Piramal Pharma Limited

2nd July, 2024

BSE Limited
P. J. Towers, Dalal Street, Fort,
Mumbai – 400 001
BSE Scrip Code: 543635

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051
NSE Symbol: PPLPHARMA

Dear Sir / Madam,

Sub: Notice of the 4th Annual General Meeting ('AGM') and Annual Report for the financial year 2023-24

In furtherance to our intimation dated 11th June, 2024 informing details about the 4th AGM of the Company to be held on Friday, 26th July, 2024 at 3:00 p.m. (IST) through Video Conferencing / Other Audio Visual Means and pursuant to Regulations 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2023-24 including the Business Responsibility & Sustainability Report and the Notice convening AGM.

The said Annual Report along with the Notice of AGM is also available on the website of the Company under the 'Annual Reports' tab at https://www.piramalpharma.com/financial-reports

Kindly take the above on record.

Thanking you,

Yours truly,
For **Piramal Pharma Limited**

TANYA SANISH
Digitally signed by TANYA SANISH
Date: 2024.07.02 14:44:43 +05'30'

Tanya Sanish
Company Secretary

Encl.: a/a

Enabling Innovation. Empowering Tomorrow.

Annual Report
2023-24

Piramal
Pharma Limited

Piramal Pharma Limited is a global pharmaceutical company providing end-to-end pharma solutions to its customers through its network of development and manufacturing facilities located in India, North America and the UK/Europe. It also offers a portfolio of differentiated products that it sells in over 100 countries across the world. The Company was originally a part of Piramal Enterprises Limited and got demerged and listed as an independent healthcare company on BSE and NSE on October 19, 2022.

Piramal Pharma is a part of the Piramal Group, a global business conglomerate with diverse interests in pharma, financial services, and real estate. The Group has offices in over 30 countries, a presence in more than 100 markets, and operates with over 20,000 people worldwide from 21 diverse nationalities.

Contents

Piramal Pharma Limited navigates the complex landscape of pharmaceuticals guided by two unwavering principles:

Enabling Innovation. Empowering Tomorrow.

This dual-pronged approach brings together healthcare and sustainability, underscoring our commitment to shaping a healthier tomorrow.

Enabling Innovation

Pharmaceutical innovation thrives on the pursuit and integration of novel technology to address unmet medical needs and elevate the quality of life for patients globally. With our contract development and manufacturing capabilities, we support innovation-driven pharma companies in delivering cutting-edge products at a rapid pace, increasing the availability of treatment options and improving patient lives. Our continuous investments in differentiated capabilities, technology platforms, quality systems and product portfolio, enable innovation and contributes to healthier outcomes.

Empowering Tomorrow

We are dedicated to leading the way in sustainability. With a deep understanding of our environmental impact, we develop products that not only improve patient outcomes but also minimise our ecological footprint. Our sustainable practices are integrated into every aspect of our operations, from product development to waste reduction and conservation efforts, prioritising the well-being of our planet. Additionally, we create a positive impact on the communities we serve through initiatives that promote development and ensure access to quality healthcare. By balancing our business goals with sustainable practices, we create a brighter future for generations to come.

Piramal Pharma at a Glance

Piramal Pharma Limited (PPL) is a global pharmaceutical company, offering a portfolio of differentiated products and services through its 17 development and manufacturing facilities having end-to-end capabilities and a worldwide distribution network in over 100 countries.

While PPL was incorporated in March 2020, it was originally a part of Piramal Enterprises Limited (PEL)–a Company with a track record of building a scalable and differentiated pharmaceutical business. As the pharma business of PEL grew, a scheme of arrangement was entered into in October 2021 to simplify the group structure and consolidate all pharma businesses under Piramal Pharma Limited. PPL demerged from PEL and listed on BSE and NSE on October 19, 2022.

Listing details of Piramal Pharma Limited

BSE: 543635
NSE: PPLPHARMA

Purpose

We stay true to our purpose of

'Doing Well and Doing Good'

by following three basic tenets:

1. **Making a positive difference to the health of our patients and customers through our products and services**
2. **Serving our patients, customers, consumers, community, employees, partners, stakeholders, and our planet**
3. **Living our values in our everyday actions, decisions and conduct at a personal and corporate level**

Core Values

Knowledge

Expertise

Innovation

Care

Trusteeship

Humility

Action

Entrepreneurship

Integrity

Impact

Performance

Resilience

Business Verticals

PPL operates under three business verticals: Piramal Pharma Solutions (PPS) – An integrated contract development and manufacturing organisation (CDMO); Piramal Critical Care (PCC) – A complex hospital generics (CHG) business; and India Consumer Healthcare (ICH) – The business of selling over-the-counter healthcare and wellness products.

Our affiliate, Abbvie Therapeutics India Private Limited, a JV with AbbVie Inc., holds a prominent position as a market leader in the field of ophthalmology. Additionally, we also have a strategic minority investment of 33.33% in Yapan Bio that operates in the biologics / bio-therapeutics and vaccine segments.

CDMO Business

Piramal Pharma Solutions offers end-to-end integrated CDMO services across the spectrum of the drug life cycle including discovery, development, and commercial manufacturing of drug substances and products. PPS has a global network of development and manufacturing facilities located in North America, UK/Europe and India. Its diverse customer base of over 500 companies includes big pharma companies, emerging biotech companies and generic pharma companies.

CHG Business

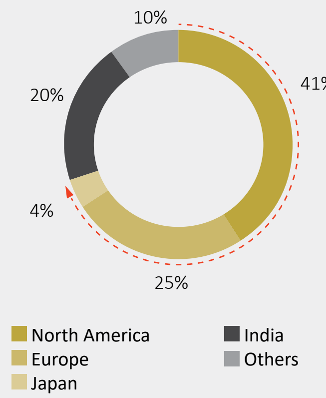
Piramal Critical Care is one of the leaders in inhaled anesthetics and a global player in hospital generics. Its product portfolio includes inhalation anesthetics, intrathecal therapy for spasticity management, injectable pain and anesthesia drugs, and other generic and specialty products. PCC products are sold in over 100 countries, reaching more than 6,000 hospitals, including surgical centres and veterinary clinics.

ICH Business

India Consumer Healthcare business has a diverse portfolio of over 30 OTC products across categories of analgesics, skin care, vitamin/mineral supplement, kids' wellness, digestives, women's health, and hygiene and protection. It also has a manufacturing and distribution agreement with Bayer Pharmaceuticals Private Limited for their brands such as Saridon, Supradyn, Becozym and Benadon, among others.

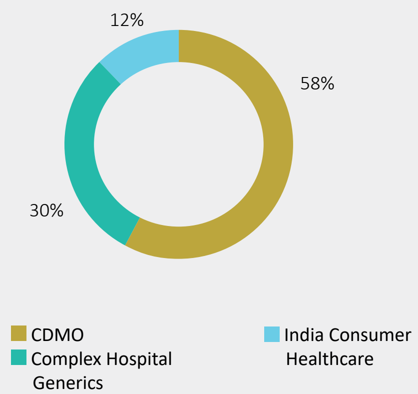
Diversified Revenue Base

Revenue by Geography



70% Revenues from Regulated Markets

Revenue by Business Verticals



Our Journey of Evolution

Transforming for Success

1988 Piramal Group of Companies

Domestic Formulations

- Entered the pharma space through the acquisition of Nicholas Laboratories in 1988
- Series of M&As, JVs and alliances, and various organic initiatives to build the pharma business

2010 Piramal Healthcare

- Domestic Formulations
- Pharma Solutions > CDMO
- Critical Care > CHG
- OTC > ICH
- JV with Allergan
- Diagnostic Services

- Created a scalable and differentiated pharmaceutical company over two decades
- Sold the Domestic Formulations business to Abbott in 2010
- Sold Diagnostic Services business to Super Religare Laboratories in 2010

2020 Piramal Enterprises Limited

Piramal Pharma	Financial Services
CDMO	Wholesale Lending
CHG	Retail Lending
ICH	Alternative AUM
JV with Allergan	Other Investments

- Significantly scaled up the pharma businesses since Abbott deal
- Built a large and diversified Financial Services business
- Subsidarised pharma businesses into PPL and raised fresh capital from Carlyle
- Strengthened the balance sheet through multiple capital raises

2022 Piramal Pharma Limited

- CDMO
- CHG
- ICH
- JV with Allergan

- Piramal Pharma demerged from Piramal Enterprises
- PPL listed on BSE and NSE on 19th October 2022
- This enabled simplification of corporate structure and facilitates each entity to pursue their growth strategies with sharper focus

Piramal Group forayed into the pharmaceutical business in 1988 through the acquisition of Nicholas Laboratories and was later renamed as Nicholas Piramal India Ltd. The Company commissioned its first formulation facility in 1991 at Pithampur (Madhya Pradesh, India).

Through 1988 to 2010, it transitioned from being a marginal player in the fragmented Indian Pharmaceutical Market (IPM) to feature amongst the Top 3 companies in IPM in 2010.

This was accomplished through organic growth, series of strategic acquisitions and alliances. In 2010, the Company divested its domestic formulation business to Abbott for US$ 3.8 Billion, setting a new industry standard for valuation at 9x FY2010 sales.

Additionally, in the same year, the Company divested its Diagnostic Services business to Super Religare Labs (SRL) for ₹600 Crores, marking the transaction at 3x FY2010 sales and approximately 16x FY2010 EBITDA – one of the highest in the industry.

The primary objective behind both these transactions was to enhance shareholder value by unlocking potential within the business.

Through 2010 to 2020, the Company continued its commitment to the pharmaceutical sector by scaling up its pharmaceutical business in the areas of CDMO, inhalation anesthesia, complex injectable and intrathecal products, and Indian consumer healthcare segment. Several acquisitions were made to add capabilities, manufacturing capacities and brands in the pharma and consumer business.

During that period, the Company explored new avenues for growth in the Indian financial services sector, expanding its range of offerings to include wholesale lending, multi-product retail lending, and alternative investments. Furthermore, it ventured into fund management for real estate by acquiring INDIAREIT Fund Advisors Private Limited and INDIAREIT Investment Management Company.

As the pharma business expanded, a scheme of arrangement was implemented to streamline the Group's structure and consolidate all pharmaceutical operations under Piramal Pharma Limited. In June 2020, Carlyle Group injected fresh equity capital of US$ 490 Million for a 20% stake in PPL, marking one of the most significant private equity investments in the Indian pharmaceutical sector. Following this, on October 19, 2022, PPL was demerged from Piramal Enterprises and listed on the Indian stock exchanges (BSE and NSE). This de-merger facilitated a simplified corporate structure and allowed each entity (Piramal Pharma and Piramal Enterprises) to pursue their growth strategies with greater clarity and focus.

Today, PPL is one of the leading global pharmaceutical companies in the world with differentiated service, product offerings and commercial presence in over 100 countries.

Piramal Pharma: Demerged and listed on BSE and NSE

De-merger and Simplification of Corporate Structure

Aligned interests of customers, patients, employees, investors, lenders and creditors

- **Strengthens Governance Architecture**
  Dedicated Board and management teams with core experiences of the business
- **Facilitates Business Independence**
  Independence in pursuing growth plans, organically and inorganically
- **Optimises Capital Structure**
  Optimal capital structure with access to industry relevant sources of funds
- **Enables Better Understanding of Each Business**
  Enables analysts and investor community to better understand each sector-focused listed entity

Geographical Presence

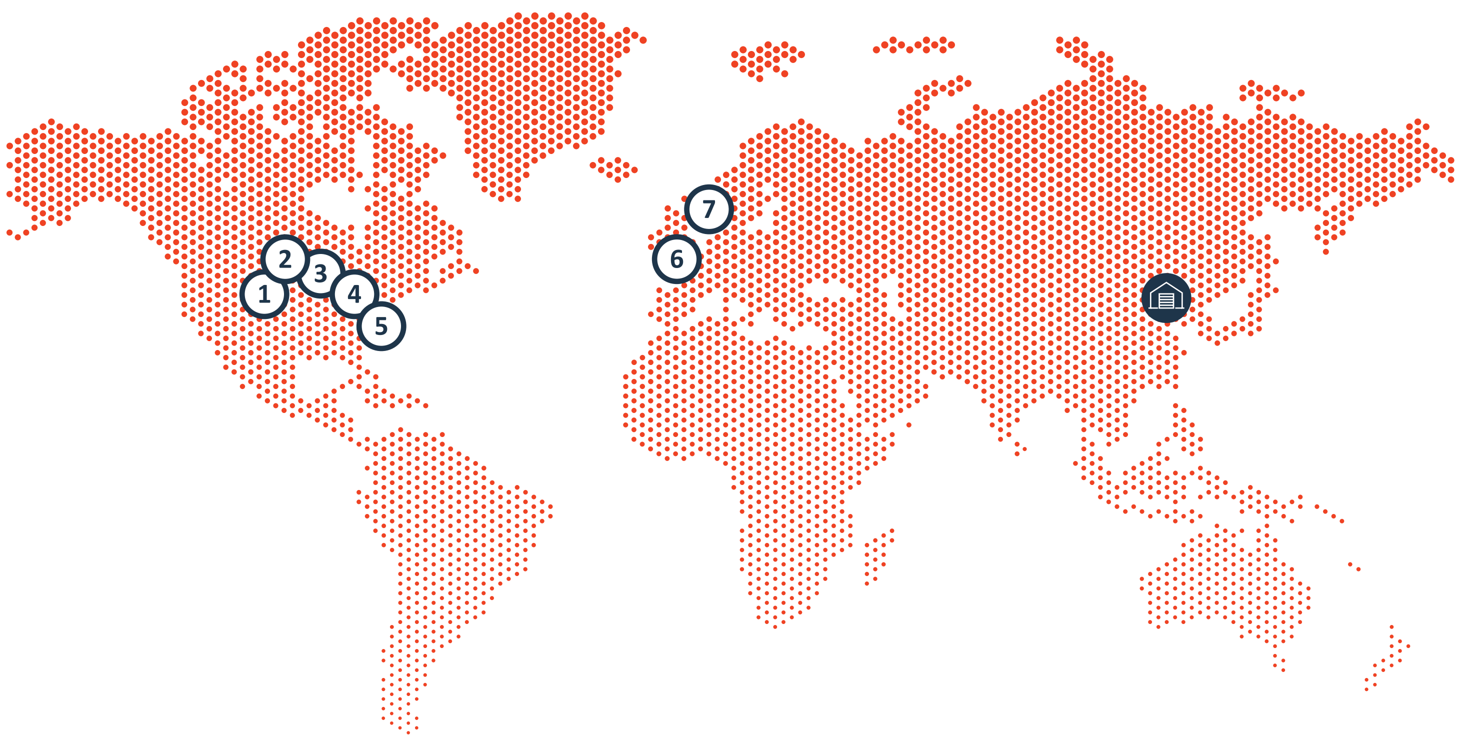
Operating across the Globe

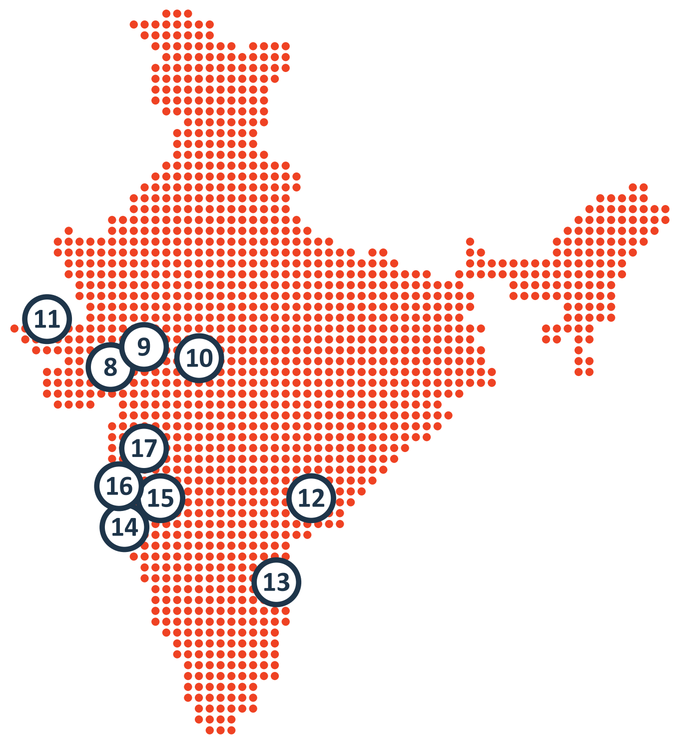
17
Development and manufacturing sites

500+
CDMO customers

100+
Countries with commercial presence

6,000+
CHG customers (hospitals)





Map not to scale.

1. **Lexington, USA**
   Sterile Development and Manufacturing
   USFDA, PMDA
2. **Riverview, USA**
   HPAPI Development and Manufacturing
   USFDA, PMDA, Health Canada
3. **Aurora, Canada**
   API Development and Manufacturing
   USFDA, PMDA, Health Canada
4. **Sellersville, USA**
   Formulation Development and Manufacturing
   USFDA, EMA
5. **Bethlehem, USA**
   Anesthesia Manufacturing
   USFDA, MHRA, PMDA
6. **Morpeth, UK**
   API and Formulation Manufacturing
   USFDA, MHRA, PMDA, Health Canada
7. **Grangemouth, UK**
   ADC Development and Manufacturing
   USFDA, MHRA, PMDA

Shanghai, China
Sourcing Office

8. **Ahmedabad PDS, India**
   R&D - Discovery services
9. **Ahmedabad PPDS, India**
   Formulation Development
   EU Finland
10. **Pithampur, India**
    Formulation Manufacturing
    USFDA, EU Finland, ANVISA
11. **Dahej, India**
    Specialty Fluorochemicals
    WHO-GMP
12. **Digwal, India**
    API Development & Manufacturing Anesthesia Manufacturing
    USFDA, MHRA, PMDA
13. **Ennore, India**
    API Development and Manufacturing
    WHO-GMP
14. **Mahad, India**
    Vitamins and Minerals Premixes
    USFDA, WHO-GMP
15. **Turbhe, India**
    Peptide API Development and Manufacturing
    USFDA, WHO-GMP, EDQM, KFDA, AIFA, Health Canada
16. **Rabale, India**
    R&D-API Development
17. **Thane, India**
    Peptide API R&D

FY2024 Performance Highlights

Financial Performance

Significant Improvement across Most Financial Matrices

- Revenue from Operations grew by 15% YoY, driven by healthy growth in our CDMO and ICH businesses
- EBITDA margin improved to 17% compared to 12% in FY2023, primarily driven by revenue growth, operating leverage, cost optimisation, and operational excellence initiatives
- Net Profit After Tax (before exceptional Items) was ₹81 Crores compared to net loss (before exceptional Items) of ₹180 Crores in FY2023
- Successfully completed Rights Issue of ₹1,050 Crores with subscription of 128%
- Net Debt to EBITDA improved to 2.9x compared to 5.6x at the start of the financial year

CDMO Business

Strong Order in-flows Driving Turnaround in Performance

- Healthy revenue growth of 19% YoY driven by strong order inflows, especially for commercial manufacturing of on-patent molecules
- Significant improvement in profitability driven by revenue growth, favorable revenue mix, normalisation of raw material cost and cost optimisation initiatives
- Revenues from commercial manufacturing of on-patent molecules more than doubled to US$ 116 Million compared to US$ 52 Million in FY2023
- Revenue contribution from innovation-related work increased to 50% compared to 35% in FY2019
- Revenue contribution from differentiated offerings increased to 44% compared to 27% in FY2021

CHG Business

Maintaining our Leading Position in Key Products

- Strengthened the leadership team by appointing Jeffrey Hampton as President & Chief Operating Officer for CHG business. He brings rich experience having worked at Accord Healthcare Inc. and Apotex Inc.
- Inhalation Anesthesia – Healthy volume growth in the U.S. market and building traction in the non-U.S. markets
- Leadership position in Sevoflurane and Baclofen Intrathecal in the U.S. with market share of about 43% and 72% respectively *(Source: IQVIA data)*
- Launched four new injectable products during the year in the U.S. and European markets
- Improvement in profitability led by cost optimisation initiatives, yield improvement, and better product and market mix

ICH Business

Steady Growth driven by Power Brands and New Products

- 27 new products and 24 new SKUs launched during the financial year. New products launched in last 24 months contributed to 11% of sales.
- Continued investment in media and trade promotions to drive growth in power brands
- Power brands comprising of Little's, Lacto Calamine, Polycrol, Tetmosol and i-range, registered YoY growth of 13%
- E-commerce sales grew at 36% YoY and contributed 20% to ICH revenues
- YoY improvement in EBITDA margin driven by operating leverage

Quality and Compliance

Continue to Maintain Best-in-class Track Record

- 36 successful regulatory inspections completed during the year
- Successfully cleared four USFDA inspections in FY2024
- Successfully cleared over 170 customer audits during the year
- Continue to maintain track record of zero OAIs (Official Action Indicated) since 2011

Sustainability

Significant Strides towards Integrating Sustainability in our Operations

- Committed to reduce our Scope 1 and Scope 2 emissions by 42% and Scope 3 by 25% by FY2030 (baseline FY2022). Targets under evaluation by SBTi.
- Saved 41,610 KL of freshwater through water conservation and recycle initiatives
- Achieved zero hazardous waste to landfill status across all our global facilities
- Zero fatalities in the last three years including FY2024. 20 hours of safety training imparted per employee.
- 17.3% women representation in our workforce vs. 15.3% in FY2023. 30% women representation on the Board in FY 2024.
- Ecovadis – Significant improvement with score of 55, placing us in 60th percentile compared to 11th percentile in FY2023

Leadership Message

FY2024 – A Year of Strong Recovery

Nandini Piramal
Chairperson

Peter DeYoung
CEO, Global Pharma

Dear Shareholders,

FY2024 has been a strong year for our Company with all-round improvement seen across multiple financial and operational parameters.

During the year, we not only recorded a healthy revenue growth of 15% YoY, but also delivered around 450 basis point YoY improvement in our EBITDA margin. We ended the financial year with a Net Profit After Tax (before exceptional items) of ₹81 Crores versus a Net Loss (before exceptional items) of ₹180 Crores in the previous financial year. We also reduced the leverage on our balance sheet from 5.6x Net Debt / EBITDA at the start of the financial year to below 3x by the end of the year. This performance is even more commendable given the backdrop of a challenging macro environment marked by high interest rates, biotech funding challenges, geopolitical tensions leading to supply chain disturbances and slower consumer demand in rural India. We would like to extend our gratitude to all our business partners for their support and our employees and the leadership team for their commitment and hard work, without which we would not have achieved this performance.

During the year, we also successfully completed our Rights Issue of ₹1,050 Crores with a subscription of 128%. We would like to thank our shareholders for their faith in our capabilities and partnering with us in our journey to deliver sustainable shareholder value through consistent and profitable growth.

128%
Subscription for our Rights Issue

Contract Development and Manufacturing Organisation Business

Our CDMO business posted a strong recovery in FY2024 with a robust YoY revenue growth of 19%. Despite the incomplete recovery in the biotech funding environment, we witnessed a steady inflow of new service orders, especially for the commercial manufacturing of on-patent molecules. As a result, our CDMO revenue from commercial manufacturing of on-patent molecules more than doubled to US$ 116 Million during the year compared to FY2023's US$ 52 Million. The share of innovation-related work in our CDMO business also increased to 50% compared to 35% in FY2019, growing at about 20% CAGR over the last five years.

50%
Share of Innovation-related work

Our differentiated service offerings in the areas of high potent APIs, Antibody Drug Conjugates (ADCs), peptides, sterile injectables, and development and manufacturing of on-patent APIs, continues to see encouraging customer interest. Over the past few years, we have made significant investments in these areas towards capacity expansions and capacity debottlenecking. These investments aim to position us favourably to capture future demand, driven by the normalisation of biotech funding cycles and pharmaceutical companies diversifying their supply chains amidst geopolitical disruptions and regulatory uncertainties. As a result, the contribution from these offerings to our CDMO revenues increased to 44% in FY2024, up from 27% in FY2021.

44%
Contribution from Differentiated Offerings

Our integrated service offerings, facilitated by our global network of CDMO facilities and end-to-end service capabilities, are witnessing healthy traction with our customers as they reduce their time-to-market and simplify operational complexities. Over 40% of our new service order book in FY2024 was for integrated projects that involved more than one site.

40%+
New service order book was for integrated projects

We maintained our strong track record in quality and compliance as well. Over the last 18 months, five of our CDMO facilities globally – at Digwal, Pithampur, Riverview, Lexington, and Sellersville – contributed to over half of our CDMO revenues, successfully underwent the USFDA inspections with zero observations or received an Establishment Inspection Report (EIR).

Leadership Message

Complex Hospital Generics Business

During the year, our inhalation anesthesia portfolio witnessed good volume growth in the U.S. market, supported by our ability to service the demand. However, this was partly offset by lower average realisations due to aggressive pricing. We maintained our dominant position in the U.S. Sevoflurane market, with a 43% market share.

43%
Market share in Sevoflurane in the U.S.

Additionally, our inhalation anesthesia products gained momentum in non-U.S. markets such as the UK, France, India, and Vietnam. To tap into this growing demand, we are setting up new manufacturing lines for Sevoflurane at our Digwal facility, which will supplement the existing manufacturing at our Bethlehem facility. We are also increasing vertical integration by expanding the key starting materials (KSM) manufacturing capacity at our Dahej site. These expansion projects are slated to commercialise at the beginning of the next fiscal year and drive growth over the medium term.

In the U.S. intrathecal market, our brand Gablofen continued to dominate the Baclofen pre-filled syringe and vial segment, maintaining its number one position with over 70% market share. Our injectable portfolio saw the launch of four new products in the U.S. and European markets during the year. However, supply constraints at our third-party vendors limited the growth of this product segment and impacted the performance of our CHG business. We are actively working towards resolving this issue.

New product launches are an important lever of growth in the CHG business. We are building a pipeline of 24 injectable products – currently at different stages of development – with an addressable market size of about US$ 2 Billion. During the year, we successfully cleared the USFDA inspection at our Bethlehem facility, highlighting the reliability of our quality control processes and systems.

We also strengthened our leadership team by appointing Jeffrey Hampton as President and Chief Operating Officer of our CHG business. He brings over three decades of experience and expertise in global sales and marketing, commercial operations, and supply chain distribution.

India Consumer Healthcare Business

In FY2024, our ICH business delivered a steady double-digit revenue growth, driven by new product launches and our power brands. We also witnessed an improvement in our profitability, aligning with our plans, primarily driven by operating leverage and increased scale.

13% YoY
Growth in Power Brands

42%
Contribution of Power Brands to ICH Business

We continued to invest in media and trade promotions to grow our power brands such as Little's, Lacto Calamine, i-range, Polycrol,and Tetmosol. During the year, our power brands registered a 13% YoY growth, and contributed 42% to our ICH revenue. Little's, Lacto Calamine and Polycrol grew at a healthy double digit rate in FY2024.

150+
New products and SKUs launched in last three years

Over the last few years, new product launches have played a significant role in driving growth within our consumer business. Over the last 3 years, we launched over 150 new products and SKUs, achieving a reasonable success rate. In FY2024 alone, we launched 24 new products and 27 new SKUs. Notably, the new products introduced in the last 24 months account for 11% of our consumer business sales.

In terms of our pan-India distribution network, we have a good presence across various channels such as general trade, modern trade, and e-commerce. We aim to further extend our reach into smaller towns and cities and explore newer e-commerce formats like quick delivery services.

Focused on Sustainability

Our sustainability agenda made significant progress during the year. We have set targets to reduce our Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions, in accordance with the trajectory recommended by SBTi (Science Based Target Initiative).

42%
Target to reduce Scope 1 & 2 emissions by FY2030

Our targets are currently undergoing verification by SBTi, having passed the initial screening phase. It is noteworthy that only a handful of companies in India have had their GHG emission reduction targets validated by SBTi. During the year, we also saved 41,610 KL of freshwater through various water conservation projects and achieved 'Zero Hazardous Waste to Landfill' status by diverting our hazardous waste to co-processing units. The percentage of women in our global workforce increased from 15.3% in FY2023 to 17.3% in FY2024. In addition to these achievements, we are also working diligently to minimise our resource consumption, conserve biodiversity, provide a safe workplace for all employees, deliver quality products and services, and promote diversity and inclusion in our workforce.

Piramal Foundation, the philanthropic arm of the Piramal Group, carried out several initiatives to enhance the quality of life in the communities we operate in. In alignment with this commitment, our employees actively volunteered in various community development activities including education, health and nutrition, senior care, and environmental conservation.

Outlook

We see promising growth opportunities for all three business verticals and strategically making investments to strengthen our capabilities and capacities. With our diverse network of global facilities, robust customer base, leading position in crucial product segments, and exemplary track record for quality, we are well-positioned to capitalise on future growth opportunities. Cost optimisation and operational excellence will continue to be the focus areas, as we strive to enhance profitability, strengthen cash flows, and optimise our balance sheet leverage.

Moving ahead on the path of value creation for all our stakeholders, we want to thank our employees, customers, consumers, suppliers, regulators, and shareholders for their constant support and faith in us. Additionally, we sincerely appreciate the guidance provided by our Board members. We look forward to yet another year of strong all-round performance.

Regards,

Nandini Piramal
Chairperson

Peter DeYoung
CEO, Global Pharma

Board of Directors

Experienced and Diversified Board

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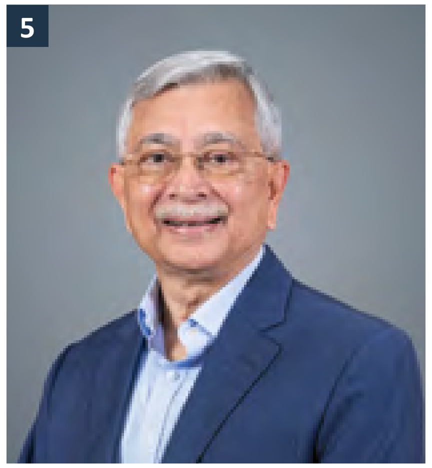

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1 **Nandini Piramal**
Executive Director,
Chairperson
C M M M

2 **Peter DeYoung**
Executive Director,
CEO, Global Pharma

3 **Neeraj Bharadwaj**
Non-Executive Director
M

4 **S. Ramadorai**
Non-Executive,
Independent Director
C M

5 **Jairaj Purandare**
Non-Executive,
Independent Director
C M C M

6 **Sridhar Gorthi**
Non-Executive,
Independent Director
M M

7 **Peter Stevenson**
Non-Executive,
Independent Director

8 **Vibha Paul Rishi**
Non-Executive,
Independent Director
C M M

9 **Vivek Valsaraj**
Executive Director,
Chief Financial Officer (CFO)
M M

Committees

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

C Chairman | Chairperson

M Member

Board of Directors

1 Ms. Nandini Piramal

Chairperson, Executive Director

C M M M

Nandini Piramal is the Chairperson at Piramal Pharma Ltd and Non-Executive Director at Piramal Enterprises Ltd. She is responsible for setting strategy and driving results at Piramal Pharma. Piramal Pharma offers a portfolio of differentiated products and services through its 17 global development and manufacturing facilities and a global distribution network in over 100 countries.

Additionally, she heads the Human Resources, Finance, Risk, Information Technology and Quality functions at Piramal Pharma.

Ms. Piramal is also an advisor to the Piramal Foundation which has impacted the lives of over 113 Million Indians in its lifetime in areas ranging from gender, and public health to education and purified water.

She is a visionary business leader driven by her commitment to bettering society. Her efforts in the business and social world led to her being recognised among 'India's Most Powerful Women' by Business Today in 2020, 2022 and 2023 for her outstanding contribution to business and social growth. She was also awarded a 'Young Global Leader' in 2014 by the World Economic Forum.

Ms. Piramal holds a BA (Hons.) in Politics, Philosophy, and Economics from Oxford University. She also has an MBA from Stanford Graduate School of Business.

2 Mr. Peter DeYoung

Executive Director, CEO, Global Pharma

Peter DeYoung is the CEO of Piramal Global Pharma, Piramal Pharma Limited, and a member of the Piramal Pharma Limited Board. Piramal Global Pharma is comprised of Piramal Pharma Solutions and Piramal Critical Care business units. In his current role, Peter is responsible for steering strategy and driving profitable growth of these businesses.

Prior to this, he spearheaded several leadership mandates at the Piramal Group, including the CEO, of Piramal Critical Care and President, of Life Sciences.

Previously, Mr. DeYoung worked in various investing and consulting roles in healthcare in the USA, Europe and India. He joined McKinsey & Company in New York after graduating from Princeton, where he worked on a number of projects for pharmaceutical and medical device companies. He was then seconded by McKinsey to the World Economic Forum in Geneva, Switzerland as part of the Global Health Initiative. Mr. DeYoung returned to McKinsey in New York and later to Mumbai, where he focused on the pharmaceutical and healthcare practice.

Later, he joined the Blackstone Group's Private Equity Division in Mumbai where he was part of the deal team for several significant transactions, across a wide spectrum of industry sectors in India.

Mr. DeYoung holds a Master's Degree in Business Administration from Stanford University (Arjay Miller Scholar), California, USA and a Bachelor of Science Degree in Engineering from Princeton University, New Jersey, USA (summa cum laude).

3 Mr. Neeraj Bharadwaj

Non-Executive Director

M

Mr. Neeraj Bharadwaj is the Managing Director of Carlyle India Advisors Private Limited, focused on growth capital and buyout opportunities across sectors in India. Before joining Carlyle in 2012, Mr. Bharadwaj was a Managing Director with Accel Partners' growth investing operation in India.

Preceding that he was with Apax Partners for nearly 10 years. He was a Partner in the U.S. and subsequently Managing Director / Country Head for Apax in India, where he led the India operations. Investments he has been involved with include Apollo Hospitals (BSE: AHEL), Jamdat (NASDAQ: JMDT), Wider than (NASDAQ: WTHN) and others. Previously, Mr. Bharadwaj was an engagement manager at McKinsey & Co. Mr. Bharadwaj was selected as Board Member of the Indian School of Business (ISB), a Young Global Leader of the World Economic Forum (WEF), Board Member of the Olympic Gold Quest (OGQ), Member of the Harvard Business School South Asia Advisory Board, Member of the Wharton Executive Education Board, Member of the Young Presidents' Organisation and previously chaired the FICCI Committee on Private Equity & Venture Capital.

Mr. Bharadwaj serves on the boards of Hexaware Technologies Limited, Indegene Limited, Nxtra Data Limited, Sequent Scientific Limited, and CorroHealth Infotech Pvt. Limited and others. Previously, he served on the boards of Delhivery Limited, Global Health Limited, Metropolis Healthcare Limited, and others.

Mr. Bharadwaj holds an MBA with distinction from Harvard Business School and graduated summa cum laude with a BS in economics from the Wharton School of the University of Pennsylvania.

4 Mr. S. Ramadorai

Non-Executive, Independent Director

C M

Mr. S. Ramadorai was in public service from February 2011 to October 2016. During his tenure as the Chairman of the National Skill Development Agency (NSDA) and the National Skill Development Corporation (NSDC), his approach was to standardise the skilling effort, ensure quality and commonality of outcomes by leveraging technology and create an inclusive environment to co-operate, collaborate & co-exist. He strongly believed that empowering the youth with the right skills can define the future of the country. Currently, he is the Chairperson of Mission 'Karmayogi Bharat', the National Programme for Civil Services Capacity Building (NPCSCB), that aims to transform Indian bureaucracy and prepare civil servants for the future, through comprehensive reform of the capacity building apparatus at individual, institutional and process levels.

Mr. Ramadorai is also the Chairman of the Advisory Board at Tata STRIVE, which is the Tata Group's CSR skill development initiative that aims to address the pressing national need of skilling youth for employment, entrepreneurship and community enterprise. Currently, he serves as an Independent Director on the Boards of Piramal Pharma Limited and DSP Asset Managers Pvt. Ltd. In March 2016, he retired as the Chairman of the Bombay Stock Exchange (BSE Ltd.) after having served on their board for six years.

Mr. Ramadorai took over as the CEO of Tata Consultancy Services (TCS) in 1996 when the Company's revenues were at US$ 155 Million, and since then led the Company through some of its most exciting phases, including its going public in 2004. In October 2009, he retired as the CEO, leaving a US$ 6 Billion global IT services company to his successor. He was then appointed as the Vice Chairman and retired in October 2014, after an association of over four decades with the company.

Given his keen passion for working for the social sector and community initiatives, he also serves as the Chairman of the Council of Management at the National Institute of Advanced Studies (NIAS) and was the Chairperson of the Governing Board at the Tata Institute of Social Sciences (TISS) for over 10 years starting October 2011. He is the Chairperson of the Public Health Foundation of India and the President of the Society for Rehabilitation of Crippled Children (SRCC) – which has recently built a super specialty children's hospital in Mumbai. In February 2020, Mr. Ramadorai was also appointed as the Chairperson of the Kalakshetra Foundation's Governing Board by the Union Ministry of Culture.

In recognition of his commitment and dedication to the IT industry, he was awarded the Padma Bhushan (India's third-highest civilian honour) in January 2006. In April 2009, he was awarded the CBE (Commander of the Order of the British Empire) by Her Majesty Queen Elizabeth II for his contribution to the Indo-British economic relations. In 2016, he was also awarded The Economic Times - Lifetime Achievement Award for his glorious contribution to Tata Consultancy Services.

His academic credentials include a Bachelor's degree in Physics from Delhi University (India), a Bachelor of Engineering degree in Electronics and Telecommunications from the Indian Institute of Science, Bengaluru (India) and a Master's degree in Computer Science from the University of California – UCLA (USA). In 1993, Ramadorai attended the Sloan School of Management's highly acclaimed Senior Executive Development Programme.

Ramadorai is a well-recognised global leader and technocrat who has participated in the Indian IT journey from a mere idea in the 1960 to a mature industry today. Ramadorai captured this exciting journey in a wonderfully personalised book titled 'The TCS Story...and beyond' which was published in 2011 and remained on top of the charts for several months.

Among his many interests, Ramadorai is also passionate about photography and Indian classical music.

5 Mr. Jairaj Purandare

Non-Executive, Independent Director

C M C M

Mr. Jairaj Purandare has over four decades of experience in accounting, tax and business advisory. He is an authority on tax and regulation. He has published papers on subjects like inbound / outbound investment structuring, international tax, transfer pricing, M&As and the Indian Budget and Economy. Mr. Purandare has advised clients across various industries such as Financial Services, Infrastructure, Power, Telecom, Media, Pharma and Auto sectors that including Citibank, GE, HSBC, Hutchison, Pepsico, Standard Chartered Bank, News Corp / STAR TV and Tata Group.

Mr. Purandare is the Founder Chairman of JMP Advisors Pvt Ltd, a leading advisory, accounting, tax and regulatory services firm in India. His previous associations have been with firms in various roles such as Regional Managing Partner, Chairman - Tax and Country Leader, Markets & Industries of PricewaterhouseCoopers (PwC) India, Chairman of Ernst & Young India (EY) and the Country Head of the Tax & Business Advisory practice of Andersen India.

Mr. Purandare is an Independent Director on the Boards of four large public limited companies. He is a frequent speaker at Indian and international seminars and industry forums.

Mr. Purandare is a Fellow of the Institute of Chartered Accountants of India, a steering committee member for the ITSG International Network, and a member of the City of London Advisory Council for India. He is a former member of the National Council of Confederation of Indian Industry (CII) and former Chairman of the Taxation Committee of CII. He has been a member of the Central Direct Taxes Advisory Committee, chaired by the Finance Minister. Mr. Purandare is a YPO Gold member and the Regional Networks Chair and Finance Chair of YPO.

Mr. Purandare has completed the YPO Presidents Program from Harvard Business School and holds a Bachelor of Science (Hons) degree from the University of Bombay.

6 Mr. Sridhar Gorthi

Non-Executive, Independent Director

M M

Mr. Sridhar Gorthi is a founding partner and member of the Management Committee at Trilegal. He is an authority in corporate law, M&A, and Private Equity, spanning across sectors including manufacturing, pharmaceuticals, insurance, banking and financial services, technology, telecom and media.

His domain knowledge has earned him the recognition of Asian Law Firm Leader of the Year - Asia Legal Awards 2023, 'Leading Individual' - Corporate M&A, Legal 500 Asia Pacific for 2024 and a distinguished practitioner for Corporate M&A and Private Equity by the Asia Law Profiles (2023). His name is also listed as a 'Highly Regarded' lawyer – M&A by IFLR1000 (2019-2023). He is among India Business Law Journal's A-list 2023 of the top 100 lawyers in India and Chambers and Partners' Asia Pacific and Global for Corporate / M&A and Private Equity (2014-2024).

Mr. Gorthi is a graduate of National Law School, Bengaluru, and is a member of the Bar Council of Maharashtra and Goa.

7 Mr. Peter Stevenson

Non-Executive, Independent Director

Mr. Peter Stevenson is a leader in the pharmaceutical industry with extensive manufacturing and commercial experience. He was a member of Pfizer's Global Manufacturing Leadership Team with responsibilities for global procurement, global external supply and a portfolio of Pfizer internal manufacturing sites in North America, Europe and Asia.

Later, he served as General Manager of Pfizer's contract manufacturing business and as Value Stream Leader for the Injectables and Hospital Products Value Stream and retired from the role of Vice President, and General Manager, at Pfizer Centre One in 2019.

Mr. Stevenson also served on the Board of Uniting to Combat Neglected Tropical Diseases.

Earlier in his career, Mr. Stevenson held positions at Rhone Poulenc and Celanese including a 3-year expatriate assignment in France.

He holds a Bachelor's degree in Arts from Gettysburg College, Pennsylvania.

8 Ms. Vibha Paul Rishi

Non-Executive, Independent Director

C M M

Ms. Vibha Paul Rishi is a marketing professional, specialising in Indian and international markets. She has worked in senior positions globally in branding, strategy, innovation and human capital. She started her career with Tata Administrative Services and was part of Titan Watches' founding team. Ms. Rishi had a long association with PepsiCo spanning close to two decades in marketing and innovation roles for India, the USA and the UK. She was also the Executive Director (Brand and Human Capital) at Max India Ltd. and the Director (Marketing and Customer Strategy) at the Future Group with stints across the globe, coupled with an abiding passion for people.

Ms. Rishi currently serves on the board of several reputed companies including Tata Chemicals Limited, ICICI Bank Limited, ICICI Prudential Life Insurance Company Limited and others. She is also on the Board of Pratham, an NGO that works to provide education to underprivileged children in India.

Ms. Rishi holds a BA Degree in Economics from Lady Sri Ram College, University of Delhi and an MBA with a specialisation in marketing from the Faculty of Management Studies, New Delhi.

9 Mr. Vivek Valsaraj

Executive Director, Chief Financial Officer

M M

With 28 years of overall experience in the field of Finance, Mr. Vivek Valsaraj has been associated with the Piramal Group for over 23 years. As the Chief Financial Officer of Piramal Pharma Ltd, he currently oversees the Finance, Investor Relations and Shared Services Functions. Mr. Valsaraj is also serving on the board of the joint venture company of Piramal Pharma, Abbvie Therapeutics India Private Limited (formerly known as Allergan India Private Limited) and several overseas subsidiaries.

Within the group, he has been associated with various roles in Corporate and the erstwhile Domestic Formulations business. His expertise spans across Corporate Finance, Business Strategy, Mergers & Acquisitions, Corporate Structuring, Fund Raising, Corporate Governance, Enterprise Risk and Taxation. Over the last several years, he has been closely associated with the Pharma business and has been a part of several key M&A transactions and capital raising. He has also played a key role in streamlining and finessing systems, processes, and internal controls.

Prior to joining Piramal, he was associated with companies like Wockhardt Ltd and Bharat Bijlee Ltd. He holds a Bachelor's degree in Commerce and is an Associate member of the Institute of Cost Accountants of India.

Business Verticals

Contract Development and Manufacturing Organisation

Piramal Pharma Solutions offers end-to-end integrated CDMO services across the spectrum of the drug life cycle, including discovery, development, and commercial manufacturing of drug substances and drug products from our global network of development and manufacturing facilities located in North America, UK/Europe and India. Our diverse customer base of over 500 companies, includes big pharma companies, emerging biotech companies and generic pharma companies.

Our development and manufacturing facilities are accredited by global pharma regulatory agencies such as USFDA (Food and Drug Administration), UK MHRA (Medicines and Healthcare Products Regulatory Agency), Japan PMDA (Pharmaceuticals and Medical Devices Agency), ANVISA (Brazilian Health Regulatory Agency), and Health Canada. These approvals enable us to supply products to their respective markets.

We possess capabilities in differentiated area including High Potent APIs (HPAPIs), Antibody Drug Conjugates (ADCs), peptides, potent sterile injectables, biologics and vaccines. This expertise allows us to cater to a varied customer base.

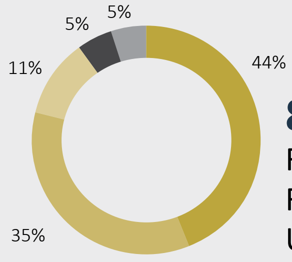
In addition to CDMO services, we also have a generic API division that offers over 30 off-patented APIs for global markets. Additionally, we also manufacture and supply vitamins and minerals ingredients, as well as premixes for human and animal nutrition.

Key Strengths

1. Diversified Revenue Base

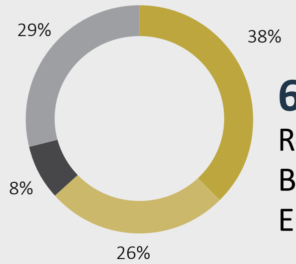
Our CDMO business has a diversified revenue base with key regulated markets, like the U.S., Europe and Japan, contributing 84% to our CDMO revenues. Apart from regulated markets, we also have a presence in India and other RoW markets. Our clientele includes a balanced mix of big pharma companies, emerging biotech companies and generic pharma companies across the globe.

Revenue by Geography



84%
Revenues from Regulated Markets - US, Europe and Japan

Diversified Customer Mix



64%
Revenues from Big Pharma and Emerging Biopharma

2. Global Development and Manufacturing Footprint Serves an Expansive Customer Base

We have a widespread global footprint with 15 state-of-the-art development and manufacturing facilities located across India, UK/Europe, and North America. These facilities are approved by the leading regulatory agencies in the world. Strategically located and supported by a robust distribution network and diverse capabilities, we efficiently deliver our products and services globally. Furthermore, our diversified manufacturing presence ensures market proximity for customers and a cost-efficient production cycle.

Development and Manufacturing Base across India, UK/Europe, and North America

	North America	UK/Europe	India
Facilities	 4 facilities	 2 facilities	 9 facilities
Product Segments	• HPAPI development and manufacturing • Sterile injectables development and manufacturing • API development and manufacturing • OSD, liquids, creams and ointments production capability	• API development and manufacturing • ADC development and manufacturing • Formulations (including hormones) development and manufacturing	• Peptides developement and manufacturing • API development and manufacturing • Formulations development and manufacturing • Drug discovery • Nutrition solutions
Key Regulatory Accreditations	FDA, MHRA, Pmda, European Medicines Agency	FDA, MHRA, TGA, Pmda	FDA, Pmda, fimea
Highlights	Manufacturing base across developed and emerging markets	Regulated market facilities provide proximity to customers and markets	India based facilities allow for cost efficient manufacturing infrastructure

Business Verticals | CDMO

3. Service Offerings across the Lifecycle of the Molecule

Our CDMO business offers services across the lifecycle of the molecule, from drug discovery and clinical development to commercial manufacturing. In the discovery phases, we offer a gamut of services, including medicinal chemistry, in-vitro ADME services, discovery analytical support services and non-GMP Kilo Lab. Our clinical development module offers pre-clinical trials and testing from Phase I to Phase III for various dosage forms. Further, we undertake the commercial manufacturing of a wide range of APIs and formulations across various therapeutic areas and dosage forms.

Portfolio of Services across the Lifecycle of the Molecule

Facilities

Discovery

India
Ahmedabad

Development
(Pre-clinical, Phase I, Phase II, and Phase III)

India
Ahmedabad, Ennore, Digwal, Turbhe

North America
Aurora, Lexington, Riverview, Sellersville

UK/Europe
Grangemouth, Morpeth

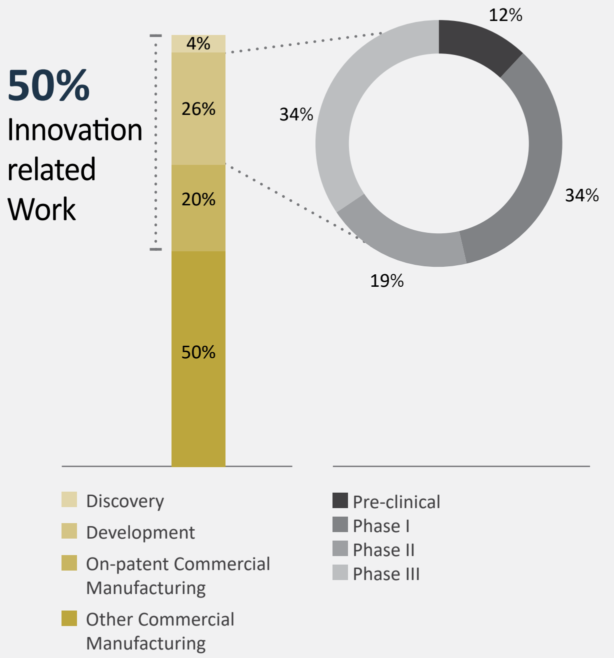
Commercial Manufacturing
(On-patent and Off-patent)

India
Digwal, Turbhe, Pithampur, Ennore, Mahad

North America
Aurora, Lexington, Riverview, Sellersville

UK/Europe
Grangemouth, Morpeth

Revenue by Services



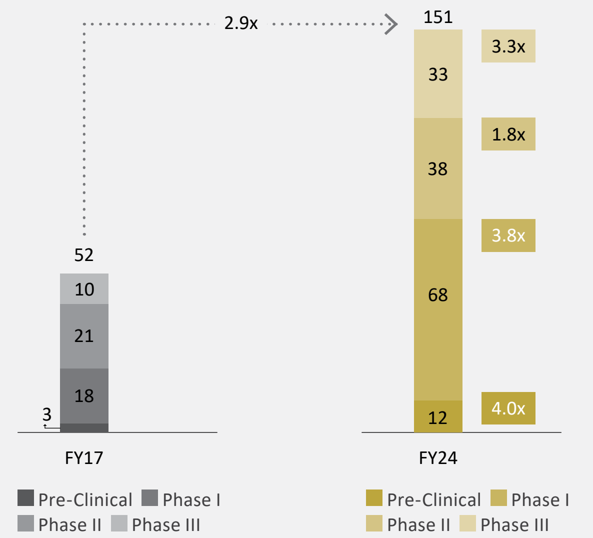
4. Deep Pipeline of Development Projects across Multiple Phases

We have a deep pipeline of over 150 molecules across various stages of development – from pre-clinical to Phases I, II and III. The number of molecules in the Phase III stage has increased around three times in the last seven years, which, upon commercialisation, could be a source of commercial manufacturing contracts for us. In addition, we are involved in the commercial manufacturing of 17 on-patent molecules, which gave us revenues of US$ 116 Million in FY2024 – a significant increase over 9 on-patent commercial molecules, earning us US$ 19 Million revenue in FY2019.

