          | -                  | -               | -                 | -   | -   | -   | 137.8                                    | 137.8            |
| On acquisition of business (refer note 38(ii))     | 402.4                                     | -                          | -                  | -               | -                 | -   | -   | 402.4                                       | -  | 402.4            |
| Dividend paid (Refer note 17)                      | -   | -                          | -                  | -               | (4,394.5)         | -   | -   | (4,394.5)                                   | -  | (4,394.5)        |
| <b>Balance at March 31, 2023</b>                   | <b>1,221.3</b>                            | <b>1,116.2</b>             | <b>4,178.9</b>     | <b>8,131.6</b>  | <b>239,104.1</b>  | <b>14,080.5</b>   | <b>(20.0)</b>   | <b>267,812.6</b>                            | <b>120.0</b>                             | <b>267,932.6</b> |

The accompanying notes form an integral part of the consolidated financial statements.  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

Place: Hyderabad  
Date: May 25, 2024

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

Place: Hyderabad  
Date: May 25, 2024

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No:13709

Statement of Cash Flows

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|   | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|---------------------------|---------------------------|
| <b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                           |                           |
| Net profit before tax   | 43,799.9                  | 26,125.0                  |
| Adjustment to reconcile profit before tax to net cash generated from operating activities:  |                           |                           |
| Depreciation, amortisation and impairment expense   | 15,216.6                  | 12,445.8                  |
| Allowance for credit losses on trade receivables and other advances(net)  | 232.8                     | 524.5                     |
| Liabilities no longer required written back (net)   | (100.5)                   | (130.1)                   |
| Stock written off   | 66.8                      | 56.8                      |
| Mark-to-market gain on derivative financial instruments (net)   | (27.0)                    | (191.4)                   |
| Exchange differences on translation of assets and liabilities (net)   | (511.4)                   | 3,104.6                   |
| Profit on sale of property, plant and equipment (net)   | (234.9)                   | (132.3)                   |
| Write off of intangible assets under development  | 326.2                     | 239.6                     |
| Share of loss of joint ventures and associates  | 171.5                     | 116.7                     |
| Profit on sale of current investments   | (1.0)                     | -                         |
| Finance costs   | 2,680.9                   | 1,289.5                   |
| Interest income   | (2,857.6)                 | (1,459.0)                 |
| Operating profit before working capital changes   | 58,762.3                  | 41,989.7                  |
| Movements in working capital :  |                           |                           |
| Increase in inventories   | (13,036.8)                | (9,267.0)                 |
| Increase in trade receivables   | (2,641.9)                 | (4,321.1)                 |
| Increase in other financial assets  | (1,729.1)                 | (2,204.0)                 |
| Increase in other current/non current assets  | (6,689.7)                 | (3,549.6)                 |
| (Increase)/decrease in loans  | (6.9)                     | 10.4                      |
| Increase in trade payables  | 5,828.4                   | 7,076.5                   |
| Increase in provisions  | 985.5                     | 217.5                     |
| Decrease in other current/non-current liabilities   | (2,634.3)                 | (1,240.5)                 |
| Increase in other financial liabilities   | 3,174.1                   | 2,328.0                   |
| Cash generated from operating activities  | 42,011.6                  | 31,039.9                  |
| Direct taxes paid (net of refunds)  | (17,666.4)                | (7,172.4)                 |
| Net cash generated from operating activities  | A 24,345.2                | 23,867.5                  |
| <b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                           |                           |
| Purchase of property, plant and equipment, including movement in capital work-in-progress, capital advances and capital creditors | (27,803.3)                | (24,038.0)                |
| Purchase of intangible assets and intangible assets under development   | (7,811.7)                 | (3,166.0)                 |
| Proceeds from sale of property, plant and equipment and intangible assets   | 602.8                     | 110.9                     |
| Acquisition of business (refer note 38)   | -                         | (1,689.2)                 |
| Purchase of controlling interest in subsidiary (refer note 37)  | -                         | (280.5)                   |
| Proceeds from/(Purchase of) non-current investments in joint ventures (net)   | (219.4)                   | 1,053.8                   |
| Purchase of non-current investments   | (16.5)                    | (6,769.4)                 |
| Purchase of current investments   | (21.1)                    | (13,371.6)                |
| Proceeds from sale of current investments   | 1,026.4                   | 16,341.5                  |
| Proceeds from sale of non-current investments   | 765.1                     | 7,173.2                   |
| Margin money deposits not considered as cash and cash equivalents (net)   | (11,890.2)                | (16,608.4)                |
| Interest received   | 2,808.4                   | 1,466.2                   |
| Net cash used in investing activities   | B (42,559.5)              | (39,777.5)                |

Statement of Cash Flows

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| 3. CASH FLOW FROM FINANCING ACTIVITIES   |                              |                              |
| Proceeds from non-current borrowings   | 15,632.4                     | 3,935.8                      |
| Repayment of non-current borrowings  | (171.7)                      | (56.5)                       |
| Proceeds from/(repayment) of current borrowings (net)                                  | (847.6)                      | 20,696.8                     |
| Finance costs paid   | (2,506.5)                    | (1,112.0)                    |
| Repayment of lease liabilities (net)   | (1,466.0)                    | (924.7)                      |
| Dividends paid on equity shares  | (2,636.4)                    | (4,395.3)                    |
| Net cash generated from financing activities   | 8,004.2                      | 18,144.1                     |
| Net increase/(decrease) in cash and cash equivalents (A + B + C)                       | (10,210.1)                   | 2,234.1                      |
| Cash and cash equivalents at the beginning of the year                                 | 43,922.7                     | 41,625.1                     |
| Add: Cash and cash equivalents on acquisition of subsidiaries/business (refer note 37) | -                            | 64.1                         |
| Effect of exchange differences on cash and cash equivalents                            | 141.7                        | (0.6)                        |
| Cash and cash equivalents at the end of the year                                       | 33,854.3                     | 43,922.7                     |

Note:

- a) The above statement of cash flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS-7) "Statement of Cash Flows".
- b) Cash and cash equivalents comprise of:

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| COMPONENTS OF CASH AND CASH EQUIVALENTS                              |                              |                              |
| Cash on hand   | 2.6                          | 79.5                         |
| Balance with banks   |                              |                              |
| - on current account   | 12,823.1                     | 16,586.8                     |
| - in money market account  | 993.4                        | 1,365.3                      |
| - on deposit account   | 20,115.7                     | 25,931.3                     |
| Cash and cash equivalents  | 33,934.8                     | 43,962.9                     |
| Overdraft used for cash and cash management                          | 80.5                         | 40.2                         |
| Cash and cash equivalents considered for cash flows (refer note 15C) | 33,854.3                     | 43,922.7                     |

- c) Reconciliation of financial liabilities from financing activities are given below:

| Particulars            | As at<br>March 31, 2023 | Borrowings<br>taken over<br>upon business<br>combination | Proceeds from<br>borrowings | Repayment of<br>borrowings | The effect<br>of changes<br>in Foreign<br>exchange rates | As at<br>March 31, 2024 |
|------------------------|-------------------------|--|-----------------------------|----------------------------|--|-------------------------|
| Non-current borrowings | 6,310.9                 | -  | 15,632.4                    | 171.7                      | (304.8)  | 21,466.8                |
| Current borrowings     | 42,264.1                | -  | -                           | 847.6                      | 188.4  | 41,604.9                |

| Particulars            | As at<br>March 31, 2022 | Borrowings<br>taken over<br>upon business<br>combination | Proceeds from<br>borrowings | Repayment of<br>borrowings | The effect<br>of changes<br>in Foreign<br>exchange rates | As at<br>March 31, 2023 |
|------------------------|-------------------------|--|-----------------------------|----------------------------|--|-------------------------|
| Non-current borrowings | 2,549.4                 | 42.7   | 3,935.8                     | 56.5                       | (160.5)  | 6,310.9                 |
| Current borrowings     | 21,178.3                | 16.9   | 20,696.8                    | -                          | 372.1  | 42,264.1                |

Refer Note 33 (A) for changes in the lease liabilities arising from financing activities.

The accompanying notes form an integral part of the consolidated financial statements.  
As per our report of even date attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**C Manish Muralidhar**  
Partner  
Membership No: 213649

For and on behalf of the Board of Directors of  
**Aurobindo Pharma Limited**

**K. Nithyananda Reddy**  
Vice Chairman & Managing Director  
DIN-01284195

**Santhanam Subramanian**  
Chief Financial Officer

**M. Madan Mohan Reddy**  
Director  
DIN-01284266

**B. Adi Reddy**  
Company Secretary  
Membership No: 13709

Place: Hyderabad  
Date: May 25, 2024

Place: Hyderabad  
Date: May 25, 2024

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Aurobindo Pharma Limited ("APL" or "the Parent Company" or "Parent") together with its subsidiaries (collectively termed as "the Group" or "the Company") and joint ventures and associates (collectively termed as "the Consolidated Entities") for the year ended March 31, 2024. Aurobindo Pharma Limited is a public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at Plot No.2, Maithriviham, Ameerpet, Hyderabad - 500038, India and the Corporate office is located at Galaxy, Floors: 22-24, Plot No-1, Survey No.83, Hyderabad Knowledge City, Raidurg Panmaktha, Ranga Reddy District, Hyderabad - 500032, Telangana, India. The Company's shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Group is principally engaged in manufacturing and marketing of active pharmaceutical ingredients, generic pharmaceuticals, branded pharmaceuticals and related services. The consolidated financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 25, 2024.

2.1. Basis of preparation

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These consolidated financial statements comprise the Consolidated Balance Sheets as at March 31, 2024 and March 31, 2023, the Consolidated Statements of Profit and Loss, Statements of Changes in Equity and the Consolidated Statements of Cash Flows for the year ended March 31, 2024 and for the year ended March 31, 2023, and a summary of the significant accounting policies, notes and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "Financial Statements").

These consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently

to all the periods presented in these consolidated financial statements.

Current Vs. Non-Current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Statement of cash flows

The consolidated statement of cash flows have been prepared under indirect method.

b) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees (₹), which is also the functional currency of the Parent Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated. Transactions and balances with values below ₹ 0.1 million have been reflected as "0.0" in the consolidated financial statements.

c) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following;

- certain financial assets and liabilities (including derivative instruments) are measured at fair value or amortised cost.
- employee defined benefit assets/liability recognised as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation.
- Investment in joint ventures and associates which are accounted for using the equity method.

d) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 33 (A) - leases: whether an arrangement contains a lease; lease classification.
- Note 34 - contingent liabilities: Measurement and likelihood of occurrence of provisions and contingencies.
- Note 2.3(q) and 43: Financial instruments
- Note 2.3(j), 11, 12 and 32: Provision for income taxes, related tax contingencies and evaluation of recoverability of deferred tax assets.
- Note 2.3(d), 2.3(e): Useful lives of property, plant and equipment and intangible assets
- Note 5: Impairment of Goodwill
- Note 36: Assets and obligations relating to employee benefits

Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Defined employee benefit plans (Gratuity)

The company operates a defined benefit gratuity plan which requires contribution to be

made to a separately administered fund. The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 36.

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 43 for further disclosures.

(iii) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis based on the useful lives estimated by the management. The Group, based on technical assessment and

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

management estimate, depreciates property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that useful lives currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment and intangible assets though these in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

(iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

(v) Impairment of investments, associates and joint ventures

The Group reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(vi) Intangible assets under development

The Group capitalises acquired intangible asset under development for a project in accordance with the accounting policy. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The innovative nature of the product gives rise to some uncertainty as to whether the final approval for the products will be obtained.

(vii) Inventories

The Group estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence by applying certain percentages over different age category of such inventories, expected loss rate

considering the past trend and future outlook. Inventories are written down to NRV where such NRV is lower than their cost.

(viii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

2.2. Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the Acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are at fair value on the acquisition date. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at fair values on the acquisition date irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and

Ind AS 19 Employee Benefits respectively.

- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on March 31.

(ii) Consolidation procedures:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the Parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

(iii) Investment in joint ventures and associates (accounted under equity method)

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether joint control are similar to those necessary to determine control over the subsidiaries.

Associates are those entities over which the group has significant influence. Significant influence is the power to participate in the financial and operational policy decisions of the entities but is not controlled or joint controlled of those policies.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, the investment in a joint venture or associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture or associate since the acquisition date.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture and associates. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share

of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture and associates equals or exceeds its interest in the joint venture and associates (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture and associates), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture and associates. If the joint venture or associates subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture and associates is shown on the face of the consolidated statement of profit and loss. The financial statements of the joint ventures and associates are prepared for the same reporting period as the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures and associates. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures or associates are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and associates and its carrying value, and then recognises the loss as 'Share of profit of a joint venture and associates' in the consolidated statement of profit or loss.

Upon loss of joint control over the joint venture or associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture and associates upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of profit or loss.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Group information:

The Consolidated Financial Statements have been prepared on the basis of the financial statements of the following subsidiaries and joint ventures:

| S. No. | Name of the Consolidated Entities                                    | Country of Incorporation | Nature of Interest | % of equity interest as at |                |
|--------|--|--------------------------|--------------------|----------------------------|----------------|
|        |  |                          |                    | March 31, 2024             | March 31, 2023 |
| 1      | Agile Pharma B.V.  | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 2      | All Pharma (Shanghai) Trading Company Limited                        | China                    | Subsidiary         | 100%                       | 100%           |
| 3      | APL Healthcare Limited   | India                    | Subsidiary         | 100%                       | 100%           |
| 4      | APL Pharma Thai Limited  | Thailand                 | Subsidiary         | 97.9%                      | 97.9%          |
| 5      | Auroactive Pharma Private Limited                                    | India                    | Subsidiary         | 100%                       | 100%           |
| 6      | APL Swift Services (Malta) Limited                                   | Malta                    | Subsidiary         | 100%                       | 100%           |
| 7      | Arrow Generiques SAS   | France                   | Subsidiary         | 100%                       | 100%           |
| 8      | Aurex B.V.   | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 9      | Auro AR LLC  | USA                      | Subsidiary         | 100%                       | 100%           |
| 10     | Auro Health LLC  | USA                      | Subsidiary         | 100%                       | 100%           |
| 11     | Eugia US LLC (formerly Auromedics Pharma LLC), U.S.A.                | USA                      | Subsidiary         | 100%                       | 100%           |
| 12     | Auro Peptides Limited  | India                    | Subsidiary         | 95%                        | 95%            |
| 13     | Auro Pharma Inc.   | Canada                   | Subsidiary         | 100%                       | 100%           |
| 14     | Auro Vaccines LLC  | USA                      | Subsidiary         | 100%                       | 100%           |
| 15     | Raidurgam Developers Limited   | India                    | Joint Venture      | 40%                        | 40%            |
| 16     | Luoxin Aurovitas Pharma (Chengdu) Co., Ltd.                          | China                    | Joint Venture      | 30%                        | 30%            |
| 17     | Auro Pharma LLC, Russia (w.e.f. July 24, 2023) <sup>3</sup>          | Russia                   | Subsidiary         | 100%                       | -              |
| 18     | Novagen BBBEE Invest Co (Pty) Ltd.                                   | South Africa             | Joint Venture      | 24.5%                      | 24.5%          |
| 19     | Aurobindo Pharma (Italia) S.r.l                                      | Italy                    | Subsidiary         | 100%                       | 100%           |
| 20     | Aurobindo Pharma (Malta) Limited                                     | Malta                    | Subsidiary         | 100%                       | 100%           |
| 21     | Aurobindo Pharma (Pty) Limited                                       | South Africa             | Subsidiary         | 74%                        | 74%            |
| 22     | Aurobindo Pharma (Romania) S.r.l                                     | Romania                  | Subsidiary         | 100%                       | 100%           |
| 23     | Aurobindo Pharma B.V.  | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 24     | Aurobindo Pharma Colombia S.A.S.                                     | Colombia                 | Subsidiary         | 100%                       | 100%           |
| 25     | Auro Trading Private Limited (w.e.f. November 22, 2023) <sup>3</sup> | India                    | Subsidiary         | 100%                       | -              |
| 26     | Aurobindo Pharma Industria Farmaceutica Ltda                         | Brazil                   | Subsidiary         | 99.97%                     | 99.97%         |
| 27     | Aurobindo Pharma Japan K.K.  | Japan                    | Subsidiary         | 100%                       | 100%           |
| 28     | Aurobindo Pharma Produtos Farmaceuticos Limitada                     | Brazil                   | Subsidiary         | 100%                       | 100%           |
| 29     | Aurobindo Pharma USA., Inc.  | USA                      | Subsidiary         | 100%                       | 100%           |
| 30     | Aurogen South Africa (Pty) Ltd.                                      | South Africa             | Subsidiary         | 100%                       | 100%           |
| 31     | Aurolife Pharma LLC  | USA                      | Subsidiary         | 100%                       | 100%           |
| 32     | Auronext Pharma Private Limited <sup>6</sup>                         | India                    | Subsidiary         | -                          | 100%           |
| 33     | Aurovida Farmaceutica SA DE CV                                       | Mexico                   | Subsidiary         | 100%                       | 100%           |
| 34     | Aurovitas Pharma Polska  | Poland                   | Subsidiary         | 100%                       | 100%           |
| 35     | Aurovitas Spain SA   | Spain                    | Subsidiary         | 100%                       | 100%           |
| 36     | Eugia Pharma Specialities Limited                                    | India                    | Subsidiary         | 100%                       | 100%           |
| 37     | Helix Healthcare B.V.  | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 38     | Laboratorios Aurobindo, S.L. <sup>5</sup>                            | Spain                    | Subsidiary         | -                          | 100%           |
| 39     | Milpharm Limited   | UK                       | Subsidiary         | 100%                       | 100%           |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| S. No. | Name of the Consolidated Entities  | Country of Incorporation | Nature of Interest | % of equity interest as at |                |
|--------|--|--------------------------|--------------------|----------------------------|----------------|
|        |  |                          |                    | March 31, 2024             | March 31, 2023 |
| 40     | Novagen Pharma (Pty) Limited   | South Africa             | Joint Venture      | 50%                        | 50%            |
| 41     | Pharmacin B.V.   | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 42     | Puren Pharma GmbH & Co., KG  | Germany                  | Subsidiary         | 100%                       | 100%           |
| 43     | Tergene Biotech Limited (formerly Tergene Biotech Pvt. Ltd.)                 | India                    | Joint Venture      | 80%                        | 80%            |
| 44     | 1980 Puren Pharma GmbH   | Germany                  | Subsidiary         | 100%                       | 100%           |
| 45     | Generis Farmaceutica S.A.  | Portugal                 | Subsidiary         | 100%                       | 100%           |
| 46     | Generis Phar, Unipessoal Lda   | Portugal                 | Subsidiary         | 100%                       | 100%           |
| 47     | Auro Packaging LLC   | USA                      | Subsidiary         | 100%                       | 100%           |
| 48     | Aurobindo NV/SA  | Belgium                  | Subsidiary         | 100%                       | 100%           |
| 49     | Aurobindo Pharma Saudi Arabia Limited Company                                | Saudi Arabia             | Subsidiary         | 100%                       | 100%           |
| 50     | Aurovitas Pharma (Taizhou) Ltd.  | China                    | Subsidiary         | 100%                       | 100%           |
| 51     | Auro Logistics LLC   | USA                      | Subsidiary         | 100%                       | 100%           |
| 52     | Acrotech Biopharma Inc. (formerly Acrotech Biopharma LLC)                    | USA                      | Subsidiary         | 100%                       | 100%           |
| 53     | Apitoria Pharma Private limited (formerly Auro Pharma India Private Limited) | India                    | Subsidiary         | 100%                       | 100%           |
| 54     | Purple BellFlower (Pty) Ltd.   | South Africa             | Joint Venture      | 48%                        | 48%            |
| 55     | Aurobindo Pharma FZ LLC  | UAE                      | Subsidiary         | 100%                       | 100%           |
| 56     | Auroscience (Pty) Ltd. <sup>1</sup>  | Australia                | Subsidiary         | -                          | 100%           |
| 57     | Auro Science LLC   | USA                      | Subsidiary         | 100%                       | 100%           |
| 58     | Apotex Europe B.V.   | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 59     | Aurovitas Spol s.r.o   | Czech Republic           | Subsidiary         | 100%                       | 100%           |
| 60     | Aurovitas Nederland B.V.   | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 61     | Sameko Farma B.V.  | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 62     | Leidapharm B.V.  | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 63     | Marel B.V.   | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 64     | Pharma Dossier B.V.  | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 65     | CuraTeQ Biologics Private Limited  | India                    | Subsidiary         | 100%                       | 100%           |
| 66     | Eugia Steriles Private Limited (formerly Auro Cure Private Limited)          | India                    | Subsidiary         | 100%                       | 100%           |
| 67     | Aurozest Private Limited   | India                    | Subsidiary         | 100%                       | 100%           |
| 68     | Aurobindo Antibiotics Private Limited  | India                    | Subsidiary         | 100%                       | 100%           |
| 69     | Mviyes Pharma Ventures Private Limited <sup>6</sup>                          | India                    | Subsidiary         | -                          | 100%           |
| 70     | Lyfius Pharma Private Limited  | India                    | Subsidiary         | 100%                       | 100%           |
| 71     | Qule Pharma Private Limited  | India                    | Subsidiary         | 100%                       | 100%           |
| 72     | Eugia SEZ Private Limited (formerly Wytells Pharma Private Limited)          | India                    | Subsidiary         | 100%                       | 100%           |
| 73     | CuraTeQ Biologics s.r.o.   | Czech Republic           | Subsidiary         | 100%                       | 100%           |
| 74     | Eugia Pharma B.V.  | The Netherlands          | Subsidiary         | 100%                       | 100%           |
| 75     | Eugia Pharma (Malta) Limited, Malta  | Malta                    | Subsidiary         | 100%                       | 100%           |
| 76     | Eugia (UK) Limited   | UK                       | Subsidiary         | 100%                       | 100%           |
| 77     | Aurosaud SA De CV  | Mexico                   | Subsidiary         | 100%                       | 100%           |
| 78     | Auro PR Inc  | Puerto Rico              | Subsidiary         | 100%                       | 100%           |
| 79     | Eugia Pharma INC, Canada   | Canada                   | Subsidiary         | 100%                       | 100%           |
| 80     | Eugia Pharma (Australia) PTY Limited   | Australia                | Subsidiary         | 100%                       | 100%           |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| S. No. | Name of the Consolidated Entities   | Country of Incorporation | Nature of Interest | % of equity interest as at |                |
|--------|---|--------------------------|--------------------|----------------------------|----------------|
|        |   |                          |                    | March 31, 2024             | March 31, 2023 |
| 81     | Eugia Pharma Industria Farmaceutica Limitada                                | Brazil                   | Subsidiary         | 100%                       | 100%           |
| 82     | Auro PR I LLC (formerly Mylan LLC) <sup>2</sup>                             | Puerto Rico              | Subsidiary         | -                          | -              |
| 83     | Aurobindo Pharma Ukraine LLC  | Ukraine                  | Subsidiary         | 100%                       | 100%           |
| 84     | Eugia Pharma Colombia S.A.S.  | Colombia                 | Subsidiary         | 100%                       | 100%           |
| 85     | PT Aurogen Pharma Indonesia (w.e.f. July 1, 2022) <sup>4</sup>              | Indonesia                | Subsidiary         | 100%                       | 100%           |
| 86     | Auro Steriles LLC <sup>7</sup>  | USA                      | Subsidiary         | -                          | -              |
| 87     | Vespyr Brands LLC (formerly known as Vespyr Brands, Inc.)                   | USA                      | Subsidiary         | 100%                       | 100%           |
| 88     | Eugia US Manufacturing LLC  | USA                      | Subsidiary         | 100%                       | 100%           |
| 89     | Eugia Injectable Inc <sup>8</sup>   | USA                      | Subsidiary         | -                          | -              |
| 90     | Eugia Inc   | USA                      | Subsidiary         | 100%                       | 100%           |
| 91     | Auro vaccines Private Limited   | India                    | Subsidiary         | 100%                       | 100%           |
| 92     | GLS Pharma Limited (w.e.f. August 17, 2022) <sup>4</sup>                    | India                    | Subsidiary         | 51%                        | 51%            |
| 93     | TheraNym Biologics Private Limited (w.e.f. September 22, 2022) <sup>4</sup> | India                    | Subsidiary         | 100%                       | 100%           |
| 94     | NVNR (Ramannapet I) Power Plant Private Limited                             | India                    | Associates         | 26%                        | 26%            |
| 95     | NVNR (Ramannapet II) Power Plant Private Limited                            | India                    | Associates         | 26%                        | 26%            |

Notes:

- Auroscience (Pty) Ltd., Australia liquidated w.e.f. June 04, 2023
- Merged with Auro PR Inc w.e.f. May 22, 2022.
- Incorporated/Acquired during the financial year 2023-24.
- Incorporated/Acquired during the financial year 2022-23.
- Merged with Aurovitas Spain SA w.e.f. April 01, 2023.
- Merged with Aurobindo Pharma Ltd., India w.e.f. April 01, 2023.
- Closed w.e.f. September 30, 2022.
- Closed w.e.f. April 26, 2022.

The figures for the subsidiaries have been considered from the date of acquisition/incorporation/and up to the date of disposal/liquidation as applicable.

2.3. Statement of Material Accounting Policies

a. Foreign exchange transactions

The Group's consolidated financial statements are presented in Indian rupees, which is the functional currency of the Parent Company and the currency of primary economic environment in which the company operates.

Initial recognition

Foreign currency transactions are recorded by the Group's entities at their respective functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported at functional currency spot rate of exchange at reporting date. 'Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Foreign operations

For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method. On consolidation, the assets and liabilities of foreign operations are translated into Indian rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The Group uses an average rate to translate income and expense items. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI) and presented with in equity as part of Foreign currency translation reserve (FCTR). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill/capital reserve arising in the acquisition/business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

b. Fair value measurement

The consolidated financial statements have been prepared on the historical cost basis, except for:

- (i) Certain financial instruments that are measured at fair values at the end of each reporting period;
- (ii) Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell;

(iii) Derivative financial instrument and

(iv) Defined benefit plans – plan assets that are measured at fair values at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group .

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Revenue recognition

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised:

- i) **Sale of goods:** Revenue from sale of goods is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. Revenue from the sale of goods is measured at the transaction price which is the consideration received or receivable, net of returns, taxes and applicable trade discounts and allowances. Revenue includes shipping and handling costs billed to the customer. In arriving at the transaction price, the Company considers

the terms of the contract with the customers and its customary business practices. The transaction price is the amount of consideration the Company is entitled to receive in exchange for transferring promised goods or services, excluding amounts collected on behalf of third parties. The amount of consideration varies because of estimated rebates, returns and chargebacks, which are considered to be key estimates. Any amount of variable consideration is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur. The Company estimates the amount of variable consideration using the expected value method. Invoices are payable within contractually agreed credit period. Any additional amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure of the same is available.

**Profit Sharing Revenues:** The Company from time to time enters into arrangements for the sale of its products in certain markets. Under such arrangements, the Company sells its products to the business partners at a base purchase price agreed upon in the arrangement and is also entitled to a profit share which is over and above the base purchase price. The profit share is typically dependent on the ultimate net sale proceeds or net profits, subject to any reductions or adjustments that are required by the terms of the arrangement. Revenue in an amount equal to the base purchase price is recognised in these transactions upon delivery of products to the business partners. An additional amount representing the profit share component is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur.

**Provision for chargeback, rebates and discounts:** Provisions for chargeback, rebates, discounts and Medicaid payments are estimated and provided for in the year of sales and recorded as reduction of revenue. A chargeback claim is a claim made by the wholesaler for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Company. Provisions for such chargebacks are accrued and estimated based on historical average

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

chargeback rate actually claimed over a period of time, current contract prices with wholesalers/other customers and estimated inventory holding by the wholesalers/ other customers.

**Shelf stock adjustments :** Shelf stock adjustments are credits issued to customers to reflect decreases in the selling price of products sold by the Company, and are accrued when the prices of certain products decline as a result of increased competition or otherwise. These credits are customary in the pharmaceutical industry, and are intended to reduce the customer inventory cost to better reflect the current market prices. The determination to grant a shelf stock adjustment to a customer is based on the terms of the applicable contract, which may or may not specifically limit the age of the stock on which a credit would be offered.

**Out-licensing arrangements:** Revenues include amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement. Non-refundable up-front license fees received in connection with product out-licensing agreements are deferred and recognised over the period in which the Company has continuing performance obligations. 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 the Company has continuing performance obligations, if the milestones are not considered substantive. If milestone payments are creditable against future royalty payments, the milestones are deferred and released over the period in which the royalties are anticipated to be received.

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

iii) **Contract balances**

**Contract assets:** Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

c. **Dividend and interest income**

i) **Interest income:** Interest income is recognised with reference to the Effective Interest Rate (EIR) method.

The 'effective interest rate' is the rate that discounts estimated future cash payments or receipts through expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

ii) **Dividend income:** Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

d. **Property, plant and equipment**

Freehold land and buildings (property) and other plant and equipment held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment.