5. Strong Customer Base

Backed by our extensive network of facilities and delivery capabilities, we cater to a diversified customer base across geographies. Our varied customer base encompasses over 500 customers, ranging from global innovator pharma companies and emerging biopharma companies to generic pharma companies. We have a low revenue concentration, with our top ten customers contributing 46% to our total revenue from the CDMO business. Delivering superior value propositions through reliable and flexible service performance, uncompromising product quality and competitive pricing, we build long-standing relationships with our customers.

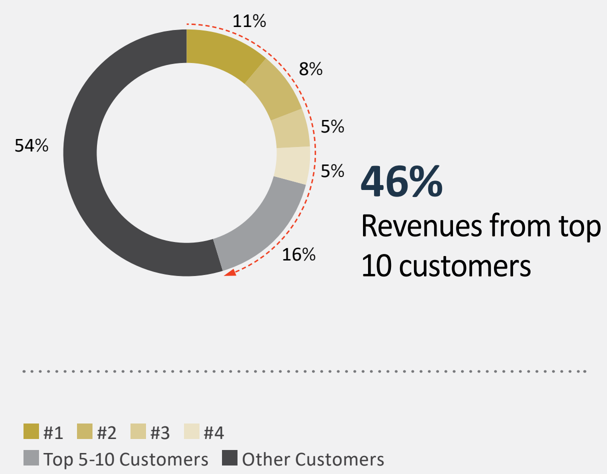
Deep Development Pipeline



~2x
Growth in the number of commercial molecules under patent (9 in FY2019 to 17 in FY2024)

US$ 116 Mn
Revenue from manufacturing of commercial products under patent in FY 2024, up from US$ 19 Million in FY2019

Low Customer Concentration



500+
Customers across segments

Long Standing Relationships
Partnering with 34 of our top 50 customers for more than seven years

Business Verticals | CDMO

6. Expertise in Differentiated and Complex Technologies with High-Entry Barriers

Our strong development and manufacturing capabilities in differentiated areas such as High-Potency APIs, ADC, peptides and potent sterile injectables enable us to attract customers.

Furthermore, our associate Yapan Bio provides its expertise and capabilities in the biologics / bio-therapeutics and vaccine segments. These differentiated areas demand a deep understanding and a thorough development process, serving as a key entry barrier for new players.

Differentiated Offerings

- **Antibody Drug Conjugates**
  Grangemouth
- **High Potent APIs (HPAPIs)**
  Riverview, Aurora
- **Potent Sterile Injectables**
  Lexington
- **On-patent API Development and Manufacturing**
  Digwal
- **Peptide APIs Synthesis**
  Turbhe
- **Hormone Drugs**
  Morpeth
- **Vaccines & Biologics / Bio-therapeutics**
  Yapan Bio

Grangemouth Facility, UK

7. Offering Integrated Services

Our end-to-end model, providing services throughout the lifecycle of molecules across various geographical locations, has resulted in over 125 integrated projects in the past five years.

An integrated project is defined as a project that involves more than one site. Such projects benefit our customers by reducing their time-to-market, reducing operational complexity and lowering supply chain costs.

Benefits to PPS

- Increased relevance to our customers
- Client-relationship shift from vendor to partner

125+
Integrated projects executed in the last five years

40%+
of the new service orders in FY2024 were for integrated projects

24
Number of integrated projects in FY2024

8. Patient and Customer centricity

We recognise that patients are the ultimate beneficiaries of the work that we do. This drives us to analyse every element of our operations to ensure that they align with the need of our customers and their patients. Each manufacturing site has Patient Awareness Council (PACs) comprising of site employees representing multiple functional roles. The responsibility of this council is to foster patient-centric behaviour, share best practices, and brainstorm new ways to communicate the benefits of patient-centric behaviour to their sites, suppliers, and customers. We also carry out an annual survey of our customers globally, the data of which is analysed, compiled, summarised, and shared within the Company. Further, action plans are developed based on the survey results, which are then built upon and followed-up further.

14
Patient awareness councils across different sites

Fully Integrated ADC Services

Piramal Pharma Solutions is one of the leading players in the Antibody Drug Conjugates (ADC) market with close to two decades of experience. We provide fully integrated ADC services through our network of facilities across India, UK/Europe and North America. In FY2024, we received our first integrated anti-body drug conjugate order involving monoclonal antibodies. This order involves three sites – Yapan (for monoclonal antibodies), Grangemouth (for conjugation) and Lexington (for fill finish).

Business Verticals

Complex Hospital Generics Business

Piramal Critical Care is one of the leaders in inhaled anesthetics and a global player in hospital generics. We have a wide presence across the U.S., Europe, and more than 100 countries across the globe. Our product portfolio includes inhalation anesthetics, intrathecal therapy for spasticity management, injectable pain and anesthesia drugs, and other generic and specialty products.

We are one of the few major suppliers with the capability to manufacture multiple generations of inhalation anesthesia products – Sevoflurane, Desflurane and Isoflurane. We are vertically integrated in inhalation anesthesia as we manufacture both API and drug products at our Digwal (India) and Bethlehem (U.S.) facilities, as well as the key starting material at the Dahej (India) facility.

Our products are sold in over 100 countries, reaching more than 6,000 hospitals, including surgical centres and veterinary clinics. We maintain a direct sales presence in the U.S., the UK, Germany, France, Italy, and other geographies through distribution partners.

Evolution of our CHG product portfolio and manufacturing capabilities

2002
Acquired pharma business of ICI India – Halothane

2004
Acquired inhalation business of Rhodia Organique (UK) – Isoflurane

2008
Acquisition of brand Haemaccel from Pharmaselect, Germany

2009
Acquired Minrad (U.S. plant) and Sevoflurane

Acquired RxElite (U.S.) for sales and distribution network in the U.S.

2016
Acquired five injectable anesthesia and pain management products from Janssen (Belgium)

2017
Acquired intrathecal spasticity drug portfolio from Mallinckrodt (U.S.) – Gablofen®

2018
Acquired Yargesa™ (Miglustat) used for the treatment of Type 1 Gaucher's Disease and Type C Niemann-Pick Disease

2018-2020
Acquired / developed and launched seven injectable products

2019
Licensed Linezolid injection from Georgetown Pharmacal

Launched Desflurane

2020
Increase stake in CCPL (Dahej Facility) to 100% by buying out Navin Fluorine's 49% stake

2022
Acquired distribution license for Zinc Sulfate Injection

2024
Acquired commercialisation rights for Neoactricon for select markets from BrePco Biopharma

Business Verticals | Complex Hospital Generics

Key Strengths

1. Differentiated Portfolio with High-Entry Barriers and Low Competition

Capabilities in inhalation anesthesia and intrathecal therapies are hard to acquire and capital intensive as specific medical devices are required for their administration. The need for dedicated manufacturing facilities, a strict quality assurance system, and extensive regulatory experience in establishing marketing and distribution relationships such as those with GPOs (Group Purchase Organisations) are challenging for less experienced competitors and new entrants. As a result, the competition here is lower compared to traditional generics.

2. Leadership Position in Key Products

We are the 4th largest inhalation anesthesia company globally as per US$ value for a combined market of Sevoflurane, Desflurane and Isoflurane. We are also the leading player in Sevoflurane in the U.S. market with a value market share of about 43% *(Source: IQVIA Data)*. Further, we rank #1 in the U.S. Baclofen pre-filled syringe and vial market with our brand Gablofen® having over 70% value market share *(Source: IQVIA Data)*. Additionally, our brand Fentanyl (ampoules) ranks #1 in US$ value in Japan, South Africa and Indonesia markets *(Source: IQVIA Data)*.

Inhalation Anesthesia

High-entry barriers due to need for specific vaporisers for administration and large capex investments

..using vaporizers attached to anesthesia machines

..that are used for patients

Intrathecal Therapy

High-entry barriers due to the complexity in administering the drug

Programmable pump is surgically implanted

Intrathecal Baclofen is injected into the pump

Medication delivered through a catheter into the intrathecal space

Inhalation Anesthesia Facilities

FDA MHRA Pmda

Bethlehem, USA: In-house manufacturing of **Sevoflurane and Desflurane**

Digwal, India: In-house manufacturing of **Isoflurane**

Specialty Fluorochemicals Facility (Dahej, India)

Vertically integrated in-house manufacturing to make KSM

3. Vertically Integrated Manufacturing Capabilities

We are vertically integrated in the field of inhalation anesthesia, with in-house manufacturing capabilities for key starting materials, APIs, and finished products across our three facilities situated in India and the U.S. This vertical integration enables us a strong cost advantage and improved control over our supply chain.

4. Worldwide Distribution Network

We have a commercial presence in over 100 countries and our products are sold in more than 6,000 hospitals around the world. We have a direct sales presence in the U.S., UK, Germany, France and Italy. Our dedicated sales team in the U.S. actively engages with hospitals and GPOs, ensuring consistent outreach. Additionally, strategic partnerships with distributors and local collaborators enable product distribution beyond India.

5. Pipeline of New Products

We have 24 new products in the pipeline at various stages of development, targeting an addressable market of over US$ 2 Billion.

Regular new product launches will be an important lever of growth for our CHG business and will also help further leverage our global distribution reach.

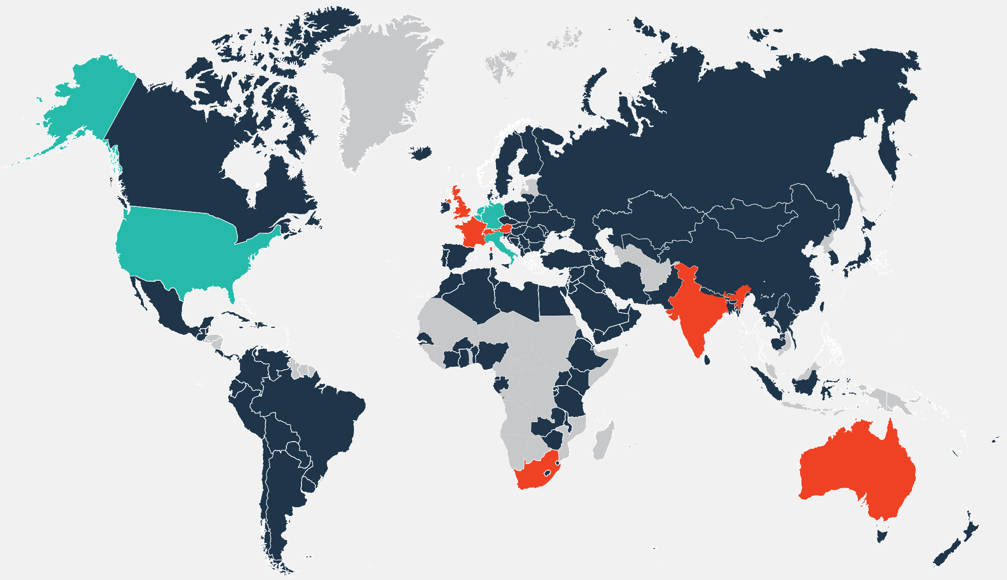
5	13	6	24
Approved, yet to be launched	Filed, yet to be approved	Development, yet to be filed	Total SKUs in pipeline

Worldwide Distribution Network

3 Countries with direct sales presence

7 Countries with direct sales presence plus distribution partners

100 Countries with distribution partners



Established **channel relationships** and robust **commercial infrastructure**

Direct sales force in the U.S. with strong GPO relationships

Direct to market access in key European countries

Distribution reach to over **100 countries** across the globe

Over 6,000 hospital customers across the world

Business Verticals

India Consumer Healthcare Business

Our ICH business is one of the emerging self-care companies in India, with established brands in the consumer healthcare segment. Our portfolio consists of branded healthcare and wellness products, primarily in areas of analgesics, gastro-intestinal, hygiene, skin care, vitamins and supplements, women's care, baby care and kids wellness. The business has grown from a 6-brand portfolio in 2011 to a 30+ brand portfolio by 2023, led by acquisitions and new product launches.

Our products are sold through a wide distribution network in partnership with distributors. Our products reach chemists, grocers, modern trade stores, and children's stores across the country. They are also listed on several e-commerce portals, including our direct-to-customer (D2C) platform, Wellify.in. Apart from product sales, we also have a manufacturing and distribution agreement with Bayer Pharmaceuticals Private Limited (Bayer®) for their brands such as Saridon, Supradyn, Becozym and Benadon.

We operate on an asset-light model with a product portfolio that includes baby diapers, baby wipes, medicated soap, skin care lotions, antacid liquids and other products manufactured by third parties. Additionally, to enhance our reach, we have tied up with creative agencies and media houses to manage our social media platforms and promote our brands through celebrity endorsements and trade promotions.

Evolution of ICH Business through brand acquisitions and new product launches

1993
Lacto Calamine

1993
Saridon[1]

2010
i-pill

2013
Caladryl

2015
Naturolax

2015
Little's

2016
Ferradol, Sloan's and Neko

2017
Digeplex portfolio

2018
Supradyn[1,2], Becozym[1,2] and Benadon[1,2]

2020
Covid protect range[3]

2022
Nixit

2023
CIR

Notes: (1) Licensed from Bayer;
(2) Licensed from Bayer and rights reverted to PPL from Abbott in 2018
(3) Covifind was licensed from Meril Life

Business Verticals | India Consumer Healthcare

Key Strengths

1. A Diversified Portfolio in Healthcare and Wellness Segment

Analgesics

1. **Saridon®**
Headache relief tablet
2. **Sloan's**
Balm, Liniment and Spray
3. **QuikKool gel**
Mouth ulcer gel

Vitamins, Minerals & Supplements (VMS)

1. **Supradyn®**
Multivitamin
2. **Ourdaily**
Range of health supplements
3. **Ferradol**
Iron supplement
4. **Becozyme- C Forte®**
B Complex tablet
5. **Benadon®**
Vitamin B6 tablet

Skin Care

1. **Lacto Calamine**
Oil Control Lotion, Facewash, Sunscreen
2. **Tetmosol**
Medicated Soap, Cream and Powder
3. **Neko**
Daily Use Soap
4. **Canesten®**
Anti-fungal cream
5. **Caladryl**
Anti-allergy and anti-itch Lotion

Women's Health

1. **i-pill, i-know**
Contraceptive pill, Ovulation kit
2. **i-Can**
Pregnancy detection kit
3. **i-Activ**
Menstrual cups

Note: ®Registered trademark of Bayer (Group)

Digestives

1. **Polycrol**
Antacid
2. **Digeplex**
Digestive enzyme
3. **Naturolax**
Isabgol laxative

Health and Hygiene

1. **NIXIT**
Smoking cessation
2. **Covifind[1]**
Rapid antigen test kit
3. **Tri-Activ**
Range of disinfectant and hygiene protection solutions

Kids and Geriatrics Care

1. **Little's**
Wipes, Toys, Diapers, Feeding range
2. **Jungle Magic**
Range of toys and colouring books
3. **CIR**
Geriatrics care

Men Grooming

Bohem
Hair removal spray, beard growth oil, and underarm roll-on

(1) Licensed from Meril Life

Business Verticals | India Consumer Healthcare

2. Focus on Power Brands with Continuous Investments in Brand Promotion and Marketing

Consistent and continuous brand promotion and marketing efforts help us build brands with strong consumer pull. We have identified five power brands – Little's, Lacto Calamine, i-range, Polycrol, and Tetmosol – in attractive and large consumer segments that present a significant growth potential. A large part of our marketing and brand building investments are directed towards these power brands that are endorsed by celebrities with a large fan following in India. Over the last four years, we have spent 13-16% of our ICH revenues on media and trade promotion, which has helped our power brands to grow at 29% CAGR in the same period. Our power brands now contribute about 42% to ICH sales.

Brand Building through Celebrity Endorsements

Kareena Kapoor
Little's

Ajay Devgn
Tetmosol

New Media launch
i-pill Daily

Amyra Dastur
Lacto – HSM belt

Priyanka Mohan
Lacto – South India

Jisshu Sengupta
Polycrol

3. Launching Multiple New Products and Brand Extensions

Over the past three years, we have successfully introduced more than 150 new products and SKUs in the market. Notably, the new product launches in the last two years have contributed to 11% of our total ICH sales in FY2024, underscoring their impact on our revenue growth. Moreover, as part of our strategy to expand our reach and cater to a broader audience, we have introduced multiple line extensions of our established mother brands, thereby effectively addressing a larger target market and strengthening our market presence.

4. Well-established Commercial Infrastructure with a Multi-channel Distribution Strategy

We have established a strong presence across various retail channels, reaching about 1,80,000 chemists and cosmetics stores, and gift shops. Furthermore, we have secured placements in over 8,000 modern trade stores. We are actively expanding our e-commerce reach and are present on over 20 leading platforms in India. Additionally, to improve accessibility, we have launched our direct-to-consumer (D2C) website, Wellify.in, providing customers with a convenient option to engage with our brand directly. Going forward, we have plans to further strengthen our distribution network by increasing our reach to more towns and exploring new e-commerce delivery formats.

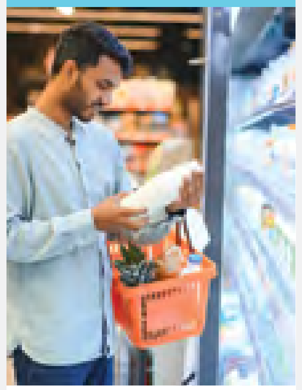
Multi-channel Distribution Strategy

Presence Across Traditional and Alternate Trade Channels

Wide Coverage Across General Trade and Chemist Shops

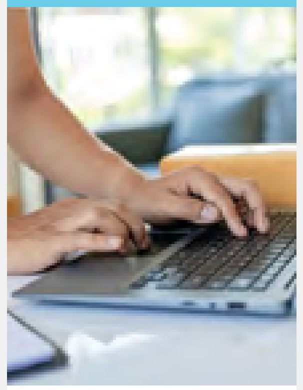
- Presence in **~180K chemists** and **cosmetics shops**

Strengthening Presence in Modern Trade



- Presence in **over 8,000 modern trade outlets**

Expanding Presence on e-Commerce



- Presence on **over 20 leading e-commerce platforms**

Direct-to-Customer (D2C)

- Own D2C website handling **over 130K consumer orders every month**

Sustainability Initiatives

Understanding our Responsibility

Sustainability is at the core of our Company's operations and aligns with our vision to emerge as a globally leading integrated pharmaceutical Company. Our ESG (Environment, Social, Governance) framework, built on four pillars and 12 focus areas, directs both our strategic and operational endeavours. We have established time-bound sustainability targets that are material to our business. We regularly track and share our progress on these targets through our Annual Sustainability Report.

Environmental Initiatives

Piramal Pharma is committed to resource conservation and environmental preservation. We recognise the importance of safeguarding our planet and take responsibility for its well-being. Through various initiatives focused on managing environmental aspects such as energy, climate, air quality, water, waste, and biodiversity, we ensure sustainability is integrated throughout our operations.

Key Initiatives

Greenhouse Gas (GHG) Emissions Management

During the year, we made significant progress across various micro-projects aimed at managing GHG emissions. A notable achievement includes the completion of the GHG Scope 3 Inventorisation. Leveraging the expertise of third-party collaborators, we meticulously inventorised all Scope 3 emissions across relevant categories. This accomplishment adds to our comprehensive inventories of Scope 1 and Scope 2 emissions, enabling us to devise decarbonisation strategies in line with our commitment to the Science-Based Targets initiative (SBTi). Our commitment entails reducing Scope 1 and Scope 2 emissions by 42% and Scope 3 emissions by 25% by 2030, with FY2022 as the baseline year. We are pleased to report that our GHG reduction action plan and targets have been successfully submitted to SBTi, with the completion of the first-level screening. Currently, our emission reduction targets are under validation with SBTi.

GHG Emissions Reduction and Decarbonisation Plan

To achieve our decarbonisation objectives, we have implemented concrete initiatives to reduce our GHG emissions. This includes installing third-party hybrid systems at our Ahmedabad facilities and implementing third-party solar facilities at our Dahej facility. Furthermore, we are progressing with Group captive solar initiatives at our Mahad, Turbe, and Ennore facilities and are also converting coal fuel boilers to agro-waste fuel boilers at our Digwal facility.

Additionally, we are installing ground-mounted solar panels at our Morpeth site in the UK, and transitioning from fuel oil boilers to propane at our Sellersville site in North America. These efforts are projected to collectively reduce carbon emissions from our baseline emissions.

Solar panel installation at one of our sites

Water Stewardship

Through various micro-projects we aim to reduce water consumption across our sites. Initiatives such as steam recovery improvements, drip irrigation, and the adoption of water-saving technologies have significantly reduced our freshwater consumption, saving 41,610 KL in FY2024. Our API sites in India have deployed Zero Liquid Discharge plants (ZLD) where treated wastewater is recycled back into utilities. During the year, sites collected 13,760 KL of rainwater and used back into processes, saving an equivalent quantity of fresh water.

In FY2025, we aim to further reduce our water consumption by 5% through identified micro-projects.

Reverse Osmosis plant to recycle wastewater

Waste Management

In FY2024, we reached a significant achievement by eliminating all hazardous waste sent to landfills from our operations. We now responsibly manage hazardous waste by directing it to authorised third parties for pre-processing, co-processing, or incineration. We successfully diverted 4,008 MT of hazardous waste from landfills to responsible disposal methods, representing 51% of hazardous waste generated in India. Furthermore, we are focused on recycling non-hazardous waste to maximise segregation and recycling efforts. Our goal for FY2025 is to achieve a 90% recycling rate for our non-hazardous waste.

Food waste composting in process at our Ennore site

Afforestation

Our afforestation initiatives support environmental sustainability, and we are proud to maintain a cumulative 33% green cover at our sites in India. In FY2024, we planted 2,440 saplings, and we intend to continue these tree planting campaigns based on thorough surveys and scientifically informed soil characterisation studies.

Tree plantation drive at our site Turbhe, Mumbai

42%

Target Scope 1 & 2 reduction by FY2030

Zero

Harzardous waste to landfills

41,610 KL

Freshwater saved in FY2024

Social Initiatives

Our People, Our Strength

Our purpose, 'Doing Well and Doing Good', serves as our guiding principle and forms the foundation of our people practices. Our values – Knowledge, Action, Care, and Impact, acts as the building blocks, guiding our employees towards individual and organisational growth. We are committed to upholding the highest standards of safety and quality, considering them essential elements enabling us to serve our patients, consumers, and customers worldwide while making a positive difference to our employees and stakeholders.

6,719

Employees across the globe

Total Employees

Voice of Employees

We believe listening to our employees is one of the most crucial building blocks in creating a positive work environment, improving employee engagement and satisfaction, and ultimately driving organisational success. In alignment with this belief, we conducted our second Prism Employee Engagement Survey in partnership with Kincentric, a global consulting firm specialising in Culture and Engagement, Leadership Assessment, and Development. 84% employees participated in the engagement survey and we received an employee engagement score of 68%, surpassing the industry benchmark by 8% despite the challenging situations.

84%

Employees participated in the Engagement Survey

68%

Employee Engagement Score

The survey highlighted our key strengths which we aim to enhance while identifying areas of development. Our senior leadership team, in collaboration with the HR team, is focusing on co-creating action plans to address areas of improvement. Our objective is to enhance the overall employee experience and reaffirm our commitment to becoming an employer of choice.

Employee Engagement Initiatives

We cultivate a sense of belonging by engaging our employees through virtual and in-person engagement activities, festive celebrations, and employee recognition forums.

This year, we embraced the joy of togetherness with Family Day celebrations across our global sites. Family Day serves as a heartfelt expression of gratitude towards our employees and their families for their exceptional dedication to our Company. It also provides an invaluable opportunity for families to immerse themselves in our culture, gaining a deeper understanding and pride in the significant contributions their loved ones bring to our organisation. The day was filled with delightful activities tailored for employees and their loved ones, including fun contests and interactive games for children. The event was cherished by both our employees and their families.

Our festive celebrations worldwide are a heartwarming blend of the cultural diversity we enjoy as an organisation. Employees come together to celebrate moments of joy, honoring the traditions that bind us while embracing the diversity that enriches us.

Recognising our employees' contributions is key to building a culture of appreciation. Our flagship event, the PPL Chairperson's awards, recognises and celebrates the extraordinary contributions of our team members who set themselves apart through impactful actions, serving as an inspiration for all of us.

Additionally, we conduct quarterly Excellence Awards across sites to commend the exemplary contributions of individuals and teams, helping us fulfil our commitments to patients, consumers and customers worldwide.

Family Day Celebrations at Piramal Pharma

Chairperson's Awards

Employee Wellness Programmes

In FY2024, we introduced Piramal Rx, an employee wellness programme designed to address three key pillars – physical wellness, mental wellness, and financial wellness. Our aim is to build a healthier, positive, and vibrant work environment. Piramal Rx represents our commitment to supporting the well-being of our employees, both personally and professionally. This initiative underscores our dedication to our purpose of 'Doing Well and Doing Good' and reflects one of our core values: Care.

We held virtual sessions for all employees covering topics such as – common conditions affecting women's health and precautions to be taken, technology and screen detox, building a positive attitude, practicing gratitude and journaling, and promoting mental wellbeing in the workplace. Our manufacturing sites promoted wellness activities by organising multiple events at the local level to emphasise the importance of self-care, be it physical, mental or financial.

Social Initiatives

Embracing Diversity and Inclusion

We are committed to building a workplace that embraces diversity and inclusion while creating a sense of belonging and providing accessibility for all. Our efforts in this regards encompassed multiple initiatives in FY2024, enabling us to make significant progress in our journey towards Diversity, Inclusion, Belonging, and Accessibility (DIBA).

The first step in this direction involved the launch of our global DIBA guidelines which defined our commitment, priorities, initiatives, measures, and guidelines across the employee lifecycle. The intent was to enable our employees to perform optimally and build a culture that is intrinsic to our continued success.

Our gender sensitisation workshops targeted unconscious bias in the workplace and solicited commitment from leaders regarding specific actions they would undertake to mitigate bias, both personally and professionally.

Our Efforts Yielded Tangible Results in Key Metrics Related to Gender Diversity

Women in Leadership Role

30%
Women representation on the Board in FY2024

12%
Women in Senior Leadership roles

Women Representation in our Global Workforce

15.3%
in FY2023

17.3%
in FY2024

Women Hires

18.3%
in FY2023

24.0%
in FY2024

Women hires from Campus

72%
Hires are female employees against a set target of 25%

With the objective of enhancing the capabilities of our women colleagues, we launched the EmpowerHer programme. This initiative led this all-women cohort on a journey of self-discovery and application-based learning, aimed at preparing them for future roles in the organisation. Our 'Inspiration at Work' sessions, conducted under the SHETalks banner, provided a blend of inside-out and outside-in perspectives, allowing women colleagues to gain insights from the experiences of successful and resilient women, both within and outside the organisation.

We initiated Women's Circles, a network comprising compassionate women colleagues, providing a safe and empowering space for them to discuss the unique challenges they face and ways to overcome them by learning from each other's experiences.

Received ET Now Best Organisation for Women 2024

Our dedication to nurturing an environment of inclusion and belonging continued during the Pride month. This year, our focus was on raising awareness and engaging employees on how to be allies to the individuals from the LGBTQ+ community. We hosted sessions to provide insights into what it means to be an ally, including how to offer support, and why allyship is essential for building an inclusive workplace. Panel discussions shed light on the unique challenges faced by LGBTQ+ individuals, with speakers sharing their personal experiences, triumphs, and struggles, providing a powerful platform for understanding the issues at hand.

This year marked the inaugural celebration of PWD (Persons with Disabilities) month. Through a small yet impactful gesture, we partnered with an NGO to showcase products made by differently abled individuals. This initiative aimed to support the community by garnering high footfalls and sales during the December gifting season.

Building the Leadership Pipeline

To identify successors for critical roles and assess the talent health and capability needs of the business, we conduct the Talent Review and Succession Planning process for over 400 mid, senior, and top management employees. We also invest in identifying and developing high-potential talent across junior, mid and senior management levels through our Ascend, Ignite and Summit programmes. Participants in the Ascend and Ignite programmes undergo a 9-12 month development journey, which includes business impact projects, executive coaching, and access to world-class learning content.

40
Employees graduated from Ascend & Ignite

>60%
Employees experienced a significant skill-level improvement, resulting in over 10% impact on business outcomes

Induction Programmes

To ensure a uniform onboarding experience for all new employees, we implemented a standardised Day 1 induction programme worldwide.

We also conducted 'Discover Piramal Pharma', a biannual two-day programme tailored for new joiners at mid-senior levels. It provides insights into Piramal Pharma's Purpose, Values and Culture, along with business overview.

We also provide customised programmes, namely Headstart and Launchpad, for our Summer and Management Trainees, respectively. These programmes aim to cultivate a talent pipeline by identifying and attracting top management talent from campuses. They involve offering participants cross-functional and business stints to ensure talent fungibility.

Functional Academies

At PPL, we understand the importance of functional skills development for both individual and organisational success. To achieve this, we operate nine functional academies dedicated to developing capabilities in IT, HR, Finance, Shared Services, Quality, R&D, Operation, Supply Chain and Sales. Each academy consists of learning workshops, e–learning modules, assignments, practice sessions, and an assessment leading to learner certifications. Our in-house subject matter experts (SMEs) design and curate the academy curriculum, with external input as needed.

51,667
Learning hours completed by employees

The Piramal Learning Festival 2023 was a week-long celebration of our learning culture. It included fireside conversations with internal and external leaders focusing on learning priorities, engaging in activities such as Winter Games and Fun Games, and recognising and rewarding top learners and subject matter experts.

Summit represents a bespoke leadership development programme designed specifically for select senior leaders to amplify their strategic and social presence for inspiring diverse stakeholders towards agile decision-making. It endeavours to cultivate an environment conducive to collaboration, innovation, and overarching growth initiatives.

Social Initiatives

HR Automation

The Company continues to advance in its commitment to leverage analytics to enable data backed decision making. By delivering interactive data on dashboards, to providing customised BI reports, we have made data accessibility a standard way of working. Over the last year, we have taken substantial measures, particularly in the following domains:

Candidate Experience

The new hire experience has been streamlined through a revamped recruitment module, facilitating online capture of candidate data, assisting in the overall recruitment and onboarding process, as well as automation of 30-60-90 day feedback collection and recording process.

Standardisation of Data Reporting to Leadership

Efforts have been made towards providing scheduled reports to the leadership team, highlighting the organisation's overall health, with a focus on HR KPIs. Major strategic decisions are supported by reports on headcount, learning, attrition and others, offering YoY insights and detailed comparisons across fiscal years.

Minimising Risks

Employee risks emerging from attrition trends, to sentiments captured through qualitative comments captured in engagement survey are studied using Machine Learning methodologies to proactively capture employee pulse and take necessary preventive or remedial steps.

System Integrations

Given our geographic reach, system integration is a necessary step to ensure consistent data flow across all levels. At the core, HRMS is well integrated with payroll, performance and learning systems to ensure seamless flow of data across systems and processes.

Automation

We are continuously advancing in our journey towards automating HR processes and interventions. API integrations for data flow from HRMS to internal Data Platform, as well as data updates, scheduling, and validation in core systems, have become standard practices. Our aim is to shift gears to a zero manual intervention process architecture, allowing more focus on strategic initiatives.

25
Dashboards revamped

5
Processes automated

100%
Online onboarding process

Occupational Health and Safety

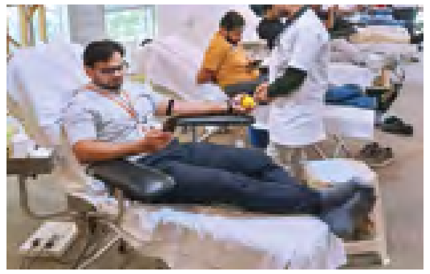
We prioritise the occupational health and safety of our employees, recognising them as key partners in achieving our future goals. Our primary focus is to establish a safe and healthy working environment as their fundamental right. We believe that all injuries and illnesses can be prevented. Our goal is to excel beyond industry standards in ensuring a safe environment for our employees, workers, contractors, and visitors.

We have implemented comprehensive measures to uphold health and safety standards, including an EHS (Environment, Health and Safety) policy, Risk-based Exposure Assessments, Task-based Exposure Assessments, dedicated safety committees, regular EHS audits, 7-step Hazard Analysis and periodic safety training conducted by subject matter experts.

We have also deployed 12 Life Safety Rules (LSR) across all our sites and adherence to these rules is made mandatory for employment. Any deviations from the LSRs are addressed strictly, with Corrective and Preventive Actions (CAPA) implemented to prevent the recurrence of incidents.


Handicraft stalls featuring items creatively made by differently abled children were set up at our manufacturing sites and head office


Launched three digital classrooms in Ashram Schools in Palghar for empowering children with knowledge and digital literacy


Blood donation drives across our facilities

Safety Cultural Transformation Journey: Project Lighthouse

We have initiated a comprehensive cultural safety transformation endeavour across three API sites within India through Project Lighthouse. This journey entails the concerted efforts of multiple cross-functional teams, each dedicated to implementing a spectrum of initiatives aimed at fortifying our safety culture. At the heart of our strategy lie pivotal frameworks such as behavioural interventions, meticulous incident investigations, robust competence building, and stringent adherence to standards. These pillars collectively steer our path towards achieving profound cultural transformation, fostering an environment where safety is not just a priority but an ingrained aspect of our organisational ethos.

0.09
Lost Time Injury Rate (LTIR)

Zero
Fatalities in the last three years

We have deployed MySafe Portal, a digit platform for end-to-end EHS monitoring and reporting. The platform is equipped to report incidents and encourage global communication across facilities. It monitors EHS audits and investigations across 10 defined categories, including learning from incidents and near-misses, CAPA management, and staff health assessments. It enables the dissemination of Company-wide learning from incidents.

Safety Excellence through Employee Engagement

We foster a culture of safety excellence through continuous training and learning opportunities for all our employees, both new and existing. Every year, we invest approximately 20 hours per employee in safety training initiatives. This initiative not only demonstrates our dedication to their well-being but also empowers them to prioritise safety in their daily activities, contributing to our shared goal of safety excellence.

Community Development

Several initiatives are underway to improve the quality of life in the communities where we operate. Through impactful solutions, thought leadership, and collaborations, we create a positive difference. Piramal Foundation, the humanitarian arm of the Piramal Group, oversees our corporate social responsibility efforts.

To drive a deeper collaboration between Piramal Foundation and PPL, we undertook an immersion exercise where 35 of our senior most leaders in India went to 12 aspirational districts for field immersion. This helped them understand the change Foundation is driving at the grassroot level and witness how the organisation is living its purpose of 'Doing Good'. Similarly, our sites and corporate offices also hosted 25 leaders from the Foundation to help them understand our ways of working in the areas of sustainability, operational excellence, people practices, and marketing and supply chain processes. Through this intense initiative, our leaders have invested about 600 hours and identified areas of collaboration between Foundation and PPL which will be actioned by various teams in the next financial year.

Aspirational Bharat Collaborative Programme

This programme is a synergistic partnership between NITI Aayog and Piramal Foundation. It empowers district administrations to address complex demographic, geographic, and socio-economic issues in India's most backward districts. By facilitating partnerships among government bodies, NGOs, youth organisations, faith leaders, panchayats, self-help groups, and communities, the programme aims to drive transformation in the areas of health, education, water, and social welfare ecosystems.

Employees Driving Change

Our employees engage in community development activities, and volunteer for various initiatives such as youth empowerment, education, health and nutrition, senior care, and environment conservation. Through a dedicated portal, employee volunteers, partner NGOs, and end-users connect and identify opportunities to contribute to social good.


On field safety training


The Bottomless Toy Chest- Donated gifts for kids with cancer at our Riverview facility (U.S.)


Employees and their families participated in the Lung Force Walk at Detroit Zoo (U.S.) to raise funds and support lung cancer patients

Governance

Leading Ethical Excellence

Piramal Pharma's long-standing legacy of fair, transparent and ethical governance is well aligned with our robust corporate structure that includes an experienced Board and statutory committee members, strong set of policies and code of conduct, a robust risk management framework and a track record of quality and compliance.

This structure helps us promote a culture of integrity, accountability, professionalism, transparency and customer centricity to achieve our long-term goals. It goes beyond ensuring adherence to regulations, and processes, shaping our operations and empowering us to become a reliable and responsible partner for our customers, suppliers and employees.

Experienced and Diversified Board

Our esteemed Board of Directors responsibly defines our vision, policies and strategic goals while monitoring our performance. Our current nine-member Board comprises three Executive Directors, one Non-Executive Non-Independent Director and five Non-Executive Independent Directors.

Furthermore, our Board is led by a woman Chairperson and includes one women Independent Director, which is higher than the statutory requirement.

50%
Independent Directors in FY2024

30%
Women representation on the Board in FY2024

Our team of Directors brings expertise from various fields including general management, entrepreneurship, business leadership including strategy/M&A, pharmaceuticals to public health, technology, science, innovation, marketing and commercials, finance, economics, taxation, legal, risk and governance and human resources. Leveraging this breadth of experience, the Board offers oversight for all management decisions, ensuring the implementation of business plans, establishment of internal controls, and setting audit procedures for effective risk management, ultimately delivering optimal value to stakeholders.

Detailed profiles of our Board of Directors are available on **Pages 14 to 17**

Strong Set of Policies and Code of Conduct

We are committed to honouring fundamental human rights while adhering to the highest standards of ethical conduct. We have ascertained that our workplace is free from discrimination or harassment regardless of race, sex, colour, origin, ethnicity, religion, age, disability, sexual orientation, gender identity or expression, political opinion, or any other status protected by applicable law. Additionally, we have a zero-tolerance approach to bribery and corruption.

Successfully transforming our commitments into actions, we developed and deployed detailed policies and procedures on anti-corruption, anti-bribery, human rights, data protection and customer privacy norms. These policies guide our employees to handle conflicts of interest, and ethical issues, provide a mechanism to report potential conflicts or unethical conduct and help create a culture of honesty and accountability.

We also offer an anonymous reporting hotline called SpeakUp, through which individuals privy of misconduct can report it to the Company. Furthermore, grievances concerning human rights can also be reported at humanrights.ppl@piramal.com.

A detailed set of policies and code of conduct are available on our website under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

Statutory Committees

PPL has established several Board-level committees, including Audit, CSR, Stakeholders Relationship, Sustainability & Risk Management and Nomination & Remuneration Committees to ensure the effective functioning of the Board. These committees are tasked with making informed decisions within the authority delegated to them. Each committee member has a defined scope and terms of reference in accordance with regulatory requirements. Decisions and recommendations of these committees are placed before the Board for information and/or approval.

Details on Statutory Committees are available on our website under the 'Board Committee' tab at https://www.piramalpharma.com/corporate-governance.

Robust Enterprise Risk Management System

We have a comprehensive risk management system comprising policies, processes and a governance framework to effectively identify, assess, mitigate and manage risks faced by our Company and its subsidiaries. Our three-tier risk governance structure has the Board of Directors at the top, followed by the Sustainability and Risk Management Committee and the Chief Risk Officer, ensuring effective oversight of the risk management process. Our Risk Management Programme is reviewed periodically by the Board of Directors to ensure adequate policies and procedures are in place to implement strategy and manage risks.

Read more about our Enterprise Risk Management System on **Pages 74 to 77**

Strong Focus on Quality and Compliance

We take pride in our best-in-class track record for quality and compliance. With quality at the core of our operations, we are committed to delivering superior products to our patients, customers and consumers. Our robust and independent Quality & Compliance Framework ensures strict adherence to the highest quality standards across our facilities and outsourcing partners. Utilising proprietary tools powered by cutting-edge technology, we evaluate raw data from various sites to drive group action for high-quality production. Our regulatory service and pharmacovigilance teams are experienced and highly competent in filing regulatory applications, receiving approvals and monitoring post-marketing safety.

Read more about our Quality Management System on **Pages 66 to 69**

Management Discussion and Analysis

In this Section

Macroeconomic Overview

Global Growth Outlook

Over the last three years, we witnessed events that had an impact on the macro economic environment. These include supply chain disruptions in the aftermath of the pandemic, the Russia-Ukraine conflict that triggered a global energy and food crisis, and a considerable surge in inflation, followed by the geo political situation in West Asia and a globally synchronised monetary policy tightening. Global growth bottomed out at the end of 2022, at 2.3%, as median headline inflation peaked at 9.4%. However, 2023 has also been a year of resilience. Global economic activity grew steadily, defying warnings of stagflation and global recession. Despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not come to a sudden stop. Global inflation also descended from its mid-2022 peak, helped by favourable supply developments, decisive monetary policy actions and a decline in energy prices.

2023 - A resilient year

Global economic activity grew steadily, defying warnings of stagflation and global recession

As per the World Economic Outlook Report, global growth, estimated at 3.2% in 2023, is projected to continue at the same pace in 2024 and 2025. While there is an uptick in growth from the lows of 2022, the current economic expansion rate remains comparatively low considering historical standards of 3.8% from 2000-2019. This can be attributed to both near-term factors such as still-high borrowing costs and withdrawal of fiscal support, and longer-term factors such as the pandemic and the geopolitical conflict; weak productivity growth; and increasing geoeconomic fragmentation. Advanced economies are expected to see a slight rise in growth, with the increase mainly reflecting a recovery in the Euro area from low growth in 2023. In contrast, emerging markets and developing economies are projected to maintain stable growth throughout 2024 and 2025, with regional differences. Low-income developing countries are expected to experience gradually increasing growth, from 4.0% in 2023 to 4.7% in 2024 and 5.2% in 2025.

Overview of the World Economic Outlook Projections

(Percent change, unless noted otherwise)

		Projections	
	2023	**2024**	**2025**
World Output	**3.2**	**3.2**	**3.2**
Advanced Economies	**1.6**	**1.7**	**1.8**
United States	2.5	2.7	1.9
Euro Area	0.4	0.8	1.5
Germany	(0.3)	0.2	1.3
France	0.9	0.7	1.4
Italy	0.9	0.7	0.7
Spain	2.5	1.9	2.1
Japan	1.9	0.9	1.0
United Kingdom	0.1	0.5	1.5
Canada	1.1	1.2	2.3
Other Advanced Economies	1.8	2.0	2.4
Emerging Market and Developing Economies	**4.3**	**4.2**	**4.2**
Emerging and Developing Asia	5.6	5.2	4.9
China	5.2	4.6	4.1
India	7.8	6.8	6.5
Emerging and Developing Europe	3.2	3.1	2.8
Russia	3.6	3.2	1.8
Latin America and the Caribbean	2.3	2.0	2.5
Brazil	2.9	2.2	2.1
Mexico	3.2	2.4	1.4
Middle East and Central Asia	2.0	2.8	4.2
Saudi Arabia	(0.8)	2.6	6.0
Sub-Saharan Africa	3.4	3.8	4.0
Nigeria	2.9	3.3	3.0
South Africa	0.6	0.9	1.2

(Source: World Economic Outlook, April 2024)

Management Discussion and Analysis

Global Inflation and Monetary Policy Projections

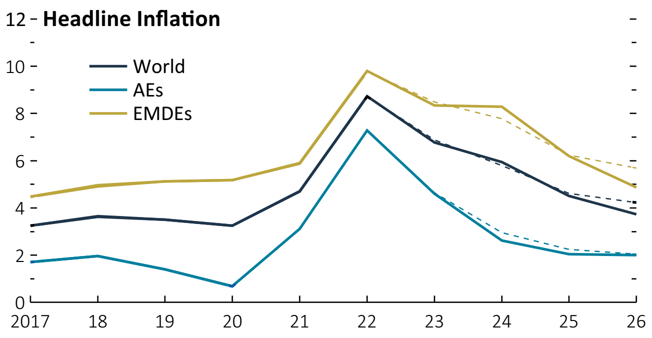
Global headline inflation is expected to decline from the annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Advanced economies are anticipated to reach their inflation targets earlier than emerging markets and developing economies. In 2024, the prices of fuel commodities are projected to drop by 9.7% on average, with oil prices falling approximately 2.5%, which reflects abundant spare capacity and strong non-OPEC supplies. Coal and natural gas prices are expected to continue declining from their earlier peaks, by 25.1% for coal and 32.6% for natural gas in 2024. Non-fuel commodity prices are generally expected to remain stable in 2024. However, prices for base metals might decline by 1.8% due to weaker industrial activity in Europe and China. Food commodity prices are predicted to drop by 2.2% in 2024, mainly due to the expectation of ample global supplies of wheat and maize.

With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are expected to start declining in the H2 FY2024. Among major central banks, by the Q4 FY2024, the Federal Reserve's policy rate is expected to have declined from about 5.4% to 4.6%, the Bank of England to have reduced its policy rate from about 5.3% to 4.8%, and the European Central Bank to have reduced its short-term rate from about 4.0% to 3.3%.

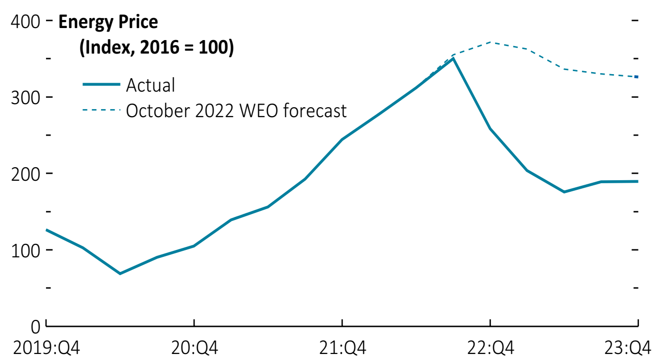
(Source: World Economic Outlook, April 2024)

Inflation Outlook: Falling*

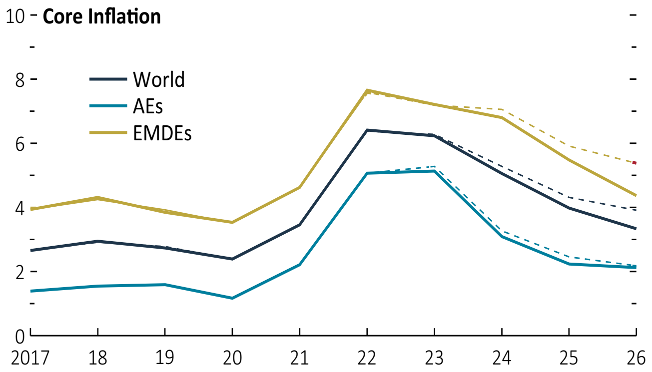
(Percent; solid = April 2024 WEO, dashes = October 2023 WEO)



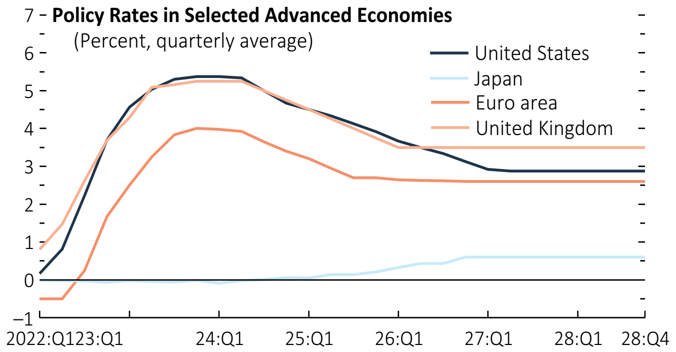
Global Energy Price and Oil Supply*



Inflation Outlook: Falling*



Monetary and Fiscal Policy Projections*



**(Source: World Economic Outlook, April 2024)*

Risk to Global Economic Outlook

The global economic outlook faces potential downside risks such as price spikes due to geopolitical issues, inadequate policy rate adjustments by central banks, slower recovery in China, and geopolitical disturbances leading to geoeconomic fragmentation, which may cause trade limitations, cross-border movements of capital, technology, and workers, and hinder international cooperation. However, the key positive surprises could be short-term fiscal boosts in the context of elections in many countries and faster monetary policy easing driven by supply-side improvements.

Company Performance

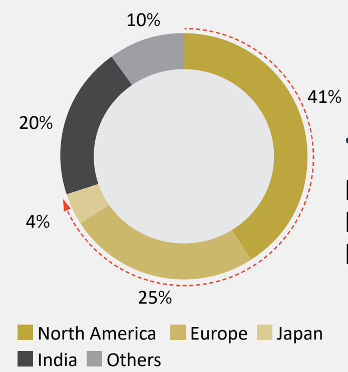
Piramal Pharma Limited is a global pharmaceutical company providing end-to-end pharma solutions to its customers and a portfolio of differentiated pharma and consumer products through a globally integrated network of facilities.

We have a worldwide presence with (i) 17 development and manufacturing facilities across India, UK/Europe and North America; (ii) commercial presence in over 100 countries; (iii) 6,719 full-time employees across the world, with 5,076 in India and 1,643 outside India; and (iv) 21 subsidiaries, with 19 incorporated outside India in locations including South Africa, Italy, Europe, Canada, Australia and the U.S.

PPL operates under three business verticals – (i) Piramal Pharma Solutions (PPS), an integrated Contract Development and Manufacturing Organisation (CDMO); (ii) Piramal Critical Care (PCC), a Complex Hospital Generics (CHG) business; and (iii) India Consumer Healthcare (ICH) business, selling Over-the-Counter (OTC) products. In addition, we have a joint venture with AbbVi, AbbVie Therapeutics India Private Limited one of the market leaders in ophthalmology in the Indian formulations market. We hold 49% of the paid-up equity share capital in the joint venture. Further, we have a strategic minority investment of 33.33% in Yapan Bio which operates in the biologics / bio-therapeutics and vaccine segments.