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful life. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

Subsequent expenditure is capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Assets in the course of construction (Capital work in progress) for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period up to commencement of commercial production are treated as part of the project costs and are capitalized.

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the Management.

The Group, based on technical assessment and management estimate, depreciates property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of

the period over which the assets are likely to be used. The Group has estimated the following useful life to provide depreciation on its property, plant and equipment:

Freehold land is not depreciated

| Nature of the assets                    | Useful life as estimated by the management (in years) |
|---|---|
| Freehold land - development expenditure | 25  |
| Freehold buildings                      | 5 - 60  |
| Plant and equipment                     | 3 - 20  |
| Furniture and fixtures                  | 5 - 10  |
| Vehicles                                | 4 - 8   |
| Office equipment                        | 3 - 10  |

Schedule II to the Companies Act, 2013 ("Schedule") prescribes the useful lives for various classes of tangible assets. For certain class of assets, based on the technical evaluation and assessment, the Group believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use. Accordingly, for these assets, the useful lives estimated by the group are different from those prescribed in the Schedule

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end and adjusted prospectively, if appropriate.

e. **Goodwill and other Intangible assets**  
**Goodwill**

Goodwill represents the excess of purchase consideration over the net book value of assets acquired of the subsidiary companies as on the date of investment. Goodwill on consolidation and acquisition is not amortised but is tested for impairment on a periodic basis and impairment losses are recognised where applicable.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The management has estimated following useful life to amortise intangible assets.

| Nature of the assets     | Useful life as estimated by the management (in years) |
|--------------------------|---|
| Product development cost | 10  |
| Licenses and patents     | 5-10  |
| Trademarks               | 5-10  |
| Brands                   | 10-15   |

Certain brands are assessed as intangible assets with indefinite useful lives.

Derecognition of intangible assets

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss when the asset is derecognised.

Research and development costs:

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes.

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and use or sell the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the assets for its intended use. Other development expenditure are recognised as an expense in the consolidated statement of profit and loss.

Separate acquisition of intangible assets  
Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Intangible assets under development :

Acquired research and development intangible assets that are under development are recognised as Intangible assets under development. These assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss. Intangible assets relating to products under

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable.

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

Subsequent expenditure on in process research and development project acquired separately and recognised as an intangible asset is:

- recognised as an expense, if it is research expenditure.
- recognised as an expense, if its development expenditure that does not satisfy the criteria for recognition as an Intangible asset; and
- added to the carrying amount of acquired in process research and development project, only when it increases the future economic benefits embodied in the specific asset to which it relates and satisfies the recognition criteria

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the estimated useful lives of the assets or any other basis that reflect the period of expected future benefit. Amortisation expense is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset. The amortisation period and method are reviewed at each reporting date.

Intangible assets relating to products in development and other intangible assets not available for use is tested for impairment annually. The same are derecognised either on disposal or when no future economic benefits are expected. Losses on derecognition are recorded in the consolidated statement of profit and loss, and are measured as difference between the net disposal proceeds and the carrying amount of respective assets.

f. Government grants and subsidies

Government Grants are recognised when there is a reasonable assurance that the grant will be received, and all the attached conditions will be compiled with. When the grant relates to an item, it is deducted from its related expense. When the grant relates to an asset it is recognised as deferred income and amortised over the useful life of such assets.

g. Inventories

Inventories are valued at lower of cost, calculated on "Weighted average" basis and net realisable value. Cost incurred in bringing each product to its present location and condition are accounted as follows:

Raw materials, packing materials, stores, spares and consumables: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work-in-progress: Cost includes direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excludes borrowing costs.

Stock in trade: Cost includes cost of purchase 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 estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Retirement and other employee benefits  
Defined contribution plans

Contribution to funds such as provident fund and Employee State insurance Corporation (ESIC) are defined contribution plans. The Group has no obligation, other than the contribution payable to these funds. The Group recognizes contribution

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

payable to the fund schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group's contribution towards defined contribution benefit plan is accrued in compliance with the requirements of the domestic laws of the countries in which the consolidated entities operate in the year of which the contributions are due.

Defined benefit plan

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation using projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to consolidated profit or loss in subsequent periods.

Past service costs are recognised in consolidated profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income"

Compensated absences

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

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

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

i. Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). The Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment terms are offered. (Refer note 43 (c)(i))

j. Income taxes

Income tax expense comprises of current and deferred tax. Current income tax assets and liabilities is measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

OCI or directly in equity respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:-

- (i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:-

- (i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and

taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside Consolidated profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Minimum Alternate Tax

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists. Accruals for uncertain tax positions require management to make judgements of potential exposures.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts."

k. Leases

The Group assesses at contract inception if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Assets acquired under leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Where the Group are lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right of use asset

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using useful life of right-of-use asset. The estimated useful lives of Right-of-use assets are determined on the same basis as those of property, plant and equipment and underlying lease period. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liabilities

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of consolidated profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Where the Group are lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

l. Earnings per share

Basic earnings per share is calculated by dividing the net consolidated profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as bonus issue that have changed the number of shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net consolidated profit for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m. Provision and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax 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 recognised as a finance cost."

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.
- n. Cash and cash equivalents**  
Cash and cash equivalent in the consolidated balance sheet comprise cheques, cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Groups cash management.
- o. Borrowing cost**  
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes substantial period of time to get ready for its intended use or sale or capitalised as part of cost of the asset. All other borrowing costs are expensed in the period in which they occur.
- p. Impairment of non-financial assets**  
The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
- In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

- These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.
- The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. Impairment losses of continuing operations, are recognised in the consolidated statement of profit and loss.
- An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.
- Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.
- q. Financial instruments**  
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
- Financial assets**  
**Initial recognition and measurement**  
All financial assets excluding trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.
- Subsequent measurement**  
**Debt instruments at FVTOCI**  
A 'debt instrument' is classified at the FVTOCI (Fair value through other comprehensive income) if both of the following criteria are met:
- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
  - b) The asset's contractual cash flows represent SPPI.
- Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.
- Debt instruments at Amortised cost**  
For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:
- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR

- amortisation is included in finance income in the consolidated profit or loss. The losses arising from impairment are recognised in the consolidated profit or loss. This category generally applies to trade and other receivables.
- Debt instruments at FVTPL**  
Any debt instrument, which does not meet the criteria for categorization at amortized cost or at FVTOCI, is classified at FVTPL (fair value through profit and loss). In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.
- Equity investments:**  
All equity investments in scope of Ind AS 109 - Financial Instruments are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Group may make an irrevocable election to present in OCI subsequent changes in fair value. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Group decides to classify an equity instrument at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of amounts from OCI to Consolidated Profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain/loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated profit and loss.
- Derecognition**  
A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group Consolidated balance sheet) when:
- (i) the rights to receive cash flows from the asset have expired, or
  - (ii) the Group has transferred its rights to receive cash flows from the asset, and the Group

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of trade receivables and other financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- (i) Financial assets that are debt instruments, and are measured at amortised cost, e.g. loans, deposits, debt securities, etc.
- (ii) Trade receivables that result from transactions that are within the scope of Ind AS 115 - Revenue Recognition.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit

risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Consolidated statement of profit and loss. This amount is reflected under the head other expenses/other income in the consolidated statement of profit and loss. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origation.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to consolidated statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in consolidated profit or loss when the

liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

The Group enters into supplier credit arrangements (acceptances) whereby lenders such as banks and financial institutions make payments to supplier's banks for import of raw materials. The banks and financial institutions are subsequently repaid by the Group at a later date. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances under other financial liabilities. Interest borne by the Group on such arrangements is accounted as finance costs.

Reclassification of financial assets

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised classification | Accounting treatment   |
|-------------------------|------------------------|--|
| Amortised cost          | FVTPL                  | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in consolidated statement of profit and loss.   |
| FVTPL                   | Amortised Cost         | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.   |
| Amortised cost          | FVTOCI                 | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.   |
| FVTOCI                  | Amortised cost         | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL                   | FVTOCI                 | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.  |
| FVTOCI                  | FVTPL                  | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to consolidated statement of profit and loss at the reclassification date.  |

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Concentration of credit risk : Financial instruments that potentially subject the Company to credit risk consist principally of interest-bearing investments, derivatives and accounts receivables. One of the subsidiary periodically invests its excess cash in high-quality, liquid money market instruments, principally overnight deposits and highly rated money market funds. The Company maintains deposit balances at certain financial institutions in excess of federally insured amounts. Periodically, the Company reviews the creditworthiness of its counterparties to derivative transactions, and it does not expect to incur a loss from failure of any counterparties to perform under agreements it has with such counterparties.

r. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The forward contracts that meet the definition of a derivative under Ind AS 109 are recognised in the consolidated statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated profit or loss. "

s. Dividend distribution to equity holders of the Company

The Group recognises a liability to make cash and non cash distribution to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Corporate laws in India, a final dividend distribution is authorised when it is approved by the shareholders whereas for interim dividend when authorised by board. A corresponding amount is recognised directly in equity. Non cash distribution are measured at fair value of the assets distributed with fair value re-measurement recognised directly in equity.

t. Non-current assets held for sale

The Group classifies non-current assets and disposal Groups as held for sale/distribution to owners if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use. Actions required to complete the sale/distribution should indicate that

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/distribution classification is regarded met only when the assets or disposal Group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal Groups), its sale/distribution is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale/distribution of the asset or disposal Group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Assets held for sale are presented separately in the balance sheet. Property Plant and Equipment and Intangible Assets once classified as held for sale are not depreciated or amortised.

u. Share based payments

Cash settled share-based payment transactions: The fair value of the amount payable to employees in respect of share-based payment transactions which are settled in cash is recognised as an expense, with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is re-measured at each reporting date and at the settlement date based on the fair value of the share-based payment transaction. Any changes in the liability are recognised in the statement of profit and loss.

v. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

3(A). PROPERTY, PLANT AND EQUIPMENT

|   | Leasehold Land | Freehold Land  | Leasehold Buildings & improvements | Freehold Buildings | Plant & Equipment | Furniture & fixtures | Vehicles     | Office Equipment | Total            |
|---|----------------|----------------|------------------------------------|--------------------|-------------------|----------------------|--------------|------------------|------------------|
| <b>Gross Carrying value (at cost)</b>                         |                |                |                                    |                    |                   |                      |              |                  |                  |
| As at April 1, 2022   | 53.1           | 6,465.3        | 334.8                              | 25,310.3           | 72,901.5          | 2,425.8              | 365.9        | 1,115.3          | 108,972.0        |
| Additions   | -              | 304.1          | 6.1                                | 1,487.6            | 6,369.9           | 208.3                | 126.1        | 269.5            | 8,771.6          |
| Disposals/adjustments   | -              | 39.8           | (48.8)                             | 23.4               | 705.2             | (18.2)               | 65.1         | (226.4)          | 540.1            |
| Acquisition through business combination (refer note 37 & 38) | -              | 1,388.7        | -                                  | 4,817.2            | 4,374.2           | 8.8                  | -            | 11.7             | 10,600.6         |
| Foreign currency translation adjustments                      | 10.6           | 121.0          | 21.2                               | 561.1              | 602.9             | 15.3                 | (0.3)        | 39.2             | 1,371.0          |
| <b>As at March 31, 2023</b>                                   | <b>63.7</b>    | <b>8,239.3</b> | <b>410.9</b>                       | <b>32,152.8</b>    | <b>83,543.3</b>   | <b>2,676.4</b>       | <b>426.6</b> | <b>1,662.1</b>   | <b>129,175.1</b> |
| Additions   | -              | 348.9          | -                                  | 14,145.6           | 29,177.0          | 302.7                | 210.3        | 1,694.5          | 45,879.0         |
| Disposals/adjustments   | 70.4           | (58.3)         | 412.7                              | (506.1)            | 2,446.8           | 8.6                  | 71.1         | (1,696.8)        | 748.4            |
| Reclassified to assets held for sale (refer note 13(C))       | -              | -              | -                                  | -                  | (8.3)             | (0.7)                | -            | (5.8)            | (14.8)           |
| Foreign currency translation adjustments                      | 6.7            | 39.5           | 1.8                                | 173.3              | 177.1             | 2.2                  | 0.5          | 11.9             | 413.0            |
| <b>As at March 31, 2024</b>                                   | <b>-</b>       | <b>8,686.0</b> | <b>-</b>                           | <b>46,977.8</b>    | <b>110,442.3</b>  | <b>2,972.0</b>       | <b>566.3</b> | <b>5,059.5</b>   | <b>174,703.9</b> |
| <b>Accumulated depreciation</b>                               |                |                |                                    |                    |                   |                      |              |                  |                  |
| As at April 1, 2022   | -              | 0.1            | 50.2                               | 4,247.4            | 30,463.2          | 1,062.1              | 215.9        | 728.9            | 36,767.8         |
| Charge for the year   | -              | -              | 10.6                               | 993.4              | 6,097.1           | 230.6                | 76.3         | 193.9            | 7,601.9          |
| Disposals/adjustments   | -              | -              | (41.4)                             | 14.0               | 372.5             | (19.2)               | 54.0         | (107.0)          | 272.9            |
| Acquisition through business combination (refer note 37 & 38) | -              | -              | -                                  | 4,798.4            | 4,312.0           | 7.1                  | -            | 10.0             | 9,127.5          |
| Foreign currency translation adjustments                      | -              | -              | 3.9                                | 99.9               | 371.5             | 11.8                 | 0.1          | 29.9             | 517.1            |
| <b>As at March 31, 2023</b>                                   | <b>-</b>       | <b>0.1</b>     | <b>106.1</b>                       | <b>10,125.1</b>    | <b>40,871.3</b>   | <b>1,330.8</b>       | <b>238.3</b> | <b>1,069.7</b>   | <b>53,741.4</b>  |
| Charge for the year   | -              | -              | -                                  | 1,278.4            | 6,548.0           | 244.0                | 103.9        | 474.5            | 8,648.8          |
| Disposals/adjustments   | -              | -              | 107.0                              | (96.7)             | 1,641.8           | 8.8                  | 59.7         | (1,201.3)        | 519.3            |
| Reclassified to assets held for sale (refer note 13(C))       | -              | -              | -                                  | -                  | (4.1)             | (0.6)                | -            | (2.1)            | (6.8)            |
| Foreign currency translation adjustments                      | -              | -              | 0.9                                | 94.2               | 121.4             | 2.2                  | -            | 12.8             | 231.5            |
| <b>As at March 31, 2024</b>                                   | <b>-</b>       | <b>0.1</b>     | <b>-</b>                           | <b>11,594.4</b>    | <b>45,894.8</b>   | <b>1,567.6</b>       | <b>282.5</b> | <b>2,756.2</b>   | <b>62,095.6</b>  |
| <b>Net carrying value</b>                                     |                |                |                                    |                    |                   |                      |              |                  |                  |
| As at March 31, 2023  | 63.7           | 8,239.2        | 304.8                              | 22,027.7           | 42,672.0          | 1,345.6              | 188.3        | 592.4            | 75,433.7         |
| <b>As at March 31, 2024</b>                                   | <b>-</b>       | <b>8,685.9</b> | <b>-</b>                           | <b>35,383.4</b>    | <b>64,547.5</b>   | <b>1,404.4</b>       | <b>283.8</b> | <b>2,303.3</b>   | <b>112,608.3</b> |

1. The title deeds of land and buildings aggregating gross value of ₹ 525.4 (March 31, 2023: ₹ 629.1) are pending transfer to the Company's name
2. Depreciation for the year include ₹ 135.2 (March 31, 2023: ₹ 6.2) taken as capital expenditure on projects pending capitalisation.
3. Details of Right-of-use assets - refer note 33 (A).
4. Refer note 40 for details of capital research and development expenditure.
5. Refer Note 18 for charge on property, plant and equipment.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

3(B). CAPITAL WORK-IN-PROGRESS

|   | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|-----------------------------------|-----------------------------------|
| Balance at the beginning of the year                    | 44,964.0                          | 29,375.6                          |
| Additions during the year                               | 33,115.1                          | 22,548.0                          |
| Capitalisations   | (43,608.1)                        | (7,934.4)                         |
| Written off   | (134.1)                           | -                                 |
| Disposals/Other Adjustment                              | (57.8)                            | (35.7)                            |
| Reclassified to assets held for sale (refer note 13(C)) | (6,858.1)                         | -                                 |
| Foreign currency translation adjustments                | (27.1)                            | 1,010.5                           |
|   | <b>27,393.9</b>                   | <b>44,964.0</b>                   |

1. Capital work in progress as at March 31, 2024 comprises expenditure for the plant in the course of construction and general replacements.
2. Refer note 48 for ageing of Capital work-in-progress

4. RIGHT-OF-USE ASSETS

|  | Land           | Building       | Machinery    | Vehicles       | Total          |
|--|----------------|----------------|--------------|----------------|----------------|
| <b>Gross Carrying value (at cost)</b>                    |                |                |              |                |                |
| As at April 1, 2022                                      | 1,293.4        | 2,765.8        | 1,986.1      | 947.3          | 6,992.6        |
| Additions  | 14.0           | 728.5          | -            | 392.5          | 1,135.0        |
| Disposals/adjustments                                    | 76.8           | 285.1          | 1,369.2      | 410.5          | 2,141.6        |
| Acquisition through business combination (refer note 37) | -              | 0.6            | -            | -              | 0.6            |
| Foreign Currency Translation Adjustments                 | 11.6           | 146.9          | 167.1        | 60.0           | 385.6          |
| <b>As at March 31, 2023</b>                              | <b>1,242.2</b> | <b>3,356.7</b> | <b>784.0</b> | <b>989.3</b>   | <b>6,372.2</b> |
| Additions  | -              | 88.0           | 42.3         | 437.8          | 568.1          |
| Disposals/adjustments                                    | 132.2          | 1,292.2        | 795.9        | 314.1          | 2,534.4        |
| Foreign Currency Translation Adjustments                 | (9.5)          | 30.3           | 11.9         | 39.5           | 72.2           |
| <b>As at March 31, 2024</b>                              | <b>1,100.5</b> | <b>2,182.8</b> | <b>42.3</b>  | <b>1,152.5</b> | <b>4,478.1</b> |
| <b>Accumulated depreciation</b>                          |                |                |              |                |                |
| As at April 1, 2022                                      | 109.3          | 729.6          | 678.2        | 395.4          | 1,912.5        |
| Charge for the year                                      | 46.3           | 457.1          | 181.0        | 210.8          | 895.2          |
| Disposals/adjustments                                    | -              | 281.5          | 537.1        | 285.3          | 1,103.9        |
| Acquisition through business combination (refer note 37) | -              | -              | -            | -              | -              |
| Foreign Currency Translation Adjustments                 | 1.8            | 43.8           | 61.6         | 41.1           | 148.3          |
| <b>As at March 31, 2023</b>                              | <b>157.4</b>   | <b>949.0</b>   | <b>383.7</b> | <b>362.0</b>   | <b>1,852.1</b> |
| Charge for the year                                      | 45.5           | 415.5          | 53.2         | 231.5          | 745.7          |
| Disposals/adjustments                                    | 26.2           | 293.7          | 435.2        | 235.8          | 990.9          |
| Foreign Currency Translation Adjustments                 | (0.7)          | 5.7            | 6.1          | 13.3           | 24.4           |
| <b>As at March 31, 2024</b>                              | <b>176.0</b>   | <b>1,076.5</b> | <b>7.8</b>   | <b>371.0</b>   | <b>1,631.3</b> |
| <b>Net carrying value</b>                                |                |                |              |                |                |
| As at March 31, 2023                                     | 1,084.8        | 2,407.7        | 400.3        | 627.3          | 4,520.1        |
| <b>As at March 31, 2024</b>                              | <b>924.5</b>   | <b>1,106.3</b> | <b>34.5</b>  | <b>781.5</b>   | <b>2,846.8</b> |

Depreciation for the year include ₹ 77.9 (March 31, 2023 : ₹ 158.0) transferred to capital work in progress

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

5. GOODWILL

|  | Amount          |
|--|-----------------|
| <b>Gross Carrying value (at cost)</b>                            |                 |
| As at April 1, 2022  | 8,939.5         |
| Additions  | -               |
| Disposals/adjustments  | -               |
| Acquisition through business combination (refer note 37 & 38(i)) | 1,149.5         |
| Foreign currency translation adjustments                         | 372.6           |
| <b>As at March 31, 2023</b>                                      | <b>10,461.6</b> |
| Additions  | -               |
| Disposals/adjustments  | -               |
| Foreign currency translation adjustments                         | 16.4            |
| <b>As at March 31, 2024</b>                                      | <b>10,478.0</b> |
| <b>Accumulated Amortisation</b>                                  |                 |
| As at April 1, 2022  | 4,185.3         |
| Impairment   | 70.3            |
| Disposals/adjustments  | -               |
| Foreign currency translation adjustments                         | 245.3           |
| <b>As at March 31, 2023</b>                                      | <b>4,500.9</b>  |
| Impairment   | 27.4            |
| Disposals/Adjustments  | -               |
| Foreign currency translation adjustments                         | (1.8)           |
| <b>As at March 31, 2024</b>                                      | <b>4,526.5</b>  |
| <b>Net carrying value</b>  |                 |
| As at March 31, 2023   | 5,960.7         |
| <b>As at March 31, 2024</b>                                      | <b>5,951.5</b>  |

For the purpose of impairment testing carrying amount of Goodwill has been allocated to the following Cash Generating Units (CGU) as follows:

| Particulars                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Acrotech Biopharma LLC          | 289.7                   | 312.5                   |
| Vespyr Brands, Inc              | 613.4                   | 604.4                   |
| Generis Farmaceutica, Portugal  | 967.7                   | 963.1                   |
| Milpharm Ltd., UK               | 232.4                   | 232.4                   |
| Aurex BV, Netherlands           | 75.9                    | 75.9                    |
| Aurobindo Pharma Ltd.           | 1,095.4                 | 1,095.4                 |
| Auronext Pharma Private Limited | 33.9                    | 33.9                    |
| GLS Pharma Limited              | 232.5                   | 232.5                   |
| Eugia Pharma Specialities Ltd.  | 2,410.6                 | 2,410.6                 |
| <b>Total</b>                    | <b>5,951.5</b>          | <b>5,960.7</b>          |

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

The recoverable amounts of the Goodwill have been determined based on value-in-use calculations which uses cash flow projections covering generally a period of five years which are based on key assumptions such as margins, expected growth rates based on past experience and Management’s expectations/extrapolation of normal increase/ steady terminal growth rate and appropriate discount rates that reflects current market assessments of time value of money. The Management believes that any reasonably possible change in key assumptions on which recoverable amount is based is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Key assumptions upon which the Group has based its determination of value in use include:

- a) Estimated cashflows for five years, based on management’s projections.
- b) A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity using a constant long term growth rate of 2%. 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 are based on the Company’s weighted average cost of capital.
- d) The after tax discount rate used is 12.4% for cash generating units. The pre tax discount rate is 13.15%

6(A). INTANGIBLE ASSETS

|  | Brands          | Product<br>Development<br>cost | Trade Marks    | Licences<br>and<br>patents | Total           |
|--|-----------------|--------------------------------|----------------|----------------------------|-----------------|
| <b>Gross Carrying value (at cost)</b>                            |                 |                                |                |                            |                 |
| As at April 1, 2022  | 15,499.2        | 2,920.0                        | -              | 16,107.5                   | 34,526.7        |
| Additions  | -               | 629.1                          | -              | 1,742.5                    | 2,371.6         |
| Disposals/adjustments  | (100.7)         | 154.9                          | -              | 233.6                      | 287.8           |
| Acquisition through business combination (refer note 37 & 38(i)) | 4.0             | -                              | 884.3          | -                          | 888.3           |
| Foreign currency translation adjustments                         | 1,213.2         | 63.7                           | -              | 1,148.6                    | 2,425.5         |
| <b>As at March 31, 2023</b>                                      | <b>16,817.1</b> | <b>3,457.9</b>                 | <b>884.3</b>   | <b>18,765.0</b>            | <b>39,924.3</b> |
| Additions  | 10.0            | 504.7                          | 4,001.0        | 633.2                      | 5,148.9         |
| Disposals/adjustments  | 6.6             | 43.1                           | -              | 603.3                      | 653.0           |
| Foreign currency translation adjustments                         | 209.1           | 4.9                            | -              | 183.5                      | 397.5           |
| <b>As at March 31, 2024</b>                                      | <b>17,029.6</b> | <b>3,924.4</b>                 | <b>4,885.3</b> | <b>18,978.4</b>            | <b>44,817.7</b> |
| <b>Accumulated amortization</b>                                  |                 |                                |                |                            |                 |
| As at April 1, 2022  | 4,856.4         | 1,128.4                        | -              | 5,259.6                    | 11,244.4        |
| Charge for the year  | 1,875.6         | 413.1                          | 88.4           | 1,665.5                    | 4,042.6         |
| Disposals/adjustments  | 1.8             | 113.5                          | -              | 461.6                      | 576.9           |
| Foreign currency translation adjustments                         | 454.9           | 50.4                           | -              | 386.5                      | 891.8           |
| <b>As at March 31, 2023</b>                                      | <b>7,185.1</b>  | <b>1,478.4</b>                 | <b>88.4</b>    | <b>6,850.0</b>             | <b>15,601.9</b> |
| Charge for the year  | 2,778.2         | 525.2                          | 187.7          | 2,246.6                    | 5,737.7         |
| Disposals/adjustments  | 7.6             | 23.6                           | -              | 221.0                      | 252.2           |
| Foreign currency translation adjustments                         | 126.7           | 3.9                            | 0.8            | 77.6                       | 209.0           |
| <b>As at March 31, 2024</b>                                      | <b>10,082.4</b> | <b>1,983.9</b>                 | <b>276.9</b>   | <b>8,953.2</b>             | <b>21,296.4</b> |
| <b>Net carrying value</b>  |                 |                                |                |                            |                 |
| As at March 31, 2023   | 9,632.0         | 1,979.5                        | 795.9          | 11,915.0                   | 24,322.4        |
| <b>As at March 31, 2024</b>                                      | <b>6,947.2</b>  | <b>1,940.5</b>                 | <b>4,608.4</b> | <b>10,025.2</b>            | <b>23,521.3</b> |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

1. Refer note 40 for details of capital research and development expenditure.
2. Include intangible assets with indefinite useful lives amounting to ₹ 3,745.1 (March 31, 2023: ₹ 3,727.0)

6(B). INTANGIBLE ASSETS UNDER DEVELOPMENT

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Balance at the beginning of the year     | 8,936.1                              | 8,096.4                              |
| Additions during the year                | 3,396.8                              | 3,087.5                              |
| Capitalisations                          | (746.6)                              | (2,214.7)                            |
| Written off                              | (322.6)                              | (262.9)                              |
| Disposals/Other Adjustment               | (3.5)                                | (93.2)                               |
| Foreign currency translation adjustments | 33.1                                 | 323.0                                |
|  | 11,293.3                             | 8,936.1                              |

Refer note 49 for ageing of Intangible assets under development

7. INVESTMENTS

|  | Face value  | As at March 31, 2024        |        | As at March 31, 2023        |        |
|--|-------------|-----------------------------|--------|-----------------------------|--------|
|  |             | Quantity<br>(% of interest) | Amount | Quantity<br>(% of interest) | Amount |
| (A) Investments accounted for using the equity method  |             |                             |        |                             |        |
| Investments in unquoted equity shares (fully paid, carried at cost, unless stated otherwise) |             |                             |        |                             |        |
| In joint ventures  |             |                             |        |                             |        |
| Novagen Pharma (Pty) Limited, South Africa   | ZAR 17.7948 | 927,236 (50%)               | 139.5  | 927,236 (50%)               | 217.8  |
| Novagen BBEEE Invest Co. (Pty) Ltd., South Africa  | ZAR 371.405 | 245 (24.5%)                 | 1.0    | 245 (24.5%)                 | 0.8    |
| Luoxin Aurovitas Pharma (Chengdu) Co., Ltd. China  | 0           | 30%                         | 789.9  | 30%                         | 681.4  |
| Purple BellFlower (Pty) Ltd., South Africa   | ZAR 4.8     | 480 (48%)                   | -      | 480 (48%)                   | -      |
| Tergene Biotech Limited, India   | ₹ 10        | 9,040,000 (80%)             | -      | 9,040,000 (80%)             | -      |
| Raidurgam Developers Limited, India  | ₹ 10        | 4,000,000 (40%)             | -      | 4,000,000 (40%)             | -      |
| In Associates  |             |                             |        |                             | -      |
| NVNR (Ramannapet I) Power Plant Private Limited  | ₹ 10        | 520,000 (26%)               | 9.3    | 520,000 (26%)               | -      |
| NVNR (Ramannapet II) Power Plant Private Limited   | ₹ 10        | 520,000 (26%)               | 8.1    | 520,000 (26%)               | -      |
|  |             |                             | 947.8  |                             | 900.0  |
| (B) Non-current investments  |             |                             |        |                             |        |
| Investments in unquoted equity shares (fully paid, carried at cost, unless stated otherwise) |             |                             |        |                             |        |
| In subsidiaries  |             |                             |        |                             |        |
| Aurobindo Pharma Foundation Pvt. Ltd. (Sec-8 Company)  | ₹ 10        | 10,000(100%)                | 0.1    | 10,000(100%)                | 0.1    |
| In others (carried at fair value through profit and loss)                                    |             |                             |        |                             |        |
| Jeedimetla Effluent Treatment Limited, India   | ₹ 100       | 753                         | 0.1    | 753                         | 0.1    |
| Patancheru Envirotech Limited, India   | ₹ 10        | 103,709                     | 1.0    | 103,709                     | 1.0    |
| Progressive Effluent Treatment Limited, India  | ₹ 100       | 1,000                       | 0.1    | 1,000                       | 0.1    |
| Synergy Remedies Private Limited   | ₹ 10        | 10,489,500                  | 150.0  | 10,489,500                  | 150.0  |
|  |             | A                           | 151.3  |                             | 151.3  |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Face value | As at March 31, 2024        |         | As at March 31, 2023        |         |
|--|------------|-----------------------------|---------|-----------------------------|---------|
|  |            | Quantity<br>(% of interest) | Amount  | Quantity<br>(% of interest) | Amount  |
| <b>Investments in unquoted preference shares (fully paid, carried at amortised cost, unless stated otherwise)</b>  |            |                             |         |                             |         |
| <b>In joint ventures</b>   |            |                             |         |                             |         |
| Tergene Biotech Limited, India   | ₹ 100      | 3,285,000                   | -       | 2,890,000                   | 96.2    |
| (10.5% Cumulative Preference shares redeemable at par within six years from the date of issue)   |            |                             |         |                             |         |
|  |            | B                           | -       |                             | 96.2    |
| <b>Investments in unquoted optionally convertible debentures (fully paid, carried at amortised cost, unless stated otherwise)</b>  |            |                             |         |                             |         |
| <b>In joint ventures</b>   |            |                             |         |                             |         |
| Raidurgam Developers Limited, India  | ₹ 1,000    | 831,232                     | 655.5   | 831,232                     | 591.7   |
| (Interest of 1.5% to 9.5% over a period of ten years redeemable at par within ten years from date of issue. These are optionally convertible into 100 equity shares per debenture at any time after one year.) |            |                             |         |                             |         |
| <b>In Associates</b>   |            |                             |         |                             |         |
| NVNR (Ramannapet I) Power Plant Private Limited  | ₹ 10       | 4,862,000 (26%)             | 48.6    | 4,862,000 (26%)             | 48.0    |
| NVNR (Ramannapet II) Power Plant Private Limited   | ₹ 10       | 4,862,000 (26%)             | 48.6    | 4,862,000 (26%)             | 47.7    |
|  |            | C                           | 752.7   |                             | 687.4   |
| <b>Unquoted investment in government securities (Carried at fair value through profit and loss)</b>  |            |                             |         |                             |         |
| National Savings Certificate (includes held by Income tax authorities ₹ 0.1 (March 31, 2023 : ₹ 0.1))  |            |                             | 0.2     |                             | 0.2     |
|  |            | D                           | 0.2     |                             | 0.2     |
| <b>Investments in quoted equity shares (fully paid, carried at fair value through other comprehensive income)</b>  |            |                             |         |                             |         |
| Non current Investments in Stocks and shares (refer note 7(1))   |            |                             | 471.1   |                             | 570.8   |
| <b>Investments in quoted bonds (fully paid, carried at amortised cost)</b>   |            |                             |         |                             |         |
| Non current Investments in quoted bonds (refer note 7(1))  |            |                             | 893.4   |                             | 1,511.5 |
|  |            | E                           | 1,364.5 |                             | 2,082.3 |
|  |            | A+B+C+D+E                   | 2,268.7 |                             | 3,017.4 |
| Aggregate value of quoted investments  |            |                             | 1,364.5 |                             | 2,082.3 |
| Aggregate value of unquoted investments  |            |                             | 904.2   |                             | 935.1   |
| Market value of quoted investments   |            |                             | 1,364.5 |                             | 2,082.3 |
| <b>(C) Current investments</b>   |            |                             |         |                             |         |
| <b>Investments in unquoted equity shares (fully paid, carried at fair value through profit and loss)</b>   |            |                             |         |                             |         |
| Citadel Aurobindo Biotech Limited, India   | ₹ 100      | 70,000                      | -       | 70,000                      | -       |
| (At cost less impairment of ₹ 7.0 (31 March 2023: ₹ 7.0))  |            |                             |         |                             |         |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | Face value | As at March 31, 2024        |        | As at March 31, 2023        |         |
|--|------------|-----------------------------|--------|-----------------------------|---------|
|  |            | Quantity<br>(% of interest) | Amount | Quantity<br>(% of interest) | Amount  |
| <b>Investments in quoted equity shares (fully paid, carried at fair value through profit and loss)</b> |            |                             |        |                             |         |
| Union Bank of India (formerly known as Andhra Bank)  | ₹ 10       | 1,469                       | 0.1    | 1,469                       | 0.1     |
| <b>Investments in quoted bonds (fully paid, carried at amortised cost)</b>                             |            |                             |        |                             |         |
| Investments in quoted commercial papers (refer note 7(1))  |            |                             | -      |                             | 818.6   |
| Investments in quoted bonds (refer note 7(1))  |            |                             | 505.7  |                             | 691.3   |
| Less: Provision for impairment in value of investments   |            |                             | -      |                             | -       |
|  |            |                             | 505.8  |                             | 1,510.0 |
| Aggregate value of unquoted investments  |            |                             | -      |                             | -       |
| Aggregate value of quoted investments  |            |                             | 0.1    |                             | 818.7   |
| Market value of quoted investments   |            |                             | 0.1    |                             | 818.7   |
| Aggregate amount of impairment in value of investments   |            |                             | 7.0    |                             | 7.0     |

\* On July 2020, the Parent Company incorporated Aurobindo Pharma Foundation, a wholly owned Section 8 Company under the Companies Act, 2013 to further the CSR activities of the Group. The objective is not to obtain economic benefits through the activities of the foundation and accordingly it has been excluded for the purpose of preparation of consolidated financial statements.

7(1). INVESTMENTS

|  | Face value<br>(USD) | As at March 31, 2024 |        | As at March 31, 2023 |        |
|--|---------------------|----------------------|--------|----------------------|--------|
|  |                     | Quantity             | Amount | Quantity             | Amount |
| Non current Investments in quoted equity shares (fully paid, carried at fair value through other comprehensive income) |                     |                      |        |                      |        |
| At&T Inc Com Usd1 (T)  | 1.0000              | 102,600              | 150.6  | 102,600              | 162.3  |
| Abbott Laboratories (Abt)  | -                   | 1,612                | 15.3   | 1,612                | 13.4   |
| Adobe Systems Incorporated Com (Adbe)  | 0.0001              | -                    | -      | 447                  | 14.2   |
| Blackrock Inc Com Usd0.01 (Blk)  | 0.0100              | -                    | -      | 186                  | 10.2   |
| Cisco Systems Inc (CSCO)   | -                   | 5,171                | 21.5   | 5,171                | 22.2   |
| Disney Walt Co Com (Dis)   | 0.0100              | 1,784                | 18.2   | 1,784                | 14.7   |
| Fidelity Natl Information Services Com Usd0.01 (Fis)   | 0.0100              | 2,311                | 14.3   | 2,311                | 10.3   |
| Home Depot Inc (Hd)  | 0.0500              | -                    | -      | 916                  | 22.2   |
| Jpmorgan Chase & Co (Jpm)  | 1.0000              | -                    | -      | 1,945                | 20.8   |
| Pnc Financial Services Group Com Usd5 (Pnc)  | 5.0000              | 1,224                | 16.5   | 1,224                | 12.8   |
| Qualcomm Inc (Qcom)  | 0.0001              | 1,299                | 18.3   | 1,299                | 13.6   |
| Stanley Black & Decker Inc (Swk)   | 2.5000              | 1,592                | 13.0   | 1,592                | 10.6   |
| Zoetis Inc (Zts)   | 0.0100              | 892                  | 12.6   | 892                  | 12.2   |
| Activision Blizzard Inc Com (Atvi)   | 0.0000              | -                    | -      | 4,963                | 34.9   |
| Organon &Co Common Stock   | 0.0100              | 1,260                | 2.0    | 1,260                | 2.4    |
| Ishares Tr Ishs 1-5Yr Invs (Igsb)  | -                   | 36,567               | 156.4  | 36,567               | 151.9  |
| Us Bancorp (Usb)   | 0.0100              | 3,829                | 14.3   | 3,829                | 11.3   |
| Warner Bros Discovery Inc Com Ser A (Wbd)  | 0.0100              | 24,820               | 18.1   | 24,820               | 30.8   |
|  |                     |                      | 471.1  |                      | 570.8  |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|   | Face value<br>(USD) | As at March 31, 2024 |        | As at March 31, 2023 |         |
|---|---------------------|----------------------|--------|----------------------|---------|
|   |                     | Quantity             | Amount | Quantity             | Amount  |
| Non current Investments in quoted bonds<br>(fully paid, carried at amortised cost)            |                     |                      |        |                      |         |
| American Express Co Note  | 100.00              | -                    | -      | 11,620               | 95.7    |
| AT&T Inc Note   | 100.00              | -                    | -      | 11,210               | 92.9    |
| Bank Amer Corp Bond Perpetual   | 100.00              | 11,330               | 95.2   | 11,330               | 95.4    |
| Bank New York Mellon Corp Ser I   | 100.00              | -                    | -      | 5,600                | 0.1     |
| Bank Of Montreal Mtn  | 100.00              | -                    | -      | 5,580                | 45.4    |
| Bk Of America Corp Ser N Mtn  | 100.00              | 11,220               | 91.4   | 11,220               | 90.1    |
| Centerpoint Energy Inc Note   | 100.00              | -                    | -      | 7,550                | 61.6    |
| Charter Communications Oper   | 100.00              | -                    | -      | 11,520               | 0.3     |
| Cigna Corp New Ser B Note   | 100.00              | -                    | -      | 11,400               | 0.2     |
| Citigroup Inc Note Call Make  | 100.00              | 11,210               | 92.1   | 11,210               | 90.8    |
| Comcast Corp New Note Call Make   | 100.00              | -                    | -      | 11,480               | 94.8    |
| Deere John Capital Corp Ser H Mtn   | 100.00              | -                    | -      | 5,610                | 46.1    |
| Enbridge Inc Mtn Cds- Note  | 100.00              | -                    | -      | 5,620                | -       |
| General Mills Inc Note  | 100.00              | -                    | -      | 11,400               | 0.2     |
| General Mtrs Finl Co Inc Note   | 100.00              | 11,220               | 92.6   | 11,220               | 91.3    |
| Goldman Sachs Group Inc Note  | 100.00              | 16,820               | 139.1  | 16,820               | 137.4   |
| JP Morgan Chase & Co Bond   | 100.00              | 5,610                | 44.2   | 5,610                | 44.8    |
| Morgan Stanley Ser I Mtn  | 100.00              | -                    | -      | 11,220               | 92.6    |
| National Rural Utils Coop Fin Ser D   | 100.00              | -                    | -      | 7,010                | -       |
| Nextera Energy Cap Hldgs Inc  | 100.00              | -                    | -      | 11,220               | 0.1     |
| Royal Bk Cda Ser I Mtn  | 100.00              | 11,220               | 92.5   | 11,220               | 91.2    |
| Schwab Charles Corp Bond Perpetual  | 100.00              | 750                  | 6.2    | 750                  | 6.4     |
| Southern Calif Edison Co Ser 2021C  | 100.00              | -                    | -      | 11,440               | 94.3    |
| Southern Co Ser 2016B Note  | 100.00              | -                    | -      | 11,350               | 0.2     |
| Starbucks Corp Note   | 100.00              | -                    | -      | 5,920                | -       |
| Thermo Fisher Scientific Inc Note   | 100.00              | -                    | -      | 5,700                | 0.0     |
| Truist Finl Corp Mtn  | 100.00              | 6,080                | 50.2   | 6,080                | 49.5    |
| Verizon Communications Inc  | 100.00              | 11,230               | 94.1   | 11,230               | 93.3    |
| Dominion Energy Inc Ser D Note  | 100.00              | -                    | -      | 8,660                | 0.0     |
| Shell Intl.Fin.Bv Note  | 100.00              | -                    | -      | 5,620                | 0.0     |
| Wells Fargo &Co Ser U Mtn   | 100.00              | 5,880                | 49.0   | 5,880                | 48.3    |
| Capital One Finl Corp Note  | 100.00              | 5,610                | 46.8   | 5,610                | 46.1    |
| Bank New York Mellon Corp Ser J Mtn   | 100.00              | -                    | -      | 290                  | 2.4     |
|   |                     |                      | 893.4  |                      | 1,511.5 |
| Current Investments in quoted<br>commercial papers (fully paid, carried at<br>amortised cost) |                     |                      |        |                      |         |
| Banco Santander S.A.  | 100.00              | -                    | -      | 100,000              | 818.6   |
|   |                     |                      | -      |                      | 818.6   |
| Current Investments in quoted bonds<br>(fully paid, carried at amortised cost)                |                     |                      |        |                      |         |
| Cigna Corp New Ser B Note   | 100.00              | -                    | -      | 11,400               | 93.8    |
| Centerpoint Energy Inc Note   | 100.00              | 3,750                | 31.0   | -                    | -       |
| Comcast Corp New Note Call Make   | 100.00              | 11,480               | 95.8   | -                    | -       |
| At&T Inc Note   | 100.00              | 11,210               | 93.6   | -                    | -       |
| Southern Calif Edison Co Ser 2021C  | 100.00              | 11,440               | 95.4   | -                    | -       |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|                                     | Face value<br>(USD) | As at March 31, 2024 |        | As at March 31, 2023 |        |
|-------------------------------------|---------------------|----------------------|--------|----------------------|--------|
|                                     |                     | Quantity             | Amount | Quantity             | Amount |
| American Express Co Note            | 100.00              | 11,620               | 97.0   | -                    | -      |
| Bank Of Montreal Mtn                | 100.00              | 5,580                | 46.1   | -                    | -      |
| Deere John Capital Corp Ser H Mtn   | 100.00              | 5,610                | 46.8   | -                    | -      |
| Dominion Energy Inc Ser D Note      | 100.00              | -                    | -      | 8,660                | 70.9   |
| General Mills Inc Note              | 100.00              | -                    | -      | 11,400               | 94.0   |
| National Rural Utils Coop Fin Ser D | 100.00              | -                    | -      | 7,010                | 57.6   |
| Nextera Energy Cap Hldgs Inc        | 100.00              | -                    | -      | 11,220               | 91.7   |
| Shell Intl.Fin.Bv Note              | 100.00              | -                    | -      | 5,620                | 46.3   |
| Thermo Fisher Scientific Inc Note   | 100.00              | -                    | -      | 5,700                | 46.8   |
| Charter Communications Oper         | 100.00              | -                    | -      | 11,520               | 95.3   |
| Enbridge Inc Mtn Cds- Note          | 100.00              | -                    | -      | 5,620                | 46.2   |
| Starbucks Corp Note                 | 100.00              | -                    | -      | 5,920                | 48.7   |
|                                     |                     |                      | 505.7  |                      | 691.3  |

8. LOANS

(A) Non current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Loans receivables considered good - unsecured                    |                         |                         |
| Loans to employees   | 58.3                    | 55.7                    |
| Loans receivables which have significant increase in credit risk | -                       | -                       |
| Loans receivables - credit impaired                              | 1.5                     | 1.6                     |
|  | 59.8                    | 57.3                    |
| Less: provision for loans  | 1.5                     | 1.6                     |
|  | 58.3                    | 55.7                    |

No loans are due from directors or other officers of the Parent Company either severally or jointly with any other person. Refer note 39 for dues from related parties.

(B) Current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Loans receivables considered good - unsecured                    |                         |                         |
| Loans to employees   | 128.6                   | 124.3                   |
| Loans receivables which have significant increase in credit risk | -                       | -                       |
| Loans receivables - credit impaired                              | 0.1                     | 0.2                     |
|  | 128.7                   | 124.5                   |
| Less: provision for loans  | 0.1                     | 0.2                     |
|  | 128.6                   | 124.3                   |

No loans are due from directors or other officers of the Company either severally or jointly with any other person.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

9. TRADE RECEIVABLES

(A) Non current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Trade receivables considered good - secured                      | -                       | -                       |
| Trade receivables considered good - unsecured                    | -                       | -                       |
| Trade receivables which have significant increase in credit risk | -                       | -                       |
| Trade receivables - credit impaired                              | 635.2                   | 433.0                   |
|  | 635.2                   | 433.0                   |
| Less: loss allowance   | 635.2                   | 433.0                   |
|  | -                       | -                       |

(B) Current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Trade receivables considered good - secured                      | -                       | -                       |
| Trade receivables considered good - unsecured                    | 48,167.4                | 44,663.8                |
| Trade receivables which have significant increase in credit risk | -                       | -                       |
| Trade receivables - credit impaired                              | 1,232.5                 | 1,216.6                 |
|  | 49,399.9                | 45,880.4                |
| Less: loss allowance   | 1,232.5                 | 1,216.6                 |
|  | 48,167.4                | 44,663.8                |

The details of changes in allowance for credit loss during the year ended March 31, 2024 and March 31, 2023 are as follows:

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Balance at the beginning of the year             | 1,649.6                 | 1,279.9                 |
| Provision made during the year, net of reversals | 172.7                   | 430.9                   |
| Bad debts written off                            | 70.0                    | 93.6                    |
| Effect of changes in the foreign exchange rates  | (24.6)                  | (154.8)                 |
| Balance at the end of the year                   | 1,867.7                 | 1,649.6                 |

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or debts due from firms or private companies respectively in which any director is a partner or a director or member. Refer note 39 for dues from related parties.

Refer Note 43(C)(i) for the Group's credit risk management process.

Refer Note 50 for ageing of trade receivables

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

10. OTHER FINANCIAL ASSETS

(Unsecured, considered good unless stated otherwise)

(A) Non current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Security deposits                                    |                         |                         |
| Considered good                                      | 1,514.4                 | 1,412.9                 |
| Doubtful   | -                       | -                       |
|  | 1,514.4                 | 1,412.9                 |
| Provision for doubtful deposits                      | -                       | -                       |
|  | 1,514.4                 | 1,412.9                 |
| Lease receivable                                     | 1,983.7                 | -                       |
| Other non-current bank balances (Refer note 15(B)) * | 11.9                    | 90.8                    |
|  | 3,510.0                 | 1,503.7                 |

\* Includes margin money deposits of ₹ 11.8 (March 31, 2023 ₹ 43.0) given against bank guarantees or performance guarantees (refer note 34(B) )

(B) Current

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Security deposits   | 55.6                    | 72.1                    |
| Derivatives - foreign currency forward contracts                                      | 34.5                    | 191.4                   |
| Interest accrued on deposits  | 169.9                   | 122.6                   |
| Interest accrued on investments in debentures and preference shares of joint ventures | 29.5                    | 27.6                    |
| Incentives receivable   | 1,997.5                 | 1,721.0                 |
| Lease Receivable  | 10.2                    | -                       |
| Other Receivables- Others   | 333.9                   | 768.8                   |
|   | 2,631.1                 | 2,903.5                 |

11. DEFERRED TAX ASSETS AND LIABILITIES (NET)

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>(A) Deferred tax assets (net)</b>                      |                         |                         |
| Business loss and unabsorbed depreciation carried forward | 163.7                   | 74.7                    |
| Provisions  | 5,105.9                 | 369.9                   |
| Unused tax credits  | 1,871.3                 | 1,558.9                 |
| Receivables, financial assets at amortised cost           | 42.2                    | 32.3                    |
| Property plant and equipment                              | (455.5)                 | (494.7)                 |
| Inventories   | 3,295.2                 | 3,336.2                 |
| Others  | 2,103.6                 | 1,897.6                 |
|   | 12,126.4                | 6,774.9                 |
| <b>(B) Deferred tax liabilities (net)</b>                 |                         |                         |
| Property plant and equipment                              | 2,921.9                 | 2,957.5                 |
| Business loss and unabsorbed depreciation carried forward | -                       | 29.2                    |
| Receivables, financial assets at amortised cost           | (233.7)                 | (219.6)                 |
| Provisions  | (541.5)                 | (178.6)                 |
| Inventories   | -                       | (21.0)                  |
| Others  | 1,418.9                 | 1,328.6                 |
|   | 3,565.6                 | 3,896.1                 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Movement in deferred tax assets/deferred tax liabilities

|   | As at<br>April 1, 2023 | Recognised in<br>statement of<br>profit and loss | Recognised in OCI | Foreign Currency<br>Translation | As at<br>March 31, 2024 |
|---|------------------------|--|-------------------|---------------------------------|-------------------------|
| <b>Deferred tax assets</b>                                |                        |  |                   |                                 |                         |
| Business loss and unabsorbed depreciation carried forward | 74.7                   | 85.3   | -                 | 3.7                             | 163.7                   |
| Provisions  | 369.9                  | 4,666.6  | 25.5              | 43.9                            | 5,105.9                 |
| Unused tax credits (MAT)                                  | 1,558.9                | 405.9  | -                 | (93.5)                          | 1,871.3                 |
| Receivables, financial assets at amortised cost           | 32.3                   | 9.5  | -                 | 0.4                             | 42.2                    |
| Property plant and equipment                              | (494.7)                | 38.3   | -                 | 0.9                             | (455.5)                 |
| Inventories   | 3,336.2                | (58.4)   | -                 | 17.4                            | 3,295.2                 |
| Others  | 1,897.6                | 191.8  | (4.7)             | 18.9                            | 2,103.6                 |
|   | 6,774.9                | 5,339.0  | 20.8              | (8.3)                           | 12,126.4                |
| <b>Deferred tax liabilities</b>                           |                        |  |                   |                                 |                         |
| Property plant and equipment                              | 2,957.5                | (35.3)   | -                 | (0.3)                           | 2,921.9                 |
| Business loss and unabsorbed depreciation carried forward | 29.2                   | (28.9)   | -                 | (0.3)                           | -                       |
| Receivables, financial assets at amortised cost           | (219.6)                | (14.1)   | -                 | -                               | (233.7)                 |
| Provisions  | (178.6)                | (355.8)  | (8.7)             | 1.6                             | (541.5)                 |
| Inventories   | (21.0)                 | 21.0   | -                 | -                               | -                       |
| Others  | 1,328.6                | 86.9   | -                 | 3.4                             | 1,418.9                 |
|   | 3,896.1                | (326.2)  | (8.7)             | 4.4                             | 3,565.6                 |

|   | As at<br>April 1, 2022 | Recognised in<br>statement of<br>profit and loss | Recognised<br>in OCI | Additions<br>on account<br>of Business<br>acquisition | Foreign<br>Currency<br>Translation | As at<br>March 31, 2023 |
|---|------------------------|--|----------------------|---|------------------------------------|-------------------------|
| <b>Deferred tax assets</b>                                |                        |  |                      |   |                                    |                         |
| Business loss and unabsorbed depreciation carried forward | 3.5                    | 66.2   | -                    | -   | 5.0                                | 74.7                    |
| Provisions  | 37.2                   | 323.0  | 1.7                  | -   | 8.0                                | 369.9                   |
| Unused tax credits (MAT)                                  | 597.6                  | 799.3  | -                    | -   | 162.0                              | 1,558.9                 |
| Receivables, financial assets at amortised cost           | 5.4                    | 23.8   | -                    | -   | 3.1                                | 32.3                    |
| Property plant and equipment                              | (1,025.3)              | 560.6  | -                    | -   | (30.0)                             | (494.7)                 |
| Inventories   | 2,926.9                | 297.1  | -                    | -   | 112.2                              | 3,336.2                 |
| Others  | 340.6                  | 1,495.7  | -                    | -   | 61.3                               | 1,897.6                 |
|   | 2,885.9                | 3,565.7  | 1.7                  | -   | 321.6                              | 6,774.9                 |
| <b>Deferred tax liabilities</b>                           |                        |  |                      |   |                                    |                         |
| Property plant and equipment                              | 4,159.0                | (1,197.4)  | -                    | 2.1   | (6.2)                              | 2,957.5                 |
| Business loss and unabsorbed depreciation carried forward | 24.7                   | (2.9)  | -                    | -   | 7.4                                | 29.2                    |
| Receivables, financial assets at amortised cost           | (151.7)                | (67.5)   | -                    | -   | (0.4)                              | (219.6)                 |
| Provisions  | (214.6)                | 10.2   | 21.2                 | -   | 4.6                                | (178.6)                 |
| Inventories   | (19.9)                 | 0.1  | -                    | -   | (1.2)                              | (21.0)                  |
| Others  | 312.1                  | 957.0  | -                    | -   | 59.5                               | 1,328.6                 |
|   | 4,109.6                | (300.5)  | 21.2                 | 2.1   | 63.7                               | 3,896.1                 |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- (i) The Group's tax jurisdictions are in various countries, primarily in India, USA and Europe. Significant judgements are involved in determining the provision for current tax, including amounts expected to be paid/recovered for uncertain tax positions.
- (ii) Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and the level of future taxable profits together with the future tax planning strategies.

### 12. INCOME TAX ASSETS (NET)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(A) Non current</b>                             |                         |                         |
| Advance income-tax (net of provision for taxation) | 3,832.9                 | 2,885.2                 |
|  | <b>3,832.9</b>          | <b>2,885.2</b>          |
| <b>(B) Current</b>                                 |                         |                         |
| Advance income-tax (net of provision for taxation) | 56.7                    | 756.2                   |
|  | <b>56.7</b>             | <b>756.2</b>            |

Refer note 32 for details of income tax expense

### 13. OTHER ASSETS

(Unsecured, considered good unless stated otherwise)

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>(A) Non-current</b>                        |                         |                         |
| Export incentives receivable                  |                         |                         |
| Considered good                               | 3.5                     | -                       |
| Doubtful                                      | 68.2                    | 68.2                    |
|   | <b>71.7</b>             | <b>68.2</b>             |
| Provision for doubtful receivables            | 68.2                    | 68.2                    |
|   | <b>3.5</b>              | <b>-</b>                |
| Export rebate claims receivable               | 545.4                   | 537.8                   |
| Capital advances                              |                         |                         |
| Considered good                               | 1,267.9                 | 3,118.2                 |
| Doubtful                                      | 15.0                    | 15.7                    |
|   | <b>1,282.9</b>          | <b>3,133.9</b>          |
| Provision for doubtful advances               | 15.0                    | 15.7                    |
|   | <b>1,267.9</b>          | <b>3,118.2</b>          |
| Advances other than capital advances          |                         |                         |
| Considered good                               | 32.8                    | 50.7                    |
| Doubtful                                      | 44.8                    | 31.2                    |
|   | <b>77.6</b>             | <b>81.9</b>             |
| Provision for doubtful advances               | 44.8                    | 31.2                    |
|   | <b>32.8</b>             | <b>50.7</b>             |
| Contribution to Gratuity Fund (refer note 36) | 10.8                    | 45.3                    |
| Balances with government authorities          |                         |                         |
| Considered good                               | 439.2                   | 417.3                   |
| Doubtful                                      | 0.4                     | 0.4                     |
|   | <b>439.6</b>            | <b>417.7</b>            |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Provision for doubtful advances                | 0.4                     | 0.4                     |
|  | <b>439.2</b>            | <b>417.3</b>            |
|  | <b>2,299.6</b>          | <b>4,169.3</b>          |
| <b>(B) Current</b>                             |                         |                         |
| Advances other than capital advances           |                         |                         |
| Considered good                                | 6,461.0                 | 4,895.1                 |
| Doubtful                                       | 19.6                    | 8.8                     |
|  | <b>6,480.6</b>          | <b>4,903.9</b>          |
| Provision for doubtful advances                | 19.6                    | 8.8                     |
|  | <b>6,461.0</b>          | <b>4,895.1</b>          |
| Export rebate claims receivable                | 2,307.0                 | 2,549.6                 |
| Export incentives receivable                   | 312.0                   | 166.1                   |
| Balances with Statutory/government authorities | 16,284.3                | 11,076.2                |
|  | <b>25,364.3</b>         | <b>18,687.0</b>         |
| <b>(C) Assets held for sale</b>                |                         |                         |
| Assets held for sale                           | 4,337.1                 | 857.6                   |
|  | <b>4,337.1</b>          | <b>857.6</b>            |

As at March 31, 2024, Assets held for sale represents Non-current assets.

Pursuant to Asset transfer agreement entered on February 03, 2024, management has agreed to transfer non-current assets of Eugia US Manufacturing LLC. Accordingly, these non-current assets have been classified as Assets of Disposal Group classified as held for sale in accordance with the provisions of Ind AS 105 – Non-Current Assets Held for Sale and Discontinued Operations in these financial statements as at and for the year ended March 31, 2024. The Group has recognized these non-current assets at lower of its carrying amount and fair value less cost to sell and provided for adjustment and presented as an exceptional item in the Statement of Profit and Loss (Refer note 47). Closing conditions to the asset transfer agreement have been completed subsequent to year end.