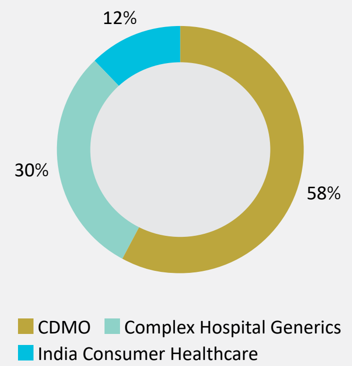
Diversified Revenue Base

Revenue by Geography



70% Revenues from Regulated Markets

Revenue by Business Verticals



Global Footprint

17
Manufacturing and development sites across India, UK/Europe and North America

100+
Countries with commercial presence

~500
CDMO customers

6,000+
CHG customers (Hospitals)

CDMO Business

₹4,750 Crores

FY2024

₹4,001 Crores

FY2023

19% YoY

Revenue performance

50%

of revenues from **Innovation** - related work (vs. 35% in FY2019, CAGR 20%)

44%

of revenues from **Differentiated Offerings** (vs. 27% in FY2021, CAGR 22%)

Industry Overview

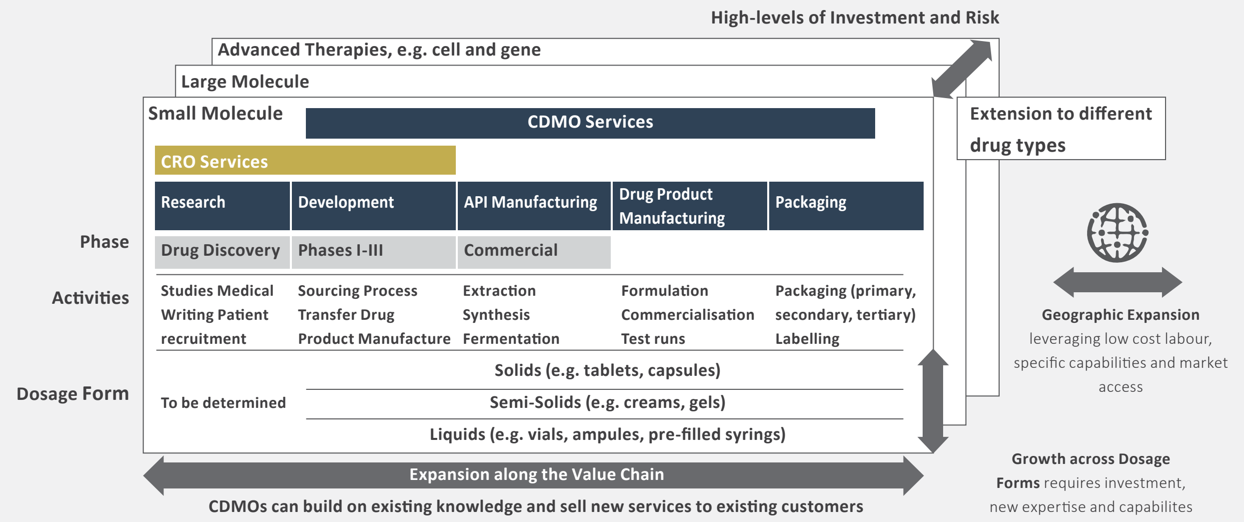
The Contract Development and Manufacturing Organisation (CDMO) plays a crucial role in the pharmaceutical industry by providing comprehensive services throughout the drug development and manufacturing process. This business model allows pharmaceutical companies to smoothly transition their products from laboratories to clinics. The primary advantage of partnering with a CDMO lies in its provision of specialised expertise across various stages of drug development, including formulation, process development, and analytical testing. This integrated service contributes to the efficiency and effectiveness of the pharmaceutical sector, ensuring that the new products reach the market in a timely and responsible manner.

In addition to development expertise, CDMOs also offer substantial scale-up and commercial manufacturing capabilities. This allows pharmaceutical companies to concentrate on their core areas such as drug discovery and marketing strategies, while the CDMO handles the technical and regulatory aspects of product development and manufacturing. This collaboration enhances flexibility and cost-effectiveness, eliminating the need for pharmaceutical companies to invest heavily in their manufacturing facilities and equipment. The CDMO model also significantly contributes to innovation within the pharmaceutical industry, enabling access to advanced technologies and processes. This not only improves the efficiency and quality of drug production but also ensures compliance with evolving regulatory standards.

As per an industry report, the global pharmaceutical CDMO market size was estimated at US$ 140 Billion in 2023 and is projected to grow at a CAGR of 7% between 2024 to 2030 to cross US$ 200 Billion. This growth would be primarily driven by rising investments in pharmaceutical R&D, demand for generic drugs, the prevalence of chronic and age-related disorders, restructuring of supply chain in response to Covid -19 and geopolitical risk, and the rising need for advanced therapeutics. Moreover, as companies explore new frontiers in areas such as cell and gene therapy, biosimilars, biologics, personalised medicine, and orphan drugs, a boost in demand for pharmaceutical CDMOs is anticipated. Buoyed by these long-term growth drivers, CDMOs are significantly investing to expand their development capabilities and manufacturing capacities.

However, the CDMO market also faces challenges, including inherent high failure rates during discovery and development stages, a non-conducive funding environment for emerging biotech companies leading to a slowdown in order inflows, evolving regulatory compliance, and the constant need for investment in technology and capacity. Additionally, the industry must adapt to the consequences of global events, such as the COVID-19 pandemic and geopolitical tensions like the Russia-Ukraine conflict, which alter market dynamics and consumer behaviour.

Main Growth Path for CDMOs



CDMO Business

Piramal Pharma Solutions

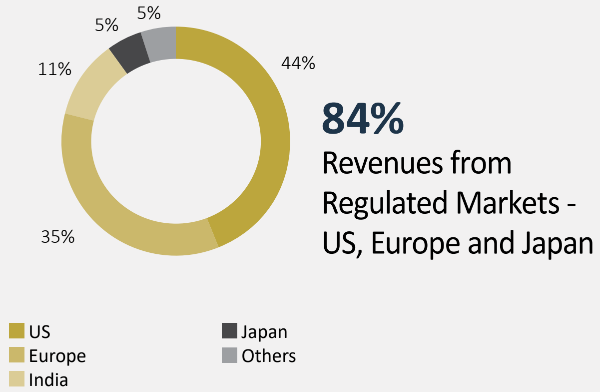
Piramal Pharma Solutions is an integrated CDMO, offering end-to-end services throughout the drug development and commercialisation process. PPS caters to both drug substances – Active Pharmaceutical Ingredients (APIs), and drug products (formulations). Our integrated network of facilities across India, UK/Europe and North America provides development and manufacturing capabilities in differentiated areas such as high-potency APIs, Antibody-Drug Conjugates (ADCs), peptides, sterile injectables and hormonal products. Our associate, Yapan Bio also has capabilities in the biologics / biotherapeutics and vaccine segments. We have a diverse customer base of over 500 customers comprising of global innovator pharma companies, emerging biopharma companies and generic pharma companies. 84% of our revenues comes from regulated markets such as U.S., Europe and Japan.

Over the years, we have had a successful track record of acquiring multiple capabilities and expanding development and manufacturing capacities through customer-led brownfield expansions. By utilising our end-to-end service capabilities and globally diversified development and manufacturing facilities, we provide integrated services (involving multiple sites) to our customers, offering them compelling value propositions such as reduced time-to-market, simplified operational complexity, and reduced supply chain costs. We have executed over 125 integrated projects since our incorporation in 2020. We have a robust development pipeline of over 150 molecules across clinical phases.

Revenue in the Last Three Years (In ₹ Crores)

*Like-to-like revenue eliminating the impact of inter-company transactions between PEL and PPL

Revenue by Geography



In-Vitro Facility, Ahmedabad

In addition to CDMO services, we also have a generic API division that offers over 30 off-patented APIs for global markets. Additionally, we also manufacture and supply vitamins and minerals ingredients, as well as premixes for human and animal nutrition. These products are sold to pharmaceutical, nutraceutical, food and beverage, personal care, animal feed industries and government organisations.

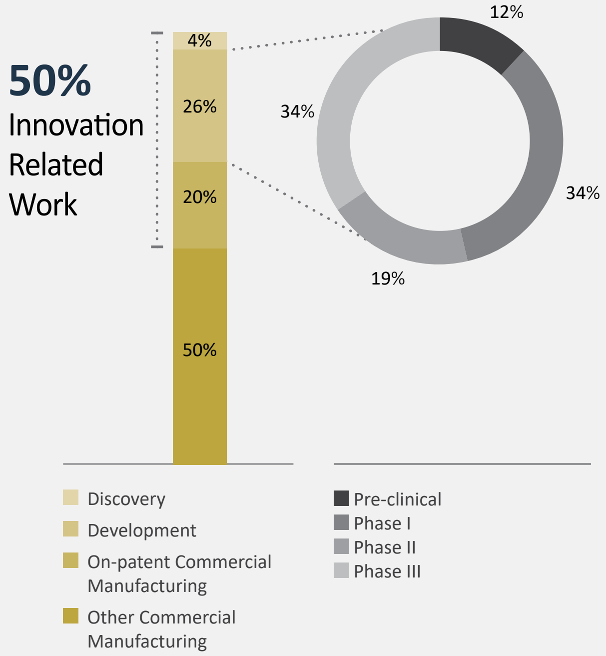
FY2024 – A Turnaround Year Led by Healthy Order Inflows and Strong Execution

FY2022 and FY2023 were challenging years for our CDMO business, due to COVID-19-induced supply chain disruptions, execution challenges, a slowdown in biotech funding leading to delayed customer decision-making, and a substantial rise in raw material and energy prices. However, we staged a strong recovery in FY2024 with a YoY revenue growth of 19% amidst a tough macro environment. This robust performance was led by healthy inflow of new orders, especially for commercial manufacturing of on-patent molecules. As a result, our CDMO revenue from commercial manufacturing of on-patent molecules more than doubled to US$ 116 Million during the year compared to US$ 52 Million in FY2023. During the year, we also witnessed an increase in innovation related work, which now accounts for 50% of our CDMO revenue compared to 35% in FY2019 and 45% in FY2023. Over the past five years, our innovation related work has grown at about 20% CAGR – much higher than growth in our overall CDMO business.

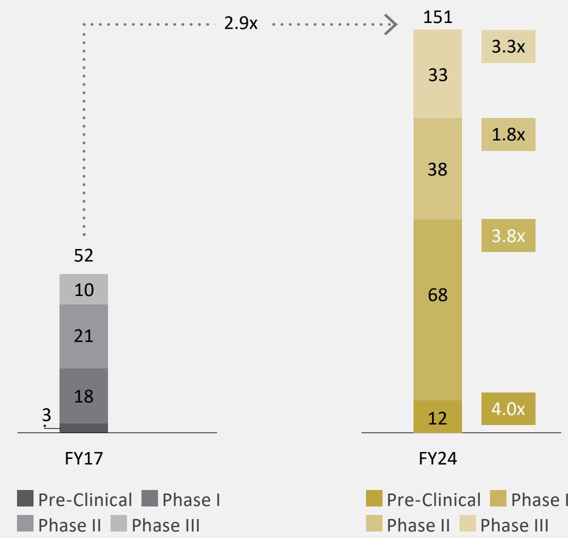
50%
Share of CDMO revenues from Innovation-related work in FY2024

US$ 116 Mn
Revenues from commercial manufacturing of on-patent molecules in FY2024 vs. US$ 52 Mn in FY2023

Revenue by Services



Deep Development Pipeline



CDMO Business

Significant Investments in Differentiated Offerings

Over the last two years, we have invested over US$ 150 Million towards new capacity addition, debottlenecking and technology upgradation, especially in the areas of differentiated offerings such as High Potency APIs, ADC, peptides, and in-vitro services. In FY2023, we went live with our capacity expansion at the Riverview facility in the US (for high potency APIs) and peptide facility at Turbhe, India. A new in-vitro laboratory was also inaugurated at our Ahmedabad PDS facility. In FY2024, we went live with capacity expansion at our Grangemouth facility in the UK to strengthen our presence in the ADC segment.

As a result, the revenue contribution from these differentiated offerings to our CDMO revenue increased from 27% in FY2021 to 44% in FY2024, growing at about 22% CAGR in the last three years. These differentiated offerings have relatively high technical complexity and thus have less competitive intensity.

Differentiated Offerings

- High Potent API (HPAPI)
- Antibody Drug Conjugates (ADC)
- Peptides
- On-patent API development and manufacturing
- Potent sterile injectables
- Hormonals

Increasing Contribution from Differentiated Offerings

Leveraging our Integrated Service Offerings

Our integrated service offerings through end-to-end services and geographically diversified manufacturing and development facilities continued to see good traction, with over 40% of the service orders received during the year being integrated projects. During the year, we also received our first integrated anti-body drug conjugate order involving monoclonal antibodies. This order involves three sites – Yapan (for monoclonal antibodies), Grangemouth (for conjugation) and Lexington (for fill finish). Integrated services benefits our customers by reducing their operational complexity, lowering their supply chain cost and reducing their time-to-market.

125+
Integrated projects executed in last five years

Over 40%
of new service orders in FY2024 were for integrated projects

Improved Profitability

The pick-up in our CDMO revenues also led to significant improvement in the profitability of the business supported by operating leverage, cost optimisation initiatives, favourable revenue mix, and normalisation of raw material cost and energy prices. We deployed several operational excellence and strategic procurement initiatives to improve the process efficiencies and yields at our facilities. We expect these initiatives to continue and further improve our EBITDA margins going forward.

Maintained our Best-in-class Quality Track Record

In terms of quality and compliance, FY2024 was yet another successful year for our Company, as we cleared 36 regulatory inspections and over 170 customer audits. Over the last 18 months, five of our CDMO facilities at Digwal (India), Pithampur (India), Riverview (U.S.), Lexington (U.S.) and Sellersville (U.S.), which contributed about half of our CDMO revenues in FY2024, successfully completed USFDA inspections with zero observation or an Establishment Inspection Report (EIR). We have successfully maintained our track record of zero OAI (Official Action Indicated) from the USFDA since 2011, thereby highlighting our commitment towards quality and compliance.

36
Regulatory inspections cleared in FY2024

Zero
OAI from USFDA since 2011

Grangemouth Facility, UK

Complex Hospital Generics Business

₹2,449 Crores

FY2024

₹2,286 Crores

FY2023

7% YoY

Revenue performance

Rank #1*

In the U.S. market for Sevoflurane with a value market share of over 40%

Rank #1*

In the U.S. Baclofen pre-filled syringe and vial market with a value market share of over 70%

* Source: IQVIA Data

Industry Overview

As per the USFDA, complex generics are products that have complex active ingredients, formulations, dosage forms, or routes of administration or are complex drug-device combination products. These drugs often present significant development challenges, and hence require a deep understanding and development process. This has been a key entry barrier for players entering the complex generic space. Moreover, many complex generic products demand substantial initial capital investments, dedicated manufacturing facilities, stringent quality assurance systems, and adherence to extensive regulatory norms. Consequently, competition in this sector remains relatively limited.

As per a Crisil Report, the global complex generics market was valued at US$ 65-70 Billion in 2022, growing at 11.7% CAGR from 2016 to 2022. Further, it expects this market to grow at a CAGR of 10-12% during 2022-26 to reach US$ 100-110 Billion by 2026 driven by rising R&D trends, increase in novel drug delivery systems, and growing demand for the development of complex molecules used in novel formulations targeting niche therapeutic areas. In the global complex generics market, hospital generic products dominate with a share of around 70-80%, while retail products comprise the remaining portion. Key therapy areas within the complex hospital generic market include Anesthesia, Pain Management, Blood-related, and Anti-Infective segments.

Inhalation Anesthesia

Inhalation Anesthetics like Sevoflurane, Isoflurane, and Desflurane, are the most-used drugs for induction and maintenance of general anesthesia in the operating room. These anesthetic drugs are liquid at room temperature and require the use of vaporisers for inhalational administration.

As per IQVIA data, the cumulative global market size of Sevoflurane, Isoflurane, and Desflurane, was about US$ 1.04 Billion, with the U.S. and China being the two largest markets for these three products holding about 50% of the global market share. The presence of a large number of registered hospitals in the U.S. conducting a significant volume of surgeries contributes to the high demand for anesthetic drugs in the country.

The market growth for inhalation anesthesia mainly stems from the increasing number of surgical procedures and the preference for inhalation anesthesia over intravenous anesthesia, as the former offers better control. Due to high-entry barriers such as dedicated production facilities for raw materials and finished dosage products, high initial investments for supplying medical devices such as vaporisers, and investments on field force that has relationship with hospitals and GPOs, competition is limited in this market as compared to traditional generics. Abbvie, Baxter, Hengrui, Piramal Pharma and Lunan are amongst the few companies that have launched generic versions of the inhalation anesthesia drugs.

Sevoflurane, with over 80%, holds the highest share in the inhalation anesthesia market described above. It is potent, rapidly acting, and has faster emergence and recovery as compared to the other drugs, making it the preferred choice of surgeons during surgical procedures for induction and maintenance of anesthesia.

US$ 1 Bn

Cumulative global market size of Sevoflurane, Isoflurane, and Desflurane

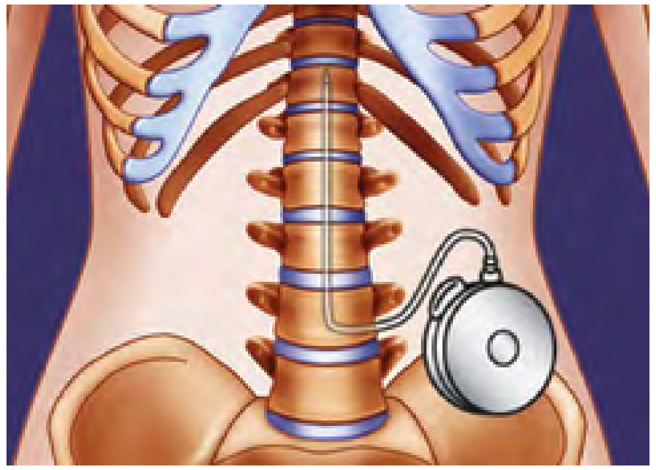
>80%

Sevoflurane holds the highest share in the inhalation anesthesia market

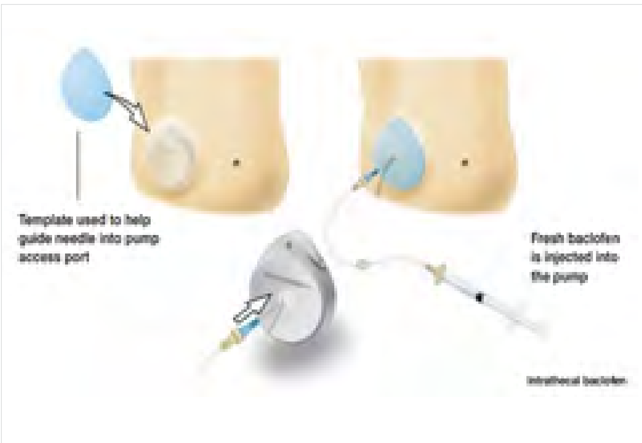
Complex Hospital Generics Business

Intrathecal Therapy

Intrathecal therapy as an area has gained prominence in recent years, especially in providing treatment options to patients suffering from spasticity (involuntary muscle contractions that cause stiffness) and dystonia (muscle contractions that can result in twisted or abnormal postures). An intrathecal pump is surgically implanted in the abdomen of these patients. The pump holds a certain dosage of medicine (Baclofen or Morphine Sulphate) and continuously dispenses it into the fluid-filled space between the thin layers of tissue that cover the brain and spinal cord. The primary benefit of this pump lies in its ability to deliver the dosage directly to the spinal cord, which is the target site for the medications' effectiveness. The pump needs to be refilled at regular intervals by a trained provider. As per IQVIA data, the U.S. market of Baclofen's pre-filled syringe and vial is over US$ 33 Million with less than five competitors.



Programmable pump is surgically implanted



Intrathecal Baclofen is injected into the pump

Piramal Critical Care

Piramal Critical Care's complex hospital product portfolio comprises over 35 hospital-focused products in the areas of inhalation anesthesia, injectable anesthesia and pain management, intrathecal therapy, and other generic and specialty products. These products are sold in over 100 countries, reaching more than 6,000 hospitals, surgical centres, and veterinary clinics. We maintain a direct sales presence in the U.S., the UK, Germany, France, and Italy, and other geographies through distribution partners.

We are vertically integrated in inhalation anesthesia with our Dahej (India) facility manufacturing the key starting materials, and Digwal (India) facility and Bethlehem (U.S.) facility manufacturing APIs and drug products.

We Hold Leading Positions* in Some Products / Segments

- Piramal Pharma is the fourth largest inhalation anesthesia company globally as per US$ value for a combined market of Sevoflurane, Desflurane, and Isoflurane
- We are the No. 1 player in Sevoflurane in the U.S. market with a value market share of about 43%
- We are Rank #1 in the U.S. Baclofen pre-filled syringe and vial market with our brand Gablofen holding more than 70% value market share
- Our brand Fentanyl (ampoules) is the No. 1 rank brand by US$ value in Japan, France, South Africa and Indonesia markets

* Source: IQVIA Data

CHG Revenue in the Last Three Years (In ₹ Crores)

FY24	2,449
FY23	2,286
FY22	2,002

Revenue by Product Segment

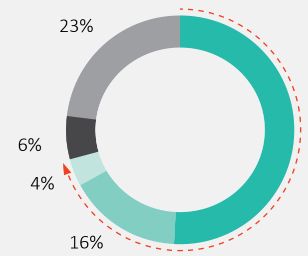
67% Inhalation Anesthesia

15% Intrathecal Therapy

10% Injectable Anesthesia and Pain Management

8% Other Generic and Specialty Products

Revenue by Geography



72% Revenues from Regulated Markets

US
Europe
Japan
India
Others

CHG Products

1. Inhalation Anesthesia
2. Intrathecal Therapy
3. Injectable Anesthesia and Pain Management
4. Other Generic and Specialty Products

Complex Hospital Generics Business

Expanding Inhalation Anesthesia Capacities to Meet High Global Demand

Inhalation Anesthesia Facility (Bethlehem, USA)

In-house manufacturing of **Sevoflurane and Desflurane**

Inhalation Anesthesia Facility (Digwal, India)

In-house manufacturing of **Isoflurane**

Specialty Fluorochemicals Facility (Dahej, India)

Vertically integrated in-house manufacturing for KSM

Vertically integrated for Inhalation Anesthesia with Bethlehem and Digwal making finished products and Dahej supplying key starting materials

Successfully completed the USFDA inspection at our Bethlehem facility (U.S.) in FY2024

FY2024 Performance - Steady Volume Led Growth in Inhalation Anesthesia

In FY2024, we witnessed a steady volume growth for our inhalation anesthesia products in the U.S. market which was partially offset by lower market prices due to increased competition. We continued to maintain our leading position in Sevoflurane in the U.S. with a market share of about 43% compared to 30% three years back. We also saw increasing traction for our inhalation anesthesia products in the non-U.S. markets, such as the UK, France, India, Vietnam and Thailand. Given the healthy demand for our inhalation anesthesia products, all three inhalation anesthesia facilities in India and the U.S. are operating at peak capacities with a focus on operational efficiencies.

We are also progressing well on our capacity expansion plans to set up manufacturing lines for Sevoflurane in our Digwal plant in India to cater to emerging markets. Simultaneously, we are enhancing our KSM (Key Starting Material) manufacturing capabilities at Dahej, aiming for a higher level of vertical integration. During the year, we also successfully completed the USFDA inspection at our Bethlehem facility in the U.S., highlighting our ongoing commitment to maintaining quality and adhering to regulatory standards.

During the year, the growth in our intrathecal and injectable pain management segments was impacted by supply constraints at our third-party suppliers. We are taking several measures to mitigate this challenge and have seen some improvement in the supplies. Despite the supply side challenge, our intrathecal brand, Gablofen, continued to be the #1 ranking Baclofen pre-filled syringe and vial brand in the U.S. market. Also, our injectable pain management brand, Fentanyl, is the leading brand in Japan, South Africa, and Indonesia in its representative market.

Expansion at Digwal Facility

In the other generic and specialty product segment, we launched four new products in the U.S. and European markets during the year. We are also building a pipeline of 24 injectable products, which are progressing in different stages of development. The current addressable market size of these products is about US$ 2 Billion.

Building Pipeline of New Products which are at Various Stages of Development

5	13	6	24
Approved, yet to be launched	Filed, yet to be approved	Development, yet to be filed	Total SKUs in pipeline

Number of SKUs

~US$ 2 Bn*

Addressable Market Size of Pipeline

*As per IQVIA data

During the year, we strengthened our CHG management team by appointing Jeffrey Hampton as President and Chief Operating Officer for the CHG business. Jeffrey is responsible for driving CHG's global business by leading strategy and developing growth plans, positioning the organisation to capture market share in the industry, and building and sustaining relationships with Group Purchasing Organisations (GPOs), customers, channel partners, product developers and manufacturers. His career spans over three decades and his expertise lies across global sales and marketing, commercial operations, and distribution strategies. He has also held key positions at Apotex, Osmotica, Dabur and IVAX/Teva Pharmaceuticals.

India Consumer Healthcare Business

₹985 Crores
FY2024

₹874 Crores
FY2023

13% YoY
Revenue performance

30+ Brands
Across diverse Consumer Healthcare categories

29% CAGR
Growth in power brands in last three years

Industry Overview

The Indian consumer sector is one of the fastest-growing sectors in the country driven by demographic factors like the aspiring middle class with rising disposable income, young professionals, economic growth of rural consumers, increasing awareness due to digital and social media, and enhanced focus on health and well-being. The usage of Over-the-Counter (OTC) products has also grown steadily in the last few years. As per the definition of the USFDA, OTC medicines are drugs that are legally allowed to be sold without a prescription. They can be purchased by consumers from any pharmacies, retail stores, supermarkets, and online pharmacies without a prescription from a registered medical practitioner. The OTC market also caters to consumer care segments such as skincare, hygiene, self-care and preventive care.

As per the Crisil Report, India's OTC drug market stood at ₹31,000 Crores in FY2022, having grown at a rate of 7.9% CAGR between FY2017-22. It is expected to further grow at 11.5-12% CAGR between FY2022-27 and reach around ₹54,000 Crores by FY2027, due to easy availability, increased affordability, and awareness.

Some of the common ailments which witness high usage of OTC products include acidity, indigestion, constipation, diarrhoea / dehydration, cold and cough, analgesics, rashes / ringworm, acne, feminine / intimate hygiene, cuts / burns / wounds, skin care, vitamins / minerals / supplements, eye strain, sleeplessness and smoking cessation.

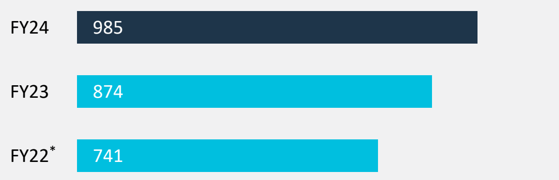
India Consumer Healthcare Business

Our India Consumer Healthcare business is one of the emerging self-care companies in India offering well-known products in the consumer healthcare segment. We have a diverse portfolio of over 30 consumer healthcare brands across categories of analgesics, skincare, VMS, kids' wellness, digestives, women's health, and hygiene and protection categories, with well-known brands such as Little's, Lacto Calamine, i-range, Polycrol, and Tetmosol. We also have a manufacturing and distribution agreement with Bayer Pharmaceuticals Private Limited (Bayer®) for their brands such as Saridon, Supradyn, Becozym and Benadon, among others.

Our extensive distribution network collaborates with numerous distributors who supply our products to chemists, grocers, modern trade outlets, and stores nationwide. Our products are sold on more than 20 e-commerce platforms, including our direct-to-consumer (D2C) platform, Wellify.in.

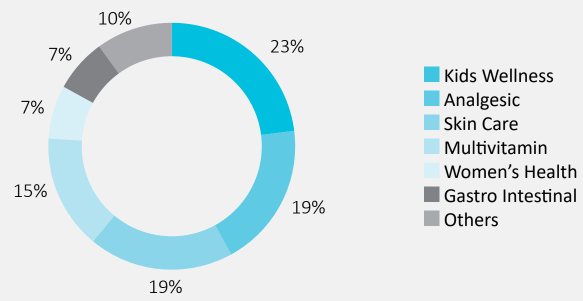
ICH business operates on an asset-light model with products such as baby diapers, baby wipes, medicated soap, lacto lotions, antacid liquids and other products manufactured by third parties. We focus on brand promotions and marketing through social media platforms and celebrity endorsements to build strong consumer brands that resonate well with the target audience.

ICH Revenue in the Last Three Years (in ₹ Crores)



*Like-to-like revenue eliminating the impact of inter-company transactions between PEL and PPL

ICH Revenue by Segments



India Consumer Healthcare Business

FY2024 Performance - Achieving Growth through Power Brands and New Launches

During the year, our ICH business delivered a steady growth of 13% YoY, primarily driven by healthy growth in our power brands and new product launches. Our power brands grew by about 13% YoY during the year, driven by continuous efforts towards brand building through trade and media promotions. Promotional spending during the year stood at 13% of the ICH revenues compared to 15% in FY2023. Our power brands, Little's, Lacto Calamine, and Polycrol, registered good growth during the year, while Tetmosol was impacted due to unseasonal rains and erratic weather patterns in the summer season. Our adult hygiene brand, CIR, also saw an encouraging response in the first year of its national launch.

Focus on Power Brands with Continuous Investments in Brand Promotion and Marketing

Little's
Wipes, Toys, Diapers, Feeding Range

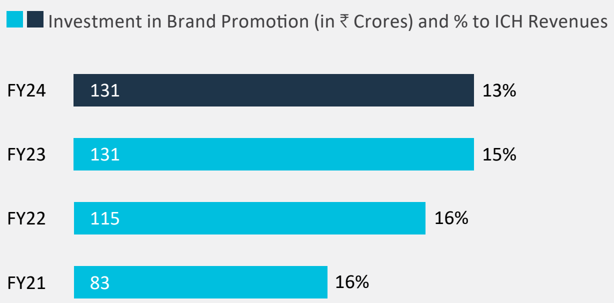
Lacto Calamine
Oil Control Lotion, Facewash, Sunscreen

Tetmosol
Medicated Soap, Cream & Powder

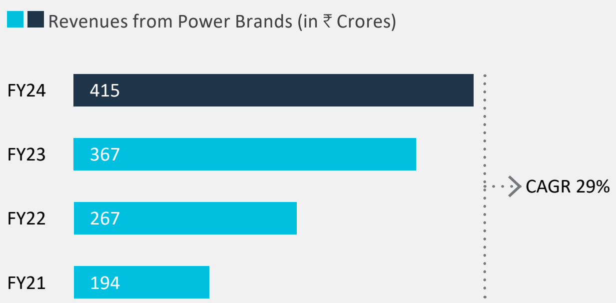
i-Range
Contraceptive Pill, Ovulation Kit, Pregnancy Detection Kit

Polycrol
Antacid

Investments in Brand Promotion and Marketing



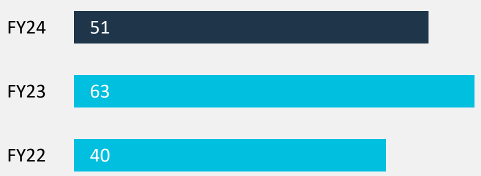
Strong Growth in our Power Brands



In FY2024, we launched 27 new products and 24 new SKUs. Over the last three years, we have rolled out 150+ new products and SKUs in the market recording a decent success rate. New products launched in the last two year now contribute 11% to our ICH business sales.

In terms of our distribution channel, we witnessed strong growth in the e-commerce channel with 36% YoY growth during the year. We are now present on over 20 leading e-commerce platforms in India. We also saw good growth in our modern trade channel which comprises over 8,000 modern trade outlets. In the general trade channel, we have reached over 1,80,000 outlets with plans for expansion ongoing.

New Product and SKUs Launch



150+
New products and SKUs launched in last three years

We have 100% tech-enabled sales coverage and leverage analytics to enhance the productivity of our field force. This along with better efficiencies in our procurement and efforts of our cost optimisation initiatives, led to better profitability in the business in FY2024 compared to the previous year.

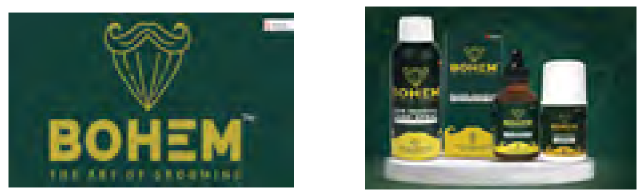
~20%
ICH revenue from e-commerce

20+
Presence on leading e-commerce platforms

New Product Launches

CIR (Adult Hygiene Range) received encouraging response in the first year of national launch

Recently launched Bohem (Men Grooming Range) - Hair removal spray, a beard growth oil, and an underarm roll-on



Strategic Priorities of ICH Business

Brand Promotion in Power Brands	Leveraging Technology	New Products	Distribution Expansion
Strengthening growth from Power Brands by investing in brand promotion and marketing	Enhancing people capability and process by embedding analytics within each function	Launching multiple new products and brand extensions	Expanding our reach in more towns. Strengthening our presence in alternate distribution channels such as e-commerce, modern trade, supermarket, etc.

Financial Review

Financial Review

(₹ Crores)

Particulars	FY2024	FY2023	Change
Revenue from Operations	8,171.16	7,081.55	15.39%
Other Income (Net)	175.39	225.11	(22.08)%
Total Income	**8,346.55**	**7,306.66**	**14.23%**
Expenses			
Cost of Goods Sold	2,954.00	2,703.31	9.27%
Employee Benefits Expense	2,029.50	1,896.35	7.02%
Finance Cost	448.49	344.18	30.31%
Depreciation and Amortisation Expense	740.57	676.69	9.44%
Other Expenses (Net)	1,991.40	1,853.66	7.43%
Total Expenses	**8,163.96**	**7,474.18**	**9.23%**
EBITDA	**1,371.65**	**853.34**	**60.74%**
Profit / (Loss) Before Share of Net Profit of Associates, Exceptional Items and Tax	**182.59**	**(167.52)**	**NA**
Share of Net Profit of Associates	59.49	54.33	9.50%
Profit / (Loss) After Share of Net Profit of Associates Before Exceptional Item and Tax	242.08	(113.19)	NA
Exceptional Items	(62.79)	(6.96)	NA
Profit / (Loss) After Share of Net Profit of Associates and Before Tax	179.29	(120.15)	NA
Tax Expense	161.48	66.31	143.52%
Net Profit / (Loss) After Tax	**17.82**	**(186.46)**	**NA**

FY2024 Compared to FY2023

Total Income

Our revenue from operations increased by 15.39% to ₹8,171.16 Crores in the FY2024 from ₹7,081.55 Crores in the FY2023, primarily driven by growth in:

- CDMO business due to good inflow of new orders, especially for commercial manufacturing of on-patent molecules
- CHG business driven by inhalation anesthesia sales. We continue to maintain our leading position in the U.S. Sevoflurane market with a significant market share gain in the last three years.
- India Consumer Healthcare business driven by healthy growth in power brands and strong sales traction in the e-commerce channel

Total Expenses

Total expenses increased by 9.23% to ₹8,163.96 Crores in FY2024 from ₹7,474.18 Crores in Financial Year 2023. This was primarily due to increase in cost of goods sold, employee benefits expenses, finance cost, depreciation and amortisation cost and other expenses.

Cost of Goods Sold

Cost of goods sold increased by 9.27% to ₹2,954.00 Crores in FY2024 from ₹2,703.31 Crores in FY2023. This was primarily due to higher sales during the period.

Employee Benefits Expense

Employee benefits expense increased by 7.02% to ₹2,029.50 Crores in FY2024 from ₹1,896.35 Crores in FY2023. This was primarily on account of increments, additional headcount, annualisation impact of cost for positions recruited previous year and foreign currency fluctuation impact.

Finance Cost

Finance cost increased by 30.31% to ₹448.49 Crores in FY2024 from ₹344.18 Crores in FY2023. This was primarily due to increase in average borrowings to fund capital expenditure and increase in cost of borrowing.

Depreciation and Amortisation Expenses

Depreciation and Amortisation expenses increased by 9.44% to ₹740.57 Crores in FY2024 from ₹676.69 Crores in FY2023. This was primarily on account of capitalisation during the year and foreign currency fluctuation impact.

Other Expenses

Other expenses increased by 7.43% to ₹1,991.40 Crores in FY2024 from ₹1,853.66 Crores in FY2023. This was primarily on account of increase in operating expense related to additional capacities and additional revenue, impact of inflation and foreign currency fluctuation.

Profit / Loss for the Year

The net profit after tax for the FY2024 stood at ₹17.82 Crores compared to loss of ₹186.46 Crores in FY2023. This was primarily due to increase in total income by ₹1,039.90 Crores offset by increase in total expenses by ₹689.78 Crores on account of higher cost of goods sold, employee benefits expense, finance cost, depreciation and amortisation expense and other expenses.

(₹ Crores)

Key Balance Sheet Items	As at Mar'24	As at Mar'23
Total Equity	7,911.37	6,773.50
Net Debt	3,931.61	4,784.33
Total	**11,842.97**	**11,557.83**
Net Fixed Assets	9,105.73	8,887.18
Tangible Assets	4,815.97	4,441.45
Intangible Assets including goodwill	4,289.76	4,445.73
Net Working Capital	2,339.66	2,314.56
Other Assets *	397.58	356.09
Total Assets	**11,842.97**	**11,557.83**

*Other Assets includes Investments & Tax assets

Equity

The total equity as on March 31, 2024, increased to ₹7,911.37 Crores from ₹6,773.50 Crores as of March 31, 2023, primarily due to Rights issue, profits for the year and foreign currency translation impact.

Net Debt

The net debt as on March 31, 2024, decreased to ₹3,931.61 Crores from ₹4,784.33 Crores as of March 31, 2023, primarily due to debt repayment from Rights issue proceeds.

Net Fixed Asset

The net fixed asset as on March 31, 2024, increased to ₹9,105.73 Crores from ₹8,887.18 Crores as of March 31, 2023, primarily due to capacity additions at various sites such as Riverview, Grangemouth, Pithampur and Digwal.

Net Working Capital

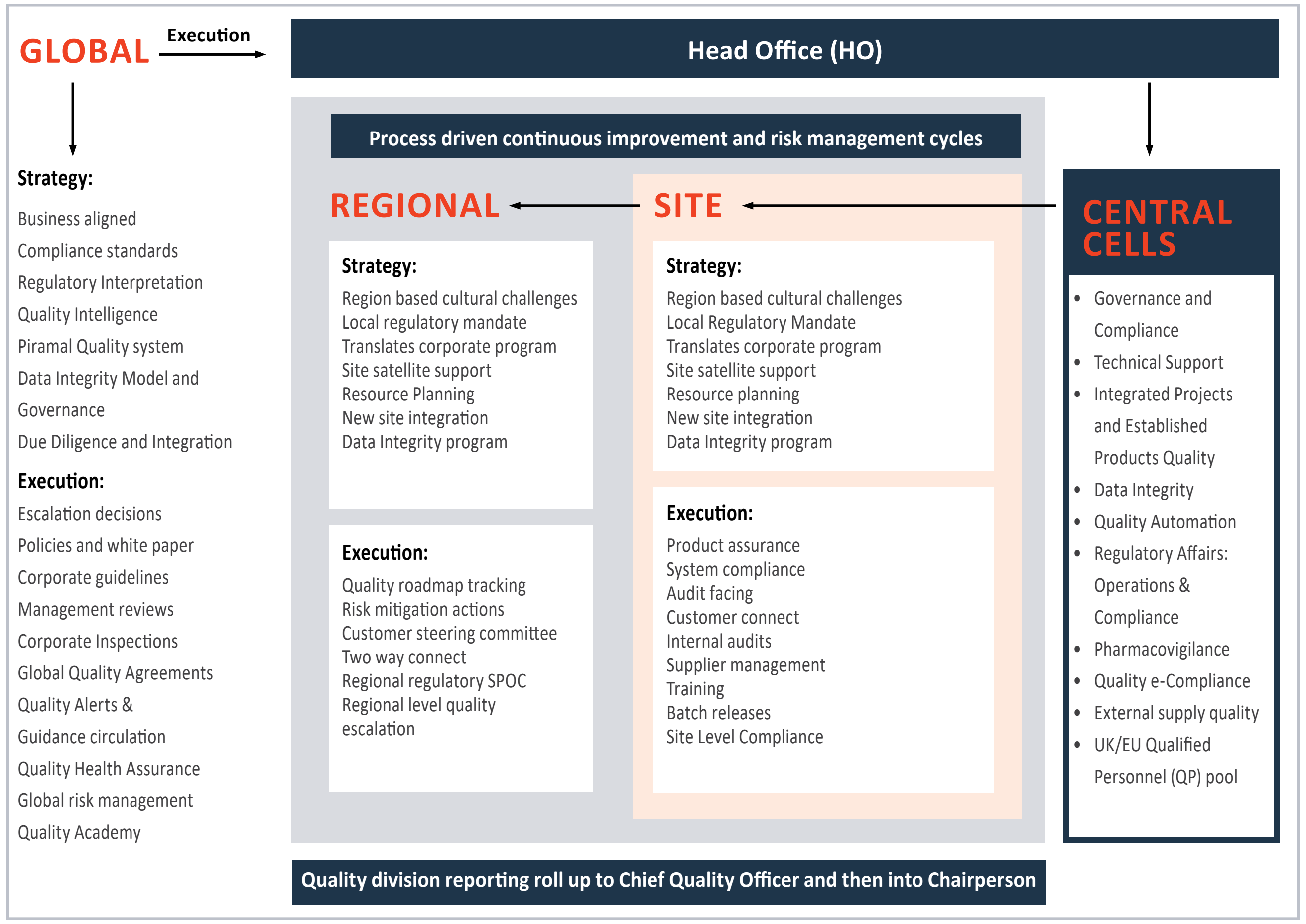
The net working capital as on March 31, 2024, was at ₹2,339.66 Crores, which is a small increase over March 31, 2023 of ₹2,314.56 Crores.

Best-in-class Quality and Compliance Track Record

Setting High Standards

Quality lies at the core of everything that we do at Piramal Pharma. Our stringent focus on quality enables us to uphold customer trust by ensuring consistent delivery of dependable products and services to our clients, patients, and consumers, thereby strengthening our brand reputation. Our success is rooted in a strong quality function as we focus on evolving from 'quality for compliance' to 'quality as a culture' across our systems, processes, technology, and people.

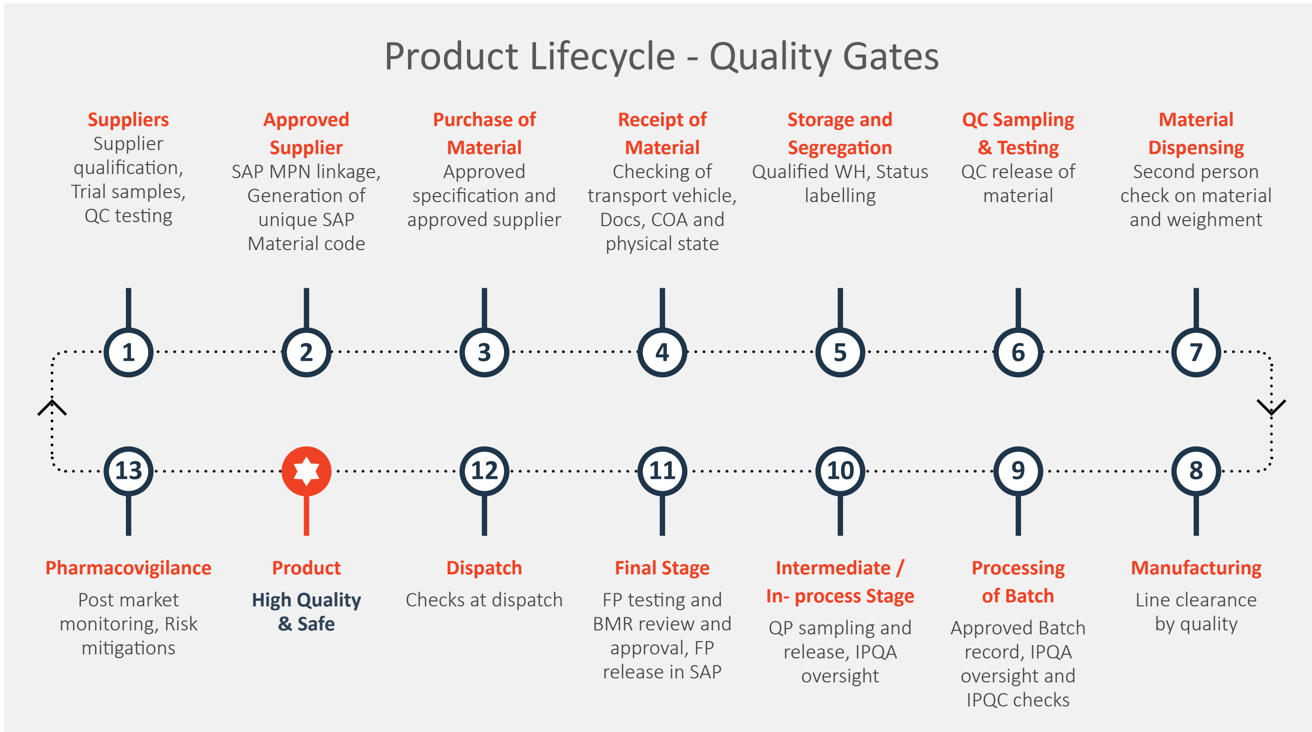
We have created a multi-faceted, three-tier quality model that is implemented across all the sites and for all employees globally.



Our quality strategy is guided by a top-level policy that has defined quality procedures and processes. This policy is reviewed regularly and refined to ensure continuous improvement and alignment with evolving business needs and regulatory changes. A high-level policy document governs our quality procedures, fostering a quality culture and ensuring data integrity and scalable compliance. Our best-in-class quality track record is in line with our business and sustainability objectives. In addition to manufacturing and quality compliance, we focus on post-marketing pharmacovigilance to uphold the patient safety element in our products. This is managed by our regulatory services and pharmacovigilance team that has considerable experience in filing regulatory applications, receiving approvals, and monitoring post-marketing safety.

Quality Assurance

Through sustainable processes led by patient, customer, and consumer-centricity, quality assurance is incorporated throughout the product manufacturing process as shown below:



Quality Architecture

Through a robust mechanism of systems and processes, we implement a dynamic quality management framework across all our locations. These frameworks ensure our compliance with evolving regulations while positioning us as quality leaders and preferred partners to customers. Strengthening our quality management system is an ongoing process and we implement it through the QuEST (Quality Empowering Strategic Transformation) programme.

Best-in-class Quality and Compliance Track Record

Performance in Good Manufacturing Practices (GMP) Inspections*

36 Successful regulatory inspections in FY2024

4 Successful USFDA inspections in FY2024

Zero OAIs since 2011

341 Regulatory Inspections

1,746 Customer Audit

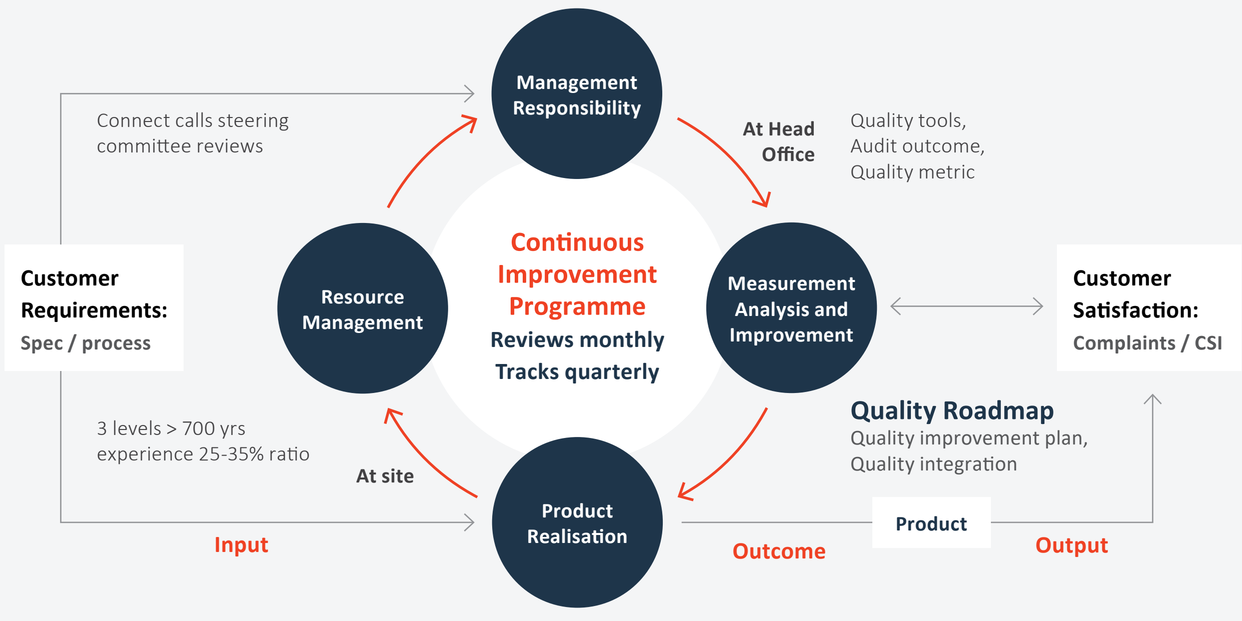
44	26	8	7	11	6
FDA	MHRA	European Medicines Agency	fimea	Pmda Japan	Health Canada
3	30	4	6	7	2
Agência Nacional de Vigilância Sanitária	World Health Organization	Drug Enforcement Administration	Russian MOH	KFDA	COFEPRIS

AIFA Agenzia Italiana del Farmaco · Australian Government Department of Health · Perú · ISO 27001 · ISO 9001 · ISO 14001 · ISO 45001

Others: Germany, Poland, TFDA, Turkish MOH, Saudi FDA, MCC South Africa, Congo, Tunisia, Kenya, Uganda, Turkey

* Since FY2012

Quality Process



- Draft regulation
- Regulatory updates
- Investigations
- Product review output
- Customer requests
- Audit CAPAs

- Appraisal output
- Industry best practices
- Shop floor rounds
- Risks identified
- Resource concerns

- Due Diligence exercise
- Competence uplift
- Training
- Organisation structure change
- Infrastructure upgrade
- Technology institution

- Process change
- System upgrade
- Enhanced controls
- Specification change
- Dossier change
- New corporate guideline

Quality as a Key Differentiator

The regulatory requirements and industry standards are continuously evolving. To achieve quality as a key differentiator, the quality initiatives are mapped with critical objectives around these four pillars:

Quality Systems

A strong governance and communication channel is the foundation of our quality management infrastructure. All key quality systems at our sites are aligned and adhere to our corporate guidelines. Regular reviews are conducted as part of our governance process. Moreover, our central governance team implements multiple layers of vigilance across all our sites. These inspections facilitate proactive risk identification and timely mitigation, keeping us consistently audit-ready. We have enforced a responsive quality process that continuously interacts with customers / regulators, providing actionable inputs to our site management and delivering the quality our customers expect.