As at March 31, 2023, Assets held for sale represents :

1. Manufacturing facility at Lawrenceville, New Jersey comprising of land and building and
2. Research facility at New York comprising of building.

The above assets have been sold in current financial year. The consequent impact has been recorded in the Statement of Profit and Loss.

### 14. INVENTORIES

(Valued at lower of cost and net realisable value)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Raw materials  | 29,201.4                | 26,814.4                |
| Packing materials  | 4,683.3                 | 3,784.8                 |
| Work-in-progress   | 15,770.3                | 14,068.3                |
| Finished goods   | 33,403.8                | 29,995.9                |
| Stock-in-trade   | 12,205.7                | 7,277.0                 |
| Stores, spares and consumables                             | 2,840.2                 | 3,220.7                 |
| Less : Reclassified to intangible assets under development | (22.4)                  | (48.8)                  |
|  | <b>98,082.3</b>         | <b>85,112.3</b>         |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Details of material in transit included in inventories above |                         |                         |
| Raw materials  | 1,293.3                 | 795.2                   |
| Finished goods   | 9,046.3                 | 5,864.8                 |

During the year, the Company recorded inventory (write-up)/write-downs to net realisable value of ₹ (1,171.8) (March 31, 2023: ₹(137.6)). These adjustments were included in cost of material consumed and changes in inventories.

15. CASH AND BANK BALANCES

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| (A) Cash and cash equivalents  |                         |                         |
| Balances with banks:   |                         |                         |
| in current accounts  | 12,028.3                | 16,311.9                |
| in cash credit accounts  | 794.8                   | 274.9                   |
| in money market accounts   | 993.4                   | 1,365.3                 |
| in deposit accounts - with original maturity of less than 3 months                               | 20,115.7                | 25,931.3                |
| Cash on hand   | 2.6                     | 79.5                    |
|  | 33,934.8                | 43,962.9                |
| (B) Bank balances other than cash and cash equivalents   |                         |                         |
| Balances with banks - deposits with maturity less than 12 months                                 | 28,823.0                | 16,854.2                |
| Earmarked balances with banks:   |                         |                         |
| in unpaid dividend account   | 25.2                    | 24.9                    |
| Margin money deposits - given against bank guarantees/performance guarantees                     | 11.9                    | 90.8                    |
|  | 28,860.1                | 16,969.9                |
| Amount disclosed under non-current financial assets (refer note 10(A))                           | (11.9)                  | (90.8)                  |
|  | 28,848.2                | 16,879.1                |
| (C) For the purpose of statement of cash flows, cash and cash equivalents comprise of following: |                         |                         |
| Cash and cash equivalents as above   | 33,934.8                | 43,962.9                |
| Less: Cash credit (refer note 18(B))   | (80.5)                  | (40.2)                  |
|  | 33,854.3                | 43,922.7                |

16. EQUITY SHARE CAPITAL

a) Issued, subscribed and fully paid-up equity shares

|                      | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----------------------|-------------------------|-------------------------|
|                      | Equity Shares           |                         |
|                      | Numbers                 | Amount                  |
| As at April 1, 2022  | 585,938,609             | 585.9                   |
| As at March 31, 2023 | 585,938,609             | 585.9                   |
| As at March 31, 2024 | 585,938,609             | 585.9                   |

b) Terms/rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.

The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% of total number of equity shares in the Parent Company

|   | As at March 31, 2023 |           |
|---|----------------------|-----------|
|   | Numbers              | % holding |
| RPR Sons Advisors Private Limited and Mrs. P. Suneela Rani (Joint Holders)* | 196,376,250          | 33.51%    |

|   | As at March 31, 2024 |           |
|---|----------------------|-----------|
|   | Numbers              | % holding |
| RPR Sons Advisors Private Limited and Mrs. P. Suneela Rani (Joint Holders)* | 196,376,250          | 33.51%    |

\*As per records of the Parent Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of shares and the beneficial ownership is with RPR Enterprises, a partnership firm.

Refer note 52 for shares held by promoters

d) No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance sheet date.

17. OTHER EQUITY

A. Summary of other equity balance

|                                      | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Capital reserve                      | 1,221.3                 | 1,221.3                 |
| Capital redemption reserve           | 1,116.2                 | 1,116.2                 |
| Securities premium                   | 4,178.9                 | 4,178.9                 |
| General reserve                      | 8,131.6                 | 8,131.6                 |
| Foreign currency translation reserve | 15,179.0                | 14,080.5                |
| Retained earnings                    | 268,014.2               | 239,104.1               |
| Other Comprehensive Income (OCI)     | 0.9                     | (20.0)                  |
|                                      | 297,842.1               | 267,812.6               |

a) The disaggregation of changes in reserves and surplus and OCI are disclosed in statement of changes in equity.

b) The details of distribution of dividend made are as under:

|   | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Cash dividends on equity shares declared and paid during the year                                     |                |                |
| Interim dividend for the year ended March 31, 2024: ₹ 4.5 per share (March 31, 2023: ₹ 7.5 per share) | 2,636.6        | 4,394.5        |
|   | 2,636.6        | 4,394.5        |

Proposed dividends on equity shares:

Proposed interim dividend for the year ended March 31, 2024: ₹ Nil per share (March 31, 2023: ₹ Nil per share) not recognised as liability.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

B. Nature and purpose of reserves

|                                       |   |
|---------------------------------------|---|
| (a) Capital Reserve :                 | Represents capital reserve balances of the acquired entities which are transferred to the Group upon mergers in the earlier years and those arising on acquisition.   |
| (b) Capital redemption reserve :      | The Parent Company has recognised capital redemption reserve on redemption of non-convertible preference shares. The amount in Capital Redemption Reserve is equal to nominal amount of the non-convertible preference shares redeemed. This reserve will be utilised in accordance with Section 69 of the Companies Act, 2013.   |
| (c) Securities premium :              | The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on the grant date and nominal value of share is accounted as securities premium. This reserve will be utilised in accordance with provisions of Section 52 of the Companies Act, 2013.  |
| (d) General reserve :                 | The Parent Company has transferred a portion of its net profit before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. This reserve also includes transferred cumulative translation differences arising from foreign operations forming part of foreign currency translation reserve which were deemed to be zero upon transition to Ind AS as at 1 April 2015.   |
| (e) Retained Earnings :               | Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.   |
| (f) Other Comprehensive Income (OCI): | Other comprehensive income comprises of: <div><div>(i) Re-measurement of defined employee benefit plans:<p>Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments with in the plans, are recognised in other comprehensive income and subsequently not reclassified in to consolidated statement of profit and loss.</p></div><div>(ii) Exchange differences on translation of financial statements of foreign operations:<p>Represents exchange differences arising on account of conversion of foreign operations to Group's functional currency.</p></div></div> |
| (g) Non-controlling interest          | Net profit/(loss) attributable to minority shareholders.  |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

18. BORROWINGS

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| (A) Non - Current borrowings   |                         |                         |
| Term loans from Banks  |                         |                         |
| Foreign currency term loans - Secured (refer note (i) below)                       | 2,931.9                 | 3,167.6                 |
| Term loans - Rupee loans - Secured (refer note (ii) below)                         | 18,417.1                | 3,022.0                 |
|  | 21,349.0                | 6,189.6                 |
| (B) Current borrowings   |                         |                         |
| Term loans from Banks  |                         |                         |
| Current maturities of foreign currency term loans (secured) (refer note (i) below) | 115.2                   | 113.7                   |
| Current maturities of term loans (unsecured) (refer note (iii) below)              | 2.6                     | 7.6                     |
| Foreign currency term loans (unsecured) (refer note (iv) below)                    | 904.2                   | 657.1                   |
| Loans repayable on demand from Banks - working capital loans                       |                         |                         |
| - Cash credit facilities (secured)   | 80.5                    | 40.2                    |
| - Working capital demand loan (Unsecured)  | -                       | 2,200.0                 |
| - Working capital demand loan (Secured) (refer note (v) below)                     | 950.0                   | 2.4                     |
| - Packing credit loans (Secured) (refer note (vi) below)                           | 17,189.0                | 19,227.8                |
| - Packing credit loans (Unsecured) (refer note (vii) below)                        | 14,226.9                | 15,157.0                |
| - Bill discounting facility (Unsecured) (refer note (viii) below)                  | 3,334.8                 | 5,019.8                 |
| - Short term loans from Banks (Unsecured) (refer note (ix) below)                  | 5,000.0                 | -                       |
|  | 41,803.2                | 42,425.6                |
| (C) Details of secured and unsecured borrowings                                    |                         |                         |
| Secured borrowings   | 39,683.7                | 25,573.7                |
| Unsecured borrowings   | 23,468.5                | 23,041.5                |
|  | 63,152.2                | 48,615.2                |

- (i) Secured foreign currency term loan amounting to ₹ 1,382.1 (March 31, 2023: ₹ 1,489.2) carrying interest rate of 0.80% (March 31, 2023: 0.80%) is secured by buildings and is repayable in equal quarterly installments and the last installment is payable in October 2034 and secured foreign currency term loan amounting to ₹ 1,665.0 (March 31, 2023: ₹ 1,792.1) is secured by Property, Plant & Equipment, carrying interest rate of 4.50% (March 31, 2023: 4.50%) and is repayable in installments of monthly, quarterly & half-yearly and the last installment is payable in May 2027.

(ii) 

(a) Secured Term loan of ₹ 2,216.6 carrying an interest rate of 8.3% is secured by first charge on present and future immovable & movable assets and second charge on present and future current assets and is repayable in 20 equal quarterly installments commencing from June 2025.

(b) Secured term loan of ₹ 727.1 carrying an interest rate of 8.5% is secured by first charge on present and future moveable assets and is repayable in 20 equal quarterly installments commencing from December 2025.

(c) Secured term loan of ₹ 11,220.6 (March 31, 2023: ₹ 3,000.0) carrying an interest rate of 3 month MCLR + 0.05% (Effective rate of interest 8.76%) (March 31, 2023: 3 month MCLR + 0.05%) is secured by first charge on present and future moveable and immovable assets and also shortfall undertaking from Parent company and its subsidiaries and is repayable in 18 quarterly installments commencing from April 2025.

(d) Secured Term loan of ₹ 4,252.8 carrying an interest rate of 8.10% (3M T bill @6.82 plus 1.28) up to December 19, 2023 thereafter 8.20% (3M T bill @6.92 plus 1.28) up to March 20, 2024 (Effective interest is 3m T-Bill + 1.28%) is secured by Corporate Guarantee from its parent and is repayable in 16 quarterly instalments commencing from December 2025.

(iii) Unsecured term loan carries an interest rate ranging from 15% to 16.25%.
- 410 | Aurobindo Pharma Limited | Integrated Annual Report 2023-24
- Driving Sustainable Growth: Develop | Deliver | Excel | 411

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

- (iv) Unsecured short-term foreign currency loans amounting to ₹ 904.2 (March 31, 2023: ₹ 657.1) carry interest in the range of 3.8% to 4.6% (March 31, 2023: 4.0% to 4.6%)
- (v) All secured working capital demand loans are secured by first pari passu charge by way of hypothecation of all the stocks, book debts and other current assets (both present and future) and carry interest in the range of 7.68% to 7.85% (March 31, 2023 : 10.5%)
- (vi) All secured packing credit foreign currency loans carry interest rate in the range of respective SOFR plus 0 to 10 basis points (March 31, 2023: respective SOFR plus 0 to 15 basis points) with maturity within 6 months.
- (vii) 

(a) Unsecured packing credit foreign currency loans amounting to ₹ 10,523.7 (March 31, 2023:14,978.1) carry interest rate in the range of respective SOFR plus 20 to 90 basis points and respective EURIBOR plus 35 to 90 basis points for EURO (March 31, 2023: SOFR plus 0 to 160 basis points and respective EURIBOR plus 0 to 150 basis points for EURO and 4.7% linked to 3Month SONIA for GBP).

(b) Unsecured packing credit foreign currency loan amounting to ₹ 1,834.9 repayable within 180 days carry an interest rate of 3M SOFR plus 5 basis points.

(c) Unsecured packing credit foreign currency loan amounting to ₹ 1,868.2 (March 31, 2023:178.9) carry interest rate of respective SOFR plus 10 basis points with maturity within 6 months (March 31, 2023: respective SOFR plus 30 to 110 basis points for USD Loans and 1M EURIBOR plus 0 Basis points to 3M EURIBOR plus 60 Basis points for Euro Loans).
- (viii) All unsecured bills discounted carry interest rate in the range of respective SOFR plus 50 basis points EURIBOR Plus 50 to 75 basis points (31 March 2023: respective EURIBOR Plus 40 to 75 basis points).
- (ix) Unsecured short term loan is repayable on demand and carry an interest rate of 3M T Bill plus 100 basis points.

19. PROVISIONS

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>(A) Non-current</b>                                    |                         |                         |
| For employee benefits                                     |                         |                         |
| Gratuity and other retirement benefits (refer note 36(b)) | 179.2                   | 101.8                   |
| Compensated absences                                      | 1,194.2                 | 968.6                   |
| Other employee benefit obligation                         | 568.2                   | 549.8                   |
| Others  | 315.4                   | 107.0                   |
|   | 2,257.0                 | 1,727.2                 |
| <b>(B) Current</b>  |                         |                         |
| For employee benefits                                     |                         |                         |
| Gratuity and other retirement benefits (refer note 36(b)) | 235.6                   | 2.0                     |
| Compensated absences                                      | 370.3                   | 383.8                   |
| Other employee benefit obligation                         | 244.1                   | 194.2                   |
| Provisions for sales returns and medical taxes            | 1,717.9                 | 1,425.3                 |
|   | 2,567.9                 | 2,005.3                 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

20. TRADE PAYABLES

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises                      | 791.5                   | 622.7                   |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 43,750.1                | 38,090.4                |
|  | 44,541.6                | 38,713.1                |

Refer note 43 (C) (ii) for the Group’s liquidity risk management process

Refer note 39 for the related party payables

Refer note 51 for Trade payables ageing schedule

21. OTHER FINANCIAL LIABILITIES

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(A) Non-current</b>                           |                         |                         |
| Others   | 154.2                   | 125.0                   |
|  | 154.2                   | 125.0                   |
| <b>(B) Current</b>                               |                         |                         |
| Capital creditors                                | 4,346.3                 | 3,500.8                 |
| Derivatives - foreign currency forward contracts | 7.5                     | -                       |
| Security deposits                                | 10.1                    | 10.1                    |
| Unclaimed dividend                               | 30.2                    | 24.9                    |
| Interest accrued but not due on borrowings       | 26.8                    | 7.9                     |
| Employee payables                                | 3,435.8                 | -                       |
| Rebates  | 10,807.8                | 11,485.4                |
| Others   | 2,351.4                 | 2,184.6                 |
|  | 21,015.9                | 17,213.7                |

22. OTHER LIABILITIES

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>(A) Non-current</b>                            |                         |                         |
| Deferred income                                   | 363.5                   | -                       |
| Other payables                                    | 1.2                     | 290.4                   |
|   | 364.7                   | 290.4                   |
| <b>(B) Current</b>                                |                         |                         |
| Contract liabilities                              | 2,330.0                 | 3,739.8                 |
| Deferred income                                   | 372.9                   | 148.9                   |
| Statutory liabilities                             | 2,785.4                 | 2,138.0                 |
| Liability towards corporate social responsibility | 17.9                    | 97.9                    |
| Employee payables                                 | -                       | 2,068.4                 |
| Other payables                                    | 3,267.6                 | 3,239.5                 |
|   | 8,773.8                 | 11,432.5                |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

**23. CURRENT TAX LIABILITIES**

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for income tax (net of advance tax) | 2,490.1                 | 2,116.0                 |
|   | <b>2,490.1</b>          | <b>2,116.0</b>          |

**24. REVENUE FROM OPERATIONS**

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Sale of products (Active Pharma Ingredients (API) and Formulations)                   | 282,233.0                            | 241,043.8                            |
| Sale of services  | 4,812.0                              | 5,127.5                              |
| Other operating revenue   |                                      |                                      |
| Scrap sales   | 206.0                                | 206.7                                |
| Government Incentive schemes  | 2,767.7                              | 2,175.8                              |
|   | <b>290,018.7</b>                     | <b>248,553.8</b>                     |
| <b>Details of sale of services</b>  |                                      |                                      |
| Dossier income  | -                                    | 60.3                                 |
| Service income  | 4,812.0                              | 5,067.2                              |
|   | <b>4,812.0</b>                       | <b>5,127.5</b>                       |
| <b>(a) Reconciliation of revenue from sale of products with the contracted price:</b> |                                      |                                      |
| <b>Revenue as per contracted price</b>  | <b>596,034.4</b>                     | <b>507,894.8</b>                     |
| Adjusted for:   |                                      |                                      |
| Sales returns   | (6,258.7)                            | (3,516.1)                            |
| Chargebacks, rebates and discounts  | (301,563.6)                          | (256,531.4)                          |
| Profit sharing adjustments  | 2,368.1                              | 2,265.3                              |
| Others adjustments  | (8,347.2)                            | (9,068.8)                            |
| <b>Total revenue from contracts with customers</b>                                    | <b>282,233.0</b>                     | <b>241,043.8</b>                     |

(b) For information on disaggregation of revenue by primary geographical markets, refer note 53

**25. OTHER INCOME**

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Interest income on financial assets   |                                      |                                      |
| Bank deposits   | 2,354.1                              | 1,061.4                              |
| Other deposits and receivables  | 323.1                                | 58.7                                 |
| Interest Income on Investments  | 122.6                                | 253.3                                |
| Investments in Debentures   | 57.8                                 | 85.5                                 |
| Dividend income on investments (carried at fair value through profit or loss) | 25.4                                 | 26.3                                 |
| Bad debts recovered from trade receivables (net)                              | 9.9                                  | -                                    |
| Liabilities no longer required written back (net)                             | 100.5                                | 130.1                                |
| Foreign exchange gain (net)   | 387.8                                | -                                    |
| Profit on sale of fixed assets (net)  | 234.9                                | 132.3                                |
| Profit on investments (net)   | 1.0                                  | -                                    |
| Commission income   | 68.1                                 | 68.4                                 |
| Miscellaneous income  | 1,888.6                              | 1,089.9                              |
|   | <b>5,573.8</b>                       | <b>2,905.9</b>                       |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

**26. COST OF MATERIALS CONSUMED**

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Opening stock*                               | 26,814.4                             | 23,781.5                             |
| Add: Purchases                               | 97,619.6                             | 88,370.6                             |
|  | <b>124,434.0</b>                     | <b>112,152.1</b>                     |
| Less: Closing stock                          | 29,201.4                             | 26,814.4                             |
| Cost of raw material consumed                | <b>95,232.6</b>                      | <b>85,337.7</b>                      |
| Adjustment for fluctuation in exchange rates | (12.4)                               | 159.6                                |
| Packing materials consumed                   | 12,541.2                             | 11,027.8                             |
|  | <b>107,761.4</b>                     | <b>96,525.1</b>                      |

\*Includes inventories on acquisition of controlling interest in subsidiary ₹ Nil (March 31, 2023 ₹ 37.1)

**27. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Inventories at the beginning of the year     |                                      |                                      |
| Stock-in-trade                               | 7,277.0                              | 8,910.7                              |
| Work-in-progress*                            | 14,068.3                             | 11,992.2                             |
| Finished goods**                             | 29,995.9                             | 24,649.9                             |
|  | <b>51,341.2</b>                      | <b>45,552.8</b>                      |
| Inventories at the end of the year           |                                      |                                      |
| Stock-in-trade                               | 12,205.7                             | 7,277.0                              |
| Work-in-progress                             | 15,770.3                             | 14,068.3                             |
| Finished goods                               | 33,403.8                             | 29,995.9                             |
|  | <b>61,379.8</b>                      | <b>51,341.2</b>                      |
|  | (10,038.6)                           | (5,788.4)                            |
| On account of stock write off                | 66.8                                 | (56.8)                               |
| Adjustment for fluctuation in exchange rates | 510.1                                | 1,748.4                              |
|  | <b>(9,461.7)</b>                     | <b>(4,096.8)</b>                     |

\*Includes inventories on acquisition of controlling interest in subsidiary ₹ Nil (March 31, 2023 ₹ 13.8)

\*\*Includes inventories on acquisition of controlling interest in subsidiary ₹ Nil (March 31, 2023 ₹ 15.1)

**28. EMPLOYEE BENEFITS EXPENSE**

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus                                    | 34,132.5                             | 30,729.8                             |
| Contribution to provident and other funds (refer note 36(a)) | 2,283.4                              | 1,590.0                              |
| Gratuity expense (refer note 36(b))                          | 336.4                                | 327.4                                |
| Compensated absences expense (refer note 36(c))              | 544.4                                | 349.2                                |
| Staff welfare expenses                                       | 1,843.6                              | 2,283.6                              |
| Share based payments   | 89.1                                 | (57.5)                               |
|  | <b>39,229.4</b>                      | <b>35,222.5</b>                      |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

### 29. FINANCE COSTS

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Interest expense on financial liabilities measured at amortised cost | 2,525.4                              | 1,119.9                              |
| Interest expense on lease liabilities                                | 155.5                                | 169.6                                |
| Other borrowing costs  | 216.2                                | 115.3                                |
|  | <b>2,897.1</b>                       | <b>1,404.8</b>                       |

### 30. DEPRECIATION AND AMMORTISATION EXPENSE

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Depreciation of property, plant and equipment (refer note 3(A)) | 8,513.6                              | 7,595.7                              |
| Depreciation on Right to use Assets (refer note 4)              | 667.8                                | 737.2                                |
| Amortisation of intangible assets (refer note 6(A))             | 5,737.7                              | 4,112.9                              |
| Impairment of Tangibles, Intangibles and Goodwill               | 297.5                                | -                                    |
|   | <b>15,216.6</b>                      | <b>12,445.8</b>                      |

### 31. OTHER EXPENSES

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Conversion charges                                  | 800.4                                | 359.2                                |
| Consumption of stores and spares                    | 2,312.2                              | 1,900.1                              |
| Chemicals consumed                                  | 4,020.9                              | 3,928.0                              |
| Power and fuel                                      | 8,260.3                              | 8,426.3                              |
| Carriage inward                                     | -                                    | 236.3                                |
| Factory maintenance                                 | 651.3                                | 611.1                                |
| Effluent treatment expenses                         | 409.4                                | 475.3                                |
| Repairs and maintenance                             |                                      |                                      |
| i) Plant and machinery                              | 2,564.1                              | 2,155.3                              |
| ii) Buildings                                       | 583.7                                | 536.5                                |
| iii) Others   | 491.7                                | 541.7                                |
| Rent (Refer note 33(A)(a))                          | 1,204.2                              | 1,337.6                              |
| Rates and taxes                                     | 831.8                                | 1,081.0                              |
| Printing and stationery                             | 357.6                                | 322.2                                |
| Postage and telephones                              | 302.6                                | 301.0                                |
| Insurance   | 1,306.5                              | 1,213.2                              |
| Legal and professional charges                      | 6,530.6                              | 5,081.0                              |
| Directors sitting fees                              | 19.1                                 | 10.1                                 |
| Remuneration to auditors                            | 37.2                                 | 28.9                                 |
| Sales commission                                    | 1,545.1                              | 1,342.5                              |
| Carriage outwards                                   | 9,500.8                              | 10,867.1                             |
| Selling expenses                                    | 5,801.3                              | 4,648.0                              |
| Travelling and conveyance                           | 986.6                                | 818.1                                |
| Vehicle maintenance expenses                        | 188.4                                | 250.6                                |
| Clinical and analytical charges                     | 6,597.5                              | 5,683.3                              |
| Bad debts/advances written off                      | 70.0                                 | -                                    |
| Loss Allowance for doubtful trade receivables (net) | 172.7                                | 524.5                                |
| Registration, license and filing charges            | 3,261.5                              | 3,389.6                              |
| Foreign exchange loss (net)                         | -                                    | 395.8                                |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Product development expenses                      | 756.3                                | 395.1                                |
| Write off of intangible assets under development  | 326.2                                | 239.6                                |
| Software license and implementation expenses      | 508.2                                | 283.9                                |
| Corporate Social Responsibility (CSR) expenditure | 626.0                                | 646.0                                |
| Miscellaneous expenses                            | 5,306.1                              | 5,183.4                              |
|   | <b>66,330.3</b>                      | <b>63,212.3</b>                      |

### 32. INCOME TAX

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are

| Particulars  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>Statement of profit and loss</b>  |                                      |                                      |
| Current tax  | 17,775.4                             | 10,714.8                             |
| Deferred tax   | (5,665.2)                            | (3,866.3)                            |
|  | <b>12,110.2</b>                      | <b>6,848.5</b>                       |
| <b>Other comprehensive income</b>  |                                      |                                      |
| Deferred tax - net gain/ (loss) on items that will not to be reclassified to statement of profit or loss | 29.5                                 | (19.5)                               |
|  | <b>29.5</b>                          | <b>(19.5)</b>                        |
| <b>Reconciliation of effective tax rate for the year ended March 31, 2024 and March 31, 2023</b>         |                                      |                                      |
| <b>Profit before tax</b>   | <b>43,799.9</b>                      | <b>26,125.0</b>                      |
| Enacted tax rate in India  | 25.17%                               | 25.17%                               |
| Tax at statutory tax rate  | 11,024.4                             | 6,575.7                              |
| <b>Other than temporary differences</b>  |                                      |                                      |
| Tax holidays (Refer Note a below)  | (1,208.2)                            | (1,752.5)                            |
| Dividend received from foreign subsidiary  | (666.1)                              | (414.9)                              |
| Differences in tax rate  | 105.7                                | 146.7                                |
| Expenses not deductible for tax purposes   | 906.0                                | 594.1                                |
| Effect of loss making components   | 2,164.3                              | 1,550.6                              |
| Others   | (215.9)                              | 148.8                                |
| <b>Total</b>   | <b>1,085.8</b>                       | <b>272.8</b>                         |
| <b>Income tax expense</b>  | <b>12,110.2</b>                      | <b>6,848.5</b>                       |
| <b>Effective tax rate</b>  | <b>27.65%</b>                        | <b>26.21%</b>                        |

#### Notes:

- The subsidiaries benefit from the tax holiday available for units set up under the Special Economic Zone Act, 2005. These tax holidays are available for a period of fifteen years from the date of commencement of operations. Under the SEZ scheme, the unit which begins providing services on or after April 1, 2005 will be eligible for deductions of 100% of profits or gains derived from export of services for the first five years, 50% of such profit or gains for a further period of five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions. From April 1, 2011 units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).
- Deferred taxes have not been recognised on undistributed earnings of subsidiaries and joint ventures, where it is expected that the profits of its subsidiaries and joint ventures will not be distributed in the foreseeable future. The Group reinvests the profits of its subsidiaries and joint ventures, and accordingly, has not recorded any deferred taxes for the same. Significant judgements are involved in determining provision for current tax and deferred tax on deductible temporary differences. Deferred tax is not recognised on deductible temporary differences, where the Group believes that availability of taxable profits against which such temporary differences can be utilised, is not probable.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

33. COMMITMENTS

A. Leases

a) Operating lease commitments - Group as lessee

The Group has lease contracts for office buildings, equipment, land and vehicles . The lease term generally varies between 4 to 10 years. These contracts include extension and termination options.

Changes in lease liabilities

| Particulars                  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Opening Balance              | 4,246.9                 | 4,785.0                 |
| Additions                    | 788.0                   | 1,125.1                 |
| Deletions                    | (474.5)                 | (874.7)                 |
| Finance cost                 | 167.3                   | 193.4                   |
| Payment of lease liabilities | 1,466.0                 | 924.7                   |
| Forex gain/ (loss)           | (62.4)                  | 57.2                    |
| Closing balance              | 3,324.1                 | 4,246.9                 |
| Non current lease liability  | 2,525.3                 | 3,215.3                 |
| Current lease liability      | 798.8                   | 1,031.6                 |

Cash outflow on leases

| Particulars                   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------|-------------------------|-------------------------|
| Payment of lease liabilities  | 1,298.7                 | 731.3                   |
| Interest on lease liabilities | 167.3                   | 193.4                   |
| Total cash outflow on leases  | 1,466.0                 | 924.7                   |

Amount recognised in statement of profit and loss

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Depreciation  | 667.8                   | 737.2                   |
| Interest expense  | 155.5                   | 169.6                   |
| Low value leases and leases with term less than 12 months | 1,204.2                 | 1,337.6                 |
| Total expense relating to leases                          | 2,027.5                 | 2,244.4                 |

Contractual maturities of lease liabilities

| Particulars        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------------|-------------------------|-------------------------|
| Less than one year | 881.0                   | 1,115.8                 |
| 1 to 5 years       | 2,058.2                 | 2,713.6                 |
| above 5 years      | 673.7                   | 812.0                   |
|                    | 3,612.9                 | 4,641.4                 |

b) Sub-lease Agreement

During the year, the Group entered into a sub-lease agreement with a third party for a portion of its leased premises at Dayton, New Jersey. The sub-lease was concluded to be a finance lease. Consequently, the company recognized ₹ 1,993.9 (March 31, 2023: Nil) as sub-lease receivable and ₹ 894.6 (March 31, 2023: Nil) as other income.

The Group incurred, ₹ 1204.2 for the year ended March 31, 2024 (March 31, 2023: ₹ 1,337.6) towards expenses relating to short-term leases and leases of low-value assets.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

B. Capital and other commitments

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for | 12,487.7                | 16,546.8                |

The Group is a party to contractual arrangements with respect to acquisition of certain intangible assets and intangible assets under development wherein the Group has commitment to make potential future milestone payments and royalties to third parties and the owners of know-how respectively, as defined in the underlying agreements.

- C. The Group has certain arrangements with banker relating to receivables factoring arrangement entered in to by certain subsidiaries with respect to receivables from their respective customers. The factoring arrangement is without recourse to the Group and are in the normal course of business.

34. CONTINGENT LIABILITIES AND LITIGATIONS

(A) Claims against the Group not acknowledged as debt

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Claims arising from disputes not acknowledged as debts - indirect taxes (excise duty and service tax)* | 1,090.5                 | 619.2                   |
| Claims arising from disputes not acknowledged as debts - direct taxes *                                | 514.4                   | 313.6                   |
| Claims against the Group not acknowledged as debts - other duties/claims ^                             | 335.6                   | 168.8                   |

\* in respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group. The Group is contesting these demands (including certain demands which are not treated as contingent based on assessment) and the Management, including its advisors, believe that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the demands raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations. The above does not include show cause notices received by the Group against which no demand has been levied by the department.

^ The Group is involved in disputes, claims, Governmental and/or regulatory inspection, inquires, including patents and commercial matters that arise from time to time in the ordinary course of business. The same are subject to uncertain future events not wholly within the control of the Group. The management does not expect the same to have materially adverse effect on its financial position, as it believes the likelihood of any loss is not probable.

In addition to the above, the Parent Company along with a subsidiary is a party to certain pending disputes with regulatory authorities relating to the certain allotment of lands that have taken place in earlier years. During the year 2018-19, pursuant to the order of the Honourable Appellate Tribunal, the lands belonging APL Research Centre Limited (merged with Parent company w.e.f. April 1, 2019), subsidiary, which were attached earlier, were released after placing a fixed deposit of ₹ 131.6 as a security deposit with Enforcement Directorate. While the disposal of the cases are subject to final judgement from the CBI Special Court, in the assessment of the management and as legally advised, the allegations are unlikely to have a significant material impact on the financial statements of the Parent Company.

(B) Guarantees

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Outstanding bank guarantees (Performance guarantees) | 1,172.9                 | 483.7                   |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(C) Litigation

Regulatory and Governmental matters

As part of the ongoing industry-wide matter involving Antitrust Division of the United States Department of Justice ("DOJ") and private plaintiffs pertaining to price fixing and price-collusion allegations, the DOJ served a grand jury subpoena on Aurobindo Pharma USA, Inc. ("APUSA"), requesting certain information and documentation including the pricing of Company products. The scope of the subpoena was from January 01, 2012 through March of 2016. The civil division of the DOJ also subsequently served a Civil Investigation Demand (CID), requesting similar information and documentation. The scope of the CID was from January 01, 2009 through May 11, 2018. Neither the subpoena nor the CID asserted any claims, actions or allegations of wrongdoing against the Company. In February of 2024, the Company received a letter, from the DOJ that APUSA was no longer a target of the investigation. The Company continues to defend its interests with respect to the private plaintiffs, in coordination with counsel, and maintains that it has not engaged in any unlawful conduct that would lead to civil or criminal liability.

35. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted EPS computations:

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>Earnings</b>  |                                      |                                      |
| Consolidated profit after tax attributable to the owners of the Company considered for calculation of basic and diluted earnings per share | 31,729.7                             | 19,275.0                             |
| <b>Shares</b>  |                                      |                                      |
| Weighted average number of Equity Shares considered for calculation of basic earnings per share  | 585,938,609                          | 585,938,609                          |
| Earnings per share of face value ₹ 1/-   |                                      |                                      |
| - Basic  | 54.16                                | 32.90                                |
| - Diluted  | 54.16                                | 32.90                                |

36. EMPLOYEE BENEFITS

a) Disclosures related to defined contribution plan

In accordance with Indian law, all eligible employees of APL and its subsidiaries in India are entitled to receive benefits under the provident fund and ESI, a defined contribution plan in which both the employee and employer (at a determined rate) contribute monthly. APL and its subsidiaries in India contribute as specified under the law to the Provident Fund and ESI:

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Provident fund contribution recognised as expense in the consolidated statement of profit and loss * | 787.8                                | 701.1                                |
| Contribution to ESI recognised as expense in the consolidated statement of profit and loss **        | 18.2                                 | 18.0                                 |

\* Includes ₹ 36.8 (March 31, 2023: ₹ 20.9) transferred to capital work in progress

\*\* Includes ₹ 0.4 (March 31, 2023: ₹ 0.3) transferred to capital work in progress

b) Disclosures related to defined benefit plan of the Parent Company and its subsidiaries in India

The Parent Company and its subsidiaries in India has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

This defined benefit plan exposes the Parent Company and its subsidiaries in India to actuarial risk, such as longevity risk, interest rate risk and market (investment) risk.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

The plan is funded with Life Insurance Corporation in the form of a qualifying insurance policy. The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit and loss, the fund status and amounts recognised in the consolidated balance sheet:

Net employee benefit expense (included under employee benefit expenses)

|                                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Current service cost *                | 346.6                                | 331.8                                |
| Past service cost                     | -                                    | -                                    |
| Interest on defined benefit liability | (10.2)                               | (4.4)                                |
| <b>Net employee benefit expenses</b>  | <b>336.4</b>                         | <b>327.4</b>                         |

\* Excludes ₹ 13.2 (March 31, 2023: ₹ 6.0) transferred to capital work in progress

Details of the employee benefits obligations and plan assets are as follows:

|                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Present value of funded obligation   | 3,253.0                              | 2,739.4                              |
| Fair value of plan assets            | 2,849.0                              | 2,694.4                              |
| <b>Net defined benefit liability</b> | <b>404.0</b>                         | <b>45.0</b>                          |

Details of changes in present value of defined benefit obligation are as follows:

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Opening defined benefit obligation *                                   | 2,739.4                              | 2,473.1                              |
| Current service cost   | 359.8                                | 337.8                                |
| Past service cost  | -                                    | -                                    |
| Interest on defined benefit obligation                                 | 189.4                                | 163.4                                |
| Acquisition/(divestiture)  | -                                    | 49.0                                 |
| Benefits paid  | (194.7)                              | (235.7)                              |
| Remeasurement due to:  |                                      |                                      |
| Actuarial loss arising from changes in experience                      | 125.1                                | 45.3                                 |
| Actuarial (gain)/loss arising from changes in demographic assumptions  | 0.2                                  | (2.5)                                |
| Actuarial (gain)/loss arising from changes in financial assumptions ** | 33.8                                 | (91.0)                               |
| <b>Closing defined benefit obligation</b>                              | <b>3,253.0</b>                       | <b>2,739.4</b>                       |

\* Includes ₹ Nil (March 31, 2023 : ₹ 283.5) opening defined benefit obligation relating to subsidiaries in India.

\*\* Includes ₹ 1.2 (March 31, 2023 : Nil) actuarial loss transferred to capital work in progress

Details of changes in fair value of plan assets are as follows:

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Opening fair value of plan assets  | 2,694.4                              | 2,429.1                              |
| Interest on plan assets  | 199.5                                | 167.8                                |
| Employer Contribution  | 148.8                                | 307.4                                |
| Acquisition/(divestiture)  | -                                    | -                                    |
| Benefits paid  | (194.3)                              | (235.7)                              |
| Remeasurement due to - actual return on plan assets less interest on plan assets | 0.6                                  | 25.8                                 |
| <b>Closing fair value of plan assets</b>   | <b>2,849.0</b>                       | <b>2,694.4</b>                       |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Sensitivity analysis

|   | As at<br>March 31, 2024           | As at<br>March 31, 2023           |
|---|-----------------------------------|-----------------------------------|
| The sensitivity of over all plan obligations to changes in key assumptions are as follows:  |                                   |                                   |
| Defined benefit obligation with effect of projected salary growth   | 2,750.0                           | 2,395.2                           |
| Defined benefit obligation, using discount rate plus 50 basis points  | 2,863.9                           | 2,456.7                           |
| Defined benefit obligation, using discount rate minus 50 basis points   | 3,115.5                           | 2,665.5                           |
| Defined benefit obligation, using salary growth rate plus 50 basis points   | 3,112.7                           | 2,661.3                           |
| Defined benefit obligation, using salary growth rate minus 50 basis points  | 2,844.6                           | 2,459.7                           |
| The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:                            |                                   |                                   |
| Funds managed by Insurers   | 100%                              | 100%                              |
| Gratuity is unfunded in Eugia Steriles Private Limited & GLS Pharma Limited.  |                                   |                                   |
| The principal assumptions used in determining gratuity obligations for the Parent Company and its subsidiary's plans are shown below: |                                   |                                   |
| Financial assumptions   |                                   |                                   |
| Discount rate (p.a.)  | 7.19%-7.41%                       | 7.39%-7.44%                       |
| Expected salary increase (p.a)  | 10% for 2 Years and 7% thereafter | 10% for 2 Years and 7% thereafter |
| Demographic assumptions   |                                   |                                   |
| Mortality rate  | IALM (2012-14) Ultimate           | IALM (2012-14) Ultimate           |

| Attrition rate | As at March 31, 2024 |             | As at March 31, 2023 |             |
|----------------|----------------------|-------------|----------------------|-------------|
|                | Age (years)          | Rates (p.a) | Age (years)          | Rates (p.a) |
|                | 21 - 30              | 16%         | 21 - 30              | 16%         |
|                | 31 - 40              | 12%         | 31 - 40              | 12%         |
|                | 41 - 50              | 6%          | 41 - 50              | 6%          |
|                | 51 - 57              | 23%         | 51 - 57              | 23%         |

**Discount rate:** The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.

**Salary escalation rate:** The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other related factors.

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Maturity profile of the defined benefit obligation    |                         |                         |
| Weighted average expected future working life (Years) | 7.2-8.4                 | 7.0-8.5                 |
| Expected future cash flow of gratuity                 |                         |                         |
| Within 12 months                                      | 423.8                   | 367.0                   |
| Between 2 and 5 years                                 | 1,427.0                 | 1,205.0                 |
| Beyond 5 years  | 3,652.2                 | 3,288.0                 |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

c) Disclosures relating to compensated absences for the parent company and its subsidiaries in India

|                                | As at<br>March 31, 2024             | As at<br>March 31, 2023           |
|--------------------------------|-------------------------------------|-----------------------------------|
| Financial assumptions          |                                     |                                   |
| Discount rate (p.a.)           | 7.19% - 7.44%                       | 7.39% - 7.44%                     |
| Expected salary increase (p.a) | 10% for 1-2 Years and 7% thereafter | 10% for 2 Years and 7% thereafter |
| Demographic assumptions        |                                     |                                   |
| Mortality rate                 | IALM (2012-14) Ultimate             | IALM (2012-14) Ultimate           |

| Withdrawal rate | As at March 31, 2024 |             | As at March 31, 2023 |             |
|-----------------|----------------------|-------------|----------------------|-------------|
|                 | Age (years)          | Rates (p.a) | Age (years)          | Rates (p.a) |
|                 | 21 - 30              | 16%         | 21 - 30              | 16%         |
|                 | 31 - 40              | 12%         | 31 - 40              | 12%         |
|                 | 41 - 50              | 6%          | 41 - 50              | 6%          |
|                 | 51 - 57              | 23%         | 51 - 57              | 23%         |
| Retirement age  | 58 years             |             | 58 years             |             |

37. ACQUISITION OF SUBSIDIARY

The Board of Directors of the Parent company at its meeting held on June 17, 2022 approved investment in GLS Pharma Limited (GLS) through subscription of 204,819 equity shares for an aggregate consideration of ₹ 93.5 (constituting 17% of the equity share capital of GLS) and acquisition of 409,339 equity shares from the selling shareholders for an aggregate consideration of ₹ 187.0 (constituting 34% of the equity share capital of GLS). Consequently, the Parent acquired control (51%) effective August 17, 2022.

GLS is engaged in the business of manufacturing and trading of various chemicals, intermediaries, drugs, formulations, dyestuffs, colours and pigments.

In accordance with Ind AS 103 “Business Combination”, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of assets acquired and liabilities assumed. The resulting difference has been accounted as goodwill.

The provisional amounts of identifiable assets and liabilities value of the identifiable assets and liabilities of GLS Pharma Limited as at the date of acquisition and purchase consideration is as below:

| Particulars                  | Amount |
|------------------------------|--------|
| Liabilities assumed:         |        |
| Non current                  |        |
| Borrowings                   | 42.7   |
| Lease liability              | 0.4    |
| Deferred tax liability (net) | 2.1    |
| Minority interest            | -      |
| Current                      |        |
| Borrowings                   | 16.9   |
| Lease liability              | 0.3    |
| Trade payables               | 38.0   |
| Other financial liabilities  | 22.3   |
| Other current liabilities    | 17.2   |
| Provisions                   | 4.2    |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | Amount       |
|---|--------------|
| Current tax liabilities                                 | 3.3          |
| <b>Total liabilities assumed [A]</b>                    | <b>147.4</b> |
| <b>Fair value of assets acquired:</b>                   |              |
| <b>Non current</b>                                      |              |
| Property plant and equipment                            | 80.4         |
| Right-of -use assets                                    | 0.6          |
| Other intangible assets                                 | 4.0          |
| <b>Current</b>  |              |
| Inventories   | 71.7         |
| Trade receivables                                       | 67.6         |
| Cash and cash equivalents                               | 64.1         |
| Other financial assets                                  | 16.4         |
| Other current assets                                    | 28.3         |
| <b>Total fair value of assets acquired [B]</b>          | <b>333.1</b> |
| <b>Total fair value of net assets acquired [C=B-A]</b>  | <b>185.7</b> |
| Proportionate share of non-controlling interest [D]     | 137.7        |
| Amount paid for acquisition of controlling interest [E] | 280.5        |
| <b>Goodwill [D+E-C]</b>                                 | <b>232.5</b> |

a. Summary of post acquisition revenue and gain of the acquired entity included in the consolidated statement of profit and loss for the year ended March 31, 2023

| Particulars  | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|
| Revenue  | 273.0                                |
| Net profit from operations considered in the consolidated statement of profit and loss | 10.3                                 |

b. The consolidated revenue and consolidated net profit of the Group for the reporting period ended March 31, 2023 had the acquisition taken place at the beginning of the accounting period.

| Particulars                      | For the year ended<br>March 31, 2023 |
|----------------------------------|--------------------------------------|
| Consolidated revenue             | 251,547.4                            |
| Consolidated profit for the year | 19,285.2                             |

38. ACQUISITION OF BUSINESS

- (i) The Board of Directors of the Parent Company at its meeting held on March 28, 2022 had approved the acquisition of business including certain assets of Veritaz Healthcare Limited. Consequently, the Company entered into a definitive agreement for the said acquisition for a total consideration of ₹ 1,689.2 and obtained control w.e.f. April 1, 2022 over such business and assets. Consequently, basis of the purchase price allocation the Company recorded goodwill aggregating to ₹ 917.0 as at March 31, 2023.

| Particulars  | Amount as on<br>April 1, 2022 |
|--|-------------------------------|
| <b>Liabilities assumed:</b>                        |                               |
| Other financial liabilities                        | 6.4                           |
| Current liabilities                                | 361.8                         |
| Provisions   | 81.5                          |
| <b>Total fair value of liabilities assumed [A]</b> | <b>449.7</b>                  |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars  | Amount as on<br>April 1, 2022 |
|--|-------------------------------|
| <b>Fair value of assets acquired</b>                   |                               |
| Property, Plant And Equipment                          | 4.0                           |
| Intangible assets                                      | 839.0                         |
| Current assets   | 378.9                         |
| <b>Total fair value of assets acquired [B]</b>         | <b>1,221.9</b>                |
| <b>Total fair value of net assets acquired [C=B-A]</b> | <b>772.2</b>                  |
| <b>Purchase consideration [D]</b>                      | <b>1,689.2</b>                |
| <b>Goodwill [D-C]</b>                                  | <b>917.0</b>                  |

- (ii) Effective December 30, 2021, Auro PR Inc, a subsidiary of Helix Healthcare B.V. Netherlands, acquired certain assets including rights, title and interest in the assets and liabilities owned by Mylan LLC USA.

As at March 31, 2023, the consolidated balance sheet reflects the purchase price allocated to the assets acquired and liabilities assumed based on revised estimated fair value. The final purchase price allocation carried out during the year resulted in capital reserve of ₹ 402.4. The following table summarizes the allocation of purchase price consideration, for the fair values of assets acquired and liabilities assumed and the determination of capital reserve during the year ended March 31, 2022.

| Particulars  | Amount as on<br>December 30, 2021 |
|--|-----------------------------------|
| <b>Liabilities assumed:</b>                            |                                   |
| Current liabilities                                    |                                   |
| Other current liabilities                              | 1,416.6                           |
| <b>Total fair value of liabilities assumed [A]</b>     | <b>1,416.6</b>                    |
| <b>Fair value of assets acquired</b>                   |                                   |
| Non-current Assets :                                   |                                   |
| Land   | 1,388.7                           |
| <b>Current assets</b>                                  |                                   |
| Cash and cash equivalents                              | 10.7                              |
| Current tax assets (net)                               | 44.5                              |
| Other current assets - Prepaid expenses                | 32.1                              |
| Other receivable                                       | 343.0                             |
| <b>Total fair value of assets acquired [B]</b>         | <b>1,819.0</b>                    |
| <b>Total fair value of net assets acquired [C=B-A]</b> | <b>402.4</b>                      |
| <b>Purchase consideration paid [D]</b>                 | <b>-</b>                          |
| <b>Capital Reserve [C-D]</b>                           | <b>402.4</b>                      |

The valuation techniques used for measuring the fair value of assets acquired were as follows:

| Assets acquired  | Valuation technique   |
|--|---|
| Land   | Market Approach has been adopted for estimating the Fair Value of Land  |
| Buildings, Civil structure and Plant & Machinery                               | The Fair Value of Buildings & Miscellaneous Civil Structures and Plant & Machinery as on date of valuation has been estimated using depreciated replacement cost method under cost approach of valuation. |
| Computer hardware, Furniture And Fixtures, Office Equipment, computer software | Valued at Cost and book value of the assets as on December 30, 2021 has been adopted as Fair Value.   |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

39. RELATED PARTY DISCLOSURES

i) Names of related parties and description of relationship

a) Joint ventures

- 1 Luoxin Aurovitas Pharm (Chengdu) Co. Ltd.
- 2 Novagen Pharma (Pty) Ltd., South Africa
- 3 Novagen BBBEE Invest Co (Pty) Ltd.
- 4 Purple Bellflower (Pty) Ltd., South Africa
- 5 Raidurgam Developers Limited, India
- 6 Tergene Biotech Limited, India (formerly Tergene Biotech Pvt. Ltd.)

b) In Associates

- 1 NVNR (Ramannapet I) Power Plant Private Limited, India
- 2 NVNR (Ramannapet II) Power Plant Private Limited, India

c) Enterprises over which key management personnel or close member of key management personnel exercise significant influence

- 1 Alcedo Pharmachem Private Limited, India
- 2 Ambipack Industries, India
- 3 Aurobindo Foundation(Trust), India
- 4 Aurobindo Pharma Foundation (Section 8 Company), India
- 5 Auro Infra Private Limited, India (formerly Aurobindo Realty & Infrastructure Private Limited, India)
- 6 Auropro Soft Systems Private Limited, India
- 7 Auro Enterprises (India) Private Limited
- 8 Axis Clinicals Limited, India
- 9 Axis Clinicals LLC, USA
- 10 Axis Clinicals Latina SA DE CV, Mexico
- 11 Crest Cellulose Private Limited, India (up to July 4, 2022)
- 12 East Pharma Technologies, India (Partnership firm)
- 13 Gelcaps Industries, India
- 14 Giyaan Pharma Private Limited, India
- 15 Kakinada Gateway Port Limited
- 16 Kakinada SEZ Limited
- 17 K Vijayaraghavan & Associates LLP
- 18 Orem Access Bio Inc, India
- 19 Pranit Packaging Private Limited, India
- 20 Pravesha Industries Private Limited, India
- 21 Sathguru Software Products Private Limited, India
- 22 Sri Sai Packaging, India (Partnership firm)
- 23 Transaction Square LLP, India
- 24 Trident Chemphar Limited, India
- 25 Veritaz Healthcare Limited, India

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

d) Key managerial personnel

- 1 Mr. K.Nithyananda Reddy, Vice Chairman and Managing Director (w.e.f. January 1, 2022)
- 2 Dr. M. Sivakumaran, Whole-time Director
- 3 Mr. M. Madan Mohan Reddy, Whole-time Director
- 4 Mr. P. Sarath Chandra Reddy, Non Executive Director (Whole-time Director up to November 12, 2022)
- 5 Mr. K. Ragunathan, Non-executive Chairman and Independent Director (up to March 31, 2024)
- 6 Dr. (Mrs.) Avnit Bimal Singh, Independent Director (Up to February 11, 2024)
- 7 Mr. P.Venkata Ramprasad Reddy, Non Executive promoter director
- 8 Mrs. Savitha Mahajan, Independent Director
- 9 Mr. Girish Paman Vanvari, Independent Director
- 10 Mr. Santanu Mukherjee, Independent Director (w.e.f. February 9, 2023)
- 11 Dr. Satakarni Makkapati , Non Executive Director (w.e.f. November 9,2023)
- 12 Dr. Deepali Pant Josh, Independent Director (w.e.f. February 10,2024)
- 13 Mr. Santhanam Subramanian, Chief Financial Officer
- 14 Mr. B. Adi Reddy, Company Secretary

ii) Transactions with related parties

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>a. Transactions with joint ventures</b>   |                                      |                                      |
| <b>Luoxin Aurovitas Pharm (Chengdu) Co. Ltd.</b>   |                                      |                                      |
| Equity contribution  | 150.7                                | 190.6                                |
| Sale of Services   | 85.4                                 | -                                    |
| Sale of Intangible Asset   | -                                    | 61.6                                 |
| <b>Novagen Pharma (Pty) Ltd., South Africa</b>   |                                      |                                      |
| Sale of products   | 128.9                                | 92.9                                 |
| Sale of services   | 30.2                                 | 31.7                                 |
| <b>Purple Bellflower (Pty) Ltd., South Africa</b>  |                                      |                                      |
| Dividend received  | -                                    | 2.6                                  |
| Dividends Paid   | 5.1                                  | 5.5                                  |
| Loans and Advances given   | -                                    | 0.1                                  |
| <b>Raidurgam Developers Limited</b>  |                                      |                                      |
| Rent expenses including maintenance  | 303.9                                | 293.0                                |
| Rent Deposit   | 15.1                                 | -                                    |
| Interest accrued   | 52.0                                 | 76.8                                 |
| <b>Tergene Biotech Limited, India</b>  |                                      |                                      |
| Investment in 10.5% Cumulative Redeemable Preference shares  | 39.5                                 | 41.0                                 |
| <b>b. Transactions with Associates</b>   |                                      |                                      |
| <b>NVNR (Ramannapet I) Power Plant Private Limited, India</b>  |                                      |                                      |
| Purchase of power  | 140.1                                | 84.7                                 |
| <b>NVNR (Ramannapet II) Power Plant Private Limited, India</b>   |                                      |                                      |
| Purchase of power  | 133.8                                | 80.6                                 |
| <b>c. Transactions with enterprises over which key management personnel or close member of key management personnel exercise significant influence</b> |                                      |                                      |
| <b>Alcedo Pharmachem Private Limited, India</b>  |                                      |                                      |
| Purchases  | 701.4                                | 495.3                                |
| <b>Ambipack Industries, India</b>  |                                      |                                      |
| Purchases  | -                                    | 176.3                                |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| <b>Aurobindo Pharma Foundation, India (Sec.8 Company)</b>  |                                      |                                      |
| Contribution towards CSR activities  | 502.5                                | 554.5                                |
| <b>Auro Infra Private Limited, India (formerly Aurobindo Realty &amp; Infrastructure Private Limited, India)</b> |                                      |                                      |
| Purchase of capital goods  | -                                    | 23.9                                 |
| Purchases  | 575.7                                | -                                    |
| <b>Auropro Soft Systems Private Limited</b>  |                                      |                                      |
| Purchase of services   | 27.3                                 | 18.1                                 |
| <b>Auro Enterprises (India) Private Limited</b>  |                                      |                                      |
| Purchases  | 37.7                                 | -                                    |
| <b>Axis Clinicals Limited, India</b>   |                                      |                                      |
| Sale of products   | -                                    | 0.0                                  |
| Purchase of services   | 2,082.6                              | 1,968.6                              |
| Purchases  | 62.6                                 | -                                    |
| <b>Axis Clinicals LLC, USA</b>   |                                      |                                      |
| Purchase of services   | 113.6                                | 151.8                                |
| <b>Axis Clinicals Latina SA DE CV, Mexico</b>  |                                      |                                      |
| Purchase of services   | 2.7                                  | -                                    |
| <b>Crest Cellulose Private limited, India (up to July 4, 2022)</b>   |                                      |                                      |
| Purchases  | -                                    | 93.0                                 |
| <b>East Pharma Technologies, India</b>   |                                      |                                      |
| Purchases  | 160.6                                | 136.6                                |
| <b>Gelcaps Industries, India</b>   |                                      |                                      |
| Purchases  | 1,047.1                              | 741.8                                |
| Sale of products   | 0.2                                  | 0.3                                  |
| <b>Giyaan Pharma Private Limited, India</b>  |                                      |                                      |
| Sale of products   | 88.6                                 | 99.5                                 |
| <b>Kakinada Gateway Port Limited</b>   |                                      |                                      |
| Purchase of services   | -                                    | 2.7                                  |
| <b>Kakinada SEZ Limited</b>  |                                      |                                      |
| Purchase of services   | 45.1                                 | 922.0                                |
| <b>K Vijayaraghavan &amp; Associates LLP</b>   |                                      |                                      |
| Purchase of services   | 1.8                                  | 1.5                                  |
| <b>Orem Access Bio Inc, India</b>  |                                      |                                      |
| Purchases  | 368.2                                | 378.8                                |
| <b>Pranit Packaging Private Limited, India</b>   |                                      |                                      |
| Purchases  | 475.7                                | 401.6                                |
| Purchase of Fixed assets   | 308.0                                | -                                    |
| <b>Pravesha Industries Private Limited, India</b>  |                                      |                                      |
| Sale of products   | -                                    | 0.3                                  |
| Purchases  | 4,999.9                              | 4,315.2                              |
| <b>Sathguru Software Products Private Limited, India</b>   |                                      |                                      |
| Purchase of Services   | 2.5                                  | 2.5                                  |
| <b>Sri Sai Packaging, India</b>  |                                      |                                      |
| Sale of products   | 0.5                                  | 0.5                                  |
| Purchases  | 395.4                                | 320.2                                |

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Transaction Square LLP</b>   |                                      |                                      |
| Purchase of Services  | 2.7                                  | 3.8                                  |
| <b>Trident Chemphar Limited, India</b>                                      |                                      |                                      |
| Purchases   | -                                    | 2,231.5                              |
| Purchase of services  | -                                    | 27.2                                 |
| <b>Veritaz Healthcare Limited, India</b>                                    |                                      |                                      |
| Acquisition of business including certain assets                            | -                                    | 1,689.2                              |
| Purchases   | -                                    | 2.6                                  |
| <b>d. Remuneration to key managerial personnel and their relatives</b>      |                                      |                                      |
| Short-term employee benefits  | 231.1                                | 193.5                                |
| Post employment benefits  | 5.0                                  | 2.7                                  |
| Director sitting fees   | 14.2                                 | 10.1                                 |
| <b>e. Transactions with key managerial personnel or their close members</b> |                                      |                                      |
| Rent expense  | 3.3                                  | 3.1                                  |

**Note:**

- i) Managerial remuneration does not include provision for gratuity and leave encashment, which is determined for the Parent Company as a whole.
- ii) All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for trade receivable, trade payable and other payables are unsecured, interest free and settlement occurs in cash. The Group has not recorded any impairment of balances relating to amounts owed by related parties during the year ended March 31, 2024 and March 31, 2023. Provisions for bad and doubtful debts will be made on an aggregate basis i.e., not specific to party. The assessment is undertaken each financial year through evaluating the financial position of the related party and the market in which the related party operates.