Process

Our quality team has developed multiple proprietary tools for quality health evaluation and risk mitigation. These cutting-edge patented tools on defined algorithm equip us to meet our quality goals. They evaluate raw data from different locations to record insights that provide leadership notification and influence the vigilance group's actions to ensure compliance integrity. A few examples of the various quality tools are: SENSOR, CALCULUS, and PREDICT.

Our initiatives such as 'Evolve' and 'Quality Alerts', managed by central teams, foster cross-pollination of knowledge. Additionally, our quality intelligence search engine 'Quench' consistently provides site teams with updates on new regulations and ensures compliance tracking.

Technology / Infrastructure

The smart quality approach allows us to integrate new technologies across different functions, leading to an efficient, effective, and faster working environment. The key objectives of Project CATALYST are to embrace technology to deliver effective quality and move to a paperless quality function. Significant progress has been made in this area with implementation of the MES system at Bethlehem site, the cleaning validation module at Pithampur, and the enhancement of TrackWise. Additionally, several other initiatives are scheduled for rapid rollout, including the implementation of LIMS.

As a result of our robust quality systems, during FY2024, we produced 95% First-Time Right batches. We successfully cleared 36 regulatory inspections (including 4 USFDA inspections) and 172 customer audits. We have taken the necessary steps in response to the regulators' requirement to use QR codes on primary packaging and are compliant with all applicable regulations. Our ongoing commitment is to uphold quality as a distinguishing factor in our business operations.

People

We ensure our quality processes drive the execution of our long-term plans. Our organisation blueprint is constantly reviewed and augmented to ensure adequate quality leadership, competence and coverage in line with our growth objectives. To provide empowerment and independence, reporting of the entire quality group rolls into our CQO (Chief Quality Officer), who in turn reports in our Chairperson, thus maintaining autonomy over operation and commercial verticals.

Recognising the growth need, we expanded our central team to include the key verticals of governance, quality excellence, project oversight and technical support. This structure provides robust support to our manufacturing and development sites through need-based consultative assistance. Understanding the need to cultivate talent, we have initiated a structured two-year certification course called the 'Quality Academy' for our aspiring quality staff.

Tech and Cybersecurity

Advancing Digital Resilience

As we grow and scale our business, we analyse and identify growth opportunities in our current technology ecosystem to align ourselves with the evolving business vision and strategies. In FY2024, we continued our investments in cutting-edge technology to enhance our expertise and customer service. Since FY2022, we have been consistently progressing on our Digital Transformation Journey – Project Catalyst – utilising technology as a growth driver, sustaining our momentum and propelling our Company to a future-ready state.

In FY2024, we achieved significant technological advancements, transitioning from a Strategic Business Partner to Co-owning business outcomes through tech-led transformation. This involved:

- **Enhancing customer experience through digital technology**
- **Leveraging data to improve business operations and decision-making**
- **Maximising productivity through analytics and automation**
- **Cloud native IT infrastructure for improved security and flexibility**
- **Improved compliance and information security**

Our focus for FY2024 was on leveraging analytics, automation, and cutting-edge technologies to streamline drug development, manufacturing and supply chain processes. Through active investments in digital infrastructure and new technologies, we enhanced efficiency, quality and compliance across operations. This involved deploying digital tools for IT operations, managing quality and security, data centres and supporting users. Additionally, we forged collaborations with leading technology institutions and service providers to leverage their expertise and introduce new technologies.

Key Technology Initiatives at PPL

Automation

Business Development Automation

For our CDMO business, the 1st Phase of BD Automation went live, optimising and streamlining the Request For Proposal (RFP) to proposal creation process, reducing turnaround time for the customers with improved levels of standardisation, visibility and inter-team collaboration.

Manufacturing Automation

Various automation initiatives are being run to improve efficiency, quality, patient safety, reduce costs and meet regulatory standards. Operational excellence KPIs have been automated across our sites to improve yield and product quality, reduce errors, and improve production times. We have also initiated the automation of our logbook systems to help us streamline the documentation process, enhance data traceability, and ensure regulatory compliance.

Maintenance Automation

Sensors having been deployed at select CDMO sites for real-time analysis of data to proactively schedule maintenance activities. This has resulted in the optimising of operational efficiency and the smooth functioning of our manufacturing processes, minimising downtime by 50% and preventing costly unplanned outages.

Supply Chain Automation

In our CHG business, strategic partnerships with Third-Party Logistics (3PL) providers enable swift global product launches, reducing time-to-market and allowing us to focus on manufacturing and customer service. Daily inventory data received from these partnerships is seamlessly integrated into our core systems through automated logic, enhancing accuracy and saving valuable man-hours previously spent on manual data reconciliation in our ERP system.

Contract Lifecycle Management

We have successfully implemented the initial phase of our Contract Lifecycle Management to establish a centralised repository of vital business documents. This allows for streamlined document retrieval, improved contract negotiation, efficient circulation of revisions, and tracking, as well as simpler performance evaluation by storing essential metrics against contractual commitments.

Expense Automation

A customised rule-based automation has revolutionised how expenses of the field sales force are handled by our ICH division. In addition to reducing administrative work, the processes are now more efficient, accurate and compliant with policies, leading to increased user satisfaction.

Quality Management

Quality and regulatory compliance are our utmost priority. Quality processes have been digitised and rolled out to manufacturing sites for better control and harmonisation.

a. Regulatory Information Management System (RIMS) is being rolled out at sites to efficiently organise, track and manage regulatory information, streamline processes and minimise compliance risks.

b. We are on course to implement other management systems in the coming year such as Laboratory Information Management System (LIMS) and Learning Management System (LMS) across our global sites to ensure compliance, meet regulatory requirements, quality assurance and improve training and education for employees.

Tech and Cybersecurity

Data and Analytics

Our analytics team plays a vital role in recognising and addressing the data requirements in alignment with our business strategy. By adopting advanced technology, we tackle the challenges to enhance productivity, efficiency and overall value.

Data Management Strategy

Our comprehensive data management strategy acts as a single source of truth for data from various sources with our prime focus being on data quality management, data governance processes, capabilities and improved accuracy and consistency.

Enterprise-wide Data Platform

Our Data Platform acts as the backbone for a Company-wide, analytics-led business transformation. Its successful implementation has equipped us to deploy AI/ML-led use cases to address critical business challenges across the three business units. This is expected to have a positive impact on critical parameters like revenue, cost, productivity, efficiency and accuracy.

Smart Analytical Tools and Data-Driven Culture

- **Budgeting and Planning Tool:** We are in the last phase of implementing a Budgeting, Planning and MIS tool to automate financial procedures and workflows to achieve improved efficiency and accuracy in budgeting. The tool will serve as a unified source of truth for Company funds, finance teams and budget controllers, leading to efficient, transparent collaborations, optimised spending and payment processing, and financial reports.
- **Inventory Management:** In our CHG business, advanced data science and predictive analytics methodologies help us streamline our inventory management processes. It allows us to anticipate the shortages of critical products and helps minimise excess inventory levels.
- A range of analytical models are employed to track resource utilisation, optimise processes, and monitor revenue to enhance business performance and efficiency.

Sustainability

Aligned with our core principles of 'Operating Responsibly' and 'Growing Sustainably', we have implemented various technology initiatives aimed at mitigating GHG emissions. Notably, our efforts have led to a significant reduction of over 1,400 kg of CO_2 emissions through the utilisation of eSignature functionalities. Furthermore, in FY2024, our ongoing transition from on-premise servers to cloud infrastructure has led to a commendable reduction of over 7,000 kg of CO_2 emissions. These strategic measures not only contribute to minimising our carbon footprint but also yield additional benefits such as optimising operational expenditure, enhancing data security and improving turnaround time.

Superior Employee Experience

We are cultivating a digital mindset among our employees and empowering them with the necessary skills to adopt the latest technologies. To this end, we launched a bespoke learning journey in FY2024, covering topics such as design thinking, data-driven decision-making, agile methodology and change management. We organise Tech Days across our sites globally to keep everyone updated about the new-age tech and trends.

We enhance individual productivity, creativity and skills by integrating AI capabilities into everyday tasks. Through these measures, we encourage a culture of tech innovation.

IT Infrastructure Modernisation

Ensuring a modern and cutting-edge IT infrastructure is paramount for our Company to maintain competitiveness and protect ourselves against evolving cyber threats. Moreover, the strengthening of our infrastructure helps accommodate increased workloads.

In our pursuit of IT infrastructure modernisation, we consistently update our network and server infrastructure across all our national and international sites. This extends our capacity to meet existing business needs and ensures our operations remain agile and resilient in today's dynamic business landscape.

Information and Security Compliance

Digital transformation has led to enhanced efficiency and innovation in businesses. However, this shift has also ushered in new cyber risks such as data breaches, unauthorised access, and malicious cyber attacks. We have implemented a robust cybersecurity framework to mitigate these risks, ensure compliance and protect our critical assets. Our cybersecurity framework encompasses Policies and Procedures, Risk Management, Security Controls, Compliance and Governance, Awareness and Incident Response Preparedness.

In line with our commitment to proactive risk management, we have made significant investments in several cybersecurity initiatives to reinforce our security posture and resilience. Key initiatives include:

- **Advanced Threat Detection and Prevention**
- **Security Analytics and Threat Intelligence**
- **Cloud Security**
- **Third-Party Risk Management**
- **Cybersecurity Awareness Programmes**

Phishing assessments and cyber quizzes are regularly conducted to keep employees informed and up to date regarding information security. Additionally, we regularly send out relevant awareness emails and newsletters. Last year, we launched a gamified online training programme on cybersecurity to keep our employees abreast of the latest trends and issues in the space.

Through this comprehensive cybersecurity framework, we safeguard our information assets, minimising the impact of cyber threats and building trust. We are committed to prioritising and sustaining investments in cybersecurity to anticipate emerging threats and uphold the highest standards of cybersecurity compliance.

The Way Forward

Through proactive technology investment, we reflect our commitment to innovation and bolstering our capabilities. Our vision is to sustain profitable growth by elevating customer experiences, facilitating seamless collaboration with suppliers and cultivating a highly productive and efficient workforce.

We enable this through the utilisation of innovative edge applications, the latest ERP capabilities, hyper-automation, data analytics and cloud infrastructure. These strategic investments will enable us to effectively adapt to the changing needs of our customers and business, contribute to the global advancements in healthcare and revolutionise our operational practices.

Enterprise Risk Management

Strengthening Resilience

Our independent Enterprise Risk Management (ERM) function focuses on identifying and managing key business, operational, and strategic risks to ensure business sustainability and growth. This is done via regular meetings, structured interviews, on-call discussions, and incident reviews. Additionally, we have a comprehensive Risk Management Policy that outlines our risk management process, principles, and framework that helps manage the risks faced by the Company and its subsidiaries on a continuous basis.

Risk Management Process

The risk management process is essential to our business operations, and involves the following key activities:

Risk Identification

Risk Assessment

Risk Treatment / Mitigation

Risk Review / Closure

Risk Identification

This involves recognising the risks that could have an impact on our business objectives. We use a diverse set of tools and methodologies to identify new and emerging risks. These include:

- Structured workshops
- Brainstorming sessions
- Interviews by risk coordinator
- Review of loss events
- Review of documents (such as strategy documents, business reports, etc.)

The risks are listed in risk registers maintained by risk coordinators. These registers are reviewed and updated on a yearly basis to monitor the persistence of the risks and the closure of ceased risks.

Risk Assessment

We rate the identified risks on a five-point scale based on two key parameters:

01 Likelihood of the Risk Event

02 Impact of the Risk on the Business

On the scale, 1 represents a very low likelihood of risk and 5 represents a very high likelihood of risk. The impact is also rated from 1 to 5, with 1 representing low impact on the business and 5 representing high impact. A risk prioritisation activity is undertaken based on the combined scores and critical risks are then ranked for treatment and preparation of mitigation strategies.

Risk Treatment / Mitigation

Multiple treatment options are considered based on the nature of the risk. This can range from risk avoidance, acceptance, and reduction to risk transferring.

Category	Risk Responses
Risk Avoidance	Exiting the activities giving rise to risk and may be resorted to when risk exposure is very high as compared to the expected benefits of continuing those activities
Risk Acceptance	No action is taken to mitigate the risk or reduce the likelihood or impact
Risk Reduction	Developing mitigation plans to reduce risk exposure
Risk Transfer	Includes purchasing insurance products, engaging in hedging transactions, or outsourcing an activity

Risk Review / Closure

Regular reviews are conducted to ensure that the mitigation plans remain relevant to the evolving business and regulatory needs. The risk coordinator reviews the risk registers and risk profile of the critical risks every year to ensure the action plans are relevant and on track. The risks that are either mitigated or are not relevant in the current situation are closed after proper approval from the business head and Chief Risk Officer (CRO) to maintain reliability in the risk management process.

Risk Governance

We established a three-tier risk governance structure for effective oversight of the risk management process. Leading the structure is our Board of Directors, responsible for reviewing and approving the risk management process and policy as well as providing guidance to the executive management. At the second level is the Sustainability and Risk Management Committee which oversees the risk management process and reviews the risk reports presented by the management. At the bottom tier is the CRO who is responsible for the effective execution of the risk management process across businesses in collaboration with business heads and risk coordinators. The CRO is also responsible for providing oversight and reviewing the risk management framework.

Three-tier Risk Governance Structure

Enterprise Risk Management

Major Risks and Mitigating Actions

The major risks perceived and the measures taken to mitigate them are as follows:

Probable Risks	Possible Impacts	Mitigation Measures
1 **Biotech Funding Environment**	Continued stress in the biotech funding environment could result in lower CDMO orders (especially early-stage orders in discovery and development segments) or order deferment due to delays in decision-making by the customers.	We have a diversified customer base with a balanced mix of large pharma companies, emerging biotech companies and generic pharma companies. We have strengthened our business development team to reach out to more customers supported by a robust pipeline of products in various stages of development.
2 **Global Supply Chain Disturbance**	Geopolitical issues could lead to supply chain disruptions resulting in higher supply chain costs, delays in the delivery of raw materials and finished goods, and increased working capital requirements to accommodate the higher inventory and transit time. Moreover, restricted sales to countries embroiled in geopolitical issues could impede revenue growth.	We continuously monitor the geopolitical situation across the world and identify the potential impact on the supply chain. To mitigate the issues caused by increased transit times due to longer routes and the unavailability of containers, we modify our inventory levels and production / sourcing schedules as necessary.
3 **Client and Product Concentration Risk**	**Client concentration:** We have large contracts with a few customers. Any setback from them may adversely affect our financials. **Product concentration:** There are a few products with high margins. A drop in sales of these products can adversely impact overall Company margins.	Our business development teams proactively seek to broaden our client base and expand our product offerings to minimise concentration risk. We are also building a pipeline of products which are in various stages of development to reduce product concentration risk.
4 **Site Concentration Risk**	There could be manufacturing and development sites with high contributions to revenues and profit. Disruptions at these critical sites may have a significant impact on our financial performance.	We have 17 globally diversified development and manufacturing facilities across India, the UK, and North America. With healthy order inflows and strong execution across most of these facilities, we can reduce site concentration risk.
5 **Clinical / Regulatory Attrition Risk**	In the CDMO business, as the customer's molecule moves from discovery to development to the commercial manufacturing phase, there could be a high rate of clinical / regulatory attrition because of which the molecule could fail and not move to the next stage of development / manufacturing.	While this is an inherent risk in innovation-related work, a strong pipeline of orders can ensure reduced impact caused by clinical / regulatory failures. Currently, we have more than 150 molecules across multiple phases of development in the pipeline, and we are looking to build it further.
6 **Third-Party Manufacturing and Quality Risk**	Third-party vendors are engaged to manufacture / supply raw materials, packaging materials and finished goods. Any non-compliance to quality and regulations by the vendors could lead to product claims / recalls, resulting in a loss of reputation for us. Furthermore, any disruption / delay in manufacturing on the vendor side could lead to supply chain issues for us.	We conduct regular audits of our vendors to ensure that they adhere to the required quality and compliance norms. We also continuously look at including alternate vendors in our supply chain network to reduce dependence on select vendors for critical supplies.
7 **Manufacturing and Site Interruption Risk**	Frequent machinery breakdowns, ageing sites / equipment, and inadequate maintenance procedures could result in production loss / interruptions.	We list down all our assets along with performance trends and lifecycle and plans on equipment replacement. We also work towards equipment refurbishment through its OEM (Original Equipment Manufacturer) to attain an extension on its life cycle. The quality of the current preventive maintenance is assessed and a 5-year plan for maintenance / replacement with appropriate prioritisation based on risk / impact is generated.
8 **Talent Acquisition and Retention Risk**	Human capital is an important pillar for our growth, thus making it imperative for us to attract and retain quality talent. High attrition rates could harm our performance.	Employee retention is attained through several learning and skill development programmes, employee engagement initiatives and rewards and recognition programmes that enable us to motivate employees and increase loyalty.
9 **Environment Risk**	We recognise the importance of protecting the environment and are committed to conserving our natural resources. We have dedicated Environment, Health and Safety (EHS) practices and procedures in place. Any non-adherence could expose us to adverse consequences.	We have adopted the 5R principle of Reduce, Reuse, Recover, Recycle and Rethink to manage natural resources. Additionally, there are multiple sustainability initiatives underway in the areas of water conservation, water reuse / re-cycle and reduction of carbon footprint.
10 **IT and Cyber Risk**	Cyberattacks, viruses and malware on IT and OT systems can have adverse impacts on our operations. Also, AI-driven fraud like phishing emails and deepfakes can cause data breaches, financial loss and reputational loss.	We rely on antivirus, anti-spyware protection and firewalls to protect against any possible breach and build a robust cybersecurity framework in place. Additionally, we use remote data back-ups, the latest versions of software through secured computers and servers to mitigate any technology risk.
11 **Capex Project Management Risk**	We have made significant investments towards capacity expansion and capability building. Delays in completing the projects, clinical / regulatory attritions, lower orders, and site execution issues could lead to lower-than-expected IRR on the capex projects.	We continuously monitor our capex projects to ensure that they are completed on time. Through healthy order inflows and robust execution, we can ensure healthy IRR on our capex investments.

Report on Corporate Governance

A report for the financial year ended March 31, 2024 on compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'), is furnished below.

1. Company's Philosophy on Corporate Governance

We believe that Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to effective control and better management of the organisation and is in the interest of all stakeholders. Good Corporate Governance leads to enhanced long-term stakeholder value and enhances interests of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and stakeholder value.

The Company's essential character is shaped by its values of Knowledge, Action, Care and Impact. The strong governance structure of the Company helps promote integrity, accountability, professionalism, transparency and customer centricity to achieve our long-term goals. The Board views Corporate Governance in its widest sense. Aligned with our values, are our cultural priorities patient, consumer and customer centricity, seamless collaboration and empowered accountability. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

The Board fully supports and endorses the Corporate Governance practices as envisaged in the SEBI Listing Regulations.

2. Board of Directors

A. Composition and Size of the Board

The Board is entrusted with the ultimate responsibility of management, direction and performance of the Company. The Company's policy is to maintain an optimum combination of Executive and Non-Executive/ Independent Directors. As on March 31, 2024, the Company's Board comprised of 10 Directors as given in the table below and was in conformity with Regulation 17(1) of the SEBI Listing Regulations and other applicable regulatory requirements. 50% of the Company's Board was comprised of Independent Directors for the year under review.

Names of Directors	Other Directorships as on March 31, 2024[1]		Membership of other Board Committees as on March 31, 2024[2]		Directorships in other listed companies and category of Directorship as on March 31, 2024[3]
	as Director	as Chairperson	as Member	as Chairperson	
Executive Directors – Promoter Group					
Ms. Nandini Piramal - Chairperson	4	0	1	0	Piramal Enterprises Limited (Non-Executive, Non-Independent Director)
Mr. Peter DeYoung	-	-	-	-	-
Executive Director – Non Promoter Group					
Mr. Vivek Valsaraj	1	-	-	-	-
Non-Executive, Non - Independent Directors – Non Promoter Group					
Mr. Neeraj Bharadwaj	9	-	2	-	Sequent Scientific Limited (Non -Executive, Non- Independent Director)
Ms. Nathalie Leitch*	-	-	-	-	-
Non – Executive, Independent Directors					
Mr. S. Ramadorai	2	-	-	-	Piramal Enterprises Limited (Non-Executive, Independent Director)#
Mr. Jairaj Purandare	5	-	4	2	CIE Automotive India Limited (Non-Executive, Independent Director) HDFC Asset Management Company Limited (Non-Executive, Independent Director)
Mr. Sridhar Gorthi	2	1	2	1	Exide Industries Limited (Non-Executive, Independent Director) Hathway Cable & Datacom Limited (Non-Executive, Independent Director - Chairperson)
Mr. Peter Stevenson	-	-	-	-	-
Ms. Vibha Paul Rishi	4	-	5	2	Asian Paints Limited (Non-Executive, Independent Director)## ICICI Bank Limited (Non-Executive, Independent Director) ICICI Prudential Life Insurance Company Limited (Non-Executive, Independent Director) Tata Chemicals Limited (Non-Executive, Independent Director)

*Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.

#Mr. S. Ramadorai resigned from the position of Non-Executive, Independent Director of Piramal Enterprises Limited w.e.f. the close of business hours on March 31, 2024.

##Ms. Vibha Paul Rishi resigned from the position of Non-Executive, Independent Director of Asian Paints Limited w.e.f. the close of business hours on March 31, 2024.

Notes:

1 This excludes directorships in the Company, foreign companies and companies licensed under Section 8 of the Companies Act, 2013 (the 'Act').

2 This relates to membership of Committees referred to in Regulation 26(1) of the SEBI Listing Regulations, viz. Audit Committee and Stakeholders' Relationship Committee of all public limited companies, whether listed or not and excludes committee positions in the Company, private limited companies, foreign companies, high value debt listed entities and companies licensed under Section 8 of the Act. Committee Membership(s) include the Committees in which Director is Chairperson(s).

3. This excludes Directorship of the Company. Further, in line with Regulation 17A of the SEBI Listing Regulations, for the purpose of reckoning the Directorship, only equity listed companies are considered.

Details of change in the composition of the Board during the current and previous financial year:

Sr. No.	Name of Director	Capacity (i.e Executive/Non-Executive/Chairman/Promoter/ Nominee/ Independent)	Nature of change (Resignation/Appointment)	Reason for resignation (if applicable)	Effective date
Change in Composition in FY2023					
1.	Ms. Nathalie Leitch*	Non-Executive Director	Appointment	-	May 24, 2022
2.	Ms. Vibha Paul Rishi	Non- Executive, Independent Director	Appointment	-	August 30, 2022
Change in Composition in FY2024					
3.	Mr. Peter DeYoung	Executive Director	Re-appointment	-	October 6, 2023
4	Ms. Nandini Piramal	Executive Chairperson	Re-appointment	-	April 1, 2024

* Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.

I. Key Board qualifications, skills, expertise and attributes

In the context of the Company's business and activities, the Board has identified that skills/ expertise/ competencies in the areas of General Management, Science and Innovation, Entrepreneurship, Pharmaceuticals, Public Health, Business Leadership, Strategy, Finance, Mergers and Acquisitions, Economics, Taxation, Legal, Technology, Risk Management, Governance, Human Resources, Marketing and Commercial skills are needed for it to function effectively.

The Company's Board is comprised of individuals who are reputed in these skills, competence and expertise that allow them to make effective contribution to the Board and its Committees. From time to time, members of the Board have also received recognition from various Industry Bodies and Business Associations for the contribution made in their respective areas of expertise.

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Members of the Board as on March 31, 2024, possess the following identified skills and core competencies:

Name of Director	General Management including Human Resources	Entrepreneurship and Business Leadership, including Strategy and Mergers & Acquisitions	Pharmaceuticals and Public Health	Finance, Economics, Taxation, Legal, Risk and Governance	Technology, Science, Innovation, Marketing and commercial
Ms. Nandini Piramal	√	√	√	√	√
Mr. Peter DeYoung	√	√	√	√	√
Mr. Vivek Valsaraj	√	√	√	√	-
Mr. Neeraj Bharadwaj	√	√	√	√	√
Mr. S. Ramadorai	√	√	√	√	√
Mr. Jairaj Purandare	√	√	-	√	-
Mr. Sridhar Gorthi	√	√	√	√	√
Mr. Peter Stevenson	√	√	√	√	√
Ms. Nathalie Leitch*	-	√	√	-	√
Ms. Vibha Paul Rishi	√	√	-	-	√

*Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and competence required for effective functioning.

II. Role of Independent Directors

Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Independent Directors are committed to act in what they believe is in the best interests of the Company and its stakeholders. The wide knowledge that is possessed in their respective fields of expertise and best-in-class boardroom practices help foster varied, unbiased, independent and experienced perspective.

The Company benefits immensely from their inputs in achieving its strategic direction.

The Company has subsidiaries in India and overseas. In order to leverage the experience of Independent Directors of the Company for the benefit of and for improved Corporate Governance and better reporting to the Board, one of our Independent Directors also serves on the Boards of two material subsidiary companies viz. Piramal Healthcare UK Limited and Piramal Critical Care, Inc.

All Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment. Based on the disclosures received from the Independent Directors at the time of their appointment and thereafter, at the beginning of each financial year and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the SEBI Listing Regulations and are independent of the Management.

None of the Independent Directors of the Company serve as Independent Directors in more than seven listed companies. Further, none of the Whole-Time Directors of the Company serve as Independent Directors in any other listed company.

None of the Independent Directors have resigned before the expiry of their respective tenure.

III. Meeting of Independent Directors

The Company's Independent Directors met on January 30, 2024 in the absence of Non-Independent Directors and Members of Management. At this meeting, the Independent Directors reviewed the following:

1 Performance of the Chairperson;

2 Performance of the Non-Independent Directors;

3 Performance of the Board as a whole and its Non-Administrative Committees.

They also assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

IV. Familiarisation Programme for Independent Directors

The Company has established a Familiarisation Programme for Independent Directors. The framework together with the details of the Familiarisation Programme conducted during the FY2024 has been uploaded on the website of the Company and can be accessed under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

V. Inter-se relationships among Directors

None of the Directors are related to each other except for Ms. Nandini Piramal, who is married to Mr. Peter DeYoung.

VI. Board Evaluation

Evaluation of performance of all Directors is undertaken annually. The Company has established a system of performance evaluation, the details of which are provided in the Board's Report forming part of this Annual Report.

For FY2024, performance evaluation was carried out based on the said systems and the Board of Directors, discussed the feedback and expressed its satisfaction with the evaluation process.

VII. Certification from Company Secretary in Practice

A certificate has been received from N L Bhatia & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors in any company, by the SEBI, Ministry of Corporate Affairs or any such statutory authority. The certificate is attached to the Board's Report forming part of the Annual Report.

B. Board Meetings and Procedures

The yearly calendar for the Board and Committee meetings is fixed well in advance and is in confirmation with the availability of the Directors, so as to facilitate active and consistent participation of all Directors in the Board and Committee meetings. Minimum four pre-scheduled Board and Audit Committee Meetings are held every year (once every quarter). Additional Board Meetings as well as meetings of Board Committees are convened as may be required, to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation, as permitted by law. Video conferencing facilities are provided to enable active participation by Directors who are unable to attend the meetings in person. The Company sends the notice of the meetings to the Board, accompanied by agenda, at least seven days in advance except in case of urgent business to be transacted by shorter notice. The agenda and related notes / information are shared through a digital meeting portal, which is accessible through computer devices, thus, minimising paper usage and bolstering the Company's sustainability endeavours.

The Board has unrestricted access to all Company related information. All necessary information including but not limited to those mentioned in Part A of Schedule II to the SEBI Listing Regulations, are placed before the Board. The Members of the Board are at liberty to bring up any matter for discussions at the Board Meetings and the functioning of the Board is democratic. Detailed presentations are made to the Board regularly covering business performance, operations, finance, quality, EHS, compliance updates, etc. Update(s) on matters arising from previous meetings are placed at the succeeding meeting of the Board/ Committees for discussions, approvals, noting, etc. Also, members of the senior management team are invited to attend Board Meetings, who provide additional inputs on the agenda that is discussed by the Board.

There was no instance during FY2024, where the Board of Directors had not accepted the recommendation of any Committee of the Board, which was mandatorily required.

I. Meetings Held

Six Board Meetings were held during the year. Quorum was present at all Meetings and the gap between two Board Meetings did not exceed one hundred and twenty days.

Dates of Meetings held during the year and attendance of Directors therein are as follows:

Dates of the Board Meetings	No. of Directors present at the Meetings
May 24, 2023	10
July 27, 2023	7
August 3, 2023	9
October 27, 2023	10
January 30, 2024	10
March 18, 2024	6

II. Details of Directors attendance at Board Meetings held during FY2024 and at the last Annual General Meeting ('AGM') held on July 31, 2023 are given in the following table:

Names of Directors	Board Meetings: Held during tenure	Board Meetings: Attended	Attended last AGM
Ms. Nandini Piramal	6	6	Yes
Mr. Peter DeYoung	6	5	Yes
Mr. Vivek Valsaraj	6	6	Yes
Mr. Neeraj Bharadwaj	6	6	No
Mr. S. Ramadorai	6	5	Yes
Mr. Jairaj Purandare	6	6	Yes
Mr. Sridhar Gorthi	6	4	Yes
Mr. Peter Stevenson	6	4	No
Ms. Nathalie Leitch*	6	5	Yes
Ms. Vibha Paul Rishi	6	5	Yes

* Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.

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C. Shareholding of Non-Executive Directors

The individual shareholding of Non-Executive Directors as on March 31, 2024 is given below:

Name of Directors	No. of shares held
Mr. S. Ramadorai	26,617

3. Statutory Board Committees

The Board Committees are set up by the Board and are governed by their charters which cover their scope, composition, tenure, terms of reference, functioning and reporting parameters in line with the Act and SEBI Listing Regulations. The Board Committees play a crucial role in the governance structure of the Company and they deal with specific matters for the Company that need a closer review. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective Committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. The minutes of meetings of all Committees of the Board are placed before the Board for noting.

The Company has five Statutory Committees, as follows, in terms of the Act and SEBI Listing Regulations:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Sustainability and Risk Management Committee

A. Audit Committee

I. Constitution of the Committee

The Audit Committee was comprised of three members, as on March 31, 2024, per details in the following table:

Committee Member	Designation in the Committee	Nature of Directorship	Member of Committee since
Mr. Jairaj Purandare	Chairman	Non - Executive, Independent Director	April 16, 2021
Mr. S. Ramadorai	Member	Non – Executive, Independent Director	April 16, 2021
Mr. Sridhar Gorthi	Member	Non – Executive, Independent Director	July 6, 2022

All the members of the Committee have sound knowledge of finance, accounts and business management. The Chairman of the Committee, Mr. Jairaj Purandare has extensive financial management and accounting expertise.

The composition of this Committee is in compliance with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. Ms. Tanya Sanish, Company Secretary, is the Secretary to the Committee.

II. Terms of Reference

The broad terms of reference of the Audit Committee, inter alia, include the following:

1. To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
2. To review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. To approve, including any subsequent modifications of transactions of the Company with related parties;
4. To undertake scrutiny of inter-corporate loans and investments;
5. To undertake valuation of undertakings or assets of the Company, wherever it is necessary;
6. To evaluate internal financial controls and risk management systems;
7. To establish, monitor, review and oversee the vigil mechanism/ whistle blower mechanism;
8. To grant omnibus approval for related party transactions proposed to be entered into by the company subject to the conditions as may be specified by the Board, the Act or the Regulations;
9. To undertake reviews in line with the requirements of the Forex Risk Management Policy of the Company as may be amended from time to time;
10. To consider and approve an anti-corruption policy to be adopted by the Company and amendments thereto, from time to time;
11. To review the financial statements, in particular, the investments made by unlisted subsidiaries of the Company;
12. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
13. To approve payment to statutory auditors for any other services rendered by the statutory auditors;
14. To review, with the management, the quarterly financial statements before submission to the board for approval;
15. To 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;
16. To review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. 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;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions;
    g. Modified opinion(s) in the draft audit report;
17. To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
18. To 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;
19. To discuss with internal auditors of any significant findings and follow up there on;
20. To 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;
21. To discuss 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;
22. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
23. To approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
24. To review the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
25. To review the management discussion and analysis of financial condition and results of operations;
26. To review management letters / letters of internal control weaknesses issued by the statutory auditors;
27. To review internal audit reports relating to internal control weaknesses;
28. To review the appointment, removal and terms of remuneration of the chief internal auditor;
29. To review statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
30. To review statement of deviations of annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations;
31. To examine financial statements and the auditors' report thereon;
32. To monitor the end use of funds raised through public offers and related matters;
33. To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;

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34. To recommend the appointment, remuneration and terms of appointment of cost auditors of the Company;
35. To approve the cost statements, including other statements to be annexed to the cost audit report under the Companies (Cost Records and Audit) Rules, 2014 and submit the same to the cost auditors for their Report thereon;
36. To examine the signed cost audit report from the cost auditors and to give explanation on reservations or qualifications therein, if any;
37. To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
38. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
39. Undertake such other functions as may be entrusted to it by the Board or prescribed under applicable statutory / regulatory requirements from time to time;
40. To take any other decisions and steps as may be required under Section 177 and other applicable provisions of the Act as well as any other applicable legislation that may be in force or modified/ implemented from time to time;
41. To investigate into any matter within the scope of its terms of reference or as may be referred to it by the Board.

III. Meetings held and Attendance

The Audit Committee met six times during the year under review on May 24, 2023, August 3, 2023, September 14, 2023, October 27, 2023, January 30, 2024 and March 18, 2024 and the attendance of the members was as follows:

Names of Members	No. of Meetings held	Meetings attended
Mr. Jairaj Purandare – Chairman	6	6
Mr. S. Ramadorai	6	6
Mr. Sridhar Gorthi	6	5

The frequency of the Committee Meetings was more than the minimum limit prescribed under applicable regulatory requirements and the gap between two Committee Meetings was not more than one hundred and twenty days.

Functional/business representatives also attend the meetings periodically and provide deeper insights into operations, information and clarifications as required by the Committee. Further, the Audit Committee invites representatives of the Statutory Auditors, Cost Auditors and Internal Auditors where their respective reports are discussed at the meetings during the year under review.

Mr. Jairaj Purandare, Chairman of the Audit Committee, attended the last AGM.

B. Nomination & Remuneration Committee

I. Constitution of the Committee

The Nomination & Remuneration Committee ('NRC') was comprised of four members, as on March 31, 2024, per details in the following table:

Committee Member	Designation in the Committee	Nature of Directorship	Member of Committee since
Mr. S. Ramadorai	Chairman	Non - Executive, Independent Director	April 16, 2021
Ms. Nandini Piramal	Member	Executive Director	April 16, 2021
Mr. Jairaj Purandare	Member	Non – Executive, Independent Director	April 16, 2021
Ms. Vibha Paul Rishi	Member	Non – Executive, Independent Director	August 30, 2022

The composition of this Committee is in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

II. Terms of Reference

The broad terms of reference of the NRC, inter alia, include the following:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
2. To identify persons who are qualified to become directors and who may be appointed as senior management in accordance with the criteria laid down, to recommend to the Board their appointment and removal and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
3. To formulate the criteria for evaluation of performance of independent directors and the board of directors;
4. To devising a policy on diversity of board of directors;
5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. To recommend to the board, all remuneration, in whatever form, payable to senior management;
7. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a. use the services of an external agencies, if required;
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. consider the time commitments of the candidates.
8. Any other terms of reference as laid down in Section 178 and other applicable provisions of the Act and SEBI Listing Regulations, as well as any other applicable legislation that may be in force or modified / implemented from time to time.

III. Meetings held and Attendance

The Committee met four times during the year under review, on May 24, 2023, July 31, 2023, January 30, 2024 and March 18, 2024 and the attendance of the members was as follows:

Name of Members	No. of Meetings held	Meetings attended
Mr. S. Ramadorai – Chairman	4	4
Ms. Nandini Piramal	4	4
Mr. Jairaj Purandare	4	4
Ms. Vibha Paul Rishi	4	4

Mr. S. Ramadorai, Chairman of the NRC attended the last AGM.

IV. Performance Evaluation Criteria for Independent Directors

The Performance Evaluation of Independent Directors is based on criteria such as professional qualifications, experience, knowledge and competency, active participation at the Board/Committee meetings, ability to function as a team, initiative, availability and attendance at meetings, commitment and contribution to the Board and the Company, integrity, voicing of opinions freely, independence from the Company and other Directors and whether there is any conflict of interest, etc. These are in compliance with applicable laws, regulations and guidelines.

C. Stakeholders Relationship Committee

I. Constitution of the Committee

The Stakeholders Relationship Committee ('SRC') was comprised of three members, as on March 31, 2024, per details in the following table:

Committee Member	Designation in the Committee	Nature of Directorship	Member of Committee since
Ms. Vibha Paul Rishi	Chairperson	Non-Executive, Independent Director	August 30, 2022
Ms. Nandini Piramal	Member	Executive Director	August 30, 2022
Mr. Vivek Valsaraj	Member	Executive Director	August 30, 2022

The composition of this Committee is in compliance with the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

Ms. Vibha Paul Rishi, Chairperson of the SRC attended the last AGM.

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II. Terms of Reference

The broad terms of reference of the SRC, inter alia, include the following:

1. To look into the redressal of grievances of debenture holders and other security holders (in addition to shareholders);
2. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
3. To review measures taken for effective exercise of voting rights by shareholders;
4. To review adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
5. To review the various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company;
6. To undertake or perform such other role as required by law or as may be directed by the Board, from time to time.

III. Meetings held and Attendance

The Committee met once during the period under review on October 27, 2023 and all members of the Committee attended the meeting.

IV. Stakeholders Grievance Redressal

During FY2024, complaints received were redressed to the satisfaction of shareholders. No complaints were outstanding as on March 31, 2024. The details of investor complaints received and resolved during FY2024 are as follows:

Number of Complaints received	Number of Complaints resolved	Number of Complaints Pending as on March 31, 2024
24	24	Nil

The Registrar and Share Transfer Agents ('RTA'), Link Intime India Private Limited, attend to all grievances of shareholders received directly or through SEBI, Stock Exchanges or the Ministry of Corporate Affairs.

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints/queries. Likewise, the Company also has regular interaction with the Debenture Trustees to ascertain the grievances, if any, of the Debenture holders. There was no grievance received from the Debenture Trustees or from any of the Debenture holders during FY2024.

V. Compliance Officer

Ms. Tanya Sanish, Company Secretary, is the Compliance Officer in line with the requirement of the SEBI Listing Regulations. The email ID shareholders.ppl@piramal.com has been designated for stakeholders to email their queries/grievances.

D. Corporate Social Responsibility Committee

I. Constitution of the Committee

The Corporate Social Responsibility Committee ('CSR Committee') was comprised of three members, as on March 31, 2024, per details in the following table:

Committee Member	Designation in the Committee	Nature of Directorship	Member of Committee since
Mr. Jairaj Purandare	Chairman	Non – Executive, Independent Director	April 16, 2021
Ms. Nandini Piramal	Member	Executive Director	April 16, 2021
Mr. Vivek Valsaraj	Member	Executive Director	February 9, 2022

The composition of the Committee is in compliance with Section 135 of the Act.

II. Terms of Reference

The broad terms of reference of the CSR Committee, inter alia, include the following:

1. To recommend to the Board, a CSR Policy (and modifications thereto from time to time) which shall provide the approach and guiding principles for selection, implementation and monitoring of CSR activities to be undertaken by the Company as well as formulation of annual action plan(s);
2. To formulate and recommend annual action plan(s), and any modifications thereof, to the Board comprising of following information:
   i. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
   ii. the manner of execution of such projects or programmes;
   iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
   iv. monitoring and reporting mechanism for the projects or programmes; and
   v. details of need and impact assessment, if any, for the projects undertaken by the Company;
3. To approve specific projects, either new or ongoing, in pursuance of the Areas of Interest outlined in the CSR Policy, for inclusion in the annual action plan or for contributing to specific funds/ agencies as specified in Schedule VII of the Act;
4. To recommend to the Board, the amount of expenditure to be incurred on the CSR activities in a financial year and the amount to be transferred in case of ongoing projects and unspent amounts;
5. To review the progress of CSR initiatives undertaken by the Company;
6. To monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the projects undertaken;
7. To review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report;
8. To review and recommend to the Board, the impact assessment report as may be obtained by the Company from time to time;
9. To undertake such activities and carry out such functions as may be provided under Section 135 of the Act and the Rules framed thereunder, as well as amendments thereto from time to time.

III. Meetings held and Attendance

No meeting was held during FY2024. However, the Committee unanimously passed a circular resolution on May 24, 2023. A comprehensive presentation was made to the Board at its meeting held on May 24, 2023 on the CSR initiatives undertaken by the Company.

E. Sustainability and Risk Management Committee

I. Constitution of the Committee

The Committee was comprised of five members, as on March 31, 2024, per details in the following table:

Committee Member	Designation in the Committee	Nature of Directorship	Member of Committee since
Ms. Nandini Piramal	Chairperson	Executive Director	August 30, 2022
Mr. Jairaj Purandare	Member	Non-Executive, Independent Director	August 30, 2022
Mr. Neeraj Bharadwaj	Member	Non-Executive Director	August 30, 2022
Mr. Sridhar Gorthi	Member	Non-Executive, Independent Director	August 30, 2022
Ms. Vibha Paul Rishi	Member	Non-Executive, Independent Director	October 14, 2022

The Committee is constituted as per the provisions of Regulation 21 of SEBI Listing Regulations.

II. Terms of Reference

The broad terms of reference of the Sustainability and Risk Management Committee, inter alia, include the following:

1. To provide guidance to the Company on Environmental, Social and Governance ('ESG') vision and strategy including sustainability related matters;
2. To oversee ESG performance of the Company and track progress;
3. To provide guidance on matters of public responsibility including, community quality assurance and corporate reputation;
4. To recommend guidelines on corporate governance and ethics from time to time;
5. To review key corporate governance processes not specifically assigned to any other committee of the Board;
6. To monitor and track business risks and opportunities arising from ESG aspects;
7. To provide guidance to the Company on stakeholder engagement on ESG matters;
8. To review the Company's performance on external ESG Ratings and Indices and guide the Company in improving such ratings;
9. To formulate a detailed risk management policy which shall include:
   - A framework for identification of internal and external risks, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk;
   - Measures for risk mitigation including systems and processes for internal control of identified risks;

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- Business continuity plan;

10. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate business related risks;
11. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
12. To periodically review the risk management policy, including by considering the changing industry dynamics and evolving complexity;
13. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
14. To review appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
15. To evaluate risks related to cyber security and ensure appropriate procedures to mitigate these risks in a timely manner;
16. To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice);
17. To undertake such other functions as may be entrusted to it by the Board or prescribed under applicable statutory / regulatory requirements from time to time.

III. Meetings held and Attendance

The Committee met thrice during FY2024 on August 25, 2023, January 30, 2024 and March 18, 2024 and all members of the Committee attended the meetings.

4. Senior Management of The Company

Sr. No.	Name of Senior Management Personnel	Designation
1.	Mr. Herve Berdou	Chief Operating Officer – Piramal Pharma Solutions
2.	Mr. Stuart Needleman	Chief Commercial Officer and Chief Patient Centricity Officer - Piramal Pharma Solutions
3.	Mr. Jeffrey Hampton	President and Chief Operating Officer - Piramal Critical Care
4.	Mr. Nitish Bajaj	Chief Executive Officer - Consumer Products Division – Piramal Pharma Limited

Further, Mr. Vivek Valsaraj, Executive Director is also the Chief Financial Officer and Ms. Tanya Sanish is the Company Secretary.

There were no changes in the above details during FY2024.

5. Remuneration Of Directors

A. Sitting fees and commission paid/payable to Non-Executive Directors

Sitting fees of ₹ 50,000 are paid for each meeting of the Board and its Committees attended by the Non-Executive Directors of the Company. Commission payable to each Non-Executive Director is determined by the Board in line with the Remuneration Policy of the Company as is decided after taking into consideration several factors including the significant contributions made by the Non-Executive Directors in terms of the expertise that they bring to the Board room, their understanding of the industry in which the Company operates, effective contributions on matters concerning their particular area of expertise, etc. Said commission is paid in line with the limits approved by the Members in terms of Section 197 of the Act read with the applicable Rules and Schedule V of the Act.

Details of sitting fees paid and commission payable to the Non-Executive Directors for FY2024 are given below. These are within the limits prescribed under the Act:

(in ₹)

Name of Non-Executive Directors	Sitting Fees	Commission	Total
Mr. S. Ramadorai	7,50,000	36,00,000	43,50,000
Mr. Jairaj Purandare	9,50,000	36,00,000	45,50,000
Mr. Sridhar Gorthi	6,00,000	36,00,000	42,00,000
Mr. Peter Stevenson	2,00,000	36,00,000	38,00,000
Ms. Nathalie Leitch*	2,50,000	36,00,000	38,50,000
Ms. Vibha Paul Rishi	6,50,000	36,00,000	42,50,000

*Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.

B. Remuneration to Executive Directors:

Remuneration payable to the Executive Directors is in line with the Remuneration Policy of the Company. Said remuneration is recommended by the NRC on the basis of performance evaluations and is approved by the Board, subject to the overall limits approved by the shareholders in terms of Section 197 of the Act read with the applicable Rules and Schedule V of the Act.

Details of remuneration paid to Executive Directors for the year ended March 31, 2024 are given below:

(₹ in Lakhs)

Name of Directors	Total
Ms. Nandini Piramal - Chairperson	420.16
Mr. Peter DeYoung	423.98
Mr. Vivek Valsaraj	247.66

The Company pays remuneration by way of salary, benefits, perquisites, allowances (fixed component) and performance linked incentives (variable component) to Executive Directors. The remuneration for Executive Directors is determined on the basis of several criteria including their individual performance as measured by achievement of their respective Key Result Areas, strategic initiatives taken and being implemented, their respective roles in the organisation, fulfilment of their responsibilities and performance of the Company.

Detailed remuneration forms part of the annual return for FY2024, which is available on the website of the Company under the 'Annual Reports' tab at https://www.piramalpharma.com/financial-reports.

Notes for Directors' Remuneration:

a. Mr. Neeraj Bharadwaj, Non-Executive Director, does not receive sitting fees, commission or any other remuneration.

b. The terms of appointment of Executive Directors as approved by shareholders, are contained in their respective Agreements entered into with the Company. The tenure of office of the Whole-Time Directors is three years from their respective dates of appointment. The Agreements also contain clauses relating to termination of appointment in different circumstances, including for breach of terms, the notice period for which is three months. While there is no specific provision for payment of severance fees for any of the Executive Directors, the Board is empowered to consider the same at its discretion, taking into account attendant facts and circumstances.

c. No amount by way of loan or advance has been given by the Company to any of its Directors. Further, the Company has not given any loans or advances to any firm / company in which its directors are interested. Loans granted to subsidiaries are disclosed in Note no. 38 to the standalone financial statements, which forms part of this Annual Report. A few directors of the Company are also directors on some subsidiary companies.

d. In addition to the Total Fixed Pay and Performance Linked Incentive, Mr. Vivek Valsaraj, Executive Director and Chief Financial Officer, is entitled to Employee Stock Options under the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 ('ESOP Scheme'). During FY2023-24, Mr. Valsaraj was granted 2,64,189 Options at an exercise price of ₹ 10 each. The said Options vest in tranches over a period of 3 years from the date of grant and shall be exercisable within a period, not exceeding 5 years from the date of vesting of the Options, in accordance with the terms of ESOP Scheme.

e. There was no pecuniary relationship or transactions with Non – Executive Directors vis-à-vis the Company other than sitting fees and commission, if any, that is paid/payable to the Non – Executive Directors.

Report on Corporate Governance

6. General Body Meetings

A. Details of the AGMs held during the preceding 3 years and Special Resolutions passed thereat are given below:

AGM	Date	Time	Venue	Details of Special Resolutions passed
1st AGM	June 21, 2021	11.00 a.m.	Gr. Flr., Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400070	(i) Appointment of Mr. Peter DeYoung as Whole-Time Director of the Company; (ii) Appointment of Ms. Nandini Piramal as Whole-Time Director of the Company; (iii) Issue of Non-Convertible Debentures on Private Placement basis; (iv) Amendment to the articles of association of the Company.
2nd AGM	July 28, 2022	4.00 p.m.	Gr. Flr., Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400070	(i) Appointment of Mr. Vivek Valsaraj as Whole-Time Director of the Company; (ii) Issue of Non-Convertible Debentures on Private Placement Basis; (iii) Payment of Commission to Non-Executive Directors of the Company in line with Schedule V of the Act; (iv) Adoption of the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022; (v) Adoption of the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 and extending the benefits to the employees of the holding and subsidiary companies and group companies of the Company; (vi) Approval for implementing the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 through trust route; (vii) Acquisition of shares of the Company by the trust for the purposes of Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022; (viii) Granting loan and/ or providing guarantee or security for purchase of the shares of the Company by the Trust / Trustees of the Trust for the benefit of the employees under the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022; (ix) Continuation of directorship of Mr. S. Ramadorai as an Independent Director of the Company for the remaining term.
3rd AGM	July 31, 2023	3.00 p.m.	Through video conferencing/ other audio visual means [Deemed venue - Gr. Flr., Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400070]	(i) Re-appointment of Mr. Peter DeYoung as Executive Director of the Company; (ii) Re-appointment of Ms. Nandini Piramal as Chairperson of the Company; (iii) Amendment of Articles of Association of the Company; (iv) Issue of Non-Convertible Debentures on Private Placement Basis.

B. Details of the Extra Ordinary General Meetings held during the year

No Extra Ordinary General Meeting was held during FY2024.

C. Postal Ballot

No special resolution was passed through postal ballot during FY2024.

At present, there is no proposal to pass resolutions through postal ballot.

7. Disclosures

A. Related Party Transactions

a) All transactions entered into with related parties in terms of applicable provisions under the Act and Regulation 23 of the SEBI Listing Regulations during FY2024 were undertaken in compliance with the aforesaid regulatory provisions;

b) There were no materially significant transactions with related parties during FY2024 which were in conflict with the interest of the Company;

c) Suitable disclosures as required by the Indian Accounting Standards (IND AS) - 24 have been made in Note No. 38 of the standalone financial statements, which forms part of this Annual Report;

d) The policy on Related Party Transactions is available on the website of the Company under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance;

e) The register of contracts/statement of related party transactions, is placed before the Board/ Audit Committee regularly.

B. Details of non-compliance, penalties, strictures imposed by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets during the last 3 years

The equity shares of the Company were listed on the stock exchanges on October 19, 2022. No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter relating to capital markets since listing.

C. Non-applicability of SEBI Circulars concerning Large Corporates

During the period under review, the Company did not meet the criteria for Large Corporates as described in SEBI Circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 read with SEBI Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/049 dated March 31, 2023, as amended.

Accordingly, the Company was not required to comply with the requirements of abovementioned SEBI circulars.

D. Listing Fees

Listing fees for FY2025 have been paid within the due dates to the Stock Exchanges on which the securities of the Company are listed.

E. Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, that provides a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism/ Whistle Blower Policy are available on the website of the Company and can be accessed under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance. No director/ personnel have been denied access to the Audit Committee.

F. Compliance with mandatory/non mandatory requirements

a. The Company has complied with all the applicable mandatory requirements of the SEBI Listing Regulations.

b. During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt the best practices to ensure regime of financial statements with unmodified audit opinion.

G. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review. However, the Company issued and allotted 12,96,29,630 fully paid-up equity Share Transfer of the face value of ₹ 10 each for cash at a price of ₹ 81 per equity share (including premium of ₹ 71 per equity share) aggregating to ₹ 1,050 Crores by way of a rights issue, the details of which have been provided in the Board's report forming part of the Annual Report.

H. Details of Statutory Auditors

I. Fees paid to Statutory Auditors of the Company:

Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/ W-100018) were appointed on October 5, 2020, as Statutory Auditors for a term of 5 years to hold office until the conclusion of the 5th AGM of the Company to be held in calendar year 2025. Total fees for all services for the Company and its subsidiaries, on a consolidated basis to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, for FY2024, are as follows:

Particulars	Amount (in ₹)
Services as statutory auditors (including quarterly audits)	1,23,00,000
Services for tax matters	NIL
Other matters	19,25,000
Re-imbursement of out-of-pocket expenses	4,76,786
Expenses in relation to Rights Issue	1,10,00,000
Total	**2,57,01,786**

Report on Corporate Governance

II. Details of material subsidiaries:

During the year under review, the Company had four material subsidiaries as detailed below:

Name of the material subsidiary	Date and Place of incorporation	Name of the auditor	Date of appointment
Piramal Healthcare UK Limited	February 21, 2005 England and Wales, United Kingdom	KNAV UK Limited	June 8, 2021
Piramal Critical Care, Inc.	December 7, 1994 Delaware, United States of America	KNAV P.A.	June 3, 2021
Piramal Pharma Solutions Inc.	February 1, 2007 Kentucky, United States of America	KNAV P.A.	June 28, 2021
Piramal Healthcare Inc.	October 17, 2008 Delaware, United States of America	KNAV P.A.	June 4, 2021

I. Disclosures under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints filed and disposed off during the year and pending as on March 31, 2024 are given in the Board's Report as well as in the Business Responsibility and Sustainability Report forming part of this Annual Report.

8. Means Of Communication

The Company recognises the importance of two-way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions at the AGM. Some of the modes of communication are mentioned below:

A. Financial Results:

The Company's quarterly / half-yearly / annual financial results are filed with the Stock Exchanges and are generally published in Financial Express (all editions) (English) or Business Standard (all editions) (English) and Mumbai Lakshadweep (Marathi), within forty-eight hours of the conclusion of the Board Meeting. They are also available on the website of the Company.

B. Press Releases and Presentation to Institutional Investors and Analysts:

The Company periodically meets with investors and analysts including holding quarterly/half-yearly/annual earnings calls where the Company's performance is discussed. Official press releases and presentations made to the media, institutional investors/analysts, audio/video recording and transcript of the calls with analysts for quarterly/half-yearly/annual results are filed with the Stock Exchanges through their respective portals and also made available on the website of the Company.

C. Website:

The Company's website contains a separate dedicated section for Investors which can be accessed via the 'Investors' tab on the link https://www.piramalpharma.com and relevant policies to be provided under applicable regulatory requirements, are available in a user friendly form. Additionally, various downloadable forms required to be executed by the shareholders have also been provided on the Company's website.

D. Annual Report:

The Annual Report containing inter-alia the Audited Standalone and Consolidated Financial Statements, Board's Report, Auditors' Report, Report on Corporate Governance, Business Responsibility and Sustainability Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available on the website of the Company under 'Annual Reports' tab at https://www.piramalpharma.com/financial-reports.

E. Designated Exclusive e-mail ID:

The Company has designated the e-mail ID shareholders.ppl@piramal.com exclusively for investor servicing.

F. SEBI Complaints Redress System (SCORES):

A centralised web-based complaints redressal system, which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the Company, and facilitates online filing of the complaint by the investors and subsequently viewing of actions taken on the complaint and its current status.

G. Online Dispute Resolution Mechanism

SEBI has facilitated online resolution for investors to resolve their grievances by way of a common Online Dispute Resolution ('ODR') portal. Should a company / its Registrar and Share Transfer Agent fail to address the shareholder's grievance directly or through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login. Details can also be accessed under the "Online Dispute Resolution (ODR)" tab at https://www.piramalpharma.com/shareholder-information

H. NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre)

NEAPS and BSE Listing Centre are web based application systems for enabling corporates to undertake electronic filing of various periodic compliances, inter alia, shareholding pattern, corporate governance report, results, press releases, etc. Various compliances as required / prescribed under the SEBI Listing Regulations are filed through these systems.

9. General Information For Shareholders

A. Company Registration Details

The Company is registered in the State of Maharashtra, India. Upon listing, the Corporate Identification Number allotted to the Company by the Ministry of Corporate Affairs is L24297MH2020PLC338592.

B. Annual General Meeting

Friday, July 26, 2024 at 3:00 pm. through Video Conferencing / Other Audio Visual Means.

C. Financial Calendar

The financial year of the Company starts on April 1 and ends on March 31 of the next year.

D. Record Date and Dividend Payment Date

The Company has fixed Friday, July 12, 2024 as the 'Record Date' for the final dividend. If approved by the shareholders at the AGM, dividend would be paid/credited after Friday, July 26, 2024.

G. Stock Market Data

High, Low and Trading Volume of the Company's equity shares during each month of the last FY2024 at BSE and NSE are given below:

	BSE			NSE		
Month	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
April, 2023	79.17	68.75	51,30,82,178	79.25	68.70	8,68,85,000
May, 2023	85.00	70.75	1,15,53,11,934	85.00	70.75	16,00,69,000
June, 2023	97.75	80.75	1,42,35,41,864	97.75	80.70	22,08,38,000
July, 2023	109.60	90.53	1,46,39,47,560	110.00	90.60	17,44,95,000
August, 2023	108.15	95.00	94,67,75,332	108.20	95.05	10,37,66,000
September, 2023	108.95	94.85	78,26,97,500	108.90	94.80	9,60,70,000
October, 2023	109.30	87.55	4,51,73,40,321	109.40	87.50	13,28,98,000
November, 2023	127.50	99.85	2,06,15,48,478	127.55	95.30	23,19,47,000
December, 2023	142.45	120.85	1,29,43,46,243	142.50	120.60	15,94,35,000
January, 2024	149.00	132.85	1,39,65,95,381	149.00	133.25	12,01,02,000
February, 2024	144.75	129.10	60,78,40,342	144.80	129.15	7,52,76,000
March, 2024	135.10	114.45	1,38,20,70,876	135.20	114.35	9,13,86,000

Source: BSE and NSE Websites

E. Listing on Stock Exchanges

I. Equity Shares

Name & Address of the Exchanges	Scrip Code
BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	543635
National Stock Exchange of India Limited ('NSE') Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	PPLPHARMA

ISIN / Code

ISIN : INE0DK501011

Bloomberg code : PIRPHARM: IN

II. Debt Securities

During FY2024, 1,000 listed Non-Convertible Debentures amounting to ₹100,00,00,000 were redeemed (premature redemption) on November 1, 2023 along with interest payment of ₹ 64.75342 lakhs. Presently, no Non-Convertible Debentures issued by the Company are listed on the Stock Exchanges.

F. Debenture Trustees

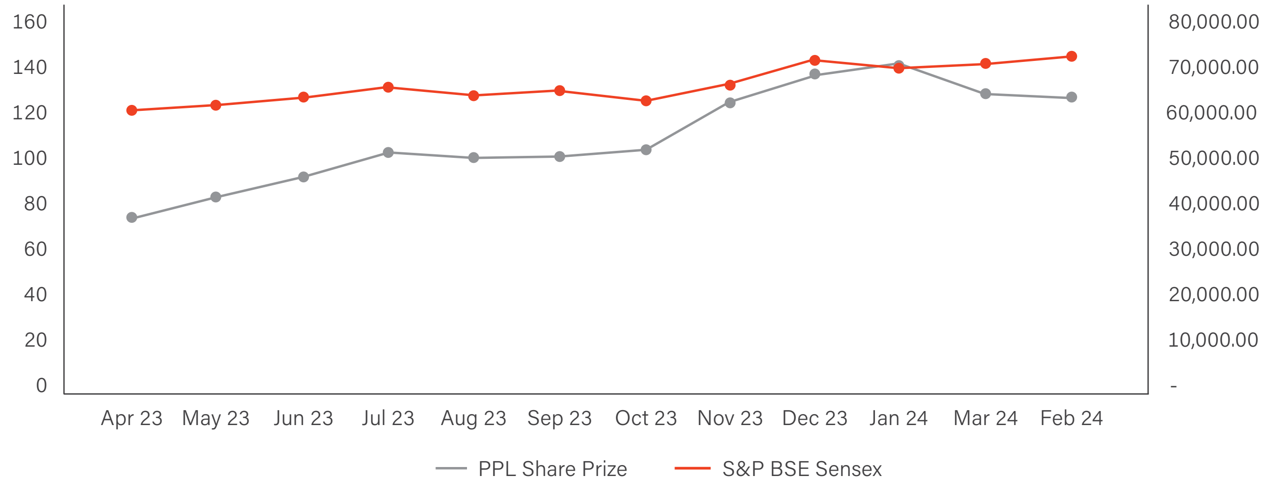
IDBI Trusteeship Services Limited
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai – 400001.
Tel: +91 22 4080 7000
Fax: +91 22 6631 1776

Report on Corporate Governance

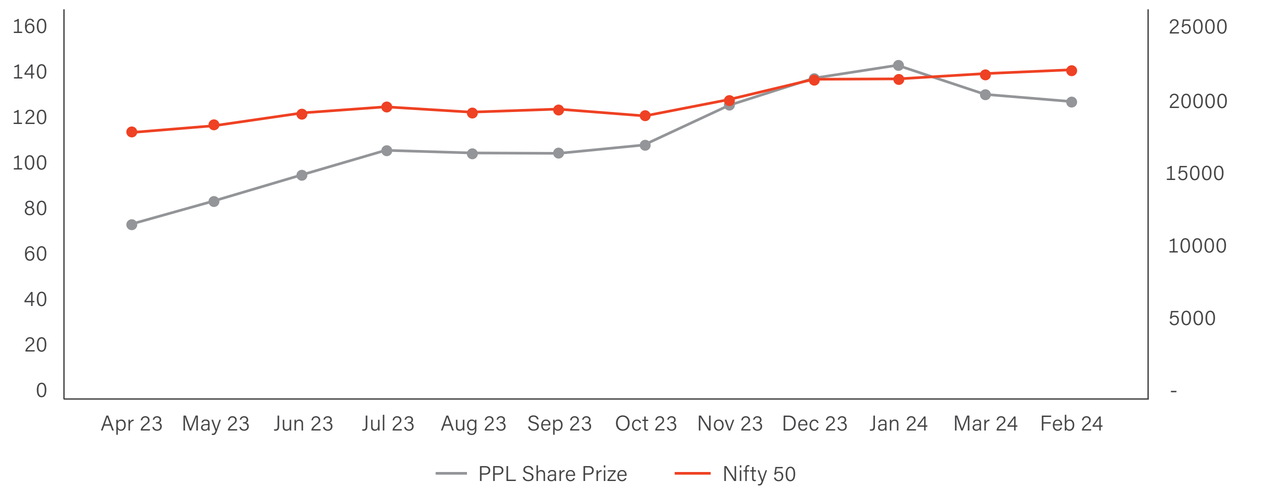
H. Stock Performance vs S&P BSE Sensex and NIFTY 50

Performance of the Company's equity shares on BSE and NSE relative to the BSE Sensitive Index (S&P BSE Sensex) and CNX Nifty (NIFTY 50) respectively is graphically represented in the charts below:

Average monthly closing price of the Company's shares on BSE as compared to S&P BSE Sensex



Average monthly closing price of the Company's shares on NSE as compared to NIFTY 50



Liquidity

Equity Shares of the Company are actively traded on BSE and NSE as is seen from the volume of shares indicated in the table containing stock market data and hence, ensure good liquidity for the investors.

I. Contact Details for Investor Correspondence

Registrar and Share Transfer Agents
Link Intime India Pvt. Ltd.
Unit: Piramal Pharma Limited
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083.
Tel: +91 8108116767
Fax: +91-22-4918 6060
E-mail ID: rnt.helpdesk@linkintime.co.in

Contact details of the Company:
Gr. Flr. Piramal Ananta, Agastya Corporate Park, Kamani Junction, LBS Marg, Kurla West, Mumbai – 400 070.
Tel. No.: +91-22-3802 3572
E-mail ID: shareholders.ppl@piramal.com

J. Share Transfer System

The entire paid-up share capital of the Company is held in dematerialised form as on March 31, 2024. As per applicable SEBI circulars, transfer of shares in physical form is not permitted.

Accordingly, the transfer of shares are processed directly by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Ltd. ('CDSL') through respective Depository Participants.

The Company obtains a certificate from a Practising Company Secretary as required under Regulation 40 of the SEBI Listing Regulations and the same is filed with the Stock Exchanges, as well as placed before the Board of Directors from time to time.

K. Distribution of Shareholding by size as on March 31, 2024

No. of Shares held	No. of shareholders	% to total no. of shareholders	No. of shares	% to total no. of shares
1 to 100	1,66,200	54.0945	63,75,711	0.4819
101 to 200	38,963	12.6816	61,83,509	0.4674
201 to 500	43,792	14.2534	1,52,91,952	1.1559
501 to 1,000	23,846	7.7614	1,84,77,380	1.3967
1001 to 5,000	27,567	8.9725	6,23,76,533	4.7150
5,001 to 10,000	3,835	1.2482	2,73,69,901	2.0689
10,001 to 20,000	1,613	0.5250	2,25,90,970	1.7076
20,001 to 30,000	515	0.1676	1,28,32,022	0.9700
30,001 to 40,000	204	0.0664	71,15,611	0.5379
40,001 to 50,000	140	0.0456	64,25,303	0.4857
50,001 to 1,00,000	246	0.0801	1,76,77,626	1.3362
Above 1,00,000	319	0.1038	112,02,31,612	84.6769
Total	**3,07,240**	**100.0000**	**132,29,48,130**	**100.0000**

L. Dematerialisation of shares

As on March 31, 2024, 100% of the total number of shares i.e. 132,29,48,130 equity shares are held in dematerialised form only.

The Company's shares are compulsorily traded in dematerialised form and are admitted in both the Depositories in India i.e. NSDL and CDSL.

M. Statement showing shareholding pattern as on March 31, 2024

Category of Shareholder	No. of shareholders	Total no. of shares	% to total no. of shares
Shareholding of Promoter and Promoter Group	17	46,33,24,672	35.02
Total Promoter Holding	**17**	**46,33,24,672**	**35.02**
Non Promoter - Non Public			
Employee Benefit Trusts	2	49,31,806	0.37
Public shareholding			
Institutions (Domestic)			
Mutual Funds / UTI	21	11,91,66,138	9.01
Financial Institutions / Banks	4	11,276	0.00
Insurance Companies	8	3,49,01,632	2.64
Alternate Investment Funds	16	62,73,496	0.47
NBFCs registered with RBI	9	51,517	0.00
Total	**58**	**16,04,04,059**	**12.12**
Institutions (Foreign)			
Foreign Direct Investment	1	23,86,63,700	18.04
Foreign Portfolio Investors Category I	142	16,27,64,263	12.30
Foreign Portfolio Investors Category II	13	32,07,472	0.24
Any Other (Specific)Foreign bank	1	1,332	0.00
Total	**157**	**40,46,36,767**	**30.59**

Report on Corporate Governance

Category of Shareholder	No. of shareholders	Total no. of shares	% to total no. of shares
Central Government / President of India	2	4,464	0.00
Total	**2**	**4,464**	**0.00**
Non-Institutions			
Directors and their relatives (excluding independent directors and nominee directors)	1	1,14,112	0.01
Investor Education and Protection Fund (IEPF)	1	32,28,564	0.24
Resident Individuals holding nominal share capital up to ₹2 lakhs	2,84,766	13,86,22,425	10.48
Resident Individuals holding nominal share capital in excess of ₹2 lakhs	903	6,15,51,528	4.65
Non Resident Indians (NRIs)	4,629	1,43,97,675	1.09
Foreign Nationals	3	3,152	0.00
Bodies Corporate	1,366	2,46,98,262	1.87
Trusts	29	3,22,636	0.02
Escrow Account	1	85,02,902	0.64
Suspense Account	1	38,216	0.00
Independent Director	1	26,617	0.00
Body Corp-Ltd Liability Partnership	146	1,21,90,004	0.92
Hindu Undivided Family	5,902	86,30,920	0.65
Clearing Member	9	3,801	0.00
Overseas Bodies Corporates	2	1,73,15,548	1.31
Total	**2,97,760**	**28,96,46,362**	**21.89**
Total Public Shareholding	2,97,977	85,46,91,652	64.61
Total	**2,97,996**	**132,29,48,130**	**100.00**

N. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants/ or any convertible instruments during the year under review and the Company does not have any outstanding GDRs/ADRs/Warrants/ or any convertible instruments.

O. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is exposed to Currency Risk arising from its trade exposures and Capital receipt/payments denominated, in other than the Functional Currency. The Company has a detailed policy which includes setting of the recognition parameters, and the boundaries within which the treasury function has to perform hedging activities. It also lays down checks and controls to ensure the continuing success of the treasury function.

The Company has defined strategies for addressing the risks for each category of exposure (e.g., for exports, for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

The Company is also exposed to interest rate risk, on foreign currency loans, which are based on floating rate pegged to external benchmarks and the centralised treasury function hedges the same basis its view on interest rate movement.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Company has adequate risk assessment and minimisation system in place for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

P. Credit Ratings for Debt Instruments

The Credit Ratings assigned to the debt instruments of the Company during FY2024 are given below:

Instruments	Credit Rating CARE
Non-Convertible Debentures	CARE AA-; Stable
Long Term Bank Facilities	CARE AA-; Stable
Short Term Bank Facilities	CARE A1+
Commercial Paper (yet to be issued)	CARE A1+

No revisions were made to the Credit Ratings during FY2024. Details relating to these Credit Ratings are also available on the website of the Company under 'Credit Rating' tab at https://www.piramalpharma.com/shareholder-information

Q. Plant Locations of the Company ('PPL') and its Subsidiaries

India:

Piramal Pharma Limited

- Ennore Express Highway, Ernavur Village, Ennore, Chennai - 600 057, Tamil Nadu.
- Plot Nos.18 and 19 - PHARMEZ, Village Matoda, Sarkhej Bawla, NH 8A, Taluka Sanand, Ahmedabad - 382 213, Gujarat.
- Plot No. D-2/11/A1 GIDC, Phase II, Dahej, Tal Vagra, District Bharuch, 392130, Gujarat.
- Plot No C-43 & C-46, TTC Industrial Area, Turbhe MIDC, Off Thane Belapur Road, Turbhe, Navi Mumbai, District – Thane, 400 703, Maharashtra.
- 159 - A, Wagle Estate, 25th Road, MIDC, Thane - 400 604, Maharashtra.
- Plot no. R-856, TTC Industrial Area, Rabale MIDC, Off Thane Belapur Road, PO Ghansoli, Navi Mumbai - 400 701, Maharashtra.
- Plot No. K-1, Additional M.I.D.C, Mahad, District Raigad, 402 302, Maharashtra.
- D. No. 7-70, Sy. No. 71 & 77 to 82, Digwal - Village, Kohir -Mandal, Sangareddy -District, Telangana -State – 502321.
- Plot No. 67-70, Sector II, Pithampur, District Dhar, 454775, Madhya Pradesh.

Overseas:

Piramal Healthcare UK Limited

- Whalton Road, Morpeth, Northumberland, NE61 3YA, UK.
- Sites at Earls Road and Earls Gate Park, Grangemouth, Stirlingshire, Scotland, UK.

Piramal Healthcare (Canada) Limited

110, Industrial Parkway North, Aurora, Ontario, L4G 3H4, Canada.

Piramal Critical Care, Inc.

3950 Schelden Circle, Bethlehem, PA 18017, USA.

Piramal Pharma Solutions Inc.

1575 McGrathiana Parkway, Lexington, Kentucky, 40511, USA.

Ash Stevens LLC

18655 Krause Street, Riverview, MI 48193, USA.

PEL Healthcare LLC

650 Cathill Rd, Sellersville, PA 18960, USA.

Report on Corporate Governance

R. Disclosures with respect to the Demat Suspense Account / Unclaimed Suspense Account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the Escrow Demat account and Unclaimed Suspense accounts:

Particulars	No. of shareholders		No. of equity shares	
	Escrow Demat Account	Unclaimed Suspense Demat Account	Escrow Demat Account	Unclaimed Suspense Demat Account
Aggregate outstanding as on April 1, 2023	18,556	563	89,40,176	38,224
Less: Shareholders who approached the Company for transfer of shares and to whom shares were transferred	589	1	4,45,361	8
Aggregate outstanding as on March 31, 2024	18,012*	562	85,02,902*	38,216

*This includes 45 shareholders holding 8,087 shares outstanding as on March 31, 2024 in the Company's Rights Issue Escrow Demat Account.

Note: Pursuant to a Composite Scheme of Arrangement amongst Piramal Enterprises limited ('PEL'), the Company, (erstwhile) Convergence Chemicals Private Limited, (erstwhile) Hemmo Pharmaceuticals Private Limited, (erstwhile) PHL Fininvest Private Limited and their respective shareholders and creditors, which was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated August 12, 2022 and effective from August 18, 2022, ('Scheme'), four fully paid up equity shares of ₹ 10 each of the Company were allotted to the equity shareholders of PEL for every one fully paid up equity share of ₹ 2 each of PEL, held by them as on the record date defined in the Scheme i.e. September 1, 2022 ('Demerger Record Date'). Accordingly, proportionate number of shares were credited to the Unclaimed Suspense Account (in respect of those shares lying in the Unclaimed Suspense Account of PEL as on the Demerger Record Date). In respect of shares held by the shareholders of PEL in physical form as on the Demerger Record Date, shares of the Company were credited to the Escrow Demat Account. The shareholders are encouraged to claim the shares from the said Escrow Demat Account by submitting the requisite documentation. The details of documentation that may be submitted for this purpose are available under 'Forms' tab at https://www.piramalpharma.com/shareholder-information

The voting rights on unclaimed/outstanding shares in the Unclaimed Suspense Account as on March 31, 2024 have been frozen and will remain frozen till the rightful owner claims the shares. With respect to the shares lying in the Escrow Demat Account, shareholders are requested to refer to the notes contained in the Notice of the AGM for steps to vote on the resolutions proposed and to attend the AGM.

S. Transfer of Unpaid / Unclaimed Dividend and Shares to Investor Education and Protection Fund

Pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of dividend remaining unpaid/unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund. The Company was incorporated on March 4, 2020 and no dividend remains unpaid since the date of incorporation.

10. Disclosure of Certain Types of Agreements Binding Listed Entities

During FY2024, there were no agreements that required disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

11. Subsidiary Companies

The subsidiaries of the Company function independently with adequately empowered Boards of Directors.

Policy for Material Subsidiaries

A Policy for determining Material Subsidiaries has been formulated in compliance with the requirements of Regulation 16 of the SEBI Listing Regulations. This Policy has been uploaded on the website of the Company and can be accessed under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

12. Code Of Conduct

The Board has laid down a Code of Conduct and Ethics for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for FY2024. Requisite declaration signed by Ms. Nandini Piramal to this effect is given below:

"I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management of the Company in respect of the financial year 2023-24."

Nandini Piramal
Chairperson
Mumbai, May 10, 2024

The aforementioned Code has been uploaded on the Company's website and can be accessed under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

13. Code For Prevention Of Insider Trading

The Company has adopted the Code of Conduct to regulate, monitor and report trading by designated persons in securities of the Company and Code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

14. Certificate On Corporate Governance

Certificate from N L Bhatia & Associates, Practising Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations, is attached to the Board's Report forming part of the Annual Report.

Board's Report

Dear Shareholders,

The Directors have pleasure in presenting the 4th Annual Report on the business and operations of Piramal Pharma Limited ('the Company' or 'PPL') and the Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL RESULTS

(₹ in Crores)

	Consolidated		Standalone	
Particulars	**FY 2024**	**FY 2023**	**FY 2024**	**FY 2023**
Net Sales	8171.16	7081.55	4390.11	3443.22
Non-operating other income	175.39	225.11	202.06	341.07
Total income	**8346.55**	**7306.66**	**4592.17**	**3784.29**
Other Expenses	6974.9	6453.31	3772.19	3345.69
OPBIDTA	**1371.65**	**853.35**	**819.98**	**438.60**
Interest Expenses	448.49	344.18	107.10	115.87
Depreciation	740.57	676.69	205.26	192.08
Profit before tax & exceptional items	**182.59**	**(167.52)**	**507.62**	**130.65**
Exceptional items (expenses)/ Income	(62.79)	(6.96)	-	(6.96)
Income tax	161.47	66.31	116.4	54.19
Net Profit/ (Loss) after tax and before Share of Net profit of Associates and Joint ventures	**(41.67)**	**(240.79)**	**391.22**	**69.50**
Share of Net profit of Associates and Joint ventures#	59.49	54.33	-	-
Net Profit/ (Loss) after tax and after Share of Net profit of Associates and Joint ventures	**17.82**	**(186.46)**	**391.22**	**69.50**
Profit from discontinued operations	-	-	-	-
Profit after tax from continuing and discontinued operations	**17.82**	**(186.46)**	**391.22**	**69.50**
Net profit/(loss) margin % (Profit from continuing operations as a % of revenue from continuing operations)	0.22%	(2.63%)	8.91%	2.02%
Basic EPS from continuing operations (₹/share)	0.14	(1.54)	3.05	0.57
Diluted EPS (₹/share) from continuing operations	0.14	(1.54)	3.05	0.57

#Income under Share of associates and joint ventures primarily includes the Company's share of profits for Company's associates, as per the applicable accounting standards.

DIVIDEND

The Board has recommended a final dividend of ₹ 0.11 per equity share of the face value of ₹10 each for the financial year ended March 31, 2024.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy.

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Company has adopted a Dividend Distribution Policy which is available on the website of the Company and can be assessed under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

The Dividend Distribution Policy intends to broadly specify various external and internal factors that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

SHARE CAPITAL

The share capital of the Company was increased pursuant to a rights issue undertaken during the year under review:

- The Company issued and allotted 12,96,29,630 fully paid-up equity shares of the face value of ₹ 10 each for cash at a price of ₹ 81 per equity share (including premium of ₹ 71 per share) aggregating to ₹ 1,050 Crores by way of a rights issue, in the ratio of 5 (Five) rights equity shares for every 46 (Forty-Six) fully paid-up equity shares of the Company, held by the eligible equity shareholders on the Record Date i.e. August 2, 2023 ('Rights Issue').
- Consequent to the allotment of shares the issued, subscribed, and paid-up equity share capital of the Company stands increased from ₹ 1193,31,85,000 to ₹ 1322,94,81,300 comprising ₹ 132,29,48,130 equity shares of the face value of ₹ 10 each fully paid up as on March 31, 2024.

Further details on the Rights Issue are contained under the section 'Significant events during the financial year 2024'.

CHANGES IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Changes in subsidiaries, joint ventures and/or associate companies during FY2024 are listed in **Annexure A** to this Report.

FINANCIAL DETAILS OF SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the 'Act'), a statement containing salient features of the financial statements of subsidiaries, joint ventures and associate companies in Form AOC-1 is attached to the financial statements.

The separate financial statements of the subsidiaries are available on the website of the Company and can be accessed under the 'subsidiary Annual Reports' tab at https://www.piramalpharma.com/financial-reports

SIGNIFICANT EVENTS DURING THE FY2024

Successful fund raising through Rights Issue.

Upon receipt of requisite regulatory approvals, the Rights Issue opened on August 8, 2023 and closed on August 17, 2023 pursuant to a Letter of Offer dated July 27, 2023. The Rights offering by the Company saw strong participation from shareholders and investors, and was oversubscribed.

The Company utilised the net proceeds from the Rights Issue towards the objects as contained in the offer document, including, *inter alia:*

- Repayment or prepayment, in full or in part, of certain borrowings;
- General corporate purposes.

Further there has been no deviation or variation in the utilisation of Rights Issue proceeds from the objects stated in the Letter of Offer.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

There are no reportable significant events after the balance sheet date.

OPERATIONS REVIEW

Standalone

Total income from continuing operations for FY2024 increased by 21.35% to ₹ 4,592.17 Crores as compared to ₹ 3,784.29 Crores in FY2023. Earnings before interest, taxes, depreciation and amortisation ('EBITDA') for FY2024 from continuing operations increased by 86.95% to ₹ 819.98 Crores as compared to ₹ 438.60 Crores in FY2023. Net Profit for the year from continuing and discontinuing operations was ₹ 391.22 Crores as compared to ₹ 69.50 Crores in FY2023. Basic and diluted earnings per share, from continuing and discontinuing operations, was ₹ 3.05 each during FY2024 as compared to ₹ 0.57 per share each, during FY2023.

Consolidated

The Company's consolidated revenue increased by 15.39% to ₹ 8171.16 Crores in FY2024 as compared to ₹ 7081.55 Crores in FY2023. EBITDA for FY2024 from continuing operations increased by 60.74% to ₹ 1371.65 Crores as compared to ₹ 853.35 Crores in FY2023. Net Profit for the year from continuing and discontinuing operations was ₹ 17.82 Crores as compared to ₹ (186.46) Crores in FY2023. Basic and diluted earnings per share, from continuing and discontinuing operations was ₹ 0.14 each during FY2024 as compared to ₹ (1.54) per share each, during FY2023.

SUBSIDIARY COMPANIES

Piramal Healthcare Inc. [Consolidated]

Piramal Healthcare Inc. [consolidated] includes financial statements of its wholly owned subsidiaries, Piramal Critical Care Inc. and Piramal Pharma Inc.

Net sales of Piramal Healthcare Inc. [consolidated] for FY2024 were at ₹ 1,934.67 Crores. Piramal Healthcare Inc. [consolidated] reported a net profit of ₹ 273.39 Crores for the year.

PEL Pharma Inc. [Consolidated]

PEL Pharma Inc. [consolidated] includes financial statements of its wholly owned subsidiaries Piramal Pharma Solutions Inc., Ash Stevens LLC and PEL Healthcare LLC.

Revenue of PEL Pharma Inc. [consolidated] for FY2024 were at ₹ 965.48 Crores. PEL Pharma Inc. reported a net loss of ₹ 252.86 Crores for the year.

Board's Report

Piramal Healthcare UK Limited

Net sales of Piramal Healthcare UK Limited for FY2024 were at ₹ 936.98 Crores. Piramal Healthcare UK Limited reported a net loss of ₹ 77.60 Crores for the year.

Piramal Healthcare (Canada) Limited

Net sales of Piramal Healthcare (Canada) Limited for FY2024 were at ₹ 320.81 Crores. Piramal Healthcare (Canada) Limited reported a net profit of ₹ 43.01 Crores for the year.

Piramal Critical Care Limited

Net sales of Piramal Critical Care Limited for FY2024 were at ₹ 250.14 Crores. Piramal Critical Care Limited reported a net loss of ₹ 166.16 Crores for the year.

Piramal Critical Care Italia S.P.A.

Net sales of Piramal Critical Care Italia S.P.A. for FY2024 were at ₹ 113.52 Crores. Piramal Critical Care Italia S.P.A. reported a net loss of ₹ 6.97 Crores for the year.

Piramal Critical Care South Africa (Pty) Ltd

Net sales of Piramal Critical Care South Africa (Pty) Ltd for FY2024 were at ₹ 43.73 Crores. Piramal Critical Care South Africa (Pty) Ltd reported a net profit of ₹ 1.44 Crores for the year.

Piramal Critical Care Pty Ltd

Net sales of Piramal Critical Care Pty Ltd (incorporated in Australia) for FY2024 were at ₹ 6.88 Crores. Piramal Critical Care Pty Ltd reported a net profit of ₹ 0.57 Crore for the year.

Piramal Critical Care Deutschland GmbH

Net sales of Piramal Critical Care Deutschland GmbH for FY2024 were at ₹ 49.55 Crores. Piramal Critical Care Deutschland GmbH reported a net loss of ₹ 7.30 Crores for the year.

Piramal Critical Care B.V.

Net sales of Piramal Critical Care B.V. for FY2024 were at ₹ 234.05 Crores. Piramal Critical Care B.V. reported a net loss of ₹ 76.08 Crores for the year.

Piramal Critical Care Single Member P.C.

Piramal Critical Care Single Member P.C. was incorporated in FY2023. Since, it was in the first year of its incorporation, financials were not drawn up.

Piramal Pharma Solutions (Dutch) B.V.

Net sales of Piramal Pharma Solutions (Dutch) B.V. for FY2024 were at ₹ 7.59 Crores. Piramal Pharma Solutions (Dutch) B.V. reported a net profit of ₹ 4.24 Crores for the year.

Piramal Healthcare Pension Trustees Limited

Net sales and Profit for the year of Piramal Healthcare Pension Trustees Limited for FY2024 were Nil.

Piramal Dutch Holdings N.V.

On a standalone basis, there was no sales during FY2024 in Piramal Dutch Holdings N.V. Net loss for the year was at ₹ 100.94 Crores.

Piramal Dutch Holdings N.V. is holding company of the below mentioned entities. The financial performance of each of its subsidiaries is separately provided in this report:

Piramal Healthcare Inc. [Consolidated with its subsidiaries i.e. Piramal Critical Care, Inc. and Piramal Pharma Inc.]

PEL Pharma Inc. [Consolidated with its subsidiaries i.e. Piramal Pharma Solutions Inc., PEL Healthcare LLC and Ash Stevens LLC]

Piramal Healthcare UK Limited

Piramal Healthcare (Canada) Limited

Piramal Critical Care Limited

Piramal Critical Care Italia S.P.A.

Piramal Critical Care South Africa (Pty) Ltd.

Piramal Critical Care Pty Ltd

Piramal Critical Care Deutschland GmbH

Piramal Critical Care B.V.

Piramal Critical Care Single Member P.C.

Piramal Pharma Solutions (Dutch) B.V.

Piramal Healthcare Pension Trustees Limited

Piramal Pharma II Private Limited

Piramal Pharma II Private Limited reported a net loss of ₹ 11.35 Crores for the year.

Piramal Pharma Limited Employees Welfare Trust

Piramal Pharma Limited Employees Welfare Trust is an ESOP Trust set up under Piramal Pharma Limited - Employees Stock Option and Incentive Plan 2022 and has not commenced operations.

JOINT VENTURES AND ASSOCIATE COMPANIES

Investment in Joint Ventures and Associates are accounted for, using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of post-acquisition profits or losses and other comprehensive income of joint ventures and associates. Dividends received or receivable from associates or joint ventures are recognised as a reduction in the carrying amount of the investment.

The Company owns 49% equity stake in Abbvie Therapeutics India Private Limited (formerly known as Allergan India Private Limited). Share of profit of Abbvie Therapeutics India Private Limited considered in consolidation for FY2024 amounted to ₹ 60.10 Crores.

The Company owns 33.33% of equity stake in Yapan Bio Private Limited. Share of loss of Yapan Bio Private Limited considered in consolidation for FY2024 amounted to ₹ 0.39 Crore.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public and as such, no amount of principal or interest was outstanding as on the balance sheet date.

STATUTORY AUDITORS AND AUDITORS' REPORT

In accordance with Section 139(2) of the Act, M/s. Deloitte Haskins & Sells LLP ('Deloitte'), Chartered Accountants (Firm Registration Number 117366W/W-100018), were appointed as Statutory Auditors by the members of the Company at General Meeting held on October 5, 2020, for a term of 5 consecutive years to hold office until the conclusion of the 5th Annual General Meeting ('AGM') of the Company to be held in calendar year 2025.

The Auditors' Report does not contain any qualification, reservation or adverse remark on the financial statements for the financial year ended March 31, 2024. The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

CORPORATE SOCIAL RESPONSIBILITY

The annual report on Corporate Social Responsibility ('CSR') containing details of CSR Policy, composition of the CSR Committee, CSR projects undertaken and web-link thereto on the website of the Company, as required under Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out in **Annexure B** to this Report. For other details regarding the CSR Committee, please refer to the Report on Corporate Governance, which is a part of this Annual Report.

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

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in **Annexure C** to this Report.

ANNUAL RETURN

The Annual Return for FY2024 is available on the website of the Company under 'Annual Reports' tab at https://www.piramalpharma.com/financial-reports.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the approval of the Members of the Company at the AGM held last year, the following re-appointments were made:

- During the year, Mr. Peter DeYoung (DIN: 07152550) was re-appointed as Whole-time Director, designated as Executive Director, liable to retire by rotation, with effect from October 6, 2023 for a term of 3 (three) years.
- Ms. Nandini Piramal (DIN: 00286092) was re-appointed as Whole-time Director, designated as Chairperson, liable to retire by rotation, with effect from April 1, 2024 for a term of 3 (three) years.

Ms. Nathalie Leitch (DIN: 09557042), resigned from the position of Non-Executive Non-Independent Director of the Company w.e.f. May 10, 2024 on account of other professional commitments. The Board placed on record its appreciation towards Ms. Leitch's contributions and the value that she added during her tenure with the Company.

Based on the recommendations of the Nomination and Remuneration Committee and subject to approval of Members at the ensuing AGM, the Board has approved the re-appointment of Mr. Vivek Valsaraj (DIN: 06970246), Chief Financial Officer, as an Executive Director of the Company, liable to retire by rotation, to hold office for a term of 3 (three) years with effect from February 9, 2025.

Accordingly, in line with the provisions of the Act and the Articles of Association of the Company, Mr. Vivek Valsaraj (DIN: 06970246) will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing AGM.

The Company has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. Also, the Independent Directors of the Company have confirmed that they have registered with the databank maintained by the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and SEBI Listing Regulations and are independent of the Management. A matrix demonstrating the skill and expertise of Directors of the Company including Independent Directors is provided in the Report on Corporate Governance forming part of this Annual Report.

BOARD EVALUATION

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and the Non-Executive Directors (including Independent Directors) on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The performance of the Executive Directors is evaluated by the Nomination and Remuneration Committee on the basis of achievement of their Key Result Areas and other factors in line with the Remuneration Policy of the Company. A report summarising the evaluations, is placed before the Board by the Chairman of the NRC, which contains the collective impression of the directors on the functioning of the Board, its committee and individual directors.

The Board of Directors has expressed its satisfaction with the evaluation process.

Further, at the annual meeting of Independent Directors, the performance of the Chairperson, Non-Independent Directors as well as the Board as a whole and its Statutory Committees was assessed.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 6 (Six) Meetings of the Board of Directors were convened and held, details of which are given in the Report on Corporate Governance forming part of this Annual Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism/Whistle Blower Policy are posted on the website of the Company under ' Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

AUDIT COMMITTEE

The Audit Committee comprised of following members as on March 31, 2024:

Name of Members	Category
Mr. Jairaj Purandare – Chairman	Non-Executive, Independent Director
Mr. S. Ramadorai	Non-Executive, Independent Director
Mr. Sridhar Gorthi	Non-Executive, Independent Director

Further details on the Audit Committee are provided in the Report on Corporate Governance forming part of this Annual Report.

NOMINATION AND REMUNERATION POLICIES

The Board has approved a Nomination Policy which lays down the framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors, key managerial personnel and senior management employees including other matters as provided under Section 178(3) of the Act.

The Board has also approved a Remuneration Policy with regard to remuneration payable to Directors, members of Senior Management and Key Managerial Personnel.

Details of the Nomination Policy and the Remuneration Policy are given in **Annexure D** to this Report and are also available on the website of the Company under 'Polices, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Reference is made to Note nos. 5 and 12 of the standalone financial statements for loans to bodies corporate and to Note no. 38.4 for performance guarantees. Performance Guarantees have been provided by the Company to its subsidiaries.

As regards details of Investments in bodies corporate, the same are given in Note no. 4 of the standalone financial statements.

RELATED PARTY TRANSACTIONS

During the year under review, all contracts/arrangements/ transactions entered into by the Company with related parties were in ordinary course of business and on an arm's length basis. There were no material related party transactions by the Company during the year. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

Systems are in place for obtaining prior omnibus approval of the Audit Committee on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis. This system was followed during the year under review.

As required under Regulation 23(1) of the SEBI Listing Regulations, the Company has in place, a 'Policy on Related Party Transactions' which is available on the website of the Company under 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

MANAGERIAL REMUNERATION

A) Remuneration to Directors and Key Managerial Personnel ('KMP')

1. The percentage increase in remuneration of each Director, including the Chief Financial Officer and the Company Secretary during FY2024 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY2024 are as under:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for FY 2024 (₹ in Lakhs)	% increase / decrease in Remuneration in FY 2024	Ratio of remuneration of each Whole – Time Director / KMP to median remuneration of employees
1	Ms. Nandini Piramal Chairperson	420.16	(18.24)	64.42
2	Mr. Peter DeYoung Executive Director	423.98	(17.87)	65.00
3	Mr. Vivek Valsaraj Executive Director & Chief Financial Officer	247.66	(15.99)	37.97
4	Mr. Neeraj Bharadwaj Non-Executive Director	NA	NA	NA
5	Mr. S. Ramadorai Independent Director	37.5	N.A.	N.A.
6	Mr. Jairaj Purandare Independent Director	39.5	N.A.	N.A.
7	Mr. Sridhar Gorthi Independent Director	36.0	N.A.	N.A.
8	Mr. Peter Stevenson Independent Director	32.0	N.A.	N.A.
9	Ms. Nathalie Leitch* Non-Executive Director	28.14	N.A.	N.A.
10	Ms. Vibha Paul Rishi Independent Director	24.08	N.A.	N.A.
11	Ms. Tanya Sanish Company Secretary	38.47	18.44	5.90

*Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.

Notes:

i. Non-Executive Directors are entitled to sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders. Remuneration details for Non-Executive Directors in the above table, comprises of sitting fees and commission. Details in the corresponding columns are applicable for Whole-Time Directors and KMPs.

ii. Mr. Neeraj Bharadwaj, Non-Executive Director, does not receive any sitting fees or any other remuneration.

iii. Remuneration details have been provided with respect to remuneration/commission paid during FY2024 and sitting fees for meeting attended during FY2024.

iv. Considering the current economic scenario, performance of the Company and the necessity to conserve cash for the future, the Executive Directors forming part of the Promoter Group, Ms. Nandini Piramal and Mr. Peter DeYoung, had decided to forego their Performance Linked Incentive ('PLI') for FY2023. Accordingly, PLI was not paid to them during the FY2024.

2. The median remuneration of employees of the Company during FY2024 was ₹6,52,240.

3. In FY2023-24, there was 11% increase in the median remuneration of employees.

4. There were 5,076 permanent employees on the rolls of the Company as on March 31, 2024.

5. Average percentage increase made in the salaries of employees other than the managerial personnel during FY2024 was 4%. Details of comparison of Managerial Remuneration for FY2024 over FY2023 are given in the above table at Sr. No. 1.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other Employees.

B) Employee Particulars

Details of employee remuneration as required under the provisions of Section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report. Further, this Report is being sent to the Members excluding the said statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon specific request made in writing to the Company by the Members. Any Member interested in obtaining a copy of the statement may request the same by writing to shareholders.ppl@piramal.com.

C) Employee Stock Options

In line with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI SBEB Regulations'), the requisite details relating to the ESOP Plan are available on the Company's website under the 'ESOP Disclosure' tab at https://www.piramalpharma.com/shareholder-information.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Rules made thereunder, the Company has appointed N L Bhatia & Associates, Practising Company Secretaries, as the Secretarial Auditor of the Company for the FY2024. The Secretarial Audit Report is annexed as **Annexure E** and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CERTIFICATIONS FROM COMPANY SECRETARY IN PRACTICE

A certificate has been received from N L Bhatia & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs or any such statutory authority. The certificate is attached as **Annexure F** to this Report.

REPORT ON CORPORATE GOVERNANCE

The Company is fully committed to good Corporate Governance and is compliant with applicable provisions of law relating to Corporate Governance. The report on Corporate Governance, as stipulated under Regulation 34 of the SEBI Listing Regulations forms an integral part of the Annual Report. The requisite certificate from N L Bhatia & Associates, Practising Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations is annexed as **Annexure G** to this Report.

RISK MANAGEMENT FRAMEWORK

The Company has a robust Risk Management framework to identify, measure, manage and mitigate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business strategy and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operational risks and quantifies potential impact at a Company level.

Further, information on the risk management process of the Company is contained in the Management Discussion & Analysis Report which forms part of the Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and systems of compliance which are established and maintained by the Company, audits conducted by the Internal, Statutory and Secretarial Auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and review by the Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2024.

The Directors confirm to the best of their knowledge and ability, that:

(a) in the preparation of the annual financial statements for the financial year ended March 31, 2024, the applicable accounting standards have been followed with no material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;

(c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

(d) the Directors have prepared the annual financial statements on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with Regulation 34(2)(f) of the SEBI Listing Regulations read with SEBI circular dated July 12, 2023 and the Company being among the top 1000 listed companies by market capitalisation as on March 31, 2024, a Business Responsibility and Sustainability Report ('BRSR') is required to be reported as part of the Annual Report. Accordingly, in line with the SEBI Listing Regulations, the BRSR of the Company describing the initiatives taken by the Company from an environmental, social and governance perspective is enclosed with this Report.

COST AUDIT

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act. M/s. G. R. Kulkarni & Associates, Cost Accountants, have been duly appointed as Cost Auditors for conducting cost audit in respect of products manufactured by the Company which are covered under the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending March 31, 2025. They were also the Cost Auditors for the financial year ended March 31, 2024. As required under Section 148 of the Act, necessary resolution has been included in the Notice convening the AGM, seeking ratification by the Members towards the remuneration proposed to be paid to the Cost Auditors for the financial year ending March 31, 2025.

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

The Company has always believed in providing a safe and conducive workplace for every individual working on the Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

All employees, consultants, trainees, volunteers, third parties and/ or visitors at all business units or functions of the Company, its subsidiaries and/or its affiliated or group companies are covered by the said policy. Across the organisation, managers, employees and Internal Complaints Committee undergo regular trainings related to POSH.

The Company has in place a robust policy on prevention of sexual harassment at workplace which is in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), a copy of which is available on the website under the 'Polices, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance. The Company has complied with provisions relating to the constitution of Internal Complaints Committee ('ICC') under the POSH Act. ICC has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. ICC has its presence at corporate offices as well as at site locations.

The policy is gender neutral. During the year under review, 2 (two) complaints were filed with ICC under the provisions of the POSH Act, detailed investigation was carried out and same were disposed-off as per the provisions of POSH Act.

OTHERS

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

1. No amounts are proposed to be transferred to the Reserves;

2. No changes were made in the nature of business of the Company;
3. No sweat equity shares and shares with differential rights as to dividend, voting or otherwise were issued;
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
5. None of the Auditors of the Company have reported any fraud as specified under Section 143(12) of the Act;
6. Neither any application was made, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 against the Company and;
7. There were no instances of one-time settlement with any Bank or Financial Institutions.

ACKNOWLEDGEMENT

The Board wishes to place on record appreciation to the employees for their dedicated service and contribution to the Company.

The Board would also like to express their sincere appreciation towards Banks, Business Associates, Members and other stakeholders for their continued support to the Company.

For and on behalf of the
Board of Directors

Place: Mumbai
Date: May 10, 2024

Nandini Piramal
Chairperson

Annexure A

CHANGES IN COMPANY'S SUBSIDIARIES, JOINT VENTURES AND/OR ASSOCIATE COMPANIES DURING FY 2024:

A. CHANGES IN SUBSIDIARIES

Entities which have become subsidiaries:

- Piramal Pharma Limited Employees Welfare Trust

Entities which have ceased to be subsidiaries:

- Piramal Pharma Japan GK (liquidated)

B. CHANGES IN JOINT VENTURES

No entity has become nor has ceased to be a Joint Venture Company.

C. CHANGES IN ASSOCIATE COMPANY

No entity has become nor has ceased to be an Associate Company.

Annexure B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES FOR THE FY2023-24

1. Brief outline on CSR Policy of the Company:

The CSR initiatives of the Company are undertaken as projects or programs or activities, whether new or ongoing and in line with the CSR Policy. During the year ended March 31, 2024, the Company discharged its CSR obligations through the Aspirational Bharat Collaborative (formerly known as Aspirational District Collaborative) program of Piramal Foundation, a Section 8 company ('CSR entity'), in the education sector.

The CSR entity develops innovative solutions to resolve issues that are critical roadblocks towards improving India's education among other issues. The CSR entity believes that considerable positive change can occur when we collaborate with likeminded partners and nurture projects that are scalable ensuring a long-term impact.