**iii) Closing balances of related parties**

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>a. Balances with Joint ventures at the year end</b>        |                         |                         |
| <b>Luoxin Aurovitas Pharm (Chengdu) Co. Ltd.</b>              |                         |                         |
| Balance receivable  | -                       | 61.6                    |
| <b>Novagen Pharma (Pty) Ltd., South Africa</b>                |                         |                         |
| Balance receivable  | 58.0                    | 36.9                    |
| Dividend receivable   | 298.5                   | 315.5                   |
| <b>Purple Bell Flower (Pty) Ltd., South Africa</b>            |                         |                         |
| Balance receivable  | 0.2                     | 0.3                     |
| Balance payable   | -                       | 5.3                     |
| <b>Raidurgam Developers Limited, India</b>                    |                         |                         |
| Balance receivable  | 21.6                    | 19.7                    |
| Balance payable   | 5.3                     | 4.0                     |
| Rent Deposit Receivable                                       | 116.0                   | 100.8                   |
| <b>Tergene Biotech Limited, India</b>                         |                         |                         |
| Balance receivable  | 7.9                     | -                       |
| <b>b. Transactions with Associates</b>                        |                         |                         |
| <b>NVNR (Ramannapet I) Power Plant Private Limited, India</b> |                         |                         |
| Balance Payable   | 2.5                     | -                       |
| Balance Receivable  | 8.2                     | -                       |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>c. Balances with enterprises over which key management personnel or close member of key management personnel exercise significant influence at the year end</b> |                         |                         |
| <b>Alcedo Pharmachem Private Limited, India</b>  |                         |                         |
| Balance payable  | 90.7                    | 58.6                    |
| <b>Ambipack Industries, India</b>  |                         |                         |
| Balance payable  | -                       | 22.3                    |
| <b>Aurobindo Foundation(Trust), India</b>  |                         |                         |
| Corporate guarantee outstanding  | 990.0                   | 990.0                   |
| <b>Auro Infra Private Limited, India (formerly Aurobindo Realty &amp; Infrastructure Private Limited, India)</b>   |                         |                         |
| Balance payable  | 5.8                     | 22.7                    |
| <b>Auro Enterprises (India) Private Limited</b>  |                         |                         |
| Balance payable  | 25.8                    | -                       |
| <b>Axis Clinicals Limited, India</b>   |                         |                         |
| Balance payable  | 271.0                   | 358.6                   |
| <b>Axis Clinicals LLC, USA</b>   |                         |                         |
| Balance payable  | 2.3                     | 13.8                    |
| <b>East Pharma Technologies, India</b>   |                         |                         |
| Balance payable  | 18.0                    | 21.2                    |
| <b>Gelcaps Industries, India</b>   |                         |                         |
| Balance payable  | 264.4                   | 135.0                   |
| <b>Giyaan Pharma Private Limited, India</b>  |                         |                         |
| Balance receivable   | 63.9                    | 71.6                    |
| <b>Kakinada SEZ Limited</b>  |                         |                         |
| Balance payable  | -                       | 32.8                    |
| Balance receivable   | 89.1                    | -                       |
| <b>Kakinada Gateway Port Limited</b>   |                         |                         |
| Balance payable  | -                       | 0.0                     |
| <b>Orem Access Bio Inc, India</b>  |                         |                         |
| Balance payable  | 100.4                   | 90.8                    |
| <b>Pranit Packaging Private Limited, India</b>   |                         |                         |
| Balance payable  | 53.0                    | 57.0                    |
| <b>Pravesha Industries Private Limited, India</b>  |                         |                         |
| Balance payable  | 1,498.9                 | 1,367.6                 |
| <b>Sri Sai Packaging, India</b>  |                         |                         |
| Balance payable  | 52.0                    | 36.0                    |
| <b>Transaction Square LLP</b>  |                         |                         |
| Balance payable  | 2.0                     | 2.4                     |
| <b>Trident Chemphar Limited, India</b>   |                         |                         |
| Balance payable  | 0.4                     | 25.1                    |
| Balance receivable   | -                       | 1.2                     |
| <b>d. Balances with key managerial personnel at the year end</b>   |                         |                         |
| <b>Mr. K Nithyananda Reddy</b>   |                         |                         |
| Balance payable  | -                       | 0.2                     |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

**40.** The amount of research and development expenditure charged to consolidated statement of profit and loss is ₹ 14,699.1 (March 31, 2023: ₹ 14,115.3). Further, the amount of capital expenditure incurred towards research and development during the year amounted to ₹ 2,304.6 (March 31, 2023: ₹ 1,124.2)

**41. INTEREST IN JOINT VENTURES AND ASSOCIATES**

The Group has investment in Tergene Biotech Limited (Formerly Tergene Biotech Private Limited) with a voting share of 80.00% . As a result of a contractual arrangement with the third party partner, the Group has a majority representation on the entity's board of directors. However, the approval of directors represented by the third party partner is required for all major decisions with regard to operating and financing activities. As the Group does not control these entities and the other partners have significant participating rights, the Group's interest in these entities has been accounted under the equity method of accounting under Ind AS 111 - Joint Arrangements.

The Group has invested in an entity, Longxiang Pharma Taizhou Co., Ltd. up to August 31, 2021 with a voting share of 57%. As a result of contractual arrangement with third party partners, the Group does not have majority/ equal representation on the entity's Board of Directors. However, the approval of directors represented by both the Group and the third party partners is required for all major decisions with regard to operating and financing activities. As the Group jointly controls the entity with the third party partners, the Group's interest in this entity has been accounted under the equity method of accounting under Ind AS 111 - Joint Arrangements.

The Group has invested in entities, Raidurgam Developers Limited, Purple BellFlower (Pty) Ltd., South Africa, Luoxin Aurovitas Pharm (Chengdu) Co. Ltd., Novagen BBBEE Invest Co (Pty) Ltd. with a voting share of less than 50%. As a result of a contractual arrangements with the third party partners, the Group does not have majority/ equal representation on the entity's Board of Directors. However, the approval of directors represented by both the Group and the third party partners are required for all major decisions with regard to operating and financing activities. As the Group jointly controls the entities with the third party partners, the Group's interest in this entities has been accounted under the equity method of accounting under Ind AS 111 - Joint Arrangements.

The Group has interest in the following joint ventures and associates

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Novagen Pharma Pty Ltd., South Africa (Joint venture)  | 50.00%                  | 50.00%                  |
| Tergene Biotech Limited, India (Joint venture) (Formerly known as Tergene Biotech Private Limited) | 80.00%                  | 80.00%                  |
| Raidurgam Developers Limited, India (Joint venture)  | 40.00%                  | 40.00%                  |
| Purple BellFlower (Pty) Ltd., South Africa (Joint venture)   | 48.00%                  | 48.00%                  |
| Luoxin Aurovitas Pharm (Chengdu) Co. Ltd. (Joint venture)  | 30.00%                  | 30.00%                  |
| Novagen BBBEE Invest Co (Pty) Ltd. (Joint venture)   | 24.50%                  | 24.50%                  |
| NVNR (Ramannapet I) Power Plant Private Limited (Associates)                                       | 26.00%                  | 26.00%                  |
| NVNR (Ramannapet II) Power Plant Private Limited (Associates)                                      | 26.00%                  | 26.00%                  |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(a) Interest in Joint ventures

The Group has no individually material joint ventures as at March 31, 2024. These joint ventures are engaged in manufacture and distribution of pharmaceuticals products except, Raidurgam Developers Limited, which is engaged in construction and infrastructure development. The Group's interest in these joint ventures is accounted using the equity method in the consolidated financial statements. The aggregate amount of the Group's share in joint ventures and the carrying amount of the investment in the consolidated financial statements are set out below:

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Profit or loss from continuing operations | (190.3)                              | (104.8)                              |
| Other comprehensive income                | (0.3)                                | 0.1                                  |
| Total comprehensive income                | (190.6)                              | (104.7)                              |
|   | As at<br>March 31, 2024              | As at<br>March 31, 2023              |
| Carrying amount of investment             | 1,585.9                              | 1,587.9                              |

(b) Interest in Associates

The Group has no individually material associates as at March 31, 2024. These associates are engaged in solar power generation to avail benefit of captive consumption of solar power. The Group's interest in these associates is accounted using the equity method in the consolidated financial statements. The aggregate amount of the Group's share in the associates and the carrying amount of the investment in the consolidated financial statements are set out below:

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Profit or loss from continuing operations | 19.0                                 | (12.0)                               |
| Other comprehensive income                | -                                    | -                                    |
| Total comprehensive income                | 19.0                                 | (12.0)                               |
|   | As at<br>March 31, 2024              | As at<br>March 31, 2023              |
| Carrying amount of investment             | 114.6                                | 95.7                                 |

42. HEDGING ACTIVITIES AND DERIVATIVES - DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The Group uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one week to twelve months.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

43. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

A. Accounting classifications and fair values hierarchy

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

March 31, 2024

| Particulars  | Notes       | Carrying amount |       |                |                       | Fair value |         |         |       |
|--|-------------|-----------------|-------|----------------|-----------------------|------------|---------|---------|-------|
|  |             | FVTPL           | FVOCI | Amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| Financial assets measured at fair value                        |             |                 |       |                |                       |            |         |         |       |
| Non-current investments in others*                             | 7(B)        | 151.2           | -     | -              | 151.2                 | -          | -       | 151.2   | 151.2 |
| Non current Investments in Stocks and shares (refer note 7(1)) | 7(B)        | -               | 471.1 | -              | 471.1                 | 471.1      | -       | -       | 471.1 |
| Non-current investments in government securities*              | 7(B)        | 0.2             | -     | -              | 0.2                   | -          | -       | 0.2     | 0.2   |
| Current investments in quoted equity shares*                   | 7(C)        | 0.1             | -     | -              | 0.1                   | 0.1        | -       | -       | 0.1   |
|  |             | 151.5           | 471.1 | -              | 622.6                 | 471.2      | -       | 151.4   | 622.6 |
| Financial assets not measured at fair value                    |             |                 |       |                |                       |            |         |         |       |
| Non-current investments in preference shares                   | 7(B)        | -               | -     | -              | -                     |            |         |         |       |
| Non-current investments in optionally convertible debentures   | 7(B)        | -               | -     | 752.7          | 752.7                 |            |         |         |       |
| Non current Investments in quoted bonds (refer note 7(1))      | 7(B)        | -               | -     | 893.4          | 893.4                 |            |         |         |       |
| Current Investments in quoted bonds (refer note 7(1))          | 7(C)        | -               | -     | 505.7          | 505.7                 |            |         |         |       |
| Trade receivables  | 9(A)&9(B)   | -               | -     | 48,167.4       | 48,167.4              |            |         |         |       |
| Loans  | 8(A)&8(B)   | -               | -     | 186.9          | 186.9                 |            |         |         |       |
| Cash and cash equivalents                                      | 15(A)&15(B) | -               | -     | 62,783.0       | 62,783.0              |            |         |         |       |
| Other financial assets   | 10(A)&10(B) | -               | -     | 6,106.6        | 6,106.6               |            |         |         |       |
|  |             | -               | -     | 119,395.7      | 119,395.7             |            |         |         |       |
| Financial assets measured at fair value                        |             |                 |       |                |                       |            |         |         |       |
| Derivatives - foreign currency forward contracts               | 10(B)       | 34.5            | -     | -              | 34.5                  | -          | 34.5    | -       | 34.5  |
|  |             | 34.5            | -     | -              | 34.5                  | -          | 34.5    | -       | 34.5  |
| Financial liabilities measured at fair value                   |             |                 |       |                |                       |            |         |         |       |
| Derivatives - foreign currency forward contracts               | 21(B)       | 7.5             | -     | -              | 7.5                   | -          | 7.5     | -       | 7.5   |
|  |             | 7.5             | -     | -              | 7.5                   | -          | 7.5     | -       | 7.5   |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | Notes           | Carrying amount |       |                |                       | Fair value |         |         |       |
|---|-----------------|-----------------|-------|----------------|-----------------------|------------|---------|---------|-------|
|   |                 | FVTPL           | FVOCI | Amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| Financial liabilities not measured at fair value                    |                 |                 |       |                |                       |            |         |         |       |
| Borrowings (including current maturities of non-current borrowings) | 18(A) & 18(B)   | -               | -     | 63,152.2       | 63,152.2              |            |         |         |       |
| Trade payables  | 20              | -               | -     | 44,541.6       | 44,541.6              |            |         |         |       |
| Lease liabilities   | 33(A)           | -               | -     | 3,324.1        | 3,324.1               |            |         |         |       |
| Other financial liabilities   | 21 (A) & 21 (B) | -               | -     | 21,162.6       | 21,162.6              |            |         |         |       |
|   |                 | -               | -     | 132,180.5      | 132,180.5             |            |         |         |       |

March 31, 2023

| Particulars  | Notes       | Carrying amount |       |                |                       | Fair value |         |         |       |
|--|-------------|-----------------|-------|----------------|-----------------------|------------|---------|---------|-------|
|  |             | FVTPL           | FVOCI | Amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| Financial assets measured at fair value                        |             |                 |       |                |                       |            |         |         |       |
| Non-current investments in others*                             | 7(B)        | 151.2           | -     | -              | 151.2                 | -          | -       | 151.2   | 151.2 |
| Non current Investments in Stocks and shares (refer note 7(1)) | 7(B)        | -               | 570.8 | -              | 570.8                 | 570.8      | -       | -       | 570.8 |
| Non-current investments in government securities*              | 7(B)        | 0.2             | -     | -              | 0.2                   | -          | -       | 0.2     | 0.2   |
| Current investments in quoted equity shares*                   | 7(C)        | 0.1             | -     | -              | 0.1                   | 0.1        | -       | -       | 0.1   |
|  |             | 151.5           | 570.8 | -              | 722.3                 | 570.9      | -       | 151.4   | 722.3 |
| Financial assets not measured at fair value                    |             |                 |       |                |                       |            |         |         |       |
| Non-current investments in preference shares                   | 7(B)        | -               | -     | 96.2           | 96.2                  |            |         |         |       |
| Non current Investments in quoted bonds (refer note 7(1))      | 7(B)        | -               | -     | 1,511.5        | 1,511.5               |            |         |         |       |
| Current Investments in quoted bonds (refer note 7(1))          | 7(C)        | -               | -     | 1,509.9        | 1,509.9               |            |         |         |       |
| Trade receivables  | 9(A)&9(B)   | -               | -     | 44,663.8       | 44,663.8              |            |         |         |       |
| Loans  | 8(A)&8(B)   | -               | -     | 180.0          | 180.0                 |            |         |         |       |
| Cash and cash equivalents                                      | 15(A)&15(B) | -               | -     | 60,842.0       | 60,842.0              |            |         |         |       |
| Other financial assets   | 10(A)&10(B) | -               | -     | 4,215.8        | 4,215.8               |            |         |         |       |
|  |             | -               | -     | 113,019.2      | 113,019.2             |            |         |         |       |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Particulars   | Notes           | Carrying amount |       |                |                       | Fair value |         |         |       |
|---|-----------------|-----------------|-------|----------------|-----------------------|------------|---------|---------|-------|
|   |                 | FVTPL           | FVOCI | Amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| Financial assets measured at fair value                             |                 |                 |       |                |                       |            |         |         |       |
| Derivatives - foreign currency forward contracts                    | 10(B)           | 191.4           | -     | -              | 191.4                 | -          | 191.4   | -       | 191.4 |
|   |                 | 191.4           | -     | -              | 191.4                 | -          | 191.4   | -       | 191.4 |
| Financial liabilities not measured at fair value                    |                 |                 |       |                |                       |            |         |         |       |
| Borrowings (including current maturities of non-current borrowings) | 18(A) & 18(B)   | -               | -     | 48,615.2       | 48,615.2              |            |         |         |       |
| Trade payables  | 20              | -               | -     | 38,713.1       | 38,713.1              |            |         |         |       |
| Lease liabilities   | 33(A)           | -               | -     | 4,246.9        | 4,246.9               |            |         |         |       |
| Other financial liabilities   | 21 (A) & 21 (B) | -               | -     | 17,338.7       | 17,338.7              |            |         |         |       |
|   |                 | -               | -     | 108,913.9      | 108,913.9             |            |         |         |       |

\*These are for operational purposes and the Group estimates that the fair value of these investments are not materially different as compared to their cost.

B. Measurement of fair values

i. Valuation technique and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the consolidated balance sheet, as well as the significant unobservable inputs used:

| Type                       | Valuation technique  | Significant unobservable inputs  | Inter-relationship between significant unobservable inputs and fair value   |
|----------------------------|--|--|---|
| Forward exchange contracts | Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency. | Not applicable   | Not applicable  |
| Equity investments         | Discounted cash flow method  | Forecast annual revenue growth rate (5%-9%)<br>Forecast EBIT (13%-15%)<br>Terminal growth rate- 5% | - The estimated fair value would increase (decrease) if the EBIT margin were higher (lower)<br>- Generally a change in annual revenue growth rate is accompanied by a directionally similar change in EBIT margin |

ii. Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in 2023-24 and no transfers in either direction in 2022-23.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

C. Risk management framework

The Parent Company’s board of directors has overall responsibility for the establishment and oversight of the Group’s risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group’s risk management policies. The committee reports to the board of directors on its activities.

The Group’s risk management policies are established to identify and analyse the risks being faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Parent Company’s audit committee oversees how management monitors compliance with the Group’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the audit committee.

The Group is exposed primarily to credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk). The Group uses derivative financial instruments such as forwards to minimise any adverse effect on its financial performance.

(i) 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. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, loans and other financial

assets. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade receivables

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Management also evaluates the factors that may influence the credit risk of its customer base, including the default risk and country in which the customers operate. The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group’s standard payment and delivery terms and conditions are offered. The Group review includes external ratings, if available, financial statements, credit agency information, industry information and in some case bank references. Sales limits are established for each customer and reviewed quarterly.

The Group’s receivables turnover is quick and historically, there was no significant default on account of trade and other receivables. The Group assesses at each reporting date whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Other financial assets

The Group maintains exposure in cash and cash equivalents, other receivables from bank and derivative instruments with financial institutions.

The Group’s maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of each class of financial assets.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation. The Group sells on an ongoing basis and without recourse, its eligible receivables, to the banker under the accounts receivable purchase agreement, who is conveyed the right to the proceeds of subsequent collection from such customers. The Group de-recognises such receivables from its consolidated balance sheet.

The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The following are the remaining contractual maturities of financial liabilities at reporting date:

| As at March 31, 2024                                  | Carrying amount | Contractual cash flows |              |           |          |
|---|-----------------|------------------------|--------------|-----------|----------|
|   |                 | < 12 months            | 1 to 5 years | > 5 years | Total    |
| Non-derivative financial liabilities *                |                 |                        |              |           |          |
| Non-current borrowings (including current maturities) | 21,466.8        | 137.2                  | 17,086.2     | 4,420.8   | 21,644.2 |
| Current borrowings                                    | 41,685.4        | 41,685.4               | -            | -         | 41,685.4 |
| Trade payables  | 44,541.6        | 44,541.6               | -            | -         | 44,541.6 |
| Other non-current financial liabilities               | 154.2           | -                      | 154.2        | -         | 154.2    |
| Other current financial liabilities                   | 21,015.9        | 21,015.9               | -            | -         | 21,015.9 |

\* Excludes lease liabilities. Refer Note 33(A) for contractual cash flows relating to leases.

| As at March 31, 2023                                  | Carrying amount | Contractual cash flows |              |           |          |
|---|-----------------|------------------------|--------------|-----------|----------|
|   |                 | < 12 months            | 1 to 5 years | > 5 years | Total    |
| Non-derivative financial liabilities *                |                 |                        |              |           |          |
| Non-current borrowings (including current maturities) | 6,310.9         | 228.3                  | 3,905.5      | 2,425.1   | 6,558.9  |
| Current borrowings                                    | 42,304.3        | 42,304.3               | -            | -         | 42,304.3 |
| Trade payables  | 38,713.1        | 38,713.1               | -            | -         | 38,713.1 |
| Other non-current financial liabilities               | 125.0           | -                      | 125.0        | -         | 125.0    |
| Other current financial liabilities                   | 17,213.7        | 17,213.7               | -            | -         | 17,213.7 |

\* Excludes lease liabilities. Refer Note 33(A) for contractual cash flows relating to leases.

(iii) 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. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity, commodity rates and other market changes. The Group’s exposure to market risk is primarily on account of foreign currency exchange rate risk.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(a) Foreign currency risk:

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit or loss, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the respective functional currency of each entity. The Group is subject to foreign exchange risk primarily due to its foreign currency revenues, expenses and borrowings. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro and GBP against the functional currency of the Company. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Group has a treasury team which evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and advises the Management of any material adverse effect on the Group. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on foreign exchange risk from derivative instruments and non derivative instruments is as follows:

The summary of quantitative data about the Group's exposure to currency risk (based on the notional amounts) as reported to the management is as follows:

The foreign currency risk from non-derivative financial instruments as at March 31, 2024 is as follows:

| Particulars  | USD               | Euro           | GBP            | Others       | Total             |
|--|-------------------|----------------|----------------|--------------|-------------------|
| <b>Financial assets</b>  |                   |                |                |              |                   |
| Trade receivables  | 19,718.7          | 2,014.5        | 32.3           | 573.5        | 22,339.0          |
| Cash and cash equivalents  | 770.3             | 108.9          | 15.6           | 8.0          | 902.8             |
| Loans  | -                 | 57.3           | -              | -            | 57.3              |
| <b>Total</b>   | <b>20,489.0</b>   | <b>2,180.7</b> | <b>47.9</b>    | <b>581.5</b> | <b>23,299.1</b>   |
| <b>Financial liabilities</b>                                       |                   |                |                |              |                   |
| Borrowings   | 31,377.0          | 1,887.0        | -              | 257.6        | 33,521.6          |
| Trade payables (including capital creditors)                       | 13,901.8          | 884.0          | 275.1          | 120.8        | 15,181.7          |
| Interest accrued but not due on borrowings                         | 13.7              | 7.2            | -              | -            | 20.9              |
| <b>Total</b>   | <b>45,292.5</b>   | <b>2,778.2</b> | <b>275.1</b>   | <b>378.4</b> | <b>48,724.2</b>   |
| <b>Net exposure in respect of recognised assets/ (liabilities)</b> | <b>(24,803.5)</b> | <b>(597.5)</b> | <b>(227.2)</b> | <b>203.1</b> | <b>(25,425.1)</b> |

The foreign currency risk from non-derivative financial instruments as at March 31, 2023 is as follows:

| Particulars  | Amount in ₹       |                  |                |              |                   |
|--|-------------------|------------------|----------------|--------------|-------------------|
|  | USD               | Euro             | GBP            | Others       | Total             |
| <b>Financial assets</b>  |                   |                  |                |              |                   |
| Trade receivables  | 10,764.5          | 1,081.5          | -              | 301.5        | 12,147.5          |
| Cash and cash equivalents  | 1,205.6           | 353.7            | 150.0          | 13.9         | 1,723.2           |
| Loans  | 19.0              | 27.9             | 3.2            | -            | 50.1              |
| <b>Total</b>   | <b>11,989.1</b>   | <b>1,463.1</b>   | <b>153.2</b>   | <b>315.4</b> | <b>13,920.8</b>   |
| <b>Financial liabilities</b>                                       |                   |                  |                |              |                   |
| Borrowings   | 28,594.5          | 9,814.0          | 996.1          | 47.7         | 39,452.3          |
| Trade payables (including capital creditors)                       | 10,278.5          | 594.9            | 114.3          | 145.8        | 11,133.5          |
| <b>Total</b>   | <b>38,873.0</b>   | <b>10,408.9</b>  | <b>1,110.4</b> | <b>193.5</b> | <b>50,585.8</b>   |
| <b>Net exposure in respect of recognised assets/ (liabilities)</b> | <b>(26,883.9)</b> | <b>(8,945.8)</b> | <b>(957.2)</b> | <b>121.9</b> | <b>(36,665.0)</b> |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Sensitivity analysis:

A reasonably possible strengthening/(weakening) of the Indian Rupee against foreign currency at March 31, 2024 would have affected the measurement of financial instruments denominated in foreign currency and affect the equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| Particulars | Profit or (loss)  |               |                   |               |
|-------------|-------------------|---------------|-------------------|---------------|
|             | March 31, 2024    |               | March 31, 2023    |               |
|             | 5 % Strengthening | 5 % Weakening | 5 % Strengthening | 5 % Weakening |
| USD         | 1,240.2           | (1,240.2)     | 1,344.2           | (1,344.2)     |
| Euro        | 29.9              | (29.9)        | 447.3             | (447.3)       |
| GBP         | 11.4              | (11.4)        | 47.9              | (47.9)        |
| Others      | (10.2)            | 10.2          | (6.1)             | 6.1           |

(b) Interest rate risk:

The Group is exposed to Interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

| Particulars   | March 31, 2024  | March 31, 2023  |
|---|-----------------|-----------------|
| Variable rate borrowings including current maturities * | 55,304.6        | 50,659.7        |
| Fixed rate borrowings                                   | 7,847.6         | 2,202.4         |
| <b>Total borrowings</b>                                 | <b>63,152.2</b> | <b>52,862.1</b> |

\* Previous year number includes lease liabilities

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 0.5% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.5% higher/lower and all other variables were held constant, the group's profit for the year ended March 31, 2024 would increase/decrease by ₹ 276.5 (Profit for the year ended March 31, 2023: decrease/increase by ₹ 189.7). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings.

(c) Commodity risk:

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchase of active pharmaceutical ingredients and other raw material components for its products. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Group's business are generally more volatile. Cost of raw materials forms the largest portion of the Group's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2024, the Group had not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

44. CAPITAL MANAGEMENT

For the purpose of the Group’s capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Group’s capital management is to maximise the shareholder value.

The Group monitors capital using a ratio of ‘adjusted net debt’ to ‘total equity’ and ‘gearing ratio’. For this purpose, adjusted net debt is defined as total borrowings, less cash and cash equivalents and other bank balances.