The CSR policy of the Company is guided by its core values namely, Knowledge, Action, Care and Impact.

2. Composition of CSR Committee:

Sr. 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. Jairaj Purandare, Chairman	Non-Executive, Independent Director	refer note	refer note
2.	Ms. Nandini Piramal	Executive Director	refer note	refer note
3.	Mr. Vivek Valsaraj	Executive Director	refer note	refer note

Note: No meeting of the CSR Committee was held during the year ended March 31, 2024, however Circular Resolution was passed during the year under review. Also a comprehensive presentation was made to the Board at its meeting held on May 24, 2023 on the CSR initiatives.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

a. Composition of the CSR Committee and CSR policy: https://www.piramalpharma.com/corporate-governance

b. CSR projects: Please refer to the Piramal Foundation link on https://www.piramalpharma.com/sustainability

4. Provide 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, if applicable:

Impact assessment report was not applicable in FY2023-24 for the CSR projects undertaken by the Company.

5. (a) **Average net profit of the Company as per Section 135(5):** ₹ 232.56 Crores

(b) **Two percent of average net profit of the company as per section 135(5):** ₹ 4.65 Crores

(c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL

(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):** ₹ 4.65 Crores

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 5.28 Crores

(b) **Amount spent in administrative overheads:** NIL

(c) **Amount spent on Impact Assessment, if applicable:** NIL

(d) **Total amount spent for the FY[(a)+(b)+(c)]:** ₹ 5.28 Crores

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (₹ In Crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5.28	NIL	NA	NA	NIL	NA

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

Sr. No.	Particular	Amount ₹ In Crores
1.	Two percent of average net profit of the company as per Section 135(5)	4.65
2.	Total amount spent for the Financial Year	5.28
3.	Excess amount spent for the financial year [2. - 1.]	0.63
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [3. - 4.]	0.63

7. Details of Unspent CSR amount for the preceding three financial years:

Sr.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Crores)	Balance Amount in unspent CSR Account under section 135 (6) (₹ in Crores)	Amount spent in the reporting FY (₹ in Crores)	Amount transferred to a fund specified under Schedule VII as per section 135(6), if any. Amount (₹ In Crores)	Date of transfer	Amount remaining to be spent in succeeding financial years. (₹ in Crores)	Deficiency, if any
				Nil				

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

If Yes, enter the number of Capital assets created / acquired:2

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

Sr. No.	Short particulars of the property or assets [including complete address and location of the property]: Property/ Asset	Address	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent (in ₹)	Details of entity / Authority / beneficiary of the registered owner: CSR Registration Number, if applicable	Name	Registered address
1	13 Laptops	2nd floor, Piramal Ananta, Piramal Agastya Corporate Park, Kurla West, Near Kamani Junction, Mumbai- 400070.	400070	August 8, 2023 and September 11, 2023	6,52,200	CSR00006603	Piramal Foundation	2nd floor, Piramal Ananta, Piramal Agastya Corporate Park, Kurla West, Near Kamani Junction, Mumbai- 400070.
2	63 Tablets			August 11, 2023	8,84,646			

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) – N.A.

Jairaj Purandare
(Chairman – CSR Committee)

Vivek Valsaraj
(Executive Director and Member of CSR Committee)

Annexure C

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014 for the year ended March 31, 2024

A. CONSERVATION OF ENERGY

i) Steps taken for conservation of Energy

During the year, the Company introduced the following measures at its plant locations to conserve energy:

Rabale

Comprehensive Energy audit was carried out for all utility systems. Some quick-win projects like treated fresh air temperature control, illumination rationalisation and air conditioning ('AC') scheduling with zero capital investment were completed.

Ahmedabad PDS

Designed a system to re-use Air Handling Unit ('AHU') sweating water in Cooling Tower. This has resulted in reduction of low effluent treatment of water. During the year, 190 kiloliter ('KL') water has been saved.

Dahej

a. Received Consent to operate ('CTO') amendment for Hydrochloric acid ('HCl') sales which eliminated operational cost of Calcium Chloride ('$CaCl_2$') plant that eventually resulted in reduction of power consumption by 150 units/day and carbon dioxide ('CO_2') emissions.

b. Eliminated continuous pumping operation to gravity feed operation for product intermediate distillation setup, which resulted in reduction in overall power consumption by 48 units/day.

c. Minimised the length of main underground power cable from 3.5 km to 1.5 km by shifting the power station from Luna-substation to Vadadala-substation. This reduced frequent power failures and resulted in reduction of diesel consumption by 10%.

Turbhe

a. To conserve water and fuel (natural gas), condensate recovery system was provided to the steam generation plant ('Boilers').

b. Zero liquid discharge wastewater treatment plant was commissioned. The treated water was recycled for utility purpose resulting into reduction in freshwater demand.

c. Energy efficient scrubbers and exhaust systems had been provided to reduce the electricity consumption.

d. As a part of energy saving initiative in compressed air system, air-flow monitor was provided to control the fluctuation on demand side air pressure.

e. Completed the execution on multiple energy conservation projects as a part of quick-win segment identified during the focused energy audit on Heating, Ventilation and Air Conditioning ('HVAC') activities conducted during FY2023.

f. Comprehensive energy audit was conducted, as a result many energy conservation projects were identified. Design phase of these energy saving projects were completed and implementation of the same had been initiated.

g. During the year, a capital investment of approximately ₹ 93 Lakhs has been made on energy conservation equipment.

Ennore

a. During the year, the site conserved:

- a total of 3,20,000 units of power resulting in saving a total amount of ₹ 28.8 Lakhs.
- 11 Kiloliters of water per day ('KLD')

b. A significant reduction in CO_2 emission of 231.62 total carbon dioxide ('TCO_2') was made during the year.

c. Major Initiatives taken by site:

- Installation of Auto Tube Cleaning System,
- Installation of LED Light Fixtures,
- Installation of Energy Efficient Fans in Cooling Towers,
- Reuse of sanitized hot water from MPP III DM-002, PP-II (PW-1101) to Boiler feed,
- Replacement of De-gas water pump,
- Ceramic coating of utility pumps,
- Control system installed based on sump temperature,
- Interconnection of Chilled Water Plants,
- Installation of Ejector CT pump,
- Installation of transparent Polycarbonate Sheet,
- Line Modification to conserve energy,
- Interconnection of Brine Plants.

Pithampur

a. Installed draft controller in boilers to conserve energy resulting in savings of 0.5 Lakh unit per annum and fuel saving of 100 ton per annum.

b. Recovered and utilised flash steam and saved 144 tons per annum of boiler fuel.

c. Replaced V-Belt drives of Air Handling Units in Phase 2 with flat belt drives to reduce power consumption by 1.4 Lakh unit per annum.

d. Modified chilled water system with energy efficient pumps yielding savings of 0.84 Lakh unit per annum.

e. Achieved savings of 18 KL per annum of Fuel ('High Speed Diesel') by optimising Diesel Generator ('DG') set operation.

f. All new installations were provided with Variable Frequency Drives and Light Emitting Diode ('LED') lights.

g. The expenditure on capital investment on energy conservation equipment was approximately ₹ 0.40 Crore in FY2024.

Ahmedabad PPDS

a. Purchased 0.8-megawatt ('MW') hybrid power ('a combined power and energy storage system') equivalent to 50% of total demand of Ahmedabad - PPDS & PDS sites.

b. Steam condensate recovery was used as feed water to save energy for increasing the temperature of the boiler.

c. Optimisation of chiller usage in different areas depending upon their needs.

Digwal

a. The site had upgraded the 100 NM3/hr. Nitrogen Plant operation sequence controller from timer based control to Programmable Logic Control ('PLC') based control that resulted into reduced air requirement and thereby an annual energy saving of 2,27,000 units per year.

b. An improvement had been made in steam condensate recovery by around 10% for installing better hot water systems. This resulted in recovering around 7300 M3 hot water annually and thereby saving of energy 2,19,000 Mega Calorie ('MCal') and 50 Tons of Coal annually.

c. During the year, the site had installed bigger capacity Coal vibro-feeder and thereby reduced daily coal conveying hours. This has resulted into an energy saving of 45,360 units per year for reduced hours operations of coal conveying equipment.

d. Replaced 300 Tons of Refrigeration ('TR') Cooling Tower by an energy efficient - V Bar fills design Tower. This has resulted into an annual energy saving of 700 Kilowatt-hour ('KWH').

e. The site had identified and executed several Kaizen projects which improved chillers efficiency, season-based Brine & Chilled water temperature correction, administrative control to optimise operations of Heat Ventilation and Air Conditioning ('HVAC') systems that eventually resulted into saving 34,000 units per year.

f. The expenditure on capital investment for installation of hot water system, cooling tower, vibro-feeder and N2 Plant controller was ₹ 55 Lakhs in FY2024.

Mahad

a. Replacement of IE2 non-efficient motors at significant locations with energy efficient IE4 motors and installation of Variable frequency drives ('VFD') for Air Handling Units ('AHUs') and Boiler ID Fan resulted into savings of 0.88 Lakh KWH.

b. Thirty year old transformer was replaced with new Level 2 energy efficient transformer. This has resulted into savings of 0.08 Lakh KWH for which capital investment of ₹ 34.70 Lakh was made.

c. Replacement of old reciprocating Batliboi chillers with new energy efficient screw type bluestar chillers in G Block resulted into savings of 1.3 Lakh KWH for which capital investment of ₹ 76 Lakh was made.

d. Replacement of regular ceiling fans with Brushless Direct Current ('BLDC') ceiling fans resulted into savings of 0.019 KWH for which capital investment of ₹ 2.43 Lakh was made.

ii) Steps taken by the Company for utilising alternate sources of energy:

The Company continuously explores avenues for using alternate sources of energy keeping in mind several parameters including environment, production and cost efficiencies. The following steps were taken at the below mentioned sites of the Company:

Dahej

a) The site had installed 52 kilowatt ('KW') solar panel power plant at Water Treatment Plant building & Security building which resulted in savings of ₹ 3.7 lakhs.

b) Power Purchase Agreement ('PPA') with KPI Green Energy Limited for utilising solar energy realised total savings of ₹ 5.7 Lakhs during the year.

Pithampur

a. Usage of Piped Natural Gas ('PNG') in place of Liquified Petroleum Gas ('LPG') in canteen.

b. Reuse of Ultra Filtration ('UF') Reject, Condensate water and treated effluent water for utility operation and gardening.

c. Continued use of Agro-Briquette, a cleaner fuel for Boiler and Green energy source through Hydro Electric power.

Digwal

Presently site is using only State Electricity Board supplied electric power and in the event of outage, Diesel generators are operated.

iii) **The Company's Plants have collectively made capital investments in energy conservation equipment aggregating to ₹ 4.45 Crores for the FY2024.**

B. TECHNOLOGY ABSORPTION

i) Action Taken

Ahmedabad PDS

a. Glove box: For safety and to ensure better Research & Development ('R&D') outcome, Glove Box was purchased which handles sensitive reaction /reagents efficiently.

b. Chemistry Flow reactor: Installed flow reactor, an instrument which offers multiple advantages such as improved safety, product stability and flexibility in increasing the scale.

c. Microwave with auto sampler: Upgradation of Microwave facility by adding microwave with auto sampler.

d. Enclosure in Chemistry Lab: To enhance safety during R&D activity, enclosures were installed in PRL 22 for key instruments like Rota Vapors and Flash Purification system.

Ahmedabad PPDS

a. Introduction of sachet filling machine.

b. Introduction of Heavy Lifting Technology ('HLT') and other accessories for closed transfer of materials for Band-4 products.

Dahej

a. Horisontal deployment of the Steam Operated Pump Trap ('SOPT - latest technology of condensate trap') in Multi Effect Evaporator ('MEE') plant, Anhydrous Hydrofluoric Acid ('AHF') recovery column resulted in improved overall condensate recovery from 74% to 80%.

b. Converted Batch distillation technology to continuous distillation in BAC-CP ('intermediate of product Hexaflouro Isopropyl Methyl Ether') stage, resulting in improved Batch Cycle Time ('BCT') & productivity.

c. Improved raw material quality of catalyst used in BAC-CP stage, by developing the method of analysis for principal component in catalyst, resulting in improved BCT & productivity.

d. R&D Activity for technology upgradation of FEFME ('2,2,2 trifluoro ethyl difluoro methyl ether') & Trifluoro ethanol ('TFEA') alternate route development.

e. Zero leakage ('Manthan initiative'): Replaced existing flange & gaskets in the molten salt system with Ring Tight Joint [('RTJ'), which has high resistance to expansion in high temperature], a type of flange & gaskets to eliminate the Molten salt leakages.

f. Zero Fire/ Fire prevention Safety improvement initiatives: Installed fire suppression system in High Tension & low tension new Power Control Centre panel.

Rabale

The recycling system was developed for water ring vacuum pump by using the Zero-liquid discharge Effluent Treatment Plant ('ZLD ETP') recycled water.

Turbhe

a. As a part of automation road map, online documentation management system was strengthened for improving the quality of management systems.

b. Enterprise Resource Planning ('ERP') system was upgraded for material management, introduced the software to streamline the analytical data management in quality control department.

c. Installed zero liquid discharge type wastewater treatment plant as a step towards achieving environmental sustainability.

d. Site has achieved 100% power back up by commissioning additional Diesel Generator ('DG') set.

e. Company had introduced process improvement initiatives in the synthesis crude filtration system to reduce cycle time.

Pithampur

a. Usage of Ultrasonic Leak detector for identifying steam and compressed air leaks in all installed pipelines and equipment.

b. Installed Compressed Air Controller yielding savings of 0.5 Lakh unit per annum.

c. Upgraded Packaging capability by installing Auto carbonator machine for Bottle packaging.

d. QR code implemented for Refresh Tears eye drop.

e. Bottom spray granulation qualified for commercial scale.

f. Implemented CLEEN Software for cleaning validation.

g. Installed Liquid Chromatography Mass Spectrometry ('LCMS') in Quality Control ('QC').

h. Implemented User Access Management Software for GXP systems.

i. Installed additional Automatic Tablet Inspection Machine.

Digwal

a. Powder Transfer System: The site had adapted using Pneumatic material transfer system for charging materials into Reactors. The system used Nitrogen gas to convey material from containers to Reactors in closed environment. It has resulted in multifold benefits; Mitigation of static charge induced fire hazard, avoidance of foreign material contamination, Batch cycle time reduction and overall to improve Product Safety, Quality and Reliability.

b. Layer Separator: In most of Active Pharmaceutical Ingredients ('API') Chemical processes, there was a step to separate out the mixture of Aquas and Organic compounds derived after reaction step. Earlier the layers of aquas and organic compounds were being separated by storing mixture in separation vessel allowing lighter layer of aquas to float and heavier organic layer to settle at bottom then pumping out manually. It used to take high time and separation efficiency was also poor. The site had adapted using conductivity/specific gravity based automated transferring system and resulting into having accurate & efficient separation and thereby improving Yield, reducing manpower requirement and separation time.

c. The site had started using clean agent dry gas NOVEC 1230 for firefighting in areas like, archive documents, critical Electrical Panels. The Clean agent NOVEC 1230 was highly safe, having low environment impact, Zero Ozone depletion potential as it had 5 days atmospheric lifecycle. Also, Fire Extinguishers were installed on Reactors modular.

d. Site Quality Control Lab had started using advanced model of LCMS – Liquid Chromatograph Mass Spectrometer. It had enabled supporting Nitrosamine Drug Substance-Related Impurities (NDSRi) related method development, validations and analysis of our product.

Mahad

a. Implemented and used Raman spectrophotometry for identification test of Raw materials.

b. Installed 2 Diesel Generator sets with capacities of 750 Kilo-volt-amperes ('kVA').

c. Use of new software - Trackwise for management of change controls, deviations, incidents and Corrective and Preventive Actions ('CAPAs').

d. Use of upgraded version of LabSolution software for e-signature and Paperless processes for various instruments like high pressure liquid chromatography, Ultra Violet Spectroscopy, Fourier Transform Infrared Spectroscopy ('FTIR'), Atomic Absorption Spectroscopy and luminous spectrometer.

e. Implemented digitalisation through e-signature on Invoices and Certificate of Analysis ('COAs').

f. Installed new Therma Inkjet and Continuous Inkjet printer in L-block.

g. Installed and used peristaltic pump in G-Block for transfer of water in Rapid Mixture Granulator.

h. Installed combi coater (film and sugar) in N Block.

ii) The benefits derived (e.g. product improvement, cost reduction, product development or import substitution)

Pithampur

a. Batch size increased for Cyanocobalamin 1MG Tablets (2.2 Million to 3.3 Million) & Spironolactone 12.5 mg (0.7 Million to 2 Million) led to improvement in yield by 1% & 2% respectively along with reduction in number of changeovers.

b. Developed alternate vendor for sterile filter for Pred Forte Eye drops.

c. Operational improvement resulting in production in Atorvastatin tablet range by 15% and Refresh Tears eye drop by 20%.

Digwal

a. Improved Generics Yield across 6 molecules to deliver savings of ₹ 0.94 Crore.

b. Key Starting Material ('KSM') recovery and reuse was done in a Tier 3 molecules to reduce raw material cost and realise savings of ₹ 3.44 Crores.

c. Zero Liquid Discharge ('ZLD') treatment cost optimised by selling spent stream to relevant industry. This initiative had fetched ₹ 0.25 Crore. in FY2024.

d. Cost of Poor-Quality improvement of Generic molecule to minimise revenue losses by ₹ 0.7 Crore.

e. Solvent recovery improvement to generate savings of ₹ 5.65 Crores by utility upgradation and Loss reduction.

f. Capacity improvement of Key Contract Development and Manufacturing Organisation ('CDMO') molecules by approximately 25% by adopting Daily Management System and Process Improvements.

Turbhe

a. Yield improvement done in top products and solvent consumption reduction resulted in to saving of ₹ 6.4 Crores.

b. Increased batch size for top products: Leuprorelin, Desmopressin, Salmon Calcitonin and Tetracosactide.

c. Completion of Engineering upgradation like renovation of production/QC/ admin block/ stores, 100% emergency power backup, wastewater recycling, Condition based monitoring for critical equipment, critical spare management and improvement in MTBF of site.

Mahad

a. As there was no sample required to be removed there was a significant reduction in analysis duration and wastage of material with implementation of Raman spectroscopy.

b. Improved back-up with capacity to operate 70% operations during power cut-offs with Diesel Generator ('DG') installation.

c. Fulfilment of statutory requirements and paper saving resulted in cost saving of approximately ₹ 50,000.

d. Better control over tablets with advanced technology and eliminated the risk of Out of Specifications ('OOS') tablets.

e. Increased capacity with reduction in number of batches in food liquid ultimately resulting in saving cost of analysis per batch.

f. Improved quality of printing with increased efficiency.

g. Achieved better control and accuracy to avoid human error.

h. Sugar and film coating in one Machine as new capability addition.

Expenditure on R&D

During the year, the Company incurred an expenditure of ₹ 58.08 Crores on R&D.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange earnings were ₹ 2,685.06 Crores as against outgo of ₹ 956.01 Crores.

Annexure D

NOMINATION POLICY

I. Preamble

The Nomination and Remuneration Committee ('NRC') of Piramal Pharma Limited (the 'Company'), has adopted the following policy and procedures with regard to identification and nomination of persons who are qualified to become directors and who may be appointed in senior management.

This policy is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 178 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as 'Applicable Laws')

II. Criteria for identifying persons for appointment as Directors and Senior Management:

A. Directors

1. Candidates for Directorship should possess appropriate qualifications, skills and expertise in one or more fields of finance, law, general corporate management, science and innovation, public policy, sales & marketing and other disciplines as may be identified by the NRC and/or the Board from time to time, that may be relevant to the Company's business.

2. Such candidates should also have a record of professional success.

3 Every candidate for Directorship on the Board should have the following positive attributes:

a) Possesses a high level of integrity, ethics, credibility and trustworthiness;

b) Ability to handle conflict constructively and possess the willingness to address critical issues proactively;

c) Is familiar with the business of the Company and the industry in which it operates and displays a keen interest in contributing at the Board level to the Company's growth in these areas;

d) Possesses the ability to bring independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management and resource planning;

e) Displays willingness to devote sufficient time and attention to the Company's affairs;

f) Values Corporate Governance and possesses the skills and ability to assist the Company in implementing good corporate governance practices;

g) Possesses leadership skills and is a team player.

4. Criteria for Independence applicable for selection of Independent Directors:

a) Candidates for Independent Directors on the Board of the Company should comply with the criteria for Independence as stipulated in the Applicable Laws, as amended or re-enacted or notified from time to time. Such candidates should also comply with other applicable regulatory requirements relating to Independence or as may be laid down by the Board from time to time.

b) Such Candidates shall submit a Declaration of Independence to the NRC / Board, initially and thereafter, annually, based upon which, the NRC / Board shall evaluate compliance with this criteria for Independence.

5. Change in status of Independence

Every Independent Director shall be required to inform the NRC / Board immediately in case of any change in circumstances that may put his or her independence in doubt, based upon which, the NRC / Board may take such steps as it may deem fit in the best interest of the organisation.

6. Extension of existing term of Independent Directors

Upon the expiry of the prevailing term and subject to the eligibility of the Independent Director ('ID'), under the provisions of the Applicable Laws, as prevailing from time to time, the Board may, on the recommendations of the NRC and subject to the outcome of performance evaluation and in compliance with applicable statutory requirements, at its discretion, recommend to the shareholders an extension or renewal of the ID's existing term for such period as it may deem fit and proper, in the best interest of the organisation.

B. Members of Senior Management

1. For the purpose of this Policy, the term 'Senior Management' means all executives of the Company who are heading any business or function of the Company.

2. The eligibility criteria for appointments to Senior Management and continuity thereof shall include integrity and ethics, in addition to possessing qualifications, expertise, experience and special competencies relevant to the position for which purpose the executive is being or has been appointed.

3. Any candidate being considered for the post of senior management should be willing to comply fully with the

Board's Report

applicable policies of the Company, in force from time to time.

III. Process for identification & shortlisting of candidates

A. Directors

1. The NRC shall identify the need for appointment of new Directors on the Board on the basis of the evaluation process for Board as a whole and of individual Directors or as it may otherwise determine.

2. Candidates for Board membership may be identified from a number of sources, including but not limited to past and present members of the Board and Directors database.

3. NRC shall evaluate proposals for appointment of new Directors on the basis of qualification criteria and positive attributes referred to hereinabove and make its recommendations to the Board.

B. Members of Senior Management

1. The NRC shall consider the recommendations of the management while evaluating the selection of executives in senior management. The NRC may also identity potential candidates for appointment to Senior Management through referrals and recommendations from past and present members of the Board or from such other sources as it may deem fit and proper.

2. The NRC shall evaluate proposals for appointments to Senior Management on the basis of eligibility criteria referred to hereinabove and such other criteria as it may deem appropriate.

3. Based on such evaluation, the NRC shall shortlist the desired candidate and make its recommendations to the Board for appointment.

IV. Removal

A. Directors

1. If a Director incurs any disqualification mentioned under the Applicable Laws, the NRC may recommend to the Board, the removal of the said Director subject to and in compliance with the statutory provisions.

2. Such recommendations may also be made on the basis of performance evaluation of the Directors or as may otherwise be thought fit by the NRC.

B. Members of Senior Management

1. The NRC shall consider the recommendations of the management while making recommendations to the Board for dismissal / removal of those in Senior Management.

2. Such recommendations may also be made on the basis of performance evaluation of members of Senior Management to the extent applicable or as may otherwise be thought fit by the NRC.

V. Review

The NRC shall periodically review the effectiveness of this Policy and recommend any revisions that maybe required to this Policy to the Board for consideration and approval.

REMUNERATION POLICY

1. Preamble

1.1. The Nomination and Remuneration Committee ('NRC') of Piramal Pharma Limited (the 'Company'), has adopted the following policy and procedures with regard to remuneration of Directors, Key Managerial Personnel and other employees.

1.2. The Remuneration Policy ('Policy') is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 178 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as 'Applicable Laws')

1.3. This Policy reflects the core values viz. Knowledge, Action, Care and Impact.

2. Designing of Remuneration Packages

2.1. While designing remuneration packages, the following factors are taken into consideration:

a. Ability to attract, motivate and retain the best talent in the industries in which the Company operates;

b. Current industry benchmarks;

c. Cost of living;

d. Maintenance of an appropriate balance between fixed, performance linked variable pay and long term incentives reflecting long and short term performance objectives aligned to the working of the Company and its goals;

e. Achievement of Key Result Areas ('KRAs') of the employee, the concerned department / function and of the Company.

3. Remuneration to Directors

A. Non- Executive/ Independent Directors:

The Non- Executive / Independent directors are entitled to the following:

i. Sitting Fees: The Non- Executive / Independent Directors receive remuneration in the form of sitting fees for attending meetings of Board or Committees thereof. Provided that the amount of such fees shall not exceed such amount per meeting as may be prescribed by the Central Government from time to time.

ii. Commission: Commission may be paid within the monetary limit approved by shareholders subject to compliance with applicable statutory requirements.

B. Remuneration to Whole – Time Directors

i. The remuneration to be paid to the Whole – Time Directors shall be in compliance with the applicable statutory requirements, including such requisite approvals as required by law.

ii. Increments may be recommended by the NRC to the Board which shall be within applicable statutory limits.

iii. The Board may at the recommendation of the NRC and its discretion, may consider the payment of such additional remuneration within the framework of applicable laws.

4. Remuneration to Key Managerial Personnel and Senior Management

Remuneration to Key Managerial Personnel and other Senior Management shall be as per the HR Policy of the Company in force from time to time and in compliance with applicable requirements of law. Total remuneration comprises of:

i. A fixed Basic Salary;

ii. Perquisites as per Company Policy;

iii. Retirement benefits as per Company Rules and statutory requirements;

iv. Performance linked incentive (on an annual basis) based on the achievement of pre-set KRAs and long term incentives based on value creation.

In addition to the above mentioned remuneration package, Key Managerial Personnel and Senior Management may also be provided Employee Stock Options ('ESOPs') in compliance with applicable regulatory requirements.

5. Remuneration to Other Employees

The remuneration packages of other employees are also formulated in accordance with HR Policy of the Company in force from time to time. In addition to basic salary and other components forming part of overall salary package, employees are also provided with perquisites and retirement benefits as per the HR Policy of the Company and statutory requirements, where applicable.

6. Disclosure

As per applicable laws, the Remuneration Policy or its salient features shall be disclosed in the Board's Report.

7. Review

The NRC shall periodically review the effectiveness of this Policy and recommend any revisions that may be required to this Policy to the Board for consideration and approval.

Annexure E

To,
The Members,
Piramal Pharma Limited

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

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

(2) We have followed the auditing standards issued by the Institute of Company Secretaries of India (ICSI) and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.

(3) We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

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

(5) The compliance of the provisions of corporate and other Applicable Laws, Rules, Regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

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

Date: May 10, 2024
Place: Mumbai

For **N L Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
P/R No. 700/2020

Bharat Upadhyay

Partner
FCS: 5436
CP. No. 4457
UDIN: F005436F000344467

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To
The Members,
Piramal Pharma Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Piramal Pharma Limited** (hereinafter called **'the Company'**). Secretarial Audit was conducted in conformity with the auditing standards issued by the Institute of Company Secretaries of India ('the Auditing Standards') and the process and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, policies, minutes book, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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:

We 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 of:

a. The Companies Act, 2013 ('the Act') and the Rules made thereunder,

b. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;

c. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to the Company.

d. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 read with the notifications, guidelines and circulars issued by Securities and Exchange Board of India or Stock Exchanges in this regard, to the extent applicable to the Company:-

    i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations');

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

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

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

    v. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

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

    vii. The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018 to the extent applicable to the Company;

    viii. The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);

f. Other specifically applicable Laws as per list attached as **'Annexure A'** to this report.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Board and General Meetings. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 and the SEBI Listing Regulations.

Board's Report

Adequate notice was given to all Directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice 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.

Decisions at the Meetings of the Board of Directors and of the Committees thereof were carried out unanimously as recorded in the minutes of the Meetings of Board of Directors and/or Committee(s) of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that, during the year the company have raised Capital by way of Rights Issues of 129,629,630 fully paid-up Equity Shares each of face value of ₹ 10 each for amount aggregating to ₹ 1,050 Crores.

We further report that, during the audit period, the Members at the Annual General Meeting held on Monday, July 31, 2023, approved the following Special Resolutions:

- Re-appointment of Mr. Peter DeYoung as Executive Director of the Company for a term of 3 (three) years effective from October 6, 2023;
- Re-appointment of Ms. Nandini Piramal as Chairperson of the Company for a term of 3 (three) years, effective from April 1, 2024;
- Amendment in Articles of Association of the Company pursuant to SEBI notification bearing reference no. SEBI/LAD-NRO/GN/2023/119 dated February 2, 2023 and in line with the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023;
- Issue of Non-Convertible Debentures on Private Placement Basis;
- Ratification of remuneration payable to Cost Auditors.

Date: May 10, 2024
Place: Mumbai

For **N L Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
P/R No. 700/2020

Bharat Upadhyay

Partner
FCS: 5436
CP. No. 4457
UDIN: F005436F000344467

'ANNEXURE A'

LIST OF OTHER SPECIFIC APPLICABLE LAWS (including statutory amendments made thereto or amendments thereof for the time being in force):

Amongst the various laws which are applicable to the Company, following are the laws which are specifically applicable to the Company:

1. Factories Act, 1948
2. Biological Diversity Act 2002 and their Rules;
3. Drug Policy 2002;
4. Drugs (Price Control) Order, 2013;
5. Drugs (Control) Act, 1950;
6. The Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945 and other rules made thereunder;
7. The Narcotic Drugs and Psychotropic Substances Act, 1985;
8. The Food Safety and Standards Act, 2006 and the rules made thereunder;
9. The Indian Boilers Act, 1923; and the Indian Boiler Regulations, 1950 and the Rules framed under the Act;
10. The Inflammable Substances Act, 1952;
11. The Poisons Act, 1919;
12. Bio-Medical Waste (Management and Handling) Rules, 1998;
13. Legal Metrology Act 2011 and Rules thereunder;

Annexure F

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,
Piramal Pharma Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Piramal Pharma Limited having CIN: L24297MH2020PLC338592 and having registered office at Gr. Flr., Piramal Ananta, Agastya Corp. Park, Kamani Junction, LBS Marg, Kurla Mumbai- 400070 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we 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 Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ms. Nandini Piramal	00286092	04/03/2020
2.	Mr. Peter DeYoung	07152550	04/03/2020
3.	Mr. Neeraj Bharadwaj	01314963	06/10/2020
4.	Mr. S. Ramadorai	00000002	09/02/2021
5.	Mr. Jairaj Purandare	00159886	09/02/2021
6.	Mr. Vivek Valsaraj	06970246	09/02/2022
7.	Mr. Sridhar Gorthi	00035824	30/03/2022
8.	Mr. Peter Stevenson	09544706	30/03/2022
9.	Ms. Nathalie Leitch*	09557042	24/05/2022
10.	Ms. Vibha Paul Rishi	05180796	30/08/2022

*Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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.

Date: May 10, 2024
Place: Mumbai

For **N L Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
P/R No. 700/2020

Bharat Upadhyay

Partner
FCS: 5436
CP. No. 4457
UDIN: F005436F000344544

Annexure G

CERTIFICATE ON CORPORATE GOVERNANCE

(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,
Piramal Pharma Limited

We have examined all the relevant records of **Piramal Pharma Limited** (**'the Company'**) for the purpose of certifying compliance with the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') for the period from April 01, 2023 to March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations.

We 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.

Date: May 10, 2024
Place: Mumbai

For **N L Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
P/R No. 700/2020

Bharat Upadhyay

Partner
FCS: 5436
CP. No. 4457
UDIN: F005436F000344500

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24297MH2020PLC338592
2	Name of the Listed Entity	Piramal Pharma Limited (the 'Company' or 'PPL')
3	Year of incorporation	2020
4	Registered Office Address	Gr. Flr., Piramal Ananta, Agastya Corp. Park, Kamani Junction, LBS Marg, Kurla, Mumbai – 400070
5	Corporate Address	Piramal Ananta, Agastya Corp. Park, Kamani Junction, LBS Marg, Kurla, Mumbai – 400070
6	E-mail	shareholders.ppl@piramal.com
7	Telephone	+91-22-3802 3000/4000
8	Website	www.piramalpharma.com
9	Financial year for which reporting is being done	April 1, 2023 to March 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital	₹ 1,322.95 Crores
12	Contact Person	
	Name of the Person	Ms. Tanya Sanish – Company Secretary and Compliance Officer
	Telephone	+91-22-3802 3000/4000
	Email address	shareholders.ppl@piramal.com
13	Reporting Boundary	
	Type of Reporting- (Standalone/Consolidated Basis)	Standalone-Basis
14	Name of Assurance provider	Not Applicable
15	Type of Assurance obtained	Not Applicable

II. Product/Services

	Details of business activities (accounting for 90% of the turnover)	Sr. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
16		1.	Pharmaceuticals	Manufacturing of pharmaceuticals, medicinal, chemical and botanical products	100

	Products/ Services sold by the entity (accounting for 90% of the turnover)	Sr. No.	Product/Service	NIC Code	% of Total Turnover contributed
17		1.	Manufacturing of pharmaceuticals, medicinal, chemical and botanical products	210	100

III. Operations

		Location	Number of plants	No. of Offices	Total
18	Number of locations where plants and/or operations/offices of the entity are situated:	National	10	24	34
		International	7	12	19

19	Market served by the entity	Locations	Numbers
	a. No. of Locations	National (No. of States)	PAN India
		International (No. of Countries)	Over 100 countries
	b. What is the contribution of exports as a percentage of the total turnover of the entity?	60.59 %	
	c. A brief on types of customers	The Company offers a portfolio of diversified products and services through end-to-end manufacturing capabilities. The Company has the following business segments: • Piramal Pharma Solutions (PPS), an Integrated Contract Development and Manufacturing Organisation (CDMO): API and Formulations • Piramal Critical Care (PCC), a Complex Hospital Generics (CHG): Inhalation Anaesthesia, Injectable Anaesthesia and Pain Management, Intrathecal Therapy, and other products • India Consumer Healthcare (ICH): Over the counter (OTC) like Lacto Calamine, Little's Expert Baby Care, Tetmosol, I-range Customers of the Company include distributors, pharmacy chains and hospitals, government institutions, retail consumers and other pharmaceutical companies.	

IV Employees

20. Details as at the end of Financial Year:

Sr. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
a.	**Employees and workers (including differently abled)**					
	Employees					
1	Permanent Employees (D)	4520	3998	88	522	12
2	Other than Permanent Employees (E)	260	129	63	131	50
3	**Total Employees (D+E)**	**4780**	**4127**	**86**	**653**	**14**
	Workers					
4	Permanent Workers (F)	556	542	97	14	3
5	Other than Permanent Workers (G)	2597	2354	91	243	9.36
6	**Total Workers (F+G)**	**3153**	**2896**	**92**	**257**	**8.15**
b.	**Differently abled employees and workers**					
	Employees					
1	Permanent Employees (D)	2	2	100	0	0
2	Other than Permanent Employees (E)	0	0	0	0	0
3	**Total Employees (D+E)**	**2**	**2**	**100**	**0**	**0**
	Workers					
4	Permanent Workers (F)	1	1	100	0	0
5	Other than Permanent Workers (G)	0	0	0	0	0
6	**Total Differently abled Workers (F+G)**	**1**	**1**	**100**	**0**	**0**

21. Participation/Inclusion/Representation of women

Sr. No.	Category	Total (A)	No. and % of females: No. (B)	% (B/A)
1.	Board of Directors	10	3	30
2.	Key Management Personnel*	4	2	50

Note: The above information pertains to the year under review i.e. as on March 31, 2024. Ms. Nathalie Leitch, Non-Executive Director, resigned from the Board on May 10, 2024.

*Includes Key Management Personnel who are on the Board of Directors

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the FY prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	21.67%	24.08%	21.94%	25.88%	31.14%	26.40%	26.44%	34.76%	27.24%
Permanent Workers	3.45%	6.90%	3.53%	2.21%	6.59%	2.32%	2.74%	11.76%	3.00%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

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

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a 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	Piramal Critical Care Deutschland GmbH	Subsidiary	100	No
2	Piramal Critical Care Italia S.P. A	Subsidiary	100	No
3	Piramal Critical Care Limited	Subsidiary	100	No
4	Piramal Healthcare (Canada) Limited	Subsidiary	100	No
5	Piramal Healthcare (UK) Limited	Subsidiary	100	No

Business Responsibility & Sustainability Report

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a 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)
6	Piramal Healthcare Pension Trustees Limited	Subsidiary	100	No
7	Piramal Critical Care South Africa (Pty) Ltd	Subsidiary	100	No
8	Piramal Dutch Holdings N. V	Subsidiary	100	No
9	Piramal Healthcare Inc.	Subsidiary	100	No
10	Piramal Critical Care Inc.	Subsidiary	100	No
11	Piramal Pharma Inc.	Subsidiary	100	No
12	Piramal Pharma Solutions Inc.	Subsidiary	100	No
13	PEL Pharma Inc.	Subsidiary	100	No
14	Ash Stevens LLC	Subsidiary	100	No
15	Piramal Critical Care B.V.	Subsidiary	100	No
16	Piramal Critical Care Pty. Ltd	Subsidiary	100	No
17	PEL Healthcare LLC	Subsidiary	100	No
18	Piramal Pharma Solutions (Dutch) B.V.	Subsidiary	100	No
19	Piramal Critical Care Single Member P.C. (since February 28, 2023)	Subsidiary	100	No
20	Piramal Pharma II Private Limited	Subsidiary	100	No
21	Piramal Pharma Limited Employees Welfare Trust	Subsidiary	100	No
22	Abbvie Therapeutics India Private Limited*	Associate	49	No
23	Yapan Bio Private Limited	Associate	33.33	No

Note: Piramal Pharma Japan GK, 100% subsidiary of the Company, was liquidated in September, 2023. It did not participate in the business responsibility initiatives of the listed entity.

Held directly or through subsidiary companies

*Name of Allergan India Private Limited was changed to Abbvie Therapeutics India Private Limited w.e.f October 13, 2023

VI. CSR Details

24	i.	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	ii.	Turnover (in Rupees)	₹ 4,390.11 Crores
	iii.	Net worth (in Rupees)	₹ 7,430.41 Crores

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 redressal policy	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	The policies governing the interaction between the Company and its stakeholders including Grievance Redressal Mechanism is available under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance. In addition, there are internal policies placed on the intranet of the Company.	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes		0	0	NA	0	0	NA
Shareholders	Yes		24	0	These details correspond to the quarterly disclosures filed with the Stock Exchanges under Reg 13 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.	0	0	NA
Employees and workers	Yes		32	4	-	50	0	-
Customers	Yes		4997	403	This includes product complaints from internal and external e-commerce platforms catering to national and international market.	608	1	-
Value Chain Partners	Yes		242	0	-	0	0	-
Other: ex-employee and other than above	Yes		0	0	NA	0	0	NA

26. Overview of the entity's material responsible business conduct issues

Sr. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Business Ethics	Risk	• PPL is exposed to regulation around the prevention of bribery, corruption, lobbying etc. Ethical business standards and frameworks are evolving, requiring ongoing enhancement and readiness. • Non-compliance could result in notable financial and reputational impact.	• PPL has firmly established guiding principles to uphold ethical practices throughout its value chain. • The Company's respective code of conduct for board members, senior management, employees, suppliers, vendors, and contractors, is in alignment with its commitment to ethical and transparent business practices	Positive financial impact
2	Patient, Customer, and Consumer Centricity	Risk	• Enhanced regulatory scrutiny regarding the safety of patients and products, combined with an intensely competitive market, necessitates that the Company prioritise a strong emphasis on the needs and well-being of patients, customers, and consumers.	• The Company's commitment to patient, customer, and consumer-centricity is anchored in its core principles of Knowledge, Action, Care, and Impact. • With patient centricity at the forefront of its strategic imperatives the Company has undertaken several initiatives to deepen the engagement and improve the outcomes.	Potential positive implication due to customers' trust and long-term strategic partnership.
3	Data Privacy and Data Security	Risk	• Data integrity and privacy are critical to ensuring trust among stakeholders. With evolving regulations and heightened awareness of data privacy, there is a growing emphasis on information security. • A data breach within the Company's Information Technology systems can result in significant business harm and reputational risk, inflicting damage that spans both financial and non-financial spectrums.	• PPL has a privacy policy that outlines how it collects, uses, shares, discloses, transfers, and disposes of personal information when stakeholders use the Company's website or other digital platforms. • To ensure high-level data privacy and security, Vulnerability Assessment and Penetration Testing (VAPT) scans are conducted, and report is shared with the respective IT and Application teams for necessary actions.	Having a highly secure data privacy system has positive financial implications. Firstly, it helps in avoiding reputational damage that can arise from data breaches. This, in turn, prevents heavy fines and legal penalties that may result from compromised data security.
4	Product quality and safety	Risk	• PPL's capacity to satisfy patient needs, generate value, and establish trust with stakeholders is intrinsically linked to the quality and safety of its products. • Deficiencies in these critical domains may lead to detrimental effects on stakeholders and, ultimately, on the business itself.	• PPL is on a quality advancement journey, transitioning from a focus on 'Quality for Compliance' to fostering 'Quality as a Culture.' This shift encompasses a holistic approach, including systems, processes, technology, and people. • A dedicated Corporate Quality Assurance Group diligently monitors adherence to prescribed product quality standards. • To excel in product quality, the Company implemented an internal strategy that includes the computation of the cost of poor quality, aiming for 'first-time right' outcomes	Potential positive implications of maintaining high product quality and a quality-focused culture include fostering customer loyalty and building long-term strategic partnerships.
5	Financial Performance	Opportunity	• Owing to a burgeoning population, enhanced healthcare accessibility, improved affordability, the pharmaceutical sector is positioned for consistent growth, underpinned by steady financial performance driven by innovation and global market expansion.	• PPL strong fundamental and robust business model enables resilient business strategy to capitalise market opportunity effectively. The Company's focus on quality and safety ensures overall financial performance.	Positive implication due to growing market.

Statutory Reports

Business Responsibility & Sustainability Report

Sr. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Regulatory Compliance	Risk	• Stringent compliance regulations present diverse challenges for companies. Any lapse in obtaining, retaining, or renewing compliance requirements promptly could negatively impact operations. • Additionally, modifications to laws or regulations by governmental or regulatory bodies may escalate business operating costs.	• To meet compliance requirements, PPL conducts regulatory audits and ensures clearance of all observations. • Additionally, PPL have a pharmacovigilance system in place to ensure timely and accurate reporting of adverse drug reactions in accordance with applicable norms and regulations.	Potential negative implication of the cost incurred on systems and processes to ensure strict compliance with applicable and emerging regulations is the financial implication it places on the Company.
7	Accessibility and Affordability	Opportunity	• The accessibility and affordability of medicines are pivotal in fostering a healthy life for individuals globally. In some cases, the elevated prices of medications can pose a significant barrier, hindering patients' access to treatments, especially in medium-to-low-income regions.	• PPL ensures that the products can be accessed by wider number of consumers through traditional distribution channel and e-commerce platform at affordable rates, thereby, ensuring affordable healthcare for its patients and customers.	Positive implications in longer run due to increased market share and development.
8	Asset Integrity	Opportunity	• As technology continues to advance, higher-quality assets become increasingly accessible at cost-effective prices. Upgrading the asset base will guarantee improved operational efficiency and productivity.	• PPL has developed robust systems and processes for asset management, including the implementation of Project Catalyst to enhance digitisation and automation. • The Company is assessing automation opportunities and finalising plans to align internal processes with Pharma 4.0 principles. • Digitisation of Management Information Systems (MIS) across functions and sites is also underway.	The positive implication of implementing robust systems and processes for asset management, along with digitisation and automation through Project Catalyst, is an increase in productivity.
9	Business Continuity and Disaster Resilience	Risk	• Due to increased uncertainty in external environment, such as increased frequency of natural and man-made disasters, emerging infections, and cyber security risks, it is imperative for a Company to have robust business continuity and disaster resilience mechanism.	• The manufacturing facilities are well-equipped with resilient disaster preparedness plans encompassing, robust response protocols, effective rescue measures and efficient recovery processes. • The Company has invested in a robust IT system ensures data security and enables the swift resumption of operations following any disruptions.	Potential negative implication of the expenditure on preparedness measures for disasters and supply chain disruptions is the financial burden it places on the company.
10	Climate Action/ Climate Change	Risk	• Due to rapid and evolving global warming and limited carbon budget, it is vital for the Company to be ready to Combat climate change. Moreover, stakeholders are urging swift and aggressive actions to address potential risks that may arise.	• PPL is committed to reducing GHG emissions with science-based targets. • The Company has developed a robust decarbonisation plan. • Renewable Energy (RE) consumption increased by 29%. • Utilising briquettes as alternative fuel to reduce emissions	The Company's commitment to sustainability and responsible resource management has led to positive implications due to reduced carbon footprint.
11	Corporate Governance	Risk	• External regulatory environment for corporate governance varies across regions, demanding continuous improvement in standards and framework.	• The Company has a strong governance mechanism across all its business operations, and ensures a transparent communication of its corporate governance policies and protocols for a smooth functioning. It is also essential to safeguard stakeholders' priorities and expectations.	Positive implication due to smooth business operations and enhanced long-term stakeholder value.
12	Employee Health and Safety ('EHS')	Opportunity	• Employees and workers within the Company is exposed to chemically and biologically hazardous materials which may have health impacts. • Furthermore, heavy machinery usage also poses risk of accidents and other hazards.	• PPL has company level EHS policy and EHS management program. It serves as guiding principle to identify and mitigate potential hazards, providing a secure working environment for all employees, workers, and visitors. • The Company maintains a Lost Time Injury Rate (LTIR) of less than 0.2 per 200,000 person-days.	Positive impact as stronger EHS program ensures the safe operations and highest uptime contributing to business revenues.
13	Energy Management	Opportunity	• Upgrading to new technologies, improving processes, increasing system efficiency, and adopting green energy sources will immensely decrease the Company's carbon footprint benefitting the Company's operations and profitability.	• PPL is procuring and utilising energy in an efficient, cost-effective, and environmentally responsible manner. • This includes the consumption of sustainably sourced bio-briquettes and sourcing of renewable energy. • The Company has also identified potential energy saving projects and initiatives based on scientific energy audits.	While there is a negative impact from the increased cost of fuel and capital expenditures (CAPEX) in energy-efficient appliances, a positive financial impact is expected in the long run due to the lower emissions and cost of energy.
14	Human Capital Development	Opportunity	• With the evolution of a knowledge-based economy, availability of trained and skilled people, the productivity of human resources has been significantly augmented, resulting in effective significant operations.	• The Company focuses on continuous learning to foster professional growth. We have robust talent management systems that nurture our human capital through comprehensive learning and career development initiatives, and by mentoring pathways, and employee engagement activities.	The increased productivity of the workforce has positive implications.
15	Operational Excellence	Opportunity	• With growing technological advancements, it opens more opportunities for improving resource efficiency leading to operational excellence.	• The Company prioritises operational resilience through digitalisation and technology adaptation, fostering heightened productivity, cost optimisation, enhanced quality, and improved compliance.	Positive impact due to increased productivity and efficiency.
16	Product Sustainability/ Stewardship	Opportunity	• Demand for safe and sustainable products is increasing thus providing an opportunity for the organisation to increase customer base through product stewardship initiatives.	• PPL has adopted several measures to ensure product safety and eco-efficiency of its operations. • The Company is actively engaged in conducting Life Cycle Impact Assessment (LCIA) of its products. This will empower stakeholders to make informed decisions, improve sustainability practices, and meet the growing demand for eco-friendly solutions.	Positive implication due to customers' trust and strategic partnerships.
17	R&D and Innovation	Opportunity	• As healthcare demand surges, innovating new solutions and products is crucial to meet market needs. Additionally, having an edge in R&D ensures efficient and accurate processes, enhancing overall excellence.	• PPL has robust R&D and quality team that focuses on innovation-led research and have allocated greater R&D investments to specific technologies aimed at improving the environmental and social impacts of products and processes.	The positive impact is due to increased productivity and new product development.
18	Responsible Investment (CAPEX)	Opportunity	• As governments prioritise green projects, the Company has a significant opportunity to attract responsible investments, potentially boosting business productivity.	• The Company is increasing investments in ESG-related options to foster sustainable business growth.	The positive impact is due to increased relevant and strategic investments.