The Groups adjusted net debt to total equity was as follows :

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Total borrowings                        | 63,152.2                | 48,615.2                |
| Less : Cash and cash equivalents        | 33,934.8                | 43,962.9                |
| Less : Other Bank balances *            | 28,860.1                | 16,969.9                |
| Adjusted net debt                       | 357.3                   | (12,317.6)              |
| Total Equity                            | 298,508.0               | 268,518.5               |
| Adjusted net debt to total equity ratio | 0.00                    | (0.05)                  |

\* includes bank deposits against bank guarantees of ₹ 11.9 (March 31, 2023 : ₹ 90.8) classified as Other Non-current financial assets.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

45. ADDITIONAL STATUTORY INFORMATION IN RESPECT OF THE COMPONENTS OF APL AND ITS CONSOLIDATED ENTITIES

| Name of the entity  | As at and for the year ended March 31, 2024            |           |                                    |           |   |                                    | As at and for the year ended March 31, 2023            |            |                                    |            |   |                                    |
|---|--|-----------|------------------------------------|-----------|---|------------------------------------|--|------------|------------------------------------|------------|---|------------------------------------|
|   | Net Assets, i.e., total assets minus total liabilities |           | Share in profit/(loss)             |           | Share in other comprehensive income (OCI) |                                    | Net Assets, i.e., total assets minus total liabilities |            | Share in profit/(loss)             |            | Share in other comprehensive income (OCI) |                                    |
|   | As % of consolidated net assets                        | Amount    | As % of consolidated profit/(loss) | Amount    | As % of consolidated OCI                  | As % of total comprehensive income | As % of consolidated net assets                        | Amount     | As % of consolidated profit/(loss) | Amount     | As % of consolidated OCI                  | As % of total comprehensive income |
| 1 Parent - Aurobindo Pharma Limited   | 66.07 %  | 197,228.2 | 61.59 %                            | 19,541.4  | (1.70) %                                  | (16.9)                             | 66.71 %  | 179,141.7  | 63.83 %                            | 12,304.1   | 0.80 %                                    | 58.7                               |
| Subsidiaries - Indian   |  |           |                                    |           |   |                                    |  |            |                                    |            |   |                                    |
| 2 APL Health Care Limited   | 5.82 %   | 17,381.3  | 15.60 %                            | 4,950.0   | (0.70) %                                  | (6.9)                              | 4.74 %   | 12,737.5   | 24.58 %                            | 4,737.9    | (0.04) %                                  | (3.2)                              |
| 3 Auronext Pharma Private Limited   | -  | -         | -                                  | -         | -   | -                                  | 0.86 %   | 2,318.0    | (0.18) %                           | (34.5)     | -   | -                                  |
| 4 Auro Peptides Limited   | (0.68) %   | (2,042.2) | (1.64) %                           | (521.5)   | (0.08) %                                  | (0.8)                              | (0.57) %   | (1,519.8)  | (0.73) %                           | (141.5)    | (0.01) %                                  | (0.6)                              |
| 5 Aptoria Pharma private Limited (Formerly Auro Pharma India Private Limited) | 4.29 %   | 12,812.5  | 4.07 %                             | 1,291.0   | (6.50) %                                  | (64.5)                             | 0.00 %   | 0.7        | 0.00 %                             | (0.1)      | -   | -                                  |
| 6 Auroactive Pharma Private Limited   | 0.46 %   | 1,363.2   | (0.06) %                           | (19.7)    | (0.74) %                                  | (7.3)                              | 0.29 %   | 790.00     | (0.06) %                           | (11.90)    | -   | -                                  |
| 7 Curateq Biologics Private Limited   | (3.34) %   | (9,963.6) | (21.43) %                          | (6,799.5) | -   | -                                  | (2.28) %   | (6,113.30) | (28.54) %                          | (5,501.10) | 0.04 %                                    | 3.20                               |
| 8 Eugia Steriles Private Limited (Formerly Auro Cure Private Limited)         | 0.32 %   | 944.4     | (0.31) %                           | (97.1)    | (0.01) %                                  | (0.1)                              | 0.16 %   | 432.10     | (0.02) %                           | (3.60)     | -   | -                                  |
| 9 Aurorest Private Limited  | 0.08 %   | 234.7     | (0.06) %                           | (19.9)    | -   | -                                  | 0.09 %   | 254.60     | (0.05) %                           | (10.50)    | -   | -                                  |
| 10 Aurobindo Antibiotics Private Limited                                      | 0.00 %   | 9.1       | 0.00 %                             | (0.1)     | -   | -                                  | 0.00 %   | 9.10       | 0.00 %                             | (0.30)     | -   | -                                  |
| 11 Eugia Pharma Specialities Limited  | 6.61 %   | 19,733.1  | 25.23 %                            | 8,004.5   | (0.93) %                                  | (9.2)                              | 4.37 %   | 11,737.80  | 13.89 %                            | 2,678.00   | 0.04 %                                    | 2.60                               |
| 12 Mviyes Pharma Ventures Private Limited                                     | -  | -         | -                                  | -         | -   | -                                  | 0.69 %   | 1,853.40   | 0.01 %                             | 1.60       | -   | -                                  |
| 13 Lyflus Pharma Private Limited  | 1.95 %   | 5,809.9   | (1.63) %                           | (518.5)   | (1.58) %                                  | (15.7)                             | 0.90 %   | 2,429.70   | (0.58) %                           | (111.90)   | -   | -                                  |
| 14 Oule Pharma Private Limited  | 0.21 %   | 617.5     | (0.19) %                           | (59.4)    | -   | -                                  | 0.25 %   | 676.90     | (0.15) %                           | (29.70)    | -   | -                                  |
| 15 Eugia SEZ Private Limited  | (0.14) %   | (408.1)   | (0.11) %                           | (35.4)    | (0.16) %                                  | (1.6)                              | (0.14) %   | (371.10)   | (2.31) %                           | (444.70)   | 0.02 %                                    | 1.30                               |
| 16 Auro vaccines Private Limited  | 0.05 %   | 145.0     | (1.09) %                           | (344.7)   | -   | -                                  | 0.05 %   | 124.40     | (0.58) %                           | (112.20)   | -   | -                                  |
| 17 GLSPharma Limited  | 0.05 %   | 153.9     | (0.12) %                           | (37.9)    | (0.01) %                                  | (0.1)                              | 0.07 %   | 191.90     | 0.05 %                             | 10.30      | -   | -                                  |
| 18 Auro Trading Private Limited   | 0.00 %   | 1.0       | -                                  | -         | -   | -                                  | -  | -          | -                                  | -          | -   | -                                  |
| 19 TheraNym Biologics Private Limited   | 0.00 %   | 0.7       | 0.00 %                             | (0.3)     | -   | -                                  | 0.00 %   | 1.00       | -                                  | -          | -   | -                                  |
| Subsidiaries - Foreign  |  |           |                                    |           |   |                                    |  |            |                                    |            |   |                                    |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Name of the entity                               | As at and for the year ended March 31, 2024            |           |                                    |           |   |                    |
|--|--|-----------|------------------------------------|-----------|---|--------------------|
|  | Net Assets, i.e., total assets minus total liabilities |           | Share in profit/(loss)             |           | Share in other comprehensive income (OCI) |                    |
|  | Amount   |           | As % of consolidated profit/(loss) |           | Amount consolidated OCI                   |                    |
|  | As % of consolidated net assets                        | Amount    | As % of consolidated profit/(loss) | Amount    | As % of consolidated OCI                  | Amount             |
| 20 APL Pharma Thal Limited                       | 0.06 %   | 167.6     | 0.00 %                             | (1.0)     | -   | 0.00 % (1.0)       |
| 21 Aurobindo Pharma Industria Farmaceutica Ltda  | 0.31 %   | 931.5     | 0.47 %                             | 150.0     | -   | 0.46 % 150.0       |
| 22 Aurobindo Pharma Produtos Farmaceuticos Ltda  | 0.09 %   | 269.9     | 0.04 %                             | 13.9      | -   | 0.04 % 13.9        |
| 23 All Pharma (Shanghai) Trading Company Limited | 0.08 %   | 233.9     | 0.03 %                             | 10.0      | -   | 0.03 % 10.0        |
| 24 Helix Healthcare BV                           | 9.57 %   | 28,566.4  | 2.11 %                             | 670.7     | -   | 2.05 % 670.7       |
| 25 Agile Pharma BV                               | 3.68 %   | 10,987.8  | 3.13 %                             | 994.5     | -   | 3.04 % 994.5       |
| 26 Auro Pharma Inc.                              | 0.69 %   | 2,073.2   | 1.01 %                             | 320.8     | -   | 0.98 % 320.8       |
| 27 Aurobindo Pharma (Pty) Limited                | 0.10 %   | 304.0     | 0.18 %                             | 57.6      | -   | 0.18 % 57.6        |
| 28 Aurobindo Pharma Japan K.K.                   | 0.06 %   | 193.8     | 0.09 %                             | 30.1      | -   | 0.09 % 30.1        |
| 29 Laboratorios Aurobindo, S.L.                  | -  | -         | -                                  | -         | -   | -                  |
| 30 Aurobindo Pharma (Italia) S.r.l               | 0.47 %   | 1,415.5   | 0.30 %                             | 94.7      | -   | 0.29 % 94.7        |
| 31 Aurobindo Pharma (Romania) S.r.l              | 0.01 %   | 27.5      | 0.04 %                             | 13.8      | -   | 0.04 % 13.8        |
| 32 Aurovida Farmaceutica S.A. de C.V.            | 0.17 %   | 508.7     | (0.69) %                           | (219.2)   | -   | (0.67) % (219.2)   |
| 33 Aurobindo Pharma Colombia SAS                 | 0.15 %   | 455.8     | 0.08 %                             | 23.8      | -   | 0.07 % 23.8        |
| 34 Pharmacin BV                                  | 0.02 %   | 71.0      | 0.00 %                             | 0.3       | -   | 0.00 % 0.3         |
| 35 Aurobindo Pharma USA Inc.                     | 20.70 %  | 61,805.1  | 22.15 %                            | 7,029.3   | 1.63 %                                    | 21.53 % 7,045.5    |
| 36 Aurorlife Pharma LLC                          | 2.41 %   | 7,203.7   | (8.18) %                           | (2,596.6) | -   | (7.94) % (2,596.6) |
| 37 Eugia US LLC (Formerly Auromedics Pharma LLC) | 3.18 %   | 9,489.0   | 4.25 %                             | 1,349.1   | -   | 4.12 % 1,349.1     |
| 38 Auro Health LLC                               | 0.73 %   | 2,171.8   | 0.52 %                             | 164.5     | -   | 0.50 % 164.5       |
| 39 Auro AP LLC                                   | 0.00 %   | 8.3       | -                                  | -         | -   | -                  |
| 40 Auro Vaccines LLC                             | (1.16) %   | (3,466.5) | (0.36) %                           | (114.5)   | -   | (0.35) % (114.5)   |
| 41 Auro Logistics LLC                            | 0.13 %   | 385.0     | 0.20 %                             | 63.5      | -   | 0.19 % 63.5        |
| 42 Acrotech Biopharma LLC                        | 2.50 %   | 7,466.7   | 3.28 %                             | 1,041.1   | -   | 3.18 % 1,041.1     |
| 43 Auro Science LLC                              | -  | -         | -                                  | -         | -   | -                  |
| 44 Auro Science PTY Ltd., Australia              | -  | -         | -                                  | -         | -   | -                  |
| 45 Auro Packaging LLC                            | (0.04) %   | (118.9)   | (0.24) %                           | (77.6)    | -   | (0.24) % (77.6)    |
| 46 Auro Steriles LLC                             | -  | -         | -                                  | -         | -   | -                  |

Consolidated

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Name of the entity                               | As at and for the year ended March 31, 2024            |           |                                    |           |   |                    |
|--|--|-----------|------------------------------------|-----------|---|--------------------|
|  | Net Assets, i.e., total assets minus total liabilities |           | Share in profit/(loss)             |           | Share in other comprehensive income (OCI) |                    |
|  | Amount   |           | As % of consolidated profit/(loss) |           | Amount consolidated OCI                   |                    |
|  | As % of consolidated net assets                        | Amount    | As % of consolidated profit/(loss) | Amount    | As % of consolidated OCI                  | Amount             |
| 47 Vespyr Brands Inc                             | (0.17) %   | (514.9)   | (1.62) %                           | (515.1)   | -   | (1.57) % (515.1)   |
| 48 Eugia US Manufacturing LLC                    | (1.17) %   | (3,496.3) | (9.70) %                           | (3,076.2) | -   | (9.40) % (3,076.2) |
| 49 Eugia Injectable Inc                          | -  | -         | -                                  | -         | -   | -                  |
| 50 Eugia Inc                                     | 2.54 %   | 7,575.0   | -                                  | -         | -   | -                  |
| 51 Aurex BV                                      | 0.11 %   | 336.2     | 0.08 %                             | 26.9      | -   | 0.08 % 26.9        |
| 52 Milpharm Limited                              | 1.21 %   | 3,618.2   | 2.02 %                             | 640.8     | -   | 1.96 % 640.8       |
| 53 Aurobindo Pharma (Malta) Limited              | 0.36 %   | 1,085.9   | 1.32 %                             | 420.3     | -   | 1.28 % 420.3       |
| 54 APL Swift Services (Malta) Limited            | 0.11 %   | 323.6     | 0.37 %                             | 117.9     | -   | 0.36 % 117.9       |
| 55 Arrow Generiques SAS                          | 2.36 %   | 7,050.5   | 2.81 %                             | 890.1     | -   | 2.72 % 890.1       |
| 56 1980 Puren Pharma GmbH                        | 0.00 %   | 5.1       | 0.00 %                             | 0.1       | -   | 0.00 % 0.1         |
| 57 Puren Pharma GmbH                             | 0.55 %   | 1,650.9   | 2.67 %                             | 848.4     | -   | 2.59 % 848.4       |
| 58 Aurovitas Spain SA                            | 0.90 %   | 2,681.3   | 0.91 %                             | 288.2     | -   | 0.88 % 288.2       |
| 59 Aurovitas Pharma Polska                       | 0.78 %   | 2,339.6   | (1.18) %                           | (374.1)   | -   | (1.14) % (374.1)   |
| 60 Aurobindo Pharma B.V.                         | 1.55 %   | 4,636.2   | 3.09 %                             | 979.3     | -   | 2.99 % 979.3       |
| 61 Generis Pharma SA                             | 2.80 %   | 8,369.7   | 2.21 %                             | 700.9     | -   | 2.14 % 700.9       |
| 62 Generis Phar, Unipessoal Lda                  | 0.00 %   | 0.5       | -                                  | -         | -   | -                  |
| 63 Aurogen South Africa (PTY) Ltd.               | 0.53 %   | 1,587.0   | 0.47 %                             | 150.3     | -   | 0.46 % 150.3       |
| 64 Aurobindo Pharma Saudi Arabia Limited Company | 0.10 %   | 289.2     | (0.47) %                           | (149.8)   | -   | (0.46) % (149.8)   |
| 65 Aurovitas Pharma (Taizhou) Ltd.               | 1.84 %   | 5,498.3   | (0.75) %                           | (236.6)   | -   | (0.72) % (236.6)   |
| 66 Aurobindo Pharma FZ-LLC                       | 1.43 %   | 4,263.8   | 6.81 %                             | 2,162.0   | -   | 6.61 % 2,162.0     |
| 67 Aurosalud SA De CV                            | 0.00 %   | (11.3)    | (0.01) %                           | (4.4)     | -   | (0.01) % (4.4)     |
| 68 Auro PR Inc                                   | 0.50 %   | 1,484.8   | 1.82 %                             | 576.3     | -   | 1.76 % 576.3       |
| 69 Eugia Pharma INC, Canada                      | 0.05 %   | 158.9     | (0.12) %                           | (37.2)    | -   | (0.11) % (37.2)    |
| 70 Eugia Pharma (Australia) PTY Limited          | 0.00 %   | 2.4       | (0.25) %                           | (80.7)    | -   | (0.25) % (80.7)    |
| 71 Eugia Pharma Industria Farmaceutica Limitada  | 0.12 %   | 347.0     | 1.00 %                             | 316.8     | -   | 0.97 % 316.8       |
| 72 Auro PR LLC                                   | -  | -         | -                                  | -         | -   | -                  |
| 73 Aurobindo Pharma Ukraine LLC                  | -  | -         | -                                  | -         | -   | -                  |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Name of the entity  | As at and for the year ended March 31, 2024            |           |                                    |         |   |        | As at and for the year ended March 31, 2023            |           |                                    |         |   |                 |
|---|--|-----------|------------------------------------|---------|---|--------|--|-----------|------------------------------------|---------|---|-----------------|
|   | Net Assets, i.e., total assets minus total liabilities |           | Share in profit/(loss)             |         | Share in other comprehensive income (OCI) |        | Net Assets, i.e., total assets minus total liabilities |           | Share in profit/(loss)             |         | Share in other comprehensive income (OCI) |                 |
|   | As % of consolidated net assets                        | Amount    | As % of consolidated profit/(loss) | Amount  | As % of consolidated OCI                  | Amount | As % of consolidated net assets                        | Amount    | As % of consolidated profit/(loss) | Amount  | As % of consolidated OCI                  | Amount          |
|   |  |           |                                    |         |   |        |  |           |                                    |         |   |                 |
| 74 Eugia Pharma Colombia SAS                                  | 0.00 %   | 7.4       | (0.01)%                            | (3.2)   | -   | -      | 0.00 %   | 8.8       | -                                  | -       | -   | -               |
| 75 Aurovitas Spol.s.r.o                                       | 0.17 %   | 494.4     | 0.16 %                             | 49.7    | -   | -      | 0.18 %   | 477.3     | (1.07)%                            | (205.8) | -   | (0.77)% (205.8) |
| 76 Apotex Europe BV   | 0.20 %   | 596.1     | 0.06 %                             | 18.8    | -   | -      | 0.21 %   | 574.4     | 0.03 %                             | 5.7     | -   | 0.02 % 5.7      |
| 77 Aurovitas Nederland BV                                     | (0.50)%  | (1,487.6) | (0.31)%                            | (97.6)  | -   | -      | (0.52)%  | (1,383.1) | (0.34)%                            | (65.0)  | -   | (0.24)% (65.0)  |
| 78 Sameko Farma BV  | -  | -         | -                                  | -       | -   | -      | -  | -         | -                                  | -       | -   | -               |
| 79 Leidapharm BV  | -  | -         | -                                  | -       | -   | -      | -  | -         | -                                  | -       | -   | -               |
| 80 Marei BV   | -  | -         | -                                  | -       | -   | -      | -  | -         | -                                  | -       | -   | -               |
| 81 Pharma Dossier BV  | -  | -         | -                                  | -       | -   | -      | -  | -         | -                                  | -       | -   | -               |
| 82 Aurobindo NV/SA  | 0.42 %   | 1,267.2   | 1.51 %                             | 480.7   | -   | -      | 0.21 %   | 558.6     | (0.18)%                            | (35.4)  | -   | (0.13)% (35.4)  |
| 83 CurateQ Biologics s.r.o.                                   | 0.04 %   | 130.5     | (0.06)%                            | (20.5)  | -   | -      | 0.05 %   | 141.4     | (0.05)%                            | (10.4)  | -   | (0.04)% (10.4)  |
| 84 Eugia Pharma BV  | 0.59 %   | 1,762.4   | 0.84 %                             | 266.9   | -   | -      | 0.55 %   | 1,488.0   | 2.21 %                             | 426.6   | -   | 1.60 % 426.6    |
| 85 Eugia Pharma (Malta) Limited, Malta                        | 0.29 %   | 853.9     | 0.59 %                             | 188.2   | -   | -      | 0.32 %   | 849.8     | 1.62 %                             | 313.2   | -   | 1.18 % 313.2    |
| 86 PT Aurogen Pharma Indonesia                                | 0.56 %   | 1,683.7   | (0.39)%                            | (124.1) | -   | -      | 0.00 %   | 11.70     | (0.00)                             | (5.20)  | -   | (0.02)% (5.20)  |
| 87 Auro Pharma LLC, Russia                                    | 0.08 %   | 243.6     | 0.00 %                             | 1.1     | -   | -      | -  | -         | -                                  | -       | -   | -               |
| 88 Eugia (UK) Limited   | 0.02 %   | 48.4      | 0.02 %                             | 5.6     | -   | -      | 0.02 %   | 41.4      | (0.01)%                            | (1.3)   | -   | 0.00 % (1.3)    |
| Non-controlling interests - Foreign                           | 0.00 %   | 1.7       | -                                  | -       | -   | -      | 0.00 %   | 1.7       | (0.01)%                            | (2.3)   | -   | (0.01)% (2.3)   |
| 89 Aurobindo Pharma Industria Farmaceutica Ltd.               | 0.01 %   | 25.5      | -                                  | -       | -   | -      | 0.01 %   | 25.5      | 0.00 %                             | (0.1)   | -   | 0.00 % (0.1)    |
| 90 APL Pharma Thal Limited                                    |  |           |                                    |         |   |        |  |           |                                    |         |   |                 |
| Non-controlling interests - Indian                            | (0.02)%  | (68.0)    | (0.06)%                            | (18.1)  | -   | -      | (0.02)%  | (49.9)    | (0.01)%                            | (1.0)   | -   | 0.00 % (1.0)    |
| 91 Auro Peptides Ltd.   | 0.04 %   | 120.8     | (0.07)%                            | (21.9)  | -   | -      | 0.05 %   | 142.7     | 0.03 %                             | 4.9     | -   | 0.02 % 4.9      |
| 92 GLS Pharma Limited   |  |           |                                    |         |   |        |  |           |                                    |         |   |                 |
| Joint Ventures and associates (accounted under equity method) |  |           |                                    |         |   |        |  |           |                                    |         |   |                 |
| Joint Ventures - Foreign                                      |  |           |                                    |         |   |        |  |           |                                    |         |   |                 |
| 93 Novagen Pharma (Pty) Ltd.                                  | N.A*   | N.A*      | (0.25)%                            | (80.2)  | N.A*                                      | N.A*   | N.A*   | N.A*      | (0.23)%                            | (43.4)  | N.A*                                      | N.A* (43.4)     |
| 94 Purple Bellflower (Pty) Ltd.                               | N.A*   | N.A*      | 0.01 %                             | 2.4     | N.A*                                      | N.A*   | N.A*   | N.A*      | 0.01 %                             | 2.6     | N.A*                                      | N.A* 2.6        |
| 95 Luxin Aurovitas Pharm (Chengdu) Co. Ltd.                   | N.A*   | N.A*      | (0.13)%                            | (40.5)  | N.A*                                      | N.A*   | N.A*   | N.A*      | (0.21)%                            | (40.7)  | N.A*                                      | N.A* (40.7)     |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

| Name of the entity                                   | As at and for the year ended March 31, 2024            |             |                                    |           |   |         | As at and for the year ended March 31, 2023            |             |                                    |          |   |                          |
|--|--|-------------|------------------------------------|-----------|---|---------|--|-------------|------------------------------------|----------|---|--------------------------|
|  | Net Assets, i.e., total assets minus total liabilities |             | Share in profit/(loss)             |           | Share in other comprehensive income (OCI) |         | Net Assets, i.e., total assets minus total liabilities |             | Share in profit/(loss)             |          | Share in other comprehensive income (OCI) |                          |
|  | As % of consolidated net assets                        | Amount      | As % of consolidated profit/(loss) | Amount    | As % of consolidated OCI                  | Amount  | As % of consolidated net assets                        | Amount      | As % of consolidated profit/(loss) | Amount   | As % of consolidated OCI                  | Amount                   |
|  |  |             |                                    |           |   |         |  |             |                                    |          |   |                          |
| 96 Novagen BBEE Invest Co (Pty) Ltd.                 | N.A*   | N.A*        | 0.00 %                             | 0.2       | N.A*                                      | N.A*    | N.A*   | N.A*        | -                                  | -        | N.A*                                      | N.A*                     |
| Joint Ventures - Indian                              |  |             |                                    |           |   |         |  |             |                                    |          |   |                          |
| 97 Tergene Biotech Limited                           | N.A*   | N.A*        | (0.16)%                            | (51.9)    | 0.03 %                                    | 0.30    | N.A*   | N.A*        | (0.23)%                            | (43.9)   | 0.00 %                                    | 0.2 (43.7)               |
| 98 Radurgam Developers Limited                       | N.A*   | N.A*        | 0.20 %                             | 64.4      | (0.06)%                                   | -0.60   | N.A*   | N.A*        | 0.02 %                             | 4.6      | 0.00 %                                    | (0.1) 4.5                |
| Associates - Indian                                  |  |             |                                    |           |   |         |  |             |                                    |          |   |                          |
| 99 N/NP (Ramannapet I) Power Plant Private Limited   | N.A*   | N.A*        | 0.03 %                             | 9.9       | -   | -       | N.A*   | N.A*        | (0.03)%                            | (5.9)    | -   | (0.02)% (5.9)            |
| 100 N/NP (Ramannapet II) Power Plant Private Limited | N.A*   | N.A*        | 0.03 %                             | 9.1       | -   | -       | N.A*   | N.A*        | (0.03)%                            | (6.1)    | -   | (0.02)% (6.1)            |
| Total  | 144.03%  | 430,053.0   | 121.88%                            | 38,674.9  | (10.81)%                                  | (107.2) | 137.48%  | 369,301.2   | 104.47%                            | 20,141.1 | (0.57)%                                   | (42.0) 75.56% 20,099.1   |
| Consolidation adjustments                            | (44.03)%   | (131,545.0) | (21.88)%                           | (6,945.2) | 110.81 %                                  | 1,098.8 | (37.48)%   | (100,782.7) | (4.47)%                            | (866.1)  | 100.57 %                                  | 7,397.8 24.44 % 6,531.7  |
| Net amount   | 100.00%  | 298,508.0   | 100.00%                            | 31,729.7  | 100.00%                                   | 991.6   | 100.00%  | 268,518.5   | 100.00%                            | 19,275.0 | 100.00%                                   | 7,355.8 100.00% 26,630.8 |

\* Not Applicable

Note :

- The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impacts on elimination of inter company transactions/profits/Consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of The Companies Act, 2013.
- Percentages below 0.01% have been disclosed as 0.00%.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

46. CONTRIBUTION TO POLITICAL PARTIES AS PER SECTION 182 OF COMPANIES ACT, 2013.  
(INCLUDED IN MISCELLANEOUS EXPENSES)

Political contributions amounting to ₹ 502.5 million (March 31, 2023: ₹ 216.3 million), which includes ₹ 501.0 million (March 31, 2023: ₹ 215.0 million) contributed through electoral bonds made in accordance with Section 182 of the Act during the year ended March 31, 2024, and March 31, 2023, respectively. The Company has considered the Supreme Court judgement dated February 15, 2024, including the directions to the State Bank of India and the Election Commission of India on furnishing and public disclosure of information in respect of the electoral bonds. Political contributions via Electoral Bonds for the year ended March 31, 2024, were made by the Company prior to the Hon'ble Supreme Court judgement pronounced on February 15, 2024.

47. EXCEPTIONAL ITEMS

Exceptional items represent the following items which have been credited/(debited) to consolidated statement of profit and loss.

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Loss on restructuring of business *         | (986.6)                              | -                                    |
| Gain on settlement with customer **         | 1,306.0                              | -                                    |
| Loss on write-off of non-current assets *** | (2,238.0)                            | -                                    |
|   | (1,918.6)                            | -                                    |

\* Accrual of severance pay and certain demolition charges on account of restructuring of unit of Auro PR Inc., a step-down subsidiary of the Company.

\*\* Gain arising on account of settlement of balances with a customer by Auro PR Inc., a step-down subsidiary of the Company.

\*\*\* Loss arising on account of write-down of certain non-current assets held by Eugia US Manufacturing LLC, a step-down subsidiary of the Company, to its fair value less cost to sell, consequent to the sale of the assets subsequent to the year-end.

48. CAPITAL WORK IN PROGRESS AGEING SCHEDULE (REFER NOTE 3(B))

As at March 31, 2024

| Particulars                               | Amount in Capital work in progress for a period of |             |             |                      | Total    |
|---|--|-------------|-------------|----------------------|----------|
|   | Less than<br>1 year                                | 1 - 2 years | 2 - 3 years | More than<br>3 years |          |
| Projects in progress                      |  |             |             |                      |          |
| - Auro Vaccines Private Limited           | 599.6  | 397.6       | 0.8         | 1,326.0              | 2,324.0  |
| - Curateq Biologics Private Limited India | 1,400.1  | 945.8       | 582.0       | 3,653.8              | 6,581.7  |
| - Aurobindo Pharma USA., Inc.             | 1,038.4  | 616.3       | 263.4       | 3,846.8              | 5,764.9  |
| Projects temporarily suspended            | 21.6   | 165.9       | 301.8       | 636.4                | 1,125.7  |
| Total                                     | 3,059.7  | 2,125.6     | 1,148.0     | 9,463.0              | 15,796.3 |

For Capital Work in Progress, whose completion is overdue compared to its Original Plan

| Particulars                 | To be completed in  |             |             |                      | Total   |
|-----------------------------|---------------------|-------------|-------------|----------------------|---------|
|                             | Less than<br>1 year | 1 - 2 years | 2 - 3 years | More than<br>3 years |         |
| Projects in Progress        |                     |             |             |                      |         |
| Aurobindo Pharma USA., Inc. | 5,693.0             | -           | -           | -                    | 5,693.0 |
| Total                       | 5,693.0             | -           | -           | -                    | 5,693.0 |

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

As at March 31, 2023

| Particulars                              | Amount in Capital work in progress for a period of |             |             |                      | Total    |
|--|--|-------------|-------------|----------------------|----------|
|  | Less than<br>1 year                                | 1 - 2 years | 2 - 3 years | More than<br>3 years |          |
| Projects in progress                     |  |             |             |                      |          |
| -Aurobindo Pharma Limited                | 1,422.2  | 896.7       | 64.1        | -                    | 2,383.0  |
| -Curateq Biologics Private Limited India | 945.8  | 582.0       | 441.7       | 3,212.1              | 5,181.6  |
| -Lyfius Pharma Private Limited           | 6,929.0  | 108.5       | 1.6         | -                    | 7,039.1  |
| -Aurobindo Pharma USA., Inc.             | 1,985.6  | 1,558.5     | 1,178.8     | 3,974.2              | 8,697.1  |
| -Eugia Inc USA                           | 1,285.4  | 1,793.4     | 706.3       | 1,176.2              | 4,961.3  |
| -Aurovitas Pharma (Taizhou) Ltd.         | 2,783.5  | 2,402.0     | 899.8       | -                    | 6,085.3  |
| Projects temporarily suspended           | -  | -           | -           | -                    | -        |
| Total                                    | 15,351.5   | 7,341.1     | 3,292.3     | 8,362.5              | 34,347.4 |

For Capital Work in Progress, whose completion is overdue compared to its Original Plan

| Particulars                 | To be completed in  |             |             |                      | Total   |
|-----------------------------|---------------------|-------------|-------------|----------------------|---------|
|                             | Less than<br>1 year | 1 - 2 years | 2 - 3 years | More than<br>3 years |         |
| Projects in Progress        |                     |             |             |                      |         |
| Aurobindo Pharma USA., Inc. | 4,917.2             | 3,717.1     | -           | -                    | 8,634.3 |
| Total                       | 4,917.2             | 3,717.1     | -           | -                    | 8,634.3 |

Capital Work in Progress ageing is being reported only for those components which are material to the group i.e. more than 10% of the total.

There are no projects in progress whose cost has exceeded compared to the original as at March 31, 2024 and March 31, 2023.