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Sr. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
19	Risk and Opportunity Management	Opportunity	• Risks and opportunities assessment offers insights for the Company, driving proactive, dynamic, and ongoing evaluation across all operations. The aim is to prioritise and enact essential actions to mitigate risks and capitalise on opportunities.	• The Company maintains robust Risk Management system to identify, manage and mitigate business risks. • Risk management, internal controls and assurance processes are embedded into all activities of the Company.	Positive implications are due to benefits incurred by mitigating risks and delivering for opportunities.
20	Stakeholder Relationship	Opportunity	• Stakeholders' trust and credibility are inherently linked to the Company's alignment with their priorities. Engaging stakeholders and seeking their agreement not only reduces the likelihood of conflicts but also enhances productivity.	• The Company undertakes a robust stakeholder engagement process to understand the needs and expectation of its stakeholders. The Company engages with all its stakeholders, thereby helping in increasing stakeholders' trust and loyalty.	Positive impact due to increased reputation, goodwill.
21	Supply Chain Management	Risk	• To operate with continuity and always serve the customers, it is important to decrease the dependency on single source of supplier and trans-border supplier engagement and procurement. The Company can benefit in both monetary and reputational terms due to resilient and sustainable supply chain.	• The Company has signed up for the membership of Pharmaceutical Supply Chain Initiative (PSCI). The Company is immensely working to enhance supply chain sustainability. • The Company has developed sustainable procurement policy, revisited supplier code to conduct to embed ESG criteria initiated the assessment of critical suppliers on ESG criteria and plans to identify and conduct supplier capacity building programmes in the coming year.	Negative implication due to increase in cost of supplier evaluation.
22	Technology Adoption	Opportunity	• With advancing technology and innovation, companies have diverse opportunities to enhance resource efficiency, promote product stewardship, and achieve cost savings. Embracing these advancements not only improves operations but also fosters positive environmental outcomes.	• The Company focuses on operational resilience, agility, and transparency through increased use of digital and analytical tools, alongside process automation for inventory management, supply chain management, data management, quality control, and more.	Positive impact due to increased efficiency, accuracy and productivity.
23	Water and Waste Management	Risk	• The regulatory constraints are strict on water resource due to its decreasing availability. Responsible usage and discharge ensure stakeholder entrustment and operational continuity. Similarly, to be complaint with regulatory norms the Company should adopt responsible waste management practices.	• PPL is actively pursuing water stewardship by conducting comprehensive water footprint assessments, leak detection studies, and implementing water reuse and recycling microprojects across all sites. • Additionally, we ensure safe handling and environmentally responsible disposal of hazardous waste by diverting it from landfills to pre-processing and co-processing methods. No hazardous waste is sent to landfills.	Negative implication due to cost incurred to implement water consumption initiatives and safe handling and disposal of waste.
24	Air Emissions and Air Quality	Risk	• PPL ensure ambient air quality to safeguard employee health and safety, comply with regulations, protect community health, minimize the overall environmental impact, and enhance productivity and performance in the workplace.	• PPL practices responsible management of air emissions of Nitrogen Oxides (NOx), Sulphur Oxides (Sox), Particulate Matter (PM), Volatile Organic Compounds (VOCs) and other Hazardous Air Pollutants to maintain ambient air Quality.	Negative implication due to cost incurred to monitor and responsible management of the air emissions.
25	Community Development	Opportunity	• Community engagement builds trust when business operations align with community priorities, promoting harmony. Investing in community development strengthens social cohesion and economic resilience, benefiting both the Company and the community in the long run.	• The Company has developed strategies to improve lives of Million of citisens across the Aspirational Districts with lowest HDI's across nation. The Company through its projects is driving large-scale behavioural change campaigns across the communities, and facilitate goal-based convergence forums at district, block and panchayat for ensuring last mile delivery.	Positive implications arise from improved reputation and goodwill.
26	Ecosystem and Biodiversity	Risk	• The ecosystem reflects the interconnectedness of business activities and biodiversity, including the acquisition and management of natural resources. Prioritising biodiversity is crucial for the Company as it plays a vital role in maintaining ecological equilibrium, resilience, and the overall well-being of ecosystems, thereby securing long-term sustainability.	• The Company's Environmental, Social, and Governance (ESG) policy advocates for biodiversity conservation while addressing the risks and impacts associated with its operations. Engaged in numerous initiatives, the Company actively seeks to expand green spaces across its operating sites.	Negative implications arise from the costs incurred for the protection of ecosystems and biodiversity.
27	Human Rights	Risk	• Human rights are a paramount consideration for a company across its entire value chain. It significantly influences the company's reputation and public relations, thus elevating it to a critical business conduct issue.	• PPL is committed to zero Human Rights violations, backed by a comprehensive policy and redressal mechanism. Upholding human rights encompasses diversity, inclusion, safe work conditions, freedom of association, privacy rights, etc. Employees are urged to report concerns to managers, HR, or via the Speak Up tool.	Negative impact is observed due to costs incurred for the strict applications and compliance of fundamental human rights.
28	Product Tracking	Opportunity	• Products tracking is essential for the Company to ensure regulatory compliance, maintain quality standards, manage safety concerns, optimise supply chain operations, prevent counterfeit activities, and enhance traceability throughout the supply chain.	• The Company ensures compliance with current requirements and strives to use QR codes/product Authentications codes on primary packaging of relevant products in accordance with applicable regulations.	Negative implications due to cost incurred in complex product tracking.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The Company is committed to operate in a responsible manner as prescribed by the National Guidelines on Responsible Business Conduct (NGRBC). The nine (9) principles are listed below:

- Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
- Principle 2: Businesses should provide goods and service in a manner that is sustainable and safe
- Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains
- Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders
- Principle 5: Businesses should respect and promote human rights
- Principle 6: Businesses should respect and make efforts to protect and restore the environment
- Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- Principle 8: Businesses should promote inclusive growth and equitable development
- Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

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Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1	**a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes, the policy(ies) of the Company which address the nine principles have been formulated by considering diverse inputs, priorities of stakeholders and are approved by the Board/its Committees.								
	c. Web Link of the Policies, if available	Policies can be accessed on the Company's website under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	**Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	• ISO 45001 Occupational Health and Safety Management System (OHSMS). • ISO 14001:2015 Environment Management System (EMS). • ISO 9001 Quality Management System (QMS). • Food Safety System Certification (FSSC) 22000. • WHO Good Distribution Practices (GDP) for Digwal and Pithampur Unit. • Pharmaceutical Supply Chain Initiative (PSCI) Membership. • United States Food and Drug Administration (USFDA).								
5	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	• Reduce Scope 1 and Scope 2 emissions by 42% by FY2029-30 (with baseline of FY2021-22), which aligns with the 1.5°C decarbonisation pathway as recommended by the Science-Based Targets initiative (SBTi)* • Reduce Scope 3 emissions with absolute contraction by 25% by FY2029-30 with baseline of FY2022 which aligns with the 2.0°C decarbonisation pathway. • Zero incinerable hazardous waste to landfill by FY2024-25. • 30% women participation on the board. • By FY2024-25, 16% women in workforce globally. • By FY2024-25, 85% of employees covered through ESG training annually. PPL has also taken up additional targets around Climate Change Management, Energy Management, water and waste management, biodiversity, business ethics and compliance, human capital management and safety, Occupational health and safety, patient, customer and consumer centricity, supply chain management, technology and automation and quality and compliance. Please refer to Sustainability Report FY2022-23 on the Company's website under the 'Sustainability Reports' tab at https://www.piramalpharma.com/financial-reports. *SBTi targets validation is in process								
6	**Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.**	• PPL has developed decarbonisation plan to align with the SBTi targets. • The Company has completed energy audit for all Indian sites and reconciliation of energy efficiency levers are in progress. • The Company has completed comprehensive water use assessment for Indian sites and site-wise water saving opportunities have been identified. • The Company has achieved the target of zero incinerable hazardous waste to landfill. • PPL Group (including subsidiaries) has achieved the target of 16% women in workforce globally, globally women workforce is at 17.3%. The performance against the targets of the Company will be presented in PPL's Sustainability Report FY2023-24 which will be released shortly.								
7	**Statement by director responsible for the BRSR report, highlighting ESG related challenges, targets, and achievement:**									
	At PPL, our mission to drive forward business transformation is grounded by steadfast commitment to sustainability. Guided by our core values of Knowledge, Action, Care, and Impact, we are committed to integrating ESG into our organisational culture, business conduct, as well as across value chain. Our robust ESG framework, built on four principles and twelve focus areas, fuels our purpose of "Operating responsibly, Growing sustainably." We're proud to report substantial progress toward meeting over 50 time-bound sustainability targets, each a testament to our dedication to environmental, social, and governance excellence. **Harmonising with Nature:** We are aggressively tackling climate change, with initiatives already in motion to reduce greenhouse gas emissions. We have initiated implementing energy-efficient strategies to significantly cut emissions over the medium and long term. Furthermore, we have undertaken scope 3 inventory assessments and are currently in the process of validating Science-Based Targets. Our comprehensive water assessment has led to significant reductions in freshwater consumption across all Indian sites through implementation of 15 microsite projects. Moreover, through pre-processing and co-processing initiatives, we have successfully diverted 51% of hazardous waste generated from our Indian sites, ensuring that none of it ends up in landfills. In addition to these initiatives, we have undertaken several efforts to increase green cover at our operating sites through afforestation drives and other green initiatives. **People Centric Growth:** Our success as a company is deeply intertwined with the well-being of our employees, communities, and stakeholders. Upholding Human Rights is non-negotiable, it reflects in our commitment to Global Human Rights policy. At the heart of our organisational culture lies a strong commitment to diversity, inclusion, belonging, and accessibility (DIBA). We have conducted DIBA sensitisation workshops for our Senior Leadership Team across all units. Proudly, we've surpassed our target, achieving 17.3% women participation globally at the company level. We prioritise upskilling opportunities for our employees through industry-led trainings and e-learning modules available on PLU (Piramal Learning University). We have introduced e-learning courses to familiarise employees with our ESG framework. Our dedication to providing a safe workplace has resulted in reduced Lost Time Injury Rate (LTIR) of 0.09 for the year, well below our targeted LTIR of less than 0.2 per 200,000-person day worked. Furthermore, we remain deeply committed to addressing complex geographic and socioeconomic challenges in aspirational districts through CSR initiatives implemented by Piramal Foundation. **Leading with Prudence:** At PPL, we uphold the highest standard of corporate governance and ethical practices. Our governance structure has a detailed set of practices, processes, and regulations that address the best interests of all our stakeholders. Our Board has a broad spectrum in terms of perspective, experience, expertise, gender, and culture, enriching our Company. During the year, we have displayed our best-in-class track record for quality and compliance. We have successfully cleared 341 regulatory compliance inspections including 44 USFDA inspections across all our sites. Furthermore, we are committed to bolstering supply chain sustainability. Our focus has led to the development of a sustainable procurement policy and a thorough review of our supplier code to embed ESG criteria. We've taken proactive steps to identify and assess critical suppliers based on ESG benchmarks. Looking ahead, we plan to implement supplier capacity building programs and strive for their continual improvement. For more details, please refer to Chairperson's message in PPL's Sustainability Report FY2023-24, which will be released shortly.									
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	The Sustainability and Risk Management Committee of the Company is the highest authority responsible for the implementation and oversight of the Business Responsibility Policies.								
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	Yes, the Company has established a Sustainability and Risk Management Committee chaired by the Company's Chairperson. • This committee oversees ESG-related aspects, including the development and implementation of the ESG strategy aligned with SDGs and global standards. • It guides the Company's ESG journey, monitors performance against targets, tracks business risks and opportunities arising from ESG factors. • Advises on integrating ESG risks into Enterprise Risk Management • Facilitates stakeholder engagement on ESG matters and tracks emerging sustainability trends to enhance preparedness to mitigate risks and leverage opportunities arising from these trends.								

10. Details of Review of NGRBCs by the company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies are reviewed at periodic intervals considering various parameters like statutory requirements and the frequency as stated in the Policy document or on need basis.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Status of Compliance with all applicable statutory requirements is reviewed by the Board																	

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.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes, an independent assessment has been carried out by Aneja Associates, Chartered Accountants, in FY2022-23.								

Business Responsibility & Sustainability Report

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.

Essential Indicator

1. **Percentage coverage by training and awareness programmes on any of the NGRBC Principles during the financial year:**

Segment	Total number of training & 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')/ Key Management Personal ('KMP')	9*	At Board/Committee meetings, periodic presentations are made to Directors/KMPs covering a range of topics essential to the Company's operations, business updates, market performance, future outlook and action plans, CSR review, EHS and quality updates. During the year under review, updates at the meetings included the following specific topics: • Sustainability initiatives and ESG framework; • Risk management; • Quarterly updates on EHS and Quality; • Governance, compliance and regulatory updates; • Internal audit; • Action plan on robust cybersecurity; • Impact of industry on the Company's operations; • Review of company policies including Sustainable procurement, Human Rights and Anti-corruption & Anti-bribery.	100
Employees other than BODs and KMPs	9	The Company has imparted awareness training covering all 9 principles through a blended learning experience. Employees have access to policies/documents on the Company Intranet. • Code of Conduct and Ethics Document • Anti-Corruption and Anti-Bribery Policy • Environment Social Governance (ESG) • Data Privacy • Piramal Cybersecurity Awareness Module • Prevention of Sexual Harassment (POSH) • Life Safety Rules • Prevention of Insider Trading Policy (PITP) • Health and Safety Training	100
Workers	9	The Company has provided class-room/online/On-the-job training to the workers to minimise the risk, on topics not limited to SEP - Biological hazard, Nitrogen hazard, Safe handling of Glassware, Safety training on contractor, SEP – contractor occupational health & safety, SEP- Management of Waste, SEP- Training Employee & Contractor, fire drill, Working in high noise area etc.	100

*In addition to the above, site visits were conducted for the Board Members between 27th to 29th March, 2023 i.e. just prior to the commencement of FY2024, comprising of site presentations, tours, business and site updates.

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. [Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website]**

a. Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In Million INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-		-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Note: While there was no occurrence of the above with respect to the Company, a fine of Euros 182,001 was imposed on Piramal Critical Care B.V. ('PCC BV'), a step- down wholly owned subsidiary of the Company by the Audiencia Nacional, Spain on 26th February, 2024 ('Audiencia') for non-supply of a product in Spain for a brief period from 22nd May, 2019 till 18th June, 2019, which coincided with the transfer of the Marketing Authorization in Spain from Janssen Pharma S.L. to PCC BV (i.e. 22nd May, 2019). The sanction was not issued for technical or quality reasons but was based on alleged insufficient supply of stock to the market. On an appeal by PCC BV against a sanction letter from Spanish Agency of Medicines and Medical Devices ('AEMPS'), Audiencia, i.e. the appellate judicial body, passed an order upholding the fine levied by AEMPS. PCCBV has appealed against the order of Audiencia.

b. Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable

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 implemented an Anti-corruption and Anti-Bribery Policy, which delineates the risks associated with bribery and corruption. It offers tools and support to identify, prevent, and address these risks. Emphasising the highest standards of business conduct, the policy prohibits unfair practices such as bribery, corruption, kickbacks, facilitation payments etc. in all professional relationships. It also establishes guidelines for third-party engagements, acceptance or offering of gifts, meals, travel, entertainment, charitable and political contributions, as well as internal accounting controls. To ensure full compliance, the Company provides comprehensive training tailored to each employee's role, geographic location, and commercial activities. The policy is available on the PPL's website under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

Topic	FY 2023-24 (Current FY)		FY 2022-23 (Previous FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of KMPs	0	NA	0	NA

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:**

Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Number of days of accounts payables	140	141

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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	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	13%	13%
	b. Number of trading houses where purchases are made from	155	131
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	52%	56%
Concentration of Sales**	a. Sales to dealers / distributors as % of total sales	82%	81%
	b. Number of dealers / distributors to whom sales are made	3686	3078
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	47%	45%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	5.44%	3.64%
	b. Sales (Sales to related parties / Total Sales)	12.66%	10.27%
	c. Loans & advances [Loans & advances given to related parties (which are largely wholly-owned subsidiaries) / Total loans & advances]	94.02%	90.35%
	d. Investments (Investments in related parties / Total Investments made)	96.41%	94.27%

Note: *PPS business considered

**PCC and CPD business considered

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the NGRBC Principles during the financial year:

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in value chain covered by the awareness programmes*
3	PPL conducts programmes for supply chain partners to demystify sustainable procurement policy. The topics covered are as follows: 1. Climate and Environment: Energy and Emissions, water usage and conservation, waste management, circular economy for sustainable sourcing and traceability. 2. Labor and Human Rights: Forced labor and child labor, governance structure and responsibilities, non-discrimination, freedom of association, accessibility, and local community. 3. Business Integrity and Ethics: Business Integrity and fair compensation, animal welfare, data privacy and security, compliance with conflicts. 4. Sustainable procurement: Material and procurement, social governance, and continual improvement.	Not measured

*PPL revisited the supplier code of conduct and self-assessment questionnaire to include ESG criteria and is in the process of identifying critical suppliers.

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's Code of Conduct for Directors requires Board members to avoid and to disclose actual and apparent conflicts of personal interest with the interest of the Company and to disclose all contractual interest, whether directly or indirectly, with the Company. Weblink: Under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and Capital Expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)	Details of improvement in social and environmental aspects
Research & Development (R&D)	34.17%	8.06%	1. Steam condensate recovery system installed. 2. Zero liquid discharge system installed, treated water is used for utility purpose. 3. Energy efficient scrubbers and exhaust systems installed. 4. Implemented energy conservation initiatives for HVAC systems. 5. SAP based material requisition system installed. 6. Automated systems and software installed
Capital Expenditure (CAPEX)	6.5%	46.02%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, PPL has Sustainable Procurement Policy. The policy commits to implementing sustainability principles throughout the supply chain, integrating four key aspects: Climate and Environment, Labour and Human Rights, Sustainable Procurement and Business Ethics and Integrity. The policy is implemented in accordance with the supplier guiding principles and supplier code of conduct. The Company revisited the supplier code of conduct and self-assessment questionnaire to include ESG criteria and is in the process to identify and conduct capacity building activities for their critical suppliers. Further, the Company plans to conduct supplier audits and assist supplier on continual improvement across different pillars. PPL is also committed to the standards prescribed by Pharmaceutical Supply Chain Initiative (PSCI).

b. If yes, what percentage of inputs were sourced sustainably?

Unit of reporting (i.e by Quantity or by Value – please specify)	Percentage of inputs that were sourced sustainably
By Value	0.32%

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.

Due to the nature of the Company's business, PPL does not reclaim any products for reusing, recycling, and disposing at the end of life for plastics, e-waste, hazardous and other wastes, as it is not applicable.

However, the Company adheres to Extended Producer Responsibility (EPR) regulations by implementing plastic take-back and recycling initiatives for CPD business.

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 is applicable to our CPD business vertical. The Company has obtained registration from the Central Pollution Control Board (CPCB) as a Brand owner in the name of PPL. The waste collection plan is in alignment with the registration obtained.

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Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   No, the Company is in the process to conduct LCA for identified products during FY2024-25.

Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If Yes, provide web-link
		NA		

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.**

   NA

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).**

   The Company being in the business of pharmaceuticals, places utmost importance on the safety and quality of its products, as its products directly affect the health of end-users. Therefore, the Company does not recycle any materials or chemicals for manufacturing purposes. Furthermore, the Company adheres to Extended Producer Responsibility (EPR) regulations by implementing plastic take-back and recycling initiatives for CPD business.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

   Due to the nature of the Company's business, PPL does not reclaim any products for reusing, recycling, and disposing at the end of life for, as it is not applicable.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Due to the nature of the Company's business, PPL does not reclaim any products for reusing, recycling, and disposing at the end of life for, as it is not applicable.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

	% of employees covered by										
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
Category	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	3998	3998	100	3998	100	NA	NA	3998	100	1639	41
Female	522	522	100	522	100	522	100	NA	NA	415	80
Total	**4520**	**4520**	**100**	**4520**	**100**	**522**	**11.50**	**3998**	**88.45**	**2054**	**45**
Other than Permanent Employees											
Male	129	129	100	129	100	NA	NA	0	0	71	55
Female	131	131	100	131	100	131	100	NA	NA	107	82
Total	**260**	**260**	**100**	**260**	**100**	**131**	**50.38**	**0**	**0**	**178**	**68.46**

b. **Details of measures for the well-being of workers:**

	% of employees covered by										
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
Category	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	542	542	100	542	100	NA	NA	0	0	304	56
Female	14	14	100	14	100	14	100	NA	NA	0	0
Total	**556**	**556**	**100**	**556**	**100**	**14**	**2.51**	**0**	**0**	**304**	**55**
Other than Permanent Workers											
Male	2354	2354	100	2354	100	NA	NA	0	0	0	0
Female	243	243	100	243	100	243	100	NA	NA	0	0
Total	**2597**	**2597**	**100**	**2597**	**100**	**243**	**9.35**	**0**	**0**	**0**	**0**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Cost incurred on well-being measures as a % of total revenue of the Company	1.04%	1.31%

2. **Details of retirement benefits, for Current Financial Year and Previous Financial Year:**

		FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
Sr.	Benefits	No. of employees covered as a % of total employees*	No. of workers covered as a % of total worker	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 worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	99.91%	100%	Y	99.88%	100%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI	15.86%	2.88%	Y	19.80%	0.17%	Y
4	Others (Please specify)	NA	NA	NA	NA	NA	NA

*Includes permanent employees

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.**

   PPL ensures that its offices are accessible to differently abled employees and workers, in compliance with the Rights of Persons with Disabilities Act, 2016. By providing an inclusive workplace, the Company fosters engagement and support among all individuals. This is facilitated through the provision of necessary infrastructure and facilities such as ramps, and specially designed restrooms at the premises. Steps are being taken to provide similar facilities at the operating sites.

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, PPL's Human Rights Policy underscores its firm commitment to providing equal opportunities for differently abled employees and workers. Firmly rooted in principles of non-discrimination, the Company does not differentiate based on race, color, religion, caste, gender, age, marital status, disability, nationality, or any other criteria. Competency, experience, and future potential serve as the sole determinants for employment, promotion, and skill enhancement within the Company. The web-link to the Policy is under the 'Policies, Code & Compliances' tab at https://www.piramalpharma.com/corporate-governance.

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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	100%	90.16%	NA	NA
Female	91.70%	61.54%	NA	NA
Total	**99.50%**	**88.27%**	**NA**	**NA**

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	Details of the mechanism in brief
Permanent Workers	Yes	• PPL has a comprehensive grievance mechanism including a Vigil Mechanism and designated email for reporting Human Rights grievances. • Prevention of Sexual Harassment Policy includes an Internal Committee for prompt resolution. • The Company provides a robust anonymous reporting platform 'SpeakUp' for confidentially reporting concerns.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Permanent Employees						
Male	3998	0	NA	0	0	NA
Female	522	0	NA	0	0	NA
Total	**4520**	**0**	**NA**	**0**	**0**	**NA**
Permanent Workers						
Male	542	523	96	560	544	97.14
Female	14	12	86	14	13	92.86
Total	**556**	**535**	**96**	**574**	**557**	**97.04**

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Male	3998	3998	100	3518	88	4567	3249	71.14	3621	79.29
Female	522	522	100	491	94	550	389	70.73	550	100
Total	**4520**	**4520**	**100**	**4009**	**89**	**5117**	**3638**	**71.10**	**4171**	**81.51**
Workers										
Male	542	542	100	542	100	560	560	100	560	100
Female	14	14	100	14	100	14	14	100	14	100
Total	**576**	**576**	**100**	**576**	**100**	**574**	**574**	**100**	**574**	**100**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Employees						
Male	3998	3632	91	3646	3427	94
Female	522	479	92	424	390	92
Others	0	0	0	0	0	0
Total	**4520**	**4111**	**91**	**4070**	**3817**	**94**
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

10. Health and safety management system:

a.	Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) What is the coverage of such system?	Yes, the Company has a globally harmonised Environment, Occupational Health and Safety Management System implemented across all its manufacturing sites. Additionally, 70% of Indian sites are certified with ISO 14001, and ISO 45001.
b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	A. PPL has an EHS policy and well-defined guiding principles for reporting work-related hazards, prominently displayed across all sites. 1. Hazard Identification and Risk Assessment (HIRA) is conducted for all routine operations to provide a high-level overview of the risks and mitigation strategies such as adopting innovative technologies or improving safety protocols & systems. 2. Job Safety Analysis (JSA) is conducted at all sites for all non-routine operations. 3. Process risks & hazards associated with deviations from normal operating conditions are identified & assessed through Hazard and Operability (HAZOP) studies. These are conducted periodically and during any process change with the respective functions. The Company uses the software tool like Hazapro to conduct Process Hazard Analysis (PHA) 4. Monitoring and Review: Periodic inspection, audits (both internal and third party) are conducted at regular intervals to review the effectiveness of safety measures which have been ideated and implemented. 5. Documentation & Compliance: A Risk register is maintained and updated on periodic basis. All risks and opportunities to improve, are documented and tracked, which is bound with personnel KPIs and overall performance of the plant. B. The introduction or modification of processes/equipment follows a rigorous Change Management procedure initiated by the area owner or project manager. The evaluation of health and safety aspects includes: 1. Checklist Method: Using a detailed checklist to identify potential hazards. 2. Detailed Process Hazard Assessment: Conducting HIRA/HAZOP Studies to evaluate risks and identify precautions. 3. Supporting Data Review: Analysing relevant data to understand operational risks. 4. Field Review: Conducting on-site assessments for practical considerations. 5. Based on these evaluations, necessary hazard controls and risk mitigation measures are identified to minimise associated risks.

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c.	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes, PPL has defined EHS policy and principles of this policy are displayed across the site at predominant locations and also training is imparted to all the stakeholders. Systems and processes in place for workers to report any work-related hazards in multiple platforms stated below: 1. Shift Start Tool Box Talks 2. Departmental Safety Committee meetings 3. Statutory Safety Committee Meetings 4. Contractors safety Committee meetings 5. Town hall meetings 6. Peer behaviour observation and feedback programme 7. The Company has digitised lagging indicators (first aid injuries, incidents) and leading indicators (Near misses, substandard condition, and acts) reporting through 'My Safe' portal, an EHS digital platform, to facilitate reporting and communication across locations globally. 8. Automatic company-wide sharing of Learning from incidents 9. Project "Light House" is rolled out to improve the safety cultural transformation at site
d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, the Company offers access to non-occupational medical and healthcare services through Occupational Health Centres (OHC) separately from medical claim, disability, and mental well-being programs. The site OHC facilities are equipped with manpower and resources to fulfil basic first aid requirements for both occupational and non-occupational health services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	0.27
	Workers	0.30	0.63
Total recordable work-related injuries	Employees	0	2
	Workers	2	4
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company prioritises a safe and healthy workplace through:

1. EHS Policy: Maintaining a comprehensive EHS policy with clear guiding principles.
2. Regulatory Compliance: Adhering to OSHA guidelines and local regulations for safety.
3. Risk Assessment: Conducting thorough risk assessments and implementing control measures.
4. Training Programs: Offering comprehensive safety training and education initiatives.
5. Engineering Controls: Implementing engineering controls to minimise exposure to risks.
6. Hygiene Standards: Enforcing strict hygiene and cleanliness standards across facilities.
7. PPE Provision: Providing appropriate PPE to employees for protection against hazards.
8. Emergency Response Plans: Developing and updating emergency response plans regularly.
9. Health Monitoring: Conducting periodic health monitoring for employees exposed to hazards.
10. Continuous Improvement: Encouraging feedback and participation for ongoing safety enhancements.

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2023-24 (Current FY) Filed during the year	FY 2023-24 (Current FY) Pending resolution at the end of year	FY 2023-24 (Current FY) Remarks	FY 2022-23 (Previous FY) Filed during the year	FY 2022-23 (Previous FY) Pending resolution at the end of year	FY 2022-23 (Previous FY) Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

Topic	Percentage of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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.

All the safety related incidents are investigated as per Incident Investigation Procedure of the Company, and the Corrective and Preventive Action (CAPA) generated are executed. The CAPAs generated out of risk assessments are attended by providing hierarchy of controls.

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).

a. Employees (Yes/No): Yes
b. Workers (Yes/No): Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Yes, internal audits are conducted to ensure that the statutory liabilities are deducted and deposited by the Company's value chain partners.

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:

Category	Total no. of affected employees/ workers FY 2023-24 (Current FY)	Total no. of affected employees/ workers FY 2022-23 (Previous FY)	No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment FY 2023-24 (Current FY)	No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment FY 2022-23 (Previous FY)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

Yes

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	1.9%
Working Conditions	1.7%

Note: This data is for PCC and PPS business

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PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity:

PPL has identified key internal and external stakeholders through analysis of stakeholder groups that could have potential impact or influence on or by the business operations. PPL commits to actively engage with the stakeholders to understand their key expectations and develop strategies to address them.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Shareholders	No	Investor calls, investor presentations, conferences, one-on-one meetings, Annual Reports, press releases, Company website, Annual General Meeting, liaising through Registrar & Share Transfer Agent	Monthly, Quarterly, Half Yearly, Annually, Need-based	• Financial performance • Responsible investment • Ethical business conduct • Long-term business growth • Risk management • Corporate governance • Brand management • Shareholder queries
Government and regulators	No	Legal filings, industry representations, forums	Quarterly, Half-yearly, Annually, Event-based	• Regulatory compliance • Participation in public policy • Corporate governance • Disclosures
Employees	No	Online surveys, townhalls, newsletters, policies, training and development, employee engagement	Monthly, Quarterly, Half Yearly	• Environment, Health and safety • Training and learning • Career progression • Growth opportunities • Recognition • Job security • Fair remuneration • Diverse, inclusive, and enabling work culture • Work-life balance
Patients and customers	No	Surveys, web portals, performance review meetings, customer meetings and audits	Monthly, Half yearly, Annually	• Accessibility and affordability of healthcare • Product quality and safety • Data privacy and security • Value added services. • Patient and customer experience • Supply chain management
Industry, Organisations and NGOs	No	Industry forums	Need based	• Partnership for CSR project implementation
Community	Yes	CSR projects, employee social impact, awareness programs	Continuous, Need based, Annually	• Contributions for community welfare • Adherence to community expectations and needs

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.

The Company follows a holistic approach. Effective consultation processes between stakeholders and the Board on economic, environmental, and social topics involve identifying key stakeholders, gathering input through various channels, analyzing feedback, and presenting comprehensive reports to the respective committees of the Board. In cases of delegation, a structured reporting system ensuring feedback is communicated effectively. The Board considers this input alongside other information in decision-making, leading to policies and initiatives that address stakeholder concerns. These processes promote transparency and inclusivity, enabling informed decisions that align with stakeholder expectations across economic, environmental and social dimensions.

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 Company conducted a materiality assessment to identify and prioritise key material topics (Environment and Social), to ensure sustainable business growth. To assess the importance of each topic, PPL identified stakeholder groups by prioritising them based on their ability to influence and be influenced by the business's performance and operations. PPL engaged with stakeholders through surveys and online questionnaires to rank each ESG topic according to its importance to PPL's business. The Company conducted interactions with the senior personnel to understand Environmental, Social, and Governance (ESG) topics relevant to PPL's business. This comprehensive approach allowed PPL to prioritise material topic and gain a deeper understanding of their significance. The outcome has also led to the development of the ESG Policy, highlighting policy commitments regarding key material topics, sustainability strategy, and a roadmap aimed at delivering on PPL's ESG goals and targets.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

a) Piramal Foundation partnered with the District Bureau of Employment and Enterprises in Ferozepur, Punjab, to conduct mid-training digital skill assessments for local youth under Mission Aagaz, showcasing the dedication to empowering marginalised communities through innovation and collaboration.

b) Piramal Foundation introduced the Google Read Along (GRA) Application to Anganwadi Workers in Nawapur Block, Lahan Chinchpada Village, benefiting 114 attendees. This initiative fostered literacy and empowerment among vulnerable populations by equipping caregivers with practical tools and knowledge.

c) Piramal Foundation introduced Yuva Seva Sadan (YSS), operating in Patna, Bihar to harness the potential of youth leadership to drive positive impact and uplift underserved communities.

d) Piramal Foundation developed Mobile Medical Unit (MMU) and Static clinic, collectively known as Piramal Arogya Center, to deliver tailored healthcare services directly to remote communities. This initiative aims to extend quality primary healthcare, enhance antenatal care, improve community health awareness, and reduce complications related to diabetes and hypertension through early detection. Services include screening, diagnosis, and referral for communicable and non-communicable diseases, antenatal care, post-natal check-ups, and treatment for minor illnesses. Laboratory tests, health education, and childhood immunisations are also provided. The initiative's output results in improved access to healthcare, fewer complications, and reduced work disruption due to illness, serving nearly 3,17,343 people so far.

PPL contributes to certain projects of Piramal Foundation as part of its CSR endeavors.

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PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	4520	4520	100	3638	3638	100
Other than permanent	-	-	-	-	-	-
Total Employees	**4520**	**4520**	**100**	**3638**	**3638**	**100**
Workers						
Permanent	556	556	100	590	590	100
Other than permanent	-	-	-	-	-	-
Total Workers	**556**	**556**	**100**	**590**	**590**	**100**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	3998	NA	NA	3998	100	3646	NA	NA	3646	100
Female	522	NA	NA	522	100	424	NA	NA	424	100
Other than Permanent										
Male	129	129	100	NA	NA	150	150	100	NA	NA
Female	131	131	100	NA	NA	54	54	100	NA	NA
Workers										
Permanent										
Male	542	NA	NA	542	100	560	NA	NA	560	100
Female	14	NA	NA	14	100	14	NA	NA	14	100
Other than Permanent										
Male	2354	2354	100	NA	NA	1865	1865	100	NA	NA
Female	243	243	100	NA	NA	213	213	100	NA	NA

3. **Details of remuneration/salary/wages, in the following format:**

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration	Number	Median remuneration
Board of Directors (BoD)	7	Please refer to the 'Managerial Remuneration' section in the Board's Report	3	Please refer to the 'Managerial Remuneration' section in the Board's Report
Key Managerial Personnel	0*		1	
Employees other than BoD and KMP	3996	6,20,000	520	6,73,077
Workers	542	6,66,251	14	5,14,453

* Covered under BoD

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Gross wages paid to females as % of total wages	11.97%	12.42%

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

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The human rights approach focuses on addressing risks that could have significant impact on all the stakeholders and the locations in which the Company operate. The Company uphold human rights in all its business operations throughout its value chain. It endeavours to avoid human rights abuse and resolve grievances of the affected stakeholders effectively and for that it has several mechanisms in place.

Every employee bears the responsibility of maintaining compliance with human rights policy. Encouragement is extended to employees to raise any concerns with their respective manager, Human Resources, or through the anonymous reporting tool, SpeakUp. PPL diligently investigates any alleged violations of this policy and implements appropriate corrective measures as deemed necessary.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0	-	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labor	0	0	NA	0	0	NA
Forced Labor/Involuntary Labor	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	0
Complaints on POSH as a % of female employees / workers	0.2%	0
Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company is committed to fostering a workplace free from harassment and discrimination, maintaining a zero-tolerance policy towards any such misconduct. PPL is fully compliant with the Prevention of Sexual Harassment (POSH) guidelines, having established an Internal Complaints Committee (ICC) to swiftly address reported incidents. Furthermore, the whistle-blower policy ensures the protection of complainants from unfair practices such as retaliation, threats, intimidation, termination, suspension, disciplinary actions, demotion, transfer, denial of promotion, or misuse of authority that could hinder their ability to carry out duties effectively.

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9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company integrates human rights requirements into its business agreements and contracts with vendors. PPL is dedicated to upholding and respecting fundamental human rights, as outlined in the United Nations' Universal Declaration of Human Rights (UDHR) and the UN Guiding Principles on Business and Human Rights. Compliance with the Company's human rights policy is a crucial component of the business agreements and contracts, ensuring alignment with the commitment to human rights.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labor	100%
Forced/Involuntary Labor	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – Sustainability	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

During the reporting period, there was no significant risks and concerns arising from the assessments as highlighted in Question 10 above.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

No significant human rights grievances or complaints have arisen that would necessitate the modification or introduction of business processes.

2. Details of the scope and coverage of any Human Rights Due Diligence conducted.

As no significant human rights issues have arisen, the Company has not conducted Human Rights Due Diligence to date. Therefore, there are no specific details available currently regarding the scope and coverage of such due diligence activities.

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, PPL ensures that its offices are accessible to differently abled visitors, in accordance with the Rights of Persons with Disabilities Act, 2016. The Company strives to create an inclusive workplace where everyone feels engaged and supported, achieved through the provision of necessary infrastructure and facilities such as ramps and special restrooms on the premises. Steps are being taken to provide similar facilities at the operating sites.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child Labor	1.7%
Forced/involuntary Labor	1.7%
Sexual Harassment	1.7%
Discrimination at workplace	1.7%
Wages	1.7%
Others - please specify	1.7%

Note: This data is for PCC and PPS business

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
From renewable sources		
Total Electricity Consumption (A) (GJ)	36,616	24,613
Total Fuel Consumption (B) (GJ)	1,28,477	1,33,239
Energy Consumption through other sources (C) (GJ)	-	-
Total Energy Consumption from renewable sources (A+B+C) (GJ)	**1,65,094**	**1,57,852**
From non-renewable sources		
Total Electricity Consumption (D) (GJ)	3,12,789	2,94,062
Total Fuel Consumption (E) (GJ)	3,60,164	3,04,307
Energy Consumption through other sources (F) (GJ)	-	-
Total Energy Consumption from non-renewable sources (D+E+F) (GJ)	**6,72,953**	**5,98,370**
Total Energy Consumption (A+B+C+D+E+F) (GJ)	**8,38,047**	**7,56,222**
Energy Intensity per Million INR of turnover (Total energy consumption / Revenue from operations in rupees) (GJ per Million INR)	19.09	21.96
Energy Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumption / Revenue from operations adjusted for PPP) (GJ per Million INR)	436.80	502.54
Energy Intensity in terms of physical output		
Energy Intensity (optional) – the relevant metric may be selected by the entity (GJ/product)	87.53	85.50

Note: 1. The PPP conversion factor 22.882 is as per OECD guidelines.
2. In accordance with the GHG protocol standard, FY2022-23 energy consumption has been revised due to improved data accuracy.

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 independent assurance was conducted for FY2023-24. However, environmental assurance was conducted for FY2022-23 by DNV Business Assurance Private India Ltd. The assurance for the current year will be published in the Sustainability Report FY2023-24 which will be released shortly.

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.

The Company does not have any sites or facilities identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India. Therefore, there are no targets set under the PAT scheme to disclose achievement or remedial actions.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	62,072	1,30,765
(iii) Third party water	4,49,130	3,66,978
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater storage)	13,670	9,760
Total volume of Water Withdrawal (in kilolitres) (I + ii + iii + iv + v)	**5,24,872**	**5,07,503**
Total volume of Water Consumption (in kilolitres)	**4,40,693**	**4,51,228**
Water Intensity per rupee of turnover (Water consumed / Revenue from operations) (kl per Million INR)	10.03	14.74
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (GJ per Million INR)	229.70	299.86
Water Intensity in terms of physical output		
Water intensity in terms of physical output	46.03	51.02
Water Intensity (optional) – the relevant metric may be selected by the entity (KL/product)	-	-

Note: 1. The PPP conversion factor 22.882 is as per OECD guidelines.
2. In accordance with GRI standard, total water consumption for FY2022-23 has been revised due to change in calculation methodology.

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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 independent assurance was conducted for FY2023-24. However, environmental assurance was conducted for FY2022-23 by DNV Business Assurance Private India Ltd. The assurance for the current year will be published in the Sustainability Report FY2023-24 which will be released shortly.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
ii. To Groundwater		
- No treatment	-	-
- With treatment – (please specify level of treatment)		-
iii. To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iv. Sent to third parties		
- No treatment	-	-
- With treatment – CETP	84,179	-
v. Others- Please specify: Land		
- No treatment	-	-
- With treatment- tertiary treatment	-	56,275
Total water discharged (in kilolitres)	**84,179**	**56,275**

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 independent assurance was conducted for FY2023-24. However, environmental assurance was conducted for FY2022-23 by DNV Business Assurance Private India Ltd. The assurance for the current year will be published in the Sustainability Report for FY2023-24 which will be released shortly.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

All plants of the Company follow standard protocols for wastewater recycling. The wastewater from Indian API sites undergoes treatment in the Zero Liquid Discharge (ZLD) Plant, while other sites comply with local regulations for wastewater treatment. The ZLD coverage across PPL sites is 33% of all Indian sites.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

The Company's emission-levels are monitored in compliance with applicable regulations and are well-below the permissible limits.

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 independent assurance was conducted for FY2023-24. However, environmental assurance was conducted for FY2022-23 by DNV Business Assurance Private India Ltd. The assurance for the current year will be published in the Sustainability Report for FY2023-24 which will be released shortly.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Total Scope 1 Emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	43,383	39,996
Total Scope 2 Emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	62,210	58,077
Total Scope 1 and Scope 2 Emissions	tCO_2e	1,05,593	98,073
Total Scope 1 and Scope 2 Emissions Intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG Emissions / Revenue from operations)	tCO_2e / Million INR	2.41	2.85
Total Scope 1 and Scope 2 Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG Emissions / Revenue from operations adjusted for PPP)	tCO_2e / Million INR	55.04	65.17
Total Scope 1 and Scope 2 Emissions Intensity in terms of physical output	tCO_2e/product	11.03	11.09
Total Scope 1 and Scope 2 Emissions Intensity (optional) – the relevant metric may be selected by the entity	tCO_2e/GN	-	-

Note: 1. The PPP conversion factor 22.88 is as per OECD guidelines.
2. Biogenic emissions are 13,324 tCO_2e and 12,848 tCO_2e for FY'23 and FY'24 respectively
3. In accordance with the GHG protocol standard, FY2022-23 Scope 1 & Scope 2 GHG emissions have been revised due to improved data accuracy.

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 independent assurance was conducted for FY2023-24. However, environmental assurance was conducted for FY2022-23 by DNV Business Assurance Private India Ltd. The assurance for the current year will be published in the Sustainability Report for FY2023-24 which will be released shortly.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

PPL purchased third party hybrid power at two of its sites, that resulted in 2869 TCO_2e emission reduction. Moreover, PPL has several energy efficiency, water reduction and resource management projects lined-up as part of decarbonisation plan and will be completed in the coming years.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	161.02	211
E-waste **(B)**	7.72	10
Bio-medical waste **(C)**	20.34	25
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	13.09	8
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	7,692.53	7,029
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	7,257.70	2,817
Total (A+B + C + D + E + F + G+ H)	**15,152.40**	**10,100**
Waste Intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT per Million INR)	0.34	0.29
Waste Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT per Million INR)	7.90	6.71
Waste Intensity in terms of physical output		
Waste Intensity in terms of physical output	1.58	1.14
Waste Intensity (optional) – the relevant metric may be selected by the entity (MT/product)	-	-

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For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
(i) Recycled	9,560.8	2,018
(ii) Re-used	0	1
(iii) Other recovery operations (Composting)	0	1,009
Total	**9560.80**	**3,028**

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
(i) Incineration	1,359.56	266
(ii) Landfilling	179.13	3,911
(iii) Other disposal operations (Co-processing)	3758.27	2,938
Total	**5,296.96**	**7,115**

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, independent assurance was conducted for FY2023-24. However, environmental assurance was conducted for FY2022-23 by DNV Business Assurance Private India Ltd. The assurance for the current year will be published in the Sustainability Report for FY2023-24 which will be released shortly.

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 has implemented highly effective waste management practices, focusing on responsible disposal and recycling. Most of the non-hazardous waste generated during the reporting year was successfully diverted through authorised recycling vendors and co-processing with the cement industry. This commitment to waste diversion aligns with regulatory requirements and reflects the Company's dedication to environmental sustainability.

The selection of authorised vendors for waste recycling was conducted with meticulous due diligence, ensuring compliance with all relevant regulations and standards. This approach not only enhances environmental stewardship but also contributes positively to the circular economy by reintegrating materials back into productive use.

At all Company sites, the 5R waste hierarchy—reduce, reuse, recycle, recover, and rethink—is rigorously followed for waste management. This holistic approach aims to achieve a net reduction in waste generation by prioritising waste prevention and resource efficiency. Employees and vendors are actively encouraged to embrace the principles of reuse, thereby minimising the need for disposal, and promoting a culture of waste reduction and sustainability throughout the organisation.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

None of the operations or offices are situated 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:**

In FY2023-24, the Company did not conduct environmental impact assessments of projects undertaken by the entity.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the Company is compliant with applicable environmental laws, regulations, and guidelines in India, such as the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, the Environment Protection Act, and the Rules thereunder.

Leadership Indicators

1. **Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

The Company's facilities/plants do not operate in water-stressed areas.

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

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format**

PPL has evaluated scope 3 emissions for FY2023, FY2024 inventorisation is in process. The assurance for the current year will be published in the Sustainability Report FY2023-24 which will be released shortly.

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, an independent assurance has not been carried out by an external agency.

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, please provide details of the same as well as outcome of such initiatives in the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Energy Conservation	Green initiatives like installation of a higher capacity coal vibro-feeder, replacement of refrigeration cooling tower by V Bar fills design tower, upgradation of N2 plant operation sequence controller from timer based control to programmable logic control, installation of draft controller in boilers, replacement of V-Belt drives with flat belt drives in Air Handling Unit, improvement in steam condensate recovery, replacement of IE2 motors with IE 4 motors, etc.	Total annual savings of 15,03,856 KWH
2	Water conservation	Water conservation initiatives like re-use of Air Handling Unit sweating water in cooling tower, re-use of sanitized hot water to boiler feed, etc.	Total annual savings of 11,505 KL
3	Fuel savings	Resource efficiency initiatives like recovery of flash steam, Optimization of Diesel Generator (DG) set operation, improvement in steam condensate recovery system, etc.	- Total annual savings of 259 tonnes of fuel - Total annual savings of 50 tonnes of coal

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The Company has implemented a robust and comprehensive Business Continuity Plan (BCP) designed to ensure the continuity of critical operations in the face of disruptive events, including natural disasters, technological failures, or other significant incidents that could impact normal business operations. This plan encompasses a range of emergency scenarios across the organisation and outlines a structured response, rescue, and recovery strategy.

As a crucial component of its business continuity measures, the Company has installed automatic fire suppression systems equipped with NOVAC system. This strategic installation is intended to swiftly extinguish fires within the compartments, enhancing the overall safety and resilience of the facility.

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?**

PPL acknowledges the potential environmental impact of its value chain and is committed to mitigating adverse effects. The Company has set forth robust supplier management plan that emphasis on enhancing supplier diversity, conducting thorough risk assessments, and regularly reviewing supplier performance through an ESG lens.

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7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact.

PPL is in the process of rolling out a self-assessment questionnaire evaluating the environmental impact of the suppliers.

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) Number of affiliations with trade and industry chambers/ associations:

2

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State/National)
1	India Pharmaceutical Alliance	National
2	Confederation of Indian Industries (CII)	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.

The Company conducts its business activities in a legally and ethically compliant manner, understanding the significance of competition law and its implications on the operations. Regarding anti-competitive or restrictive trade practices, the Company can confirm that there have been no complaints filed with the Competition Commission nor any suits against PPL. Therefore, there is no ongoing corrective action required at this time. PPL acknowledges the fundamental principles of competition law and has incorporated them as a specific component of its Code of Conduct (CoC). Consequently, every PPL employee is briefed on conducting business fairly and in adherence to competition regulations. Employees are required to undergo CoC training, followed by periodic refreshers, to ensure continued compliance.

Leadership Indicators

1. Details of Public Policy positions advocated by the entity.

PPL has not been involved in public policy advocacy.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

During the reporting period, none of the projects fell under the scope of mandated Social Impact Assessment (SIA) exercises.

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.

The Company interacts with the local community through its volunteers and employees as a part of its CSR programs. In addition to receiving direct feedback, the Company's grievance redressal mechanism also considers grievances raised by the community.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2023-24 (Current FY)	FY 2022-2023 (Previous FY)
Directly sourced from MSMEs/ Small producers	14%	23%
Directly from within India	24%	16.35%

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 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Rural	51.45%	50.42 %
Semi-urban		
Urban		
Metropolitan	48.55%	49.58%

Note: Rural, semi-urban and urban are combined as non-metropolitan. PPL is in the process of segregating the information for rural, semi-urban and urban as per SEBI guidelines

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):

Not Applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District Info	Amount spent (In INR)
Andhra Pradesh	Alluri Sitharamaraju, Parvathipuram Manyam, Y.S.R. Kadapa	18,22,044
Arunachal Pradesh	Namsai	4,85,934
Assam	Dhubri, Goalpara, Barpeta, Hailakandi, Baksa, Darrang, Udalguri	39,70,455
Bihar	Sitamarhi, Araria, Purnia, Katihar, Muzaffarpur, Begusarai, Khagaria, Banka, Sheikhpura, Aurangabad, Gaya, Nawada, Jamui.	46,01,863
Chhattisgarh	Korba, MMAC, Mahasamund, Uttar Bastar Kanker, Narayanpur, Dakshin Bastar Dantewada, Bastar, Kondagaon, Sukma, Bijapur	61,30,712
Gujarat	Dahod, Narmada	5,82,279
Himachal Pradesh	Chamba	4,14,899
Haryana	Mewat	31,473
Jharkhand	Garhwa, Chatra, Giridih, Godda, Sahibganj, Pakur, Bokaro, Lohardaga, Purbi Singhbhum, Palamu, Latehar, Hazaribagh, Ramgarh, Dumka, Ranchi, Khuti, Gumla, Simdega, Pashchimi Singhbhum	1,08,99,921
Jammu & Kashmir	Kupwara, Baramula	12,68,906
Karnataka	Raichur, Yadgir	6,33,862
Kerala	Wayanad	9,12,575
Maharashtra	Nandurbar, Washim, Gadchiroli, Osmanabad	18,53,198
Madhya Pradesh	Chhatarpur, Damoh, Barwani, Rajgarh, Vidisha, Guna, Singrauli, Khandwa (East Nimar)	26,14,157
Nagaland	Kiphire	4,61,659
Odisha	Dhenkanal, Gajapati, Kandhamal, Balangir, Kalahandi, Rayagada, Koraput, Malkangiri, Nuapada, Nabrangpur	48,12,768
Punjab	Moga, Firozpur	4,25,118
Rajasthan	Dhaulpur, Karauli, Jaisalmer, Sirohi, Baran	16,69,705
Tamil Nadu	Virudhunagar, Ramanathapurām	8,66,217
Tripura	Dhalai	6,32,256
Telangana	Kumuram Bheem, Jayashankar Bhupalapalle, Bhadradri Kothagudem	34,31,414
Uttarakhand	Udham Singh Nagar, Haridwar	5,68,229
Uttar Pradesh	Chitrakoot, Fatehpur, Bahraich, Shrawasti, Balrampur, Siddharthnagar, Chandauli, Sonbhadra	19,65,657
Sikkim	Soreng	5,69,601
Meghalaya	Ribhoi	6,64,481
Mizoram	Mamit	4,18,967
Manipur	Chandel	91,650

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No, PPL's procurement policy ensures accessibility and local community engagement, respecting the rights of local communities and local development priorities.

(b) From which marginalised /vulnerable groups do you procure?

Currently, the Company is not procuring anything from marginalised or vulnerable groups.

(c) What percentage of total procurement (by value) does it constitute?

Currently, it constitutes zero percent.

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.

In the current financial year, PPL has not owned or acquired any intellectual properties based on traditional knowledge, thus no benefits have been derived or shared from such intellectual properties to detail.

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.

Since there are no intellectual properties owned or acquired based on traditional knowledge in the current financial year, there have been no adverse orders or disputes related to the usage of traditional knowledge. Therefore, no corrective actions have been taken or are underway in this regard.