49. INTANGIBLE ASSET UNDER DEVELOPMENT AGEING SCHEDULE (REFER NOTE 6(B))

As at March 31, 2024

| Particulars                        | Amount in Intangible asset under development for a period of |             |             |                      | Total   |
|------------------------------------|--|-------------|-------------|----------------------|---------|
|                                    | Less than<br>1 year  | 1 - 2 years | 2 - 3 years | More than<br>3 years |         |
| Projects in progress               |  |             |             |                      |         |
| -Eugia Pharma Specialities Limited | 535.1  | 496.0       | 420.9       | 1,497.7              | 2,949.7 |
| -Aurobindo Pharma USA., Inc.       | 1,857.2  | 1,921.6     | 1,552.2     | 838.5                | 6,169.5 |
| Projects temporarily suspended     | -  | -           | -           | -                    | -       |
| Total                              | 2,392.3  | 2,417.6     | 1,973.1     | 2,336.2              | 9,119.2 |

As at March 31, 2023

| Particulars                        | Amount in Capital work in progress for a period of |             |             |                      | Total   |
|------------------------------------|--|-------------|-------------|----------------------|---------|
|                                    | Less than<br>1 year                                | 1 - 2 years | 2 - 3 years | More than<br>3 years |         |
| Projects in progress               |  |             |             |                      |         |
| -Eugia Pharma Specialities Limited | 546.6  | 450.6       | 449.7       | 1,534.9              | 2,981.8 |
| -Aurobindo Pharma USA., Inc.       | 1,847.4  | 1,562.2     | 353.1       | 596.0                | 4,358.7 |
| Projects temporarily suspended     | -  | -           | -           | -                    | -       |
| Total                              | 2,394.0  | 2,012.8     | 802.8       | 2,130.9              | 7,340.5 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Intangible asset under development ageing is being reported only for those components which are material to the group i.e. more than 10% of the total.

Note : The group does not have any intangible assets under development which is overdue or has exceeded its cost compared to its original plan and hence intangible assets under development completion schedule is not applicable.

50. NON CURRENT TRADE RECEIVABLES AGEING SCHEDULE (REFER NOTE 9(A))

As at March 31, 2024

| Particulars   | 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                                 | -       | -  | -                 | -           | -           | -                 | -     |
| (ii). Undisputed Trade receivables - which have significant increase in credit risk | -       | -  | -                 | -           | -           | -                 | -     |
| (iii). Undisputed Trade receivables - credit impaired                               | -       | 2.1  | 6.8               | 81.5        | 40.8        | 504.0             | 635.2 |
| (iv). Disputed Trade receivables - considered good                                  | -       | -  | -                 | -           | -           | -                 | -     |
| (v). Disputed Trade receivables - which have significant increase in credit risk    | -       | -  | -                 | -           | -           | -                 | -     |
| (vi). Disputed Trade receivables - credit impaired                                  | -       | -  | -                 | -           | -           | -                 | -     |
| Total   | -       | 2.1  | 6.8               | 81.5        | 40.8        | 504.0             | 635.2 |

As at March 31, 2023

| Particulars   | 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                                 | -       | -  | -                 | -           | -           | -                 | -     |
| (ii). Undisputed Trade receivables - which have significant increase in credit risk | -       | -  | -                 | -           | -           | -                 | -     |
| (iii). Undisputed Trade receivables - credit impaired                               | -       | -  | -                 | -           | 4.5         | 428.5             | 433.0 |
| (iv). Disputed Trade receivables - considered good                                  | -       | -  | -                 | -           | -           | -                 | -     |
| (v). Disputed Trade receivables - which have significant increase in credit risk    | -       | -  | -                 | -           | -           | -                 | -     |
| (vi). Disputed Trade receivables - credit impaired                                  | -       | -  | -                 | -           | -           | -                 | -     |
| Total   | -       | -  | -                 | -           | 4.5         | 428.5             | 433.0 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

CURRENT TRADE RECEIVABLES AGEING SCHEDULE (REFER NOTE 9(B))

As at March 31, 2024

| Particulars   | 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                                 | 36,925.6 | 9,735.8  | 364.2             | 711.7       | 31.8        | 398.3             | 48,167.4 |
| (ii). Undisputed Trade receivables - which have significant increase in credit risk | -        | -  | -                 | -           | -           | -                 | -        |
| (iii). Undisputed Trade receivables - credit impaired                               | 112.1    | 132.3  | 160.2             | 293.6       | 246.9       | 196.5             | 1,141.6  |
| (iv). Disputed Trade receivables - considered good                                  | -        | -  | -                 | -           | -           | -                 | -        |
| (v). Disputed Trade receivables - which have significant increase in credit risk    | -        | -  | -                 | -           | -           | -                 | -        |
| (vi). Disputed Trade receivables - credit impaired                                  | 0.9      | 6.4  | 5.1               | 3.1         | 1.1         | 74.3              | 90.9     |
| Total   | 37,038.6 | 9,874.5  | 529.5             | 1,008.4     | 279.8       | 669.1             | 49,399.9 |

As at March 31, 2023

| Particulars   | 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                                 | 35,457.4 | 8,270.5  | 117.9             | 22.5        | 342.6       | 139.3             | 44,350.2 |
| (ii). Undisputed Trade receivables - which have significant increase in credit risk | -        | -  | -                 | -           | -           | -                 | -        |
| (iii). Undisputed Trade receivables - credit impaired                               | 49.8     | 149.0  | 95.9              | 150.6       | 48.8        | 517.7             | 1,011.8  |
| (iv). Disputed Trade receivables - considered good                                  | -        | -  | -                 | -           | -           | -                 | -        |
| (v). Disputed Trade receivables - which have significant increase in credit risk    | -        | -  | -                 | 313.6       | -           | -                 | 313.6    |
| (vi). Disputed Trade receivables - credit impaired                                  | -        | -  | 83.2              | 64.8        | -           | 56.8              | 204.8    |
| Total   | 35,507.2 | 8,419.5  | 297.0             | 551.5       | 391.4       | 713.8             | 45,880.4 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

51. TRADE PAYABLES AGEING SCHEDULE (REFER NOTE 20)

As at March 31, 2024

| Particulars                 | Not due  | Outstanding for following periods from due date of payment |             |             |                   |          |
|-----------------------------|----------|--|-------------|-------------|-------------------|----------|
|                             |          | Less than 1 year   | 1 - 2 years | 2 - 3 years | More than 3 years | Total    |
| (i) MSME                    | 679.6    | 108.0  | 1.8         | 2.1         | -                 | 791.5    |
| (ii) Others                 | 34,026.6 | 8,874.0  | 530.2       | 63.7        | 255.6             | 43,750.1 |
| (iii) Disputed dues – MSME  | -        | -  | -           | -           | -                 | -        |
| (iv) Disputed dues – Others | -        | -  | -           | -           | -                 | -        |
| Total                       | 34,706.2 | 8,982.0  | 532.0       | 65.8        | 255.6             | 44,541.6 |

As at March 31, 2023

| Particulars                 | Not due  | Outstanding for following periods from due date of payment |             |             |                   |          |
|-----------------------------|----------|--|-------------|-------------|-------------------|----------|
|                             |          | Less than 1 year   | 1 - 2 years | 2 - 3 years | More than 3 years | Total    |
| (i) MSME                    | 593.4    | 29.1   | 0.2         | -           | -                 | 622.7    |
| (ii) Others                 | 29,386.1 | 8,290.5  | 317.4       | 37.0        | 59.4              | 38,090.4 |
| (iii) Disputed dues – MSME  | -        | -  | -           | -           | -                 | -        |
| (iv) Disputed dues – Others | -        | -  | -           | -           | -                 | -        |
| Total                       | 29,979.5 | 8,319.6  | 317.6       | 37.0        | 59.4              | 38,713.1 |

52. SHARES HELD BY PROMOTERS AT THE END OF THE YEAR (REFER NOTE 16)

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

| Promoter name   | March 31, 2023   |                   | March 31, 2022   |                   |                          |
|---|------------------|-------------------|------------------|-------------------|--------------------------|
|   | Number of shares | % of total shares | Number of shares | % of total shares | % change during the year |
| M Sivakumaran   | 14,491,360       | 2.47%             | 14,491,360       | 2.47%             | -                        |
| Kottamanchi Rajeshwari  | 1,825,500        | 0.31%             | 1,825,500        | 0.31%             | -                        |
| Penaka Suneela Rani   | 130,000          | 0.02%             | 130,000          | 0.02%             | -                        |
| K Nithyananda Reddy   | 25,359,572       | 4.33%             | 25,359,572       | 4.33%             | -                        |
| Prasada Reddy Kambham   | 301,156          | 0.05%             | 301,156          | 0.05%             | -                        |
| K Suryaprakash Reddy  | 7,380            | 0.00%             | 7,380            | 0.00%             | -                        |
| M Sumanth Kumar Reddy   | 1,600,000        | 0.27%             | 1,600,000        | 0.27%             | -                        |
| Kirthi Reddy Kambam   | 20,450,000       | 3.49%             | 20,450,000       | 3.49%             | -                        |
| Kambam Spoorthi   | 7,000,000        | 1.19%             | 7,000,000        | 1.19%             | -                        |
| Venkata Ramprasad Reddy Penaka  | 18,000,000       | 3.07%             | 18,000,000       | 3.07%             | -                        |
| Trident Chemphar Limited  | 789,537          | 0.13%             | 789,537          | 0.13%             | -                        |
| Axis Clinicals Limited  | 658,000          | 0.11%             | 658,000          | 0.11%             | -                        |
| RPR Sons Advisors Private Limited, Mrs. P. Suneela Rani (jointly holding)                     | 196,376,250      | 33.51%            | 196,376,250      | 33.51%            | -                        |
| Auryn Labs (Axis Clinicals Ltd., Trident Chemphar Ltd. & RPR Sons Advisors Pvt. Ltd. jointly) | 16,726,716       | 2.85%             | 16,726,716       | 2.85%             | -                        |
|   | 303,715,471      | 51.83%            | 303,715,471      | 51.83%            | -                        |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

| Promoter name   | March 31, 2023   |                   | March 31, 2022   |                   |                          |
|---|------------------|-------------------|------------------|-------------------|--------------------------|
|   | Number of shares | % of total shares | Number of shares | % of total shares | % change during the year |
| M Sivakumaran   | 14,491,360       | 2.47%             | 14,491,360       | 2.47%             | -                        |
| Kottamanchi Rajeshwari  | 1,825,500        | 0.31%             | 1,825,500        | 0.31%             | -                        |
| Penaka Suneela Rani   | 130,000          | 0.02%             | 130,000          | 0.02%             | -                        |
| K Nithyananda Reddy   | 25,359,572       | 4.33%             | 25,359,572       | 4.33%             | -                        |
| Prasada Reddy Kambham   | 301,156          | 0.05%             | 301,156          | 0.05%             | -                        |
| K Suryaprakash Reddy  | 7,380            | 0.00%             | 7,380            | 0.00%             | -                        |
| M Sumanth Kumar Reddy   | 1,600,000        | 0.27%             | 1,600,000        | 0.27%             | -                        |
| Kirthi Reddy Kambam   | 20,450,000       | 3.49%             | 20,450,000       | 3.49%             | -                        |
| Kambam Spoorthi   | 7,000,000        | 1.19%             | 7,000,000        | 1.19%             | -                        |
| Venkata Ramprasad Reddy Penaka  | 18,000,000       | 3.07%             | 18,000,000       | 3.07%             | -                        |
| Trident Chemphar Limited  | 789,537          | 0.13%             | 789,537          | 0.13%             | -                        |
| Axis Clinicals Limited  | 658,000          | 0.11%             | 658,000          | 0.11%             | -                        |
| RPR Sons Advisors Private Limited, Mrs. P. Suneela Rani (jointly holding)                     | 196,376,250      | 33.51%            | 196,376,250      | 33.51%            | -                        |
| Auryn Labs (Axis Clinicals Ltd., Trident Chemphar Ltd. & RPR Sons Advisors Pvt. Ltd. jointly) | 16,726,716       | 2.85%             | 16,726,716       | 2.85%             | -                        |
|   | 303,715,471      | 51.83%            | 303,715,471      | 51.83%            | -                        |

53. SEGMENT INFORMATION

a) Identification of Reportable Segments:

Segments are identified in line with Indian Accounting Standard (Ind AS) 108 “Operating Segments”, taking into consideration the internal organisation and management structure as well as the differential risk and returns of each of the segments. Operating segments are components of the Group whose operating results are regularly reviewed by the Group’s Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete information is available. Based on the Group’s business model of vertical integration, pharmaceuticals have been considered as a single business segment for the purpose of making decisions on allocation of resources and assessing its performance. Hence, no separate financial disclosures provided in respect of its single business segment.

Operations of the Group are managed from independent locations, which are located in different geographical locations. However each of these operating locations are further aggregated based on the following factors: (a) similarity of economic and political conditions; (b) relationships between operations in different geographical areas; (c) proximity of operations; (d) special risks associated with operations in a particular area; (e) exchange control regulations; and (f) the underlying currency risk. Accordingly, the following have been identified as operating and reportable segments: (a) “India”, (b) “USA” (c) “Europe” and (d) “Rest of the World”.

The geographic information analyses the Group’s revenues and non-current assets by the components’ country of domicile and other countries. In presenting geographic information, segment revenue has been based on the location of the customer and segment assets are based on geographical location of assets.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

a) Revenue from external customers

|                   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|-------------------|--------------------------------------|--------------------------------------|
| India             | 34,019.5                             | 27,481.5                             |
| USA               | 139,804.1                            | 112,420.8                            |
| Europe            | 75,633.3                             | 72,429.9                             |
| Rest of the world | 40,561.8                             | 36,221.6                             |
|                   | 290,018.7                            | 248,553.8                            |

b) Non-current assets (other than financial instruments, deferred tax assets and net defined benefit assets)

|                   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| India             | 124,625.4               | 103,359.3               |
| USA               | 34,876.0                | 41,625.0                |
| Europe            | 15,405.7                | 15,082.4                |
| Rest of the world | 15,777.5                | 11,979.5                |
|                   | 190,684.6               | 172,046.2               |

c) The Group has no external customer which accounts for more than 10% of the Group's total revenue for the year ended March 31, 2024 and March 31, 2023.

54. AMALGAMATION OF AURONEXT AND MVIYES

The Company has filed a scheme of amalgamation, under section 230 to 232 and other applicable provisions of the Companies Act, 2013 for the amalgamation between M/s Mviyes Pharma Ventures Private Limited (Transferor Company I), M/s Auronext Pharma Private Limited (Transferor Company II), wholly owned subsidiaries and Aurobindo Pharma Limited (Transferee Company) with an appointed date of April 01, 2023. The Scheme of amalgamation was sanctioned by the Hyderabad bench of National Company Law Tribunal on April 29, 2024 and the accounting has been done as per the scheme approved.

55. As per the requirements of Rule 3(1) of the Companies (Accounts) Rules, 2014, the Parent and its Indian subsidiaries, associates and joint ventures are required to use only such accounting software for the purpose of maintaining its books of accounts that have a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software and ensuring that the audit trail cannot be disabled. In respect of consolidated financial statements, requirement of maintaining an audit trail in the accounting software is not applicable in respect to the components incorporated outside India or not a company incorporated under the Companies Act, 2013.

The Parent Company and its subsidiaries, associates and joint ventures which are incorporated in India, uses accounting software for maintaining the books of accounts, which have the feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the accounting software. Further no instances of audit trail feature being tampered were noted.

Notes to Consolidated Financial Statements  
for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

56. ADDITIONAL REGULATORY INFORMATION

- (i) There are no proceeding initiated or pending against the Parent Company or its Indian Subsidiaries as at March 31, 2024, under Benami Property Transactions Act, 1988 (as amended in 2016).
- (ii) The Parent Company or its Indian subsidiaries are not declared a willful defaulter by any bank or financial Institution or other lender.
- (iii) The Parent Company and its Indian subsidiaries have recorded all transactions in the books of account that has been surrendered. There are no previously unrecorded incomes and related assets that were considered during the year, no unrecorded incomes were identified as income for tax assessments.
- (iv) The Parent Company or its Indian subsidiaries have not entered into any transaction with the companies struck off as per Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (v) The details of funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or its Indian subsidiaries 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 Parent Company or its Indian subsidiaries (Ultimate Beneficiaries).

For the Year ended March 31, 2024

a) Date and amount of fund advanced or loaned or invested in Intermediate with complete details:

| Purpose               | Name of the Funding Company | Name of the Intermediary      | Date of remittance | Amount |
|-----------------------|-----------------------------|-------------------------------|--------------------|--------|
| For onward investment | Aurobindo Pharma Limited    | Auro Vaccines Private Limited | June 20, 2023      | 118.2  |

b) Date and amount of fund further advanced or loaned or invested by such intermediate to other intermediate or Ultimate Beneficiaries along with complete details of the ultimate beneficiary:

| Purpose                  | Name of the Intermediary      | Name of the Beneficiary | Date of remittance | Amount |
|--------------------------|-------------------------------|-------------------------|--------------------|--------|
| For Investment in Equity | Auro Vaccines Private Limited | Tergene Biotech Limited | June 23, 2023      | 118.2  |

For the Year ended March 31, 2023

a) Date and amount of fund advanced or loaned or invested in Intermediate with complete details:

| Purpose               | Name of the Funding Company       | Name of the Intermediary          | Date of remittance | Amount  |
|-----------------------|-----------------------------------|-----------------------------------|--------------------|---------|
| For onward investment | Aurobindo Pharma Limited          | Eugia Pharma Specialities Limited | June 27, 2022      | 3,330.0 |
| For onward investment | Eugia Pharma Specialities Limited | Eugia Pharma B.V.                 | April 29, 2022     | 77.9    |
| For onward investment | Eugia Pharma Specialities Limited | Eugia Pharma B.V.                 | September 23, 2022 | 446.1   |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

b) Date and amount of fund further advanced or loaned or invested by such intermediate to other intermediate or Ultimate Beneficiaries along with complete details of the ultimate beneficiary:

| Purpose  | Name of the Intermediary          | Name of the Beneficiary                      | Date of remittance | Currency | Amount (in document currency) | Amount (in ₹ million) |
|--|-----------------------------------|--|--------------------|----------|-------------------------------|-----------------------|
| For payment of purchase consideration on acquisition of business       | Eugia Pharma Specialities Limited | Eugia SEZ Private Limited                    | June 27, 2022      | INR      | 3,330,000,000                 | 3,330.0               |
| For the purpose of engaging in the business of pharmaceutical products | Eugia Pharma B.V.                 | Eugia Pharma (Malta) Limited                 | June 29, 2022      | EURO     | 5,000,000                     | 412.9                 |
|  |                                   | Eugia (UK) Limited                           | June 29, 2022      | GBP      | 420,000                       | 41.2                  |
|  |                                   | Eugia Pharma Inc.                            | August 1, 2022     | CAD      | 5,000                         | 0.3                   |
|  |                                   | Eugia Pharma Inc.                            | October 24, 2022   | CAD      | 400,000                       | 24.5                  |
|  |                                   | Eugia Pharma (Australia) PTY Limited         | May 2, 2022        | AUD      | 50,000                        | 2.8                   |
|  |                                   | Eugia Pharma (Australia) PTY Limited         | August 22, 2022    | AUD      | 100,000                       | 5.7                   |
|  |                                   | Eugia Pharma (Australia) PTY Limited         | November 28, 2022  | AUD      | 425,000                       | 24.0                  |
|  |                                   | Eugia Pharma Industria Farmaceutica Limitada | April 11, 2022     | USD      | 200,000                       | 15.3                  |
|  |                                   | Eugia Pharma Industria Farmaceutica Limitada | October 28, 2022   | USD      | 400,000                       | 33.3                  |
|  |                                   | Eugia Pharma Columbia S.A.S.                 | November 28, 2022  | USD      | 100,000                       | 8.7                   |

(vi) Details of funds received from any party (Funding Party) with the understanding that the Parent Company or its Indian subsidiaries shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Parent Company or its Indian subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

For the Year ended March 31, 2024

(a) Date and amount of fund received from any Funding Party with complete details of each Funding Party:

| Purpose               | Name of the Funding Company | Name of the Intermediary      | Date of remittance | Amount |
|-----------------------|-----------------------------|-------------------------------|--------------------|--------|
| For onward investment | Aurobindo Pharma Limited    | Auro Vaccines Private Limited | June 20, 2023      | 118.2  |

(b) Date and amount of funds lent or invested by in Ultimate Beneficiaries along with complete details of the ultimate beneficiaries:

| Purpose                  | Name of the Intermediary      | Name of the Ultimate Beneficiary | Date of remittance | Amount |
|--------------------------|-------------------------------|----------------------------------|--------------------|--------|
| For Investment in Equity | Auro Vaccines Private Limited | Tergene Biotech Limited          | June 20, 2023      | 118.2  |

For the Year ended March 31, 2023

(a) Date and amount of fund received from any Funding Party with complete details of each Funding Party:

| Purpose               | Name of the Funding Company | Name of the Intermediary          | Date of remittance | Amount  |
|-----------------------|-----------------------------|-----------------------------------|--------------------|---------|
| For onward investment | Aurobindo Pharma Limited    | Eugia Pharma Specialities Limited | June 27, 2022      | 3,330.0 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in Indian Rupees in millions, except for share data and where otherwise stated)

(b) Date and amount of funds lent or invested by in Ultimate Beneficiaries along with complete details of the ultimate beneficiaries:

| Purpose  | Name of the Intermediary          | Name of the Ultimate Beneficiary | Date of remittance | Amount  |
|--|-----------------------------------|----------------------------------|--------------------|---------|
| For payment of purchase consideration on acquisition of business | Eugia Pharma Specialities Limited | Eugia SEZ Private Limited        | June 27, 2022      | 3,330.0 |

- (vii) All quarterly returns or statements of current assets are filed by the Parent Company or its Indian subsidiaries with banks or financial institutions and are in agreement with the books of account.
- (viii) The loan has been utilised by the Parent Company and its Indian subsidiaries for the purpose for which it was obtained and no short term funds have been used for long term purpose.
- (ix) The Parent Company or its Indian subsidiaries have not traded or invested in Crypto currency or virtual currency during the financial year.
- (x) No scheme of arrangement has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- (xi) The Parent company and its subsidiaries have complied with the number of layers prescribed under the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.

57. In connection with the preparation of the consolidated financial statements for the year ended March 31, 2024, the Board of Directors have confirmed the propriety of the contracts/agreements entered into by/on behalf of the Company and the resultant revenue earned/expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on May 25, 2024 in accordance with the provisions of Companies Act, 2013.

For and on behalf of the Board of Directors of  
Aurobindo Pharma Limited

K. Nithyananda Reddy  
Vice Chairman & Managing Director  
DIN-01284195

M. Madan Mohan Reddy  
Director  
DIN-01284266

Santhanam Subramanian  
Chief Financial Officer

B. Adi Reddy  
Company Secretary  
Membership No: 13709

Place: Hyderabad  
Date: May 25, 2024

Commercial manufacturing units

API

| Unit                                | Address   |
|-------------------------------------|---|
| Apitoria 1 (Formerly APL Unit-I)    | Borpatla Village, Hatnoor Mandal, Sangareddy District, 502296, Telangana.   |
| Apitoria 2 (Formerly APL Unit-VIII) | Gaddapothram, Industrial Development Area – Kazipally Industrial Area, Jinnaram Mandal, Sangareddy District, 502319, Telangana. |
| Apitoria 3 (Formerly APL Unit-IX)   | Gundlamachanoor Village, Hatnoora Mandal, Sangareddy District, 502296, Telangana.   |
| Apitoria 4 (Formerly APL Unit-XI)   | Industrial Development Area, Pydibhimavaram, Ranasthalam Mandal, Srikakulam District, 532409, Andhra Pradesh.                   |
| Apitoria 5 (Formerly APL Unit-V)    | Industrial Development Area, Chemical Zone, Pashamylaram Village, Patancheru Mandal, Sangareddy District, 502307, Telangana.    |
| Apitoria 6 (Formerly Unit – XIV)    | E Bonangi Village, Parawada Mandal, Anakapalli District, 531021, Andhra Pradesh.  |
| Apitoria 7 (Formerly Unit – XVII)   | Thanam Village, Parawada Mandal, Anakapalli District, 531021, Andhra Pradesh.   |
| Unit-II                             | Industrial Development Area, Bollaram, Jinnaram Mandal Sangareddy District, 500 092, Telangana.                                 |
| Unit-VI A                           | Chitkul Village, Patancheru Mandal, Sangareddy District, 502307, Telangana.   |
| Auro Peptides                       | Survey No. 71 and 72, 4 <sup>th</sup> Floor, Indrakaran Village, Sanga Reddy Mandal, Medak, Telangana, 502 203.                 |
| Lyfius Pharma                       | A.V. Nagaram Village, Kakinada SEZ area, Thondangi Mandal, Kakinada District, Andhra Pradesh, India.                            |
| Qule Pharma                         | A.V. Nagaram Village, Kakinada SEZ area, Thondangi Mandal, Kakinada District, Andhra Pradesh, India.                            |
| Auroactive Pharma                   | Sancham Village, Ranasthalam Mandal, Srikakulam District, Andhra Pradesh, India.  |

Formulations

| Unit   | Address   |
|--|---|
| Unit-III                                     | Bachupally, Medchal Malkajgiri District, 500090, Telangana.   |
| Unit-VI B                                    | Survey No. 329/39 & 329/47, Chitkul Village, Patancheru Mandal, Sangareddy District, 502307, Telangana.                                       |
| Unit-VII (SEZ)                               | Special Economic Zone (Pharma), TSIC, Green Industrial Park, Polepally Village, Jedcherla Mandal, Mahaboob Nagar District, 509302, Telangana. |
| Unit-XII                                     | Bachupally, Medchal Malkajgiri District, 500090, Telangana.   |
| Unit – XV                                    | JN Pharma City, E Bonangi Village, Parawada Mandal, Anakapalli District, 531021, Andhra Pradesh.  |
| Eugia Unit - I                               | Kolthur Village, Shameerpet Mandal, Ranga Reddy, 500078, Telangana.   |
| Eugia Unit - II                              | RIICO Industrial Area, Phase–III, Bhiwadi, 301 019, Rajasthan.  |
| Eugia Unit - III                             | Phase-III, TSIC, EPIP, IDA, Pashamylaram, Patancheru Revenue Mandal , Sangareddy District 502307, Telangana.                                  |
| Eugia SEZ                                    | TSIC, SEZ, Polepally Village, Jadcherla Mandal, Mahaboobnagar District, 509302, Telangana.  |
| Eugia Steriles                               | APIIC Industrial Park, Parawada Phase III, Tadi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh, India.                         |
| APL Healthcare Unit - I / III                | TSIC SEZ, Green Industrial Park, Pollepally Village, Jedcherla Mandal, Mahabubnagar, Telangana, 509302  |
| APL Healthcare Unit - IV                     | Palchur village and part of Palepalem Village Naidupeta Mandal, SPSR Nellore District, 524126, Andhra Pradesh.                                |
| GLS Pharma Limited                           | IDA, Phase-I Jeedimetla, Hyderabad, 500055, (India)   |
| Generis Farmaceutica S.A.                    | Rua João de Deus, 19 · 2700-487 Amadora · Portugal  |
| Aurobindo Pharma Industria Farmaceutica Ltda | VP 06-E - Qd.9 - Mod. 12/15 - DAIA - CEP; 75,132-135 - Anapolis, GO - Brasil.   |
| Aurolife II (Raleigh plant)                  | 2929 WECK DRIVE, Durham, North Carolina, United States, Zip code, 27709.  |

Corporate Information

CHIEF FINANCIAL OFFICER  
Mr. Santhanam Subramanian

COMPANY SECRETARY  
Mr. B. Adi Reddy

INVESTOR RELATIONS  
Mr. Shriniwas Pradeep Dange

CORPORATE COMMUNICATIONS  
Ms. Kavita Jayaram

REGISTERED OFFICE  
Plot No. 2, Maithrivihar,  
Ameerpet,  
Hyderabad – 500 038  
Telangana, India

CORPORATE OFFICE  
Galaxy, Floors: 22-24,  
Plot No. 1, Survey No. 83/1,  
Raidurg Panmaktha,  
Hyderabad Knowledge City,  
Ranga Reddy District,  
Hyderabad – 500 032  
Telangana, India

CORPORATE WEBSITE  
[www.aurobindo.com](http://www.aurobindo.com)

STATUTORY AUDITORS  
M/s. Deloitte Haskins & Sells  
Chartered Accountants  
KRB Towers, Plot No.1 to 4 & 4A,  
1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, Jubilee Enclave,  
Madhapur, Hyderabad – 500 081  
Telangana, India

REGISTRARS & TRANSFER AGENT  
KFin Technologies Limited  
Selenium Tower B, Plot Nos. 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally Mandal,  
Hyderabad – 500 032  
Telangana, India



#### **REGISTERED OFFICE**

Plot No. 2, Maithrivihaar, Ameerpet  
Hyderabad – 500 038  
Telangana, India

#### **CORPORATE OFFICE**

Galaxy, Floors: 22-24, Plot No. 1, Survey No. 83/1  
Hyderabad Knowledge City, Raidurg Panmaktha  
Ranga Reddy District, Hyderabad – 500 032  
Telangana, India

**[www.aurobindo.com](http://www.aurobindo.com)**