6. Details of beneficiaries of CSR Projects.

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	Aspirational Bharat Collaborative (ABC), formerly Aspirational District Collaborative	1.5 Million people	90%

Note: Details with respect to the Company's contribution to the ABC are contained in the Annual Report on CSR activities for FY2023-24 which is annexed to the Board's Report.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

PPL's businesses collectively ensure seamless customer support across their operations. Each division maintains support teams offering assistance for inquiries, feedback, and complaints.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	NA	-	0	NA	-
Advertising	43	0	-	103	0	-
Cyber-security	0	NA	-	0	NA	-
Delivery of essential services	888	4	-	455	1	-
Restrictive Trade Practices	0	NA	-	0	NA	-
Unfair Trade Practices	0	NA	-	0	NA	-
Others	72	0	-	50	0	-

4. Details of instances of product recalls on account of safety issues

Voluntary recalls	Number	Reason for recall
Voluntary recalls	3	**Reasons for Recall** 1. Failure in environmental monitoring at manufacturing facility. 2. Leakage of bottles due to damage shipment. 3. Veterinary product was inadvertently distributed as a human product.
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.

Yes, the Company has a robust cyber security framework in place, which uses antivirus, anti-spyware protection and firewalls to protect against any possible breach. Additionally, the Company uses remote data back-ups, latest versions of software through secured computers and servers to mitigate the technology risks. The framework on cyber security is available on the Company's website at https://www.piramalpharma.com/privacy-policy

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.

Such occurrences did not happen during that period.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

0

b. Percentage of data breaches involving personally identifiable information of customers

0

c. Impact, if any, of the data breaches

None.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

PPL has a diverse product portfolio categorized under three main business segments: Piramal Pharma Solutions (PPS), Piramal Critical Care (PCC) and Piramal Consumer Products Division (CPD). Information on products and services of the entity under these businesses is available on the website of the Company under the 'Businesses' tab at www.piramalpharma.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

PPL employs a multidimensional approach to inform and educate consumers about the safe and responsible usage of their products and services. This approach includes product labelling, patient information leaflets, collaboration with healthcare professionals, regulatory compliance, and customer support services.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company prioritises informing consumers about potential disruptions or discontinuations of essential services through clear communication channels and adherence to regulatory standards. PPL maintains contingency plans and transparent reporting practices, ensuring stakeholders are aware of any issues and the steps being taken to address them immediately. This approach aims to uphold trust, minimise service interruptions, and manage risks effectively.

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)

Yes, PPL provides product information to ensure consumer safety and responsible use as per local laws. PPL conducts surveys regarding consumer satisfaction with respect to the major products/services of the entity.

INDEPENDENT AUDITOR'S REPORT

To The Members of **Piramal Pharma Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Piramal 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 judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditor's Response
1.	**Assessment of recoverable amount of goodwill — Refer to note 66 of the standalone financial statements**	
	Refer Note 2b in the summary of material accounting policies	Principal audit procedures:
	The carrying amount of Goodwill aggregates to ₹ 160.55 crores. The Company performs the annual assessment of goodwill at cash generating unit (CGU) level. The Company's evaluation involves comparison of its recoverable amount to its carrying amount. 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 the cash generating unit. Considering the inherent estimation uncertainty involved in the underlying assumptions relating to projected cash flows, discount rate, long-term and terminal growth rates used while determining the recoverable amount, the impairment assessment of goodwill has been considered as a key audit matter.	1. Evaluated the design and tested the operating effectiveness of the internal controls relating to impairment assessment of underlying CGUs. 2. Evaluated the reasonableness of the Management's estimates and judgements in corroboration with management enquiry, underlying evidences and past trends. 3. With the assistance of the internal fair valuation specialist, as deemed appropriate, evaluated the reasonableness of the valuation methodology, discount rate and growth rate used in the assessment. 4. Tested the mathematical accuracy and performed sensitivity analysis of the valuation models. 5. Evaluated the adequacy of disclosures made in the standalone financial statements.

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 Business Responsibility and Sustainability Report, Management Discussion and Analysis (MDA), Corporate Governance and Board's Report including Annexures to Board's Report, 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

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 i) keeping backup on daily basis of books of account maintained in electronic mode, in a server physically located in India in relation to one division; and ii) for the matters as stated in (i)(vi) below (Refer Note 65 to the standalone financial statements)

    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 36 to the standalone financial statements;

        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

        iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 5 to the 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, as disclosed in the note 17 to the 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. As stated in note 15 to the standalone financial statements:

        (a) The Company did not propose any dividend in the previous year.

        (b) The Company has not declared any interim dividend during the year. As stated in note 15 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

        (vi) Based on our examination which included test checks, the Company has used accounting software(s) for maintaining its books of account for the 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) except that in respect of one of its divisions:

        (i) an accounting software used to maintain its books of account for the period from April 1, 2023 to May 31, 2023, did not have a feature of recording audit trail (edit log) facility,

        (ii) for another accounting software used to maintain its books of account from June 1, 2023 (a) the audit trail feature was not enabled at the application level till June 29, 2023 and for master tables till September 09, 2023 (b) audit trail was not enabled at the database level to log any direct data changes.

        Further, the Company has used a software operated by a third party software service provider, for maintaining certain travel expense records and in absence of an independent auditor's system and organization controls report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

        Additionally, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software(s) for the period for which the audit trail feature was operating.

        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 year ended March 31, 2024. (Refer Note 65 to the standalone financial statements).

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 and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mehul Parekh
(Partner)
(Membership No. 121513)
(UDIN: 24121513BKEPEX2281)

Place: Mumbai
Date: May 10, 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 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 Piramal Pharma Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to 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 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 and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mehul Parekh
(Partner)
(Membership No. 121513)
(UDIN: 24121513BKEPEX2281)

Place: Mumbai
Date: May 10, 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)

(i) In respect of its property, plant and equipment:

(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 aWssets.

(c) The Company has a program of verification of property, plant and equipment (capital work-in progress and right of use assets) so as to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(d) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance / Business Transfer agreement provided to us, we report that, the title deeds of such immovable properties (other than immovable 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 and capital work-in-progress) are held in the name of the Company as at the balance sheet date.

(e) 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 the Company has not revalued any of its property, plant and equipment (including Right of use assets) and intangible assets during the year.

(f) 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 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) In respect of its inventories:

(a) The inventories (other than 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 according to the 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. In respect of inventory lying with the third parties, confirmations were obtained by the management for the stocks held by them at year end and in respect of goods in transit, the goods have been received subsequent to the year end. 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 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 statements comprising sales, production, current assets and current liabilities, wherever submitted 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. As informed by the management, the statement for the quarter ended March 31, 2024 will be submitted to the bank basis audited financial statements for the year ended March 31, 2024.

(iii) The Company has made investments in, provided guarantees and granted unsecured loans to companies in respect of which:

(a) The Company has provided loans, stood guarantee during the year and details of which are given below:

Particulars	Loans @	Guarantees
A. Aggregate amount provided during the year:		
- Subsidiaries	₹ 1,233.65 crores	₹ 187.58 crores
B. Balances outstanding as at balance sheet date in respect of above cases*#		
- Subsidiaries	₹ 1,442.43 crores	₹ 3,002.93 crores

* The amounts reported above are at gross amounts, without considering provisions made.
# includes opening balances
@ includes an amount of Rs 673.50 crores of loans extended during the year (refer clause 3(e) below).

The Company has not provided any advances in the nature of loans and security to any other entity during the year.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted there is no overdue amount remaining outstanding as at the balance sheet date.

(e) During the year, a loan to related party which has fallen due during the year has been renewed or extended, details of which is as follows:

Name of the party	Aggregate amount of loans or advances in the nature of loans that fell due during the year (Rupees in crores)	% of the aggregate to the total loans or advances in the nature of loans granted during the year
Piramal Dutch Holdings NV	Rs 673.50 crores	54.59%

(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 repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, 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.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(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 generally been 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 Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs in Crores)	Amount unpaid (Rs in Crores)
Central Excise Laws	Excise Duty & Service Tax including interest and penalty, as applicable.	High Court	2008-13 and 2018-2022	13.62	11.73
		CESTAT	1998 to 2006, 2010-2011 and 2012-18.	22.39	20.85
		Appellate Authority upto Commissioner's level	2006-07, 2009-2018	0.43	0.20
Goods and Services Tax	Goods and Services Tax	Appellate Authority upto Commissioner's level	2017-2020 and 2023-2024	3.27	2.95
Sales Tax Laws	Sales Tax	High Court	2005-06	0.21	0.07
		Tribunal	2013-2014, 2016-17	0.28	-
		Appellate Authority upto Commissioner's level	2013-2018	1.11	0.89
Entry Tax	Entry Tax	High Court	2014-2018	0.99	0.78
Custom Laws	Custom Duty	CESTAT	2009-2012	1.57	1.41
Income tax Act 1961	Income tax	CIT (Appeals)	AY 2022-23	22.95	22.95

(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.

(ix) In respect of its borrowings:

(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.

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

(c) To the best of our knowledge and belief, in our opinion, terms loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(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.

(e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates. The Company does not have any joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. The Company does not have any joint venture.

(x) (a) In our opinion, money raised by way of rights issue of equity shares during the year have been applied by the Company for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer/ further public offer through debt instruments during the year.

(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) In respect of frauds:

(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 upto the date of audit report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) In respect of internal audits:

(a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year when performing our 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 them and hence provisions of section 192 of the Act are not applicable.

(xvi) In respect of registration u/s 45-IA:

(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) is not applicable.

(b) Based on the information and explanations given to us and as represented by the Management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has only one CIC as part of the Group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

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

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Mehul Parekh
(Partner)
(Membership No. 121513)
(UDIN: 24121513BKEPEX2281)

Date: May 10, 2024
Place: Mumbai

Balance Sheet

as at March 31, 2024

(₹ in Crores)

Particulars	Note No.	As at March 31,2024		As at March 31,2023	
ASSETS					
Non-Current Assets					
(a) Property, Plant & Equipment	3		1,727.28		1,673.56
(b) Capital Work in Progress	54		232.40		136.50
(c) Intangible Assets	3		601.03		645.26
(d) Goodwill	66		160.55		160.55
(e) Intangible Assets Under Development	55		300.84		280.07
(f) Right of Use Asset	45		123.30		122.50
(g) Financial Assets:					
(i) Investments	4	1,646.88		1,646.87	
(ii) Loans	5	1,395.19		970.65	
(iii) Other Financial Assets	6	19.61	3,061.68	17.86	2,635.38
(h) Other Non-Current Assets	7		52.25		39.90
Total Non-Current Assets			**6,259.33**		**5,693.72**
Current Assets					
(a) Inventories	8		1,153.04		818.61
(b) Financial Assets:					
(i) Investments	4	61.28		100.12	
(ii) Trade Receivables	9 & 52	1,331.38		909.56	
(iii) Cash & Cash Equivalents	10	228.80		54.28	
(iv) Bank Balances Other Than (iii) above	11	12.93		9.88	
(v) Loans	12	47.24		34.09	
(vi) Other Financial Assets	13	48.39	1,730.02	25.38	1,133.31
(c) Other Current Assets	14		408.49		396.76
Total Current Assets			**3,291.55**		**2,348.68**
TOTAL ASSETS			**9,550.88**		**8,042.40**
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	15	1,322.95		1,193.32	
(b) Other Equity	16	5,389.12		4,068.47	
Total Equity			**6,712.07**		**5,261.79**
LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities:					
(i) Borrowings	17	363.94		592.34	
(ii) Lease Liabilities	45	18.18		17.27	
(iii) Other Financial Liabilities	18	-	382.12	4.98	614.59
(b) Provisions	19		32.23		20.58
(c) Deferred Tax Liabilities (Net)	20		196.64		194.15
Total Non-Current Liabilities			**610.99**		**829.32**
Current Liabilities					
(a) Financial Liabilities:					
(i) Borrowings	21	787.95		1,034.94	
(ii) Lease Liabilities	45	6.62		4.60	
(iii) Trade Payables					
Total outstanding dues of Micro enterprises and small enterprises	42 & 53	45.99		32.52	
Total outstanding dues of creditors other than Micro enterprises and small enterprises	53	1,061.72		729.15	
(iv) Other Financial Liabilities	22	68.42	1,970.70	60.24	1,861.45
(b) Other Current Liabilities	23		172.29		50.63
(c) Provisions	24		43.57		39.21
(d) Current Tax Liabilities (Net)	25		41.26		-
Total Current Liabilities			**2,227.82**		**1,951.29**
TOTAL LIABILITIES			**2,838.81**		**2,780.61**
TOTAL EQUITY & LIABILITIES			**9,550.88**		**8,042.40**

The above Balance Sheet should be read in conjunction with the accompanying notes 1-69.

Summary of Material Accounting Policies 2a

In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crores)

Particulars	Note No.	For the year ended March 31, 2024		For the year ended March 31, 2023	
Revenue from operations	26		4,390.11		3,443.22
Other Income (Net)	27		202.06		341.07
Total Income			**4,592.17**		**3,784.29**
Expenses					
Cost of materials consumed	28	1,545.55		1,166.48	
Purchases of Stock-in-Trade	29	624.91		548.69	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(61.62)		53.31	
Employee benefits expense	31	613.93		548.50	
Finance costs	32	107.10		115.87	
Depreciation and amortization expense	3 & 45	205.26		192.08	
Other expenses (Net)	33	1,049.42		1,028.71	
Total Expenses			**4,084.55**		**3,653.64**
Profit Before Exceptional Items and Tax			**507.62**		**130.65**
Exceptional Items	34		-		(6.96)
Profit before Tax			**507.62**		**123.69**
Less: Income Tax Expense	49				
Current tax (including prior year taxes)			112.48		38.77
Deferred Tax (Net)			3.92		15.42
			116.40		**54.19**
Profit after Tax			**391.22**		**69.50**
Other Comprehensive Income / (Loss) (OCI), net of tax expense:	35				
A. Items that will not be reclassified to profit or loss					
Remeasurement of post employment benefit plans		(5.05)		(3.44)	
Income Tax Impact on above		1.27	**(3.78)**	0.87	**(2.57)**
B. Items that will be subsequently reclassified to profit or loss					
Deferred loss on cash flow hedge		(0.64)		(21.09)	
Income Tax Impact on above		0.16	**(0.48)**	5.31	**(15.78)**
Total Other Comprehensive Income (Loss) (OCI) for the year, net of tax expense			**(4.26)**		**(18.35)**
Total Comprehensive Income for the year, net of tax expense			**386.96**		**51.15**
Earnings Per Equity Share (Basic) (₹) (Face value of ₹ 10 each)	44		3.05		0.57
Earnings Per Equity Share (Diluted) (₹) (Face value of ₹ 10 each)	44		3.05		0.57

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes 1-69.

In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Statement of Cash Flows
for the year ended March 31, 2024

(₹ in Crores)

	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	507.62	123.69
Adjustments for :		
Depreciation and amortisation expense	197.30	185.96
Amortisation of Right-of-use assets	7.95	6.12
Provision written back	(46.95)	(49.00)
Finance Costs	107.10	115.87
Interest Income on Financial assets	(64.47)	(51.55)
Dividend received	(24.50)	(83.79)
Government Grant Income	(4.11)	-
(Gain) on measurement of financial assets at FVTPL	(0.08)	(0.16)
Loss on Sale of Property Plant and Equipment	0.04	0.20
Write-down of Inventories	24.02	10.19
Profit on Sale of Current Investment (Net)	(4.37)	(1.58)
Expected Credit Loss on Trade Receivables	20.34	7.87
Employee Share Based Expenses	9.96	-
Unrealised foreign exchange (gain)/loss	(0.97)	(89.43)
Operating Cashflows Before Working Capital Changes	**728.88**	**174.39**
Adjustments For Changes In Working Capital :		
Adjustments For (Increase) / Decrease In Operating Assets		
- Trade receivables	(441.60)	206.26
- Other Current Assets	(7.62)	27.94
- Other Non Current Assets	(3.10)	2.53
- Other Financial Assets - Non Current	(1.75)	(0.26)
- Inventories	(358.45)	(80.38)
- Other Financial Assets - Current	(7.85)	110.66
Adjustments for increase / (decrease) in operating liabilities		
- Trade Payables	382.25	(301.69)
- Non - Current provisions	6.60	2.47
- Other Current Financial Liabilities	13.25	(15.96)
- Other Current Liabilities	121.66	5.25
- Current provisions	4.36	0.34
- Other Non-current Financial Liabilities	(0.53)	-
Cash Generated from Operations	**436.10**	**131.55**
- Taxes Paid (Net of Refunds)	(77.81)	(60.03)
Net Cash Generated from Operating Activities	**358.29**	**71.52**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property,Plant and Equipment / Intangible Assets (including Capital Work in Progress and Capital advances)	(325.56)	(244.86)
Proceeds from Sale of Property Plant and Equipment / Intangible Assets	0.11	2.29
Purchase of Current Investments:		
- in Mutual Funds	(907.55)	(896.15)
Proceeds from Sale of Current Investments:		
- in Mutual Funds	950.85	834.78
Contingent consideration paid	(6.33)	(73.31)
Interest Received	40.00	38.32
Fixed deposits placed	(8.97)	(14.25)
Maturity of Deposits	5.92	13.91
Dividend received [Net of TDS of Rs 2.45 crores (March 23-Rs 8.38 crores)]	22.05	75.41
Investment in equity shares of subsidiary	*	(34.01)
Investment in Associate	-	(20.34)

Statement of Cash Flows
for the year ended March 31, 2024

(₹ in Crores)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Loans to related parties (Net of repayments)	(406.04)	(116.84)
Net Cash used in Investing Activities	**(635.52)**	**(435.05)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non - Current Borrowings		
- Receipts	200.00	407.17
- Payments	(486.74)	(273.00)
Proceeds from Current Borrowings		
- Receipts	1,539.21	1,798.36
- Payments	(1,728.21)	(1,469.36)
Lease payments		
- Principal	(5.82)	(5.06)
- Interest	(2.03)	(1.49)
Proceeds from Issuance of Equity share capital under Rights Issue	1,050.00	-
Transaction cost related to Rights Issue	(14.13)	-
Finance Costs Paid	(100.90)	(99.50)
Dividend Paid	-	(67.00)
Net Cash Generated from Financing Activities	**451.38**	**290.12**
Net Increase /(Decrease) in Cash & Cash Equivalents [(A)+(B)+(C)]	**174.15**	**(73.41)**
Opening Cash and Cash Equivalents	**54.28**	**127.69**
Add: Effect of exchange fluctuation on cash and cash equivalents	**0.37**	**-**
Closing Cash and Cash Equivalents	**228.80**	**54.28**
Cash and Cash Equivalents Comprise of :		
Cash on Hand	0.05	0.06
Balance with Scheduled Banks in Current Accounts	206.86	54.22
Cheques on hand	5.54	-
Remittance in transit	16.35	-
	228.80	**54.28**

* Amounts below rounding off norms adopted by Company

Note:

1. During the previous year, the Company had issued 95,46,54,800 (nos.) fully paid equity shares with face value of ₹ 10 each and security premium of ₹ 126.31 per share, aggregating to ₹ 13,012.90 crores in exchange of net assets of Demerged Undertaking pursuant to the Scheme.

The above Statement of Cash flow should be read in conjunction with the accompanying notes 1-69.

In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Financial Statements

Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital (Refer Note 15):

Particulars	(₹ in Crores)
Balance as at March 31, 2022	**1,185.91**
Issued during the year	7.41
Balance as at March 31, 2023	**1,193.32**
Issued during the year	129.63
Balance as at March 31, 2024	**1,322.95**

B. Other Equity (Refer Note 16)

(₹ in crores)

Particulars	Reserves & Surplus				Other Items in OCI	Total
	Capital Reserve	Securities Premium	Retained Earnings	Share options outstanding reserve	Cash Flow Hedging Reserve	
Balance as at April 01, 2022	**(718.34)**	**3,725.18**	**918.28**	**-**	**12.09**	**3,937.21**
Profit after tax for the year	-	-	69.50	-	-	69.50
Other Comprehensive (Loss), net of tax expense for the year	-	-	(2.57)	-	(15.78)	(18.35)
Issue of Equity Shares (Refer Note 15)	-	93.53	-	-	-	93.53
Dividend paid during the year*	-	-	(13.40)	-	-	(13.40)
Balance as at March 31, 2023	**(718.34)**	**3,818.71**	**971.79**	**-**	**(3.69)**	**4,068.47**

Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in crores)

Particulars	Reserves & Surplus				Other Items in OCI	Total
	Capital Reserve	Securities Premium	Retained Earnings	Share options outstanding reserve	Cash Flow Hedging Reserve	
Balance as at April 01, 2023	**(718.34)**	**3,818.71**	**971.79**	**-**	(3.69)	**4,068.47**
Profit after tax for the year	-	-	391.22	-	-	391.22
Other Comprehensive (Loss), net of tax expense for the year	-	-	(3.78)	-	(0.48)	(4.26)
Right Issue of Equity Shares (Refer Note 67)	-	920.37	-	-	-	920.37
Expenses incurred on rights issue of equity shares (Refer Note 67)	-	(14.14)	-	-	-	(14.14)
Recognition of share-based payments (Refer Note 68)	-	-	-	27.47	-	27.47
Balance as at March 31, 2024	**(718.34)**	**4,724.94**	**1,359.23**	**27.47**	**(4.17)**	**5,389.12**

* During the previous year, the Company had paid a dividend aggregating to Rs 67 Crores to its shareholders (shareholding determined as of the record date). Pursuant to the Scheme referred to in note no. 51, Piramal Enterprises Limited transferred its shareholding in the Company amongst other assets w.e.f. April 01 ,2022. Accordingly, to the extent of such shares transferred to the Company, dividend amounting ₹ 53.60 Crores has been netted off from the gross dividend paid. The table above reflects such net amount.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes 1-69.

In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Notes to financial statements
for the year ended March 31, 2024

1. GENERAL INFORMATION

Piramal Pharma Limited ("PPL", "Company") is one of the India's largest Pharmaceutical Company.

PPL is a leading pharmaceutical company with global operations, providing end-to-end pharma services to customers and a portfolio of differentiated pharma products across a domestic and global distribution network. We operate under three business verticals - Piramal Pharma Solutions, an integrated contract development and manufacturing organization (“CDMO”) having a product suite in niche areas such as highly potent Active pharmaceutical ingredients ("APIs"), Finished dosage forms ("FDFs"), antibody drug conjugates, potent sterile injectable, hormonal oral solid dosage forms, biologics and vaccines; Piramal Critical Care, a complex hospital generics (“CHG”) business in the areas of inhalation anaesthesia, injectable anaesthesia and pain management, intrathecal therapy and other injectable; and India consumer healthcare (“ICH”) business, selling well-known OTC brands.

PPL is listed on stock exchanges and domiciled in India and has its registered office at Mumbai, India.

2a. MATERIAL ACCOUNTING POLICIES

i) Basis of preparation of financial statements

Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Historical Cost convention

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

ii) Investments in subsidiaries & associates

Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Associates:

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not control or joint control over those policies.

All equity investments in subsidiaries and associates are measured at cost less impairment. All equity investments in scope of Ind AS 109 - Financial Instruments are measured at fair value.

iii) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a demerged undertaking comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest’s proportionate share of the acquired entity’s net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity’s incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Common control transactions

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

1) The assets and liabilities of the combining entities are reflected at their carrying amounts. The Company has made accounting policy choice to account investment in associates and joint venture at a carrying cost as appearing in the books of acquiree.
2) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
3) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
4) The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
5) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
6) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occured after that date, the prior period information is restated only from that date.

iv) Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of Property Plant & Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred. Subsequent expenditures related to an item of Property Plant & Equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Right of use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset.

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Depreciation

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013 on the basis of technical evaluation, which are as follows:

Asset Class	Useful life
Buildings*	3 years - 60 years
Roads	10 years
Furniture & Fixtures	2 years - 28 years
Plant & Equipment	2 years - 31 years
Continuous Process Plant	25 years
Office Equipment	1 year - 15 years
Motor Vehicles	8 years - 12 years

*Useful life of leasehold improvements is as per lease period

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

v) Intangible Assets acquired separately

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

The research and development (R&D) cost is accounted in accordance with Ind AS - 38 'Intangibles'.

Internally generated intangible assets - Research and Development expenditure

Research

Research costs, including patent filing charges, technical know-how fees, testing charges on animal and expenses incurred on development of a molecule till the stage of Pre-clinical studies and till the receipt of regulatory approval for commencing phase I trials are treated as revenue expenses and charged off to the Statement of Profit and Loss of respective year.

Development

Development costs relating to design and testing of new or improved materials, products or processes are recognized as intangible assets and are carried forward under Intangible Assets under Development until the completion of the project when they are capitalised as Intangible assets, if the following conditions are satisfied:

- It is technically feasible to complete the asset so that it will be available for use;
- Management intends to complete the asset and use or sell it;
- There is an ability to use or sell the asset;
- It can be demonstrated how the asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- The expenditure attributable to the asset during its development can be reliably measured.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible Assets with finite useful lives are amortized on a straight line basis over the following period:

Asset Class	Useful life
Intangible Assets (Acquired)	
Brands and Trademarks	10 - 15 years
Copyrights, Know-how (including qualifying Product Development Cost) and Intellectual property rights	4 - 30 years
Computer Software	3 - 6 years
Intangible Assets (Internally Generated)	
Product Know-how	1 - 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Goodwill

Goodwill on acquisition is included in intangible assets. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Goodwill is carried at cost less accumulated impairment losses.

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for the year ended March 31, 2024

vi) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

vii) Financial instruments

Financial assets (other than trade receivables) and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of profit or loss are recognised immediately in the statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Investments and Other Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Subsequent Measurement

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method. Subsequently, these are measured at amortised cost using the Effective Interest Method less any impairment losses.

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Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting year. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instrument

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before

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the approval of the Financial Statements for issue, not to demand payment as a consequence of the breach.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

Financial Guarantee Contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability

(i) Cash flow hedges that qualify for hedge accounting:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

(ii) Derivatives that are not designated as hedges:

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

viii) Trade Receivables

Trade receivables that do not contain a significant financing component are measured at transaction price of good sold or services rendered as defined in Ind AS 115, Revenue from Contract with Customers.

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ix) Inventories

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods (Manufactured and Traded) and Stores and Spares. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. The cost of Work-in-progress and Finished Goods comprises of materials, direct labour, other direct costs and related production overheads as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

x) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur. Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at balance sheet date.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

- Defined Contribution plans such as provident fund, superannuation, pension, employee state insurance scheme
- Defined Benefit plans such as provident fund and Gratuity

In case of Provident fund, contributions are made to a Trust administered by the Company, except in case of certain employees, where the Contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined Benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit provident and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets (excluding interest income) are recognised in the period in

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which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service cost.

Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

xi) Provisions and Contingent Liabilities

Provisions are recognised when there is 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 there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed 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.

xii) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Sale of goods (including scrap sales) : Revenue from the sale of goods is recognised when the Company transfers Control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product shipped. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

Sale of Services : In contracts involving the rendering of services/development contracts, revenue is recognised at the point in time in which services are rendered. In case of fixed price contracts, the customer pays a fixed amount based on the payment schedule. If the services rendered by the Company exceed the payment, a Contract asset (Unbilled Revenue) is recognised. If the payments exceed the services rendered, a contract liability (Deferred Revenue) is recognised.

If the contracts involve time-based billing, revenue is recognised for the amount to which the Company has a right to invoice.

Interest : Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend : Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Insurance Claim : Insurance Claim is recorded as an income on the basis of filing of insurance claim and corresponding claim receivable is recognised as an asset.

Deferred Revenue and Unbilled Revenue : Amounts received from customers or billed to customers, in advance of services performed are recorded as deferred revenue under Other Current Liabilities. Unbilled revenue included in Other Financial Assets, represents amounts recognised in respect of services performed in accordance with contract terms, not yet billed to customers as at the year end.

xiii) Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from

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the translation of current assets and current liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

xiv) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

xv) Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and there is no uncertainty on collection.

Government grants are recognized in the statement of profit or loss on a systematic basis over the periods in which the Company recognizes the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non current assets (including property, plant and equipment) are recognized as deferred income in the balance sheet and transferred to the statement of profit or loss on a systematic and rational basis over the useful lives of the related assets and presented within revenue from operation.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in the statement of profit or loss in the period in which they become receivable and presented within revenue from operation.

xvi) Leases

The Company's lease asset classes primarily consist of leases for land, buildings and IT assets.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

xvii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible

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temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

xviii) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xix) Borrowing Costs

General and specific borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those Property Plant & Equipments and Intangible assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xx) Segment Reporting

In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated Financial Statements of the Company, which are presented in the same annual report and therefore, no separate disclosure on segment information is given in these Financial Statements.

xx) Standards issued but not yet effective

Recent pronouncements: Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

xxi) Impact of the initial application of new and amended Ind ASs that are effective in the current year that begins on or after April 1, 2023.

Amendments to Ind AS 1 - Presentation of Financial Statements

The Company has adopted the amendments to Ind AS 1 for the first time in the current year. The amendements change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendment replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can be reasonably expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

For example, accounting policy information is likely to be considered as material if the information relates to material transactions, other events or conditions and the accounting policy

- Has changed during the year resulting in a material change to the information in the financial statements
- Was chosen from alternatives permitted by Ind AS

Notes to financial statements
for the year ended March 31, 2024

- Was developed in accordance with Ind AS 8 in absense of an Ind AS which specifically applies
- Relates to an area where the Company is required to make significant judgements and assumptions which are disclosed in accordance with Ind AS 1:122 and 125.
- Relates to complex accounting for which users of the financial statements would otherwise not understand the relating transactions, other events or conditions.

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or condition is immaterial and need not be disclosed. If the Company discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. Further, if the Company concludes that the accounting policy information is immaterial, that conclusion does not affect the related disclosure requirements of other Ind ASs.

However, accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. Furthermore, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Company has evaluated the amendment and the impact of the amendment is insignificant in Company's financial statements.

Amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Definition of accounting estimate

The Company has adopted the amendments to Ind AS 8 for the first time in the current year. The amendments replace the definition of a 'change in accounting estimates' with the definition 'accounting estimates'. Under the new definition, accounting estimates are monetary amounts in the financial statements are the subject to measurement uncertainty. The definition of 'change in accounting estimates' was deleted.

The Company has evaluated the amendment and there is no impact on its financial statements.

Amendments to Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and same has been disclosed in note 49.

xxii) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxiii) Rounding of amounts

All amounts disclosed in the Financial Statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

xxiv) Subsequent Events

Financial statements are approved after considering 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the Company may provide a disclosure in the financial statements considering the nature of the transaction.

xxv) Going Concern

When preparing financial statements, Management makes an assessment of the Company's ability to continue as going concern. Financial Statements is prepared on going concern basis unless management either intends to liquidate the Company or to cease trading, or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as going concern, those uncertainties are disclosed. When the financial statements is not prepared on a going concern basis, that fact is disclosed, together with the basis on which the financial statements is prepared and the reason why the Company is not regarded as going concern.

xxvi) Employee Share based Payments:

The Company operates equity settled share based plan for the employees (Referred to as employee stock option plan (ESOP)).

Equity settled share based payments to employees and others providing similar services are measured at fair value of the equity instruments at the grant date. The fair value excludes the effect of non market based vesting conditions. Details regarding the determination

Notes to financial statements
for the year ended March 31, 2024

of the fair value of the equity settled share-based transactions are set out in note no. 68 to the standalone financial statements.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

The fair value of employee stock options is measured using the Black-Scholes valuation model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on historical experience), expected dividends, and the risk free interest rate (based on government bonds).

The fair value of the equity settled share based payments is expenses on a straight line basis over the vesting period, based on the Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Company revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that cumulative expense reflects the revision estimate, with a corresponding adjustment to the employee stock option reserve.

The Company recovers the expenses incurred on behalf of its subsidiary for the stock options granted to the employees of the subsidiaries. The said recovery is netted off from the Employee benefits expense.

2b. Critical accounting judgements and key sources of estimation uncertainties

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

The following are the critical judgements, apart from those involving estimations, that directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

i. Impairment of Goodwill and Other Intangible Assets (including Intangible assets under development):

Goodwill and Other Intangible Assets (including Intangible assets under development) are tested for impairment on an annual basis. Recoverable amount of cash-generating units is determined based on higher of value-in-use and fair value less cost to sell. The impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which the intangibles are monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

ii. Fair Valuation:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Company uses market observable data to the extent it is available. When Level 1 inputs are not available, the Company engages third party qualified external valuers to establish the appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 50.

iii. Useful lives and residual values of property, plant and equipment:

Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the

Notes to financial statements
for the year ended March 31, 2024

asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

iv. Income taxes:

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

v. Defined benefit obligations:

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

vi. Provisions and Contingencies:

In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

vii. Expected credit loss:

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e, the magnitude of the loss if there is a default) and the exposure at default. The measurement of expected credit loss on financial assets is based on the evaluation of collectability and the management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the trade receivables having regard to, the past collection history of each party and ongoing dealings with these parties, and assessment of their ability to pay the outstanding on designated dates.

viii. Impairment loss in Investments carried at cost:

The Company conducts impairment reviews of investments in subsidiaries / associates whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which base on future cash flows and a suitable discount rate in order to calculate the present value.

ix. Employee share based payments:

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk - free interest rate (based on government bonds).

x. Business Combination:

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities an contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

xi. Assessment of Significant influence:

Irrespective of the voting rights in an entity, if the Company has a right to appoint Directors or participates in all significant financial and operating decisions of an investee, there is an existence of significant influence and the investment is considered as an Associate.

Notes to financial statements
for the year ended March 31, 2024

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT	
	Opening As at April 1, 2023	Additions during the year	Deductions/ Adjustments	As at March 31,2024 (A)	Opening As at April 1, 2023	Depreciation For the year #	Deductions/ Adjustments	As at March 31,2024 (B)	As at March 31,2024 (A-B)	As at March 31, 2023
Tangible Assets										
Land Freehold	21.03	-	-	**21.03**	-	-	-	**-**	**21.03**	21.03
Buildings	873.52	61.88	-	**935.40**	123.14	28.22	-	**151.36**	**784.04**	750.38
Roads	3.17	0.99	-	**4.16**	1.28	0.38	-	**1.66**	**2.50**	1.89
Plant & Equipment	1,363.61	114.21	4.68	**1,473.14**	491.56	102.86	4.52	**589.90**	**883.24**	872.05
Furniture and fixtures	36.05	5.76	0.09	**41.72**	19.03	3.60	0.08	**22.55**	**19.17**	17.02
Motor Vehicles	1.31	0.12	-	**1.43**	0.74	0.32	-	**1.06**	**0.37**	0.57
Office equipment	36.22	11.99	0.59	**47.62**	25.60	5.68	0.59	**30.69**	**16.93**	10.62
Total (I)	**2,334.91**	**194.95**	**5.36**	**2,524.50**	**661.35**	**141.06**	**5.19**	**797.22**	**1,727.28**	**1,673.56**
Intangible Assets *(Acquired)										
Brands and Trademarks +	459.64	-	-	**459.64**	221.86	32.16	-	**254.02**	**205.62**	237.78
Copyrights, Know-how and Intellectual property rights	423.41	-	-	**423.41**	38.02	15.31	-	**53.33**	**370.08**	385.39
Computer Software	56.99	12.01	-	**69.00**	37.90	7.46	-	**45.36**	**23.64**	19.09
Intangible Assets (Internally Generated)										
Product Know-how	6.57	-	-	**6.57**	3.57	1.31	-	**4.88**	**1.69**	3.00
Total (II)	**946.61**	**12.01**	**-**	**958.62**	**301.35**	**56.24**	**-**	**357.59**	**601.03**	**645.26**
Grand Total (I+II)	**3,281.52**	**206.96**	**5.36**	**3,483.12**	**962.70**	**197.30**	**5.19**	**1,154.81**	**2,328.31**	**2,318.82**

* Material Intangible Assets as on March 31, 2024:

Asset Class	Carrying Value as at March 31, 2024 (₹ in Crores)	Carrying Value as at March 31, 2023 (₹ in Crores)	Remaining useful life as on March 31, 2024
Product-related Intangibles - Brands and Trademarks	205.62	237.78	1 year to 13 years
Product-related Intangibles -Copyrights, Know-how and Intellectual property rights	367.97	381.56	1 year to 28 years

Depreciation for the year ended March 31, 2024 includes depreciation amounting to ₹8.66 Crores (Previous Year ₹ 8.02 Crores) on assets used for Research and Development locations at Ennore, Thane, Mumbai and Ahmedabad.

+ Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.

There has been no revaluation of Property, Plant and Equipment (PPE) (Including of ROU) and Intangibles during the year ended March 31,2024.

The Company holds the title deeds of all immovable properties in their name.

Considering internal and external sources of information, the Company has evaluated at the end of the reporting period, whether there is any indication that any intangible asset (including intangible assets under development) may be impaired. Where such indication exists, the Company has estimated the recoverable amount of the intangible assets (including intangible assets under development) based on 'value in use' method. The financial projections on the basis of which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets (including intangible assets under development) represent the Company's best estimate of the recoverable amounts.

Refer Note 36B(a) for the contractual capital commitments for purchase of Property, Plant & Equipment.

Refer note 48 for details of capital research & development expenditure.

Refer Note 40 for assets hypothecated/mortgaged as securities against the Secured Borrowings

Refer note 54 and 55 for ageing of Capital Work in Progress and Intangible Assets under development

Notes to financial statements
for the year ended March 31, 2024

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS (Contd...)

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT	
	Opening As at April 1, 2022	Acquisition under Business Combination (Refer note 51)	Additions during the year	Deductions/ Adjustments	As at March 31,2023 (A)	Opening As at April 1, 2022	Depreciation For the year#	Deductions/ Adjustments	As at March 31,2023 (B)	As at March 31,2023 (A-B)	As at March 31, 2022
Tangible Assets											
Land Freehold	21.03	-	-	-	21.03	-	-	-	-	21.03	21.03
Buildings	807.36	39.38	26.78	-	873.52	96.60	26.54	-	123.14	750.38	710.76
Roads	2.08	0.62	0.47	-	3.17	1.09	0.36	0.17	1.28	1.89	0.99
Plant & Equipment	1,147.26	30.64	196.72	11.01	1,363.61	406.01	94.63	9.08	491.56	872.05	741.25
Furniture and fixtures	31.36	2.00	2.84	0.15	36.05	15.43	3.73	0.13	19.03	17.02	15.93
Motor Vehicles	0.86	0.13	0.59	0.27	1.31	0.56	0.28	0.10	0.74	0.57	0.30
Office equipment	30.48	0.57	5.26	0.09	36.22	20.44	5.25	0.09	25.60	10.62	10.04
Total (I)	**2,040.43**	**73.34**	**232.66**	**11.52**	**2,334.91**	**540.13**	**130.79**	**9.57**	**661.35**	**1,673.56**	**1,500.30**
Intangible Assets *(Acquired)											
Brands and Trademarks +	459.64	-	-	-	459.64	189.70	32.16	-	221.86	237.78	269.94
Copyrights, Know-how and Intellectual property rights	423.41	-	-	-	423.41	22.75	15.27	-	38.02	385.39	400.66
Computer Software	50.98	-	6.01	-	56.99	31.47	6.43	-	37.90	19.09	19.51
Intangible Assets (Internally Generated)											
Product Know-how	6.57	-	-	-	6.57	2.25	1.31	-	3.57	3.00	4.32
Total (II)	**940.60**	**-**	**6.01**	**-**	**946.61**	**246.17**	**55.17**	**-**	**301.35**	**645.26**	**694.43**
Grand Total (I+II)	**2,981.03**	**73.34**	**238.67**	**11.52**	**3,281.52**	**786.30**	**185.96**	**9.57**	**962.70**	**2,318.82**	**2,194.73**

*** Material Intangible Assets as on March 31, 2023:**

Asset Class	Carrying Value as at March 31, 2023 (₹ in Crores)	Carrying Value as at March 31, 2022 (₹ in Crores)	Remaining useful life as on March 31, 2023
Product-related Intangibles - Brands and Trademarks	237.78	269.94	1 year to 14 years
Product-related Intangibles -Copyrights, Know-how and Intellectual property rights	381.56	395.08	1 year to 29 years

Depreciation for the year ended March 31, 2023 includes depreciation amounting to ₹8.02 Crores (Previous Year ₹ 7.88 Crores) on assets used for Research and Development locations at Ennore,Thane, Mumbai and Ahmedabad.

+ Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.

Notes to financial statements
for the year ended March 31, 2024

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS (Contd...)

There has been no revaluation of Property, Plant and Equipment (PPE) (Including of ROU) and Intangibles during the year ended March 31,2023.

The Company holds the title deeds of all immovable properties in their name.

Considering internal and external sources of information, the Company has evaluated at the end of the reporting period, whether there is any indication that any intangible asset may be impaired. Where such indication exists, the Company has estimated the recoverable amount of the intangible assets based on 'value in use' method. The financial projections on the basis of which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets represent the Company's best estimate of the recoverable amounts.

Refer Note 36B(a) for the contractual capital commitments for purchase of Property, Plant & Equipment.

Refer note 48 for details of capital research & development expenditure.

Refer note 54 and 55 for ageing of Capital Work in Progress and Intangible Assets under development

4. INVESTMENTS

Investments - Non Current:

	Particulars	As at March 31,2024		As at March 31,2023	
		Quantity	Amount (₹ in Crores)	Quantity	Amount (₹ in Crores)
	Investments in Equity Instruments (fully paid up, unless otherwise stated):				
A.	**In Subsidiaries (Unquoted) - At cost:**				
i.	Piramal Healthcare Inc.				
	Equity Contribution	1	55.67	1	55.67
	Capital Contribution (Guarantee)	**NA**	30.77	**NA**	30.77
ii.	Piramal Dutch Holdings N.V.	20,31,89,531	1,390.54	20,31,89,531	1,390.54
iii.	Piramal Healthcare UK Limited (Capital Contribution - Guarantee)	NA	1.06	NA	1.06
iv.	Piramal Healthcare Canada Limited(Capital Contribution - Guarantee)	NA	2.21	NA	2.21
v.	PEL Pharma Inc.	1,005	6.54	1,005	6.54
vi.	Piramal Pharma II Private Limited	3,40,09,999	34.01	3,40,09,999	34.01
vii.	Piramal Pharma Limited Employee Welfare Trust (Corpus Fund)	NA	*	-	-
			1,520.80		**1,520.80**
B.	**In Associates :**				
	Unquoted - At Cost:				
i.	AbbVie Therapeutics India Private Limited (erstwhile known as "Allergan India Private Limited")	39,20,000	3.92	39,20,000	3.92
ii.	Yapan Bio Private Limited (Face Value of ₹ 10 each)	1,20,000	122.11	1,20,000	122.11
			126.03		**126.03**
C	**Other Body Corporate:**				
	Quoted- AT FVTPL				
	BASF India Limited	80	0.05	80	0.04
	Non Current Investments		**1,646.88**		**1,646.87**

* Amounts below rounding off norms adopted by Company

Notes to financial statements
for the year ended March 31, 2024

Investments - Current:

Particulars	As at March 31,2024 Quantity	As at March 31,2024 Amount (₹ In Crores)	As at March 31,2023 Quantity	As at March 31,2023 Amount (₹ In Crores)
Financials assets carried at fair value through profit or loss (FVTPL)				
i. Investment in Mutual Funds (Quoted) - at FVTPL				
Aditya Birla Sun life Overnight Fund-Growth-Direct Plan	-	-	3,55,160	43.07
Kotak Overnight Fund Growth - Direct	3,92,254	50.10	2,25,826	27.00
UTI Overnight Fund - Direct Growth Plan Growth	-	-	97,814	30.02
UTI Aggressive Hybrid fund - Regular Plan Growth	2,32,949	11.17	-	-
Franklin India Short Term Income Plan (Growth)	-	-	2,530	0.02
Nippon India Equity Savings Fund - Growth	4,78,118	0.01	4,78,118	0.01
Current Investments		**61.28**		**100.12**

Details of Investments:

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
(i) Financial Assets carried at Cost (Unquoted)		
Investments in Equity Instruments of Subsidiaries	1,520.80	1,520.80
Investments in Equity Instruments of Associates	126.03	126.03
	1,646.83	**1,646.83**
(ii) Financial Assets carried at fair value through profit or loss FVTPL (Quoted)		
Equity	0.05	0.04
	0.05	**0.04**
(iii) Financial Assets carried at fair value through profit or loss FVTPL (Quoted)		
Mutual Funds	61.28	100.12
	61.28	**100.12**
Total	**1,708.16**	**1,746.99**

5. LOANS - NON-CURRENT

(₹ In Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans (Unsecured And Considered Good)		
Loans to related parties (refer Note 38 and 43)	1,395.19	970.65
TOTAL	**1,395.19**	**970.65**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to 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 a Party (Ultimate Beneficiaries) identified by or on behalf of the Company.

6. OTHER FINANCIAL ASSETS - NON CURRENT

(₹ In Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	19.61	17.86
TOTAL	**19.61**	**17.86**

Notes to financial statements
for the year ended March 31, 2024

7. OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax [Net of provision for tax ₹248.81 crores (Previous year- ₹ 253.85 Crores)]	26.18	17.14
Capital Advances	1.23	1.02
Advances recoverable	24.84	21.70
Prepayments	-	0.04
TOTAL	**52.25**	**39.90**

8. INVENTORIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw and Packing Materials [Includes in transit of ₹8.26 Crores (Previous Year ₹ 13.87 Crores)]	663.11	395.49
Work-in-Progress	279.34	222.15
Finished Goods	71.37	75.57
Stock-in-trade	78.60	69.97
Stores and Spares	60.62	55.43
TOTAL	**1,153.04**	**818.61**

Note:

1. The cost of inventories recognised as an expense during the year was ₹ 2,914.79 Crores. (Previous Year ₹ 1,851.29 Crores)
2. The cost of inventories recognised as an expense includes Rs 24.02 crores net of reversals (Previous Year ₹ 10.19 Crores) in respect of write downs of inventory to net realisable value,slow moving,non moving,expired and near expiry products.
3. Refer note 2(a)(ix) for policy for valuation of inventories.
4. Refer note 21 for inventories hypothecated as security against borrowings.

9. TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
(a) Secured - Considered Good	0.23		0.23	
(b) Unsecured- Considered Good	1,334.93		911.79	
Less: Expected Credit Loss on (b)	(3.78)	1,331.38	(2.46)	909.56
(c) Unsecured-Considered Doubtful	41.38		40.94	
Less: Expected Credit Loss on (c)	(41.38)	-	(40.94)	-
TOTAL		**1,331.38**		**909.56**

The credit period on sale of goods and services generally ranges from 7 to 180 days.

The Company has a documented Credit Risk Management Policy for its Pharmaceuticals Manufacturing and Services business. For every new customer (except established large pharma companies), the Company performs a credit rating check using an external credit agency. If a customer clears the credit rating check, the credit limit for that customer is derived using internally documented scoring systems. The credit limits for all the customers are reviewed on an ongoing basis.

Of the Trade Receivables balance as at March 31, 2024 of Rs 1,331.38 Crores, (Previous Year ₹909.56 Crores) the top 3 customers of the Company represent the balance of ₹401.41 Crores (Previous year ₹ 131.20 Crores) as at March 31, 2023. There are two customers (Previous year One Customer) who represents more than 5% of total balance of Trade Receivables.

Notes to financial statements
for the year ended March 31, 2024

The Company has used a practical expedient by computing the expected credit loss allowance for External Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience, adjusted for forward looking information. The Company has concluded that the carrying amount of the trade receivables represent the Company's best estimate of the recoverable amounts. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as under:

Ageing	Expected credit loss (%) For external customers
Less than 365 days	0.30%
More than 365 days	100.00%

(₹ in Crores)

Movement in Expected Credit Loss Allowance:	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	43.40	27.40
Less: Bad Debts written off	(18.52)	-
Add: Transfer from Piramal Enterprises Limited on account of demerger	-	8.13
Add: Net Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	20.28	7.87
Balance at the end of the year	**45.16**	**43.40**

For ageing of trade receivables, refer Note 52

10. CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
i. Balance with Banks :				
- Current Accounts	206.86		54.22	
- Cheques in hand	5.54	212.40	-	54.22
ii. Remittance in transit		16.35		-
iii. Cash on Hand		0.05		0.06
TOTAL		**228.80**		**54.28**

11. OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
i Margin Money	12.93	6.12
ii. Deposit Accounts	-	3.76
[(Held as security against borrowings/ guarantees: NIL (Previous year ₹3.66 Crores)]		
TOTAL	**12.93**	**9.88**

12. LOANS - CURRENT (Unsecured and Considered Good)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost :		
Loans Receivables from Related Parties (refer note 38 and 43)	47.24	34.09
TOTAL	**47.24**	**34.09**

Notes to financial statements
for the year ended March 31, 2024

13. OTHER FINANCIAL ASSETS - CURRENT-(Unsecured and Considered Good)

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
Security Deposits	10.34	6.13
Guarantee Commission receivable	11.36	4.24
Unbilled revenues #	5.20	10.86
Other Receivables from Related Parties (refer note 38)	18.75	1.34
Other Receivables	0.35	-
Interest Accrued on fixed deposits	0.76	0.76
Others	1.63	2.05
TOTAL	**48.39**	**25.38**

Classified as financial asset as right to consideration is unconditional upon passage of time.

14. OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
Unsecured and Considered Good :		
Advances	74.90	84.56
Balances with Government Authorities	306.20	291.61
Prepayments	19.59	19.23
Claims Receivable (includes export incentive and government grant)	7.80	1.36
TOTAL	**408.49**	**396.76**

15. SHARE CAPITAL

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
AUTHORISED SHARE CAPITAL		
2,62,90,00,000 (previous year 2,62,90,00,000) equity shares of ₹ 10 each	2,629.00	2,629.00
35,00,00,000 (previous year 35,00,00,000) preference shares of ₹ 10 each	350.00	350.00
2,10,00,000 (previous year 2,10,00,000) unclassified shares	21.00	21.00
	3,000.00	**3,000.00**
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
1,32,29,48,130 (Previous year 1,19,33,18,500) equity shares of face value of ₹ 10 each fully paid.)	1,322.95	1,193.32
TOTAL	**1,322.95**	**1,193.32**

(i) Movement in Equity Share Capital

Particulars	As at March 31,2024		As at March 31,2023	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	**1,19,33,18,500**	**1,193.32**	1,18,59,13,506	1,185.91
Add: Issued during the year				
Rights issue (Refer note 67)	12,96,29,630	129.63	-	-
Allotment of shares pursuant to the Scheme (Refer note 51)	-	-	95,46,54,800	954.65
Less: Cancelled during the year				
Cancellation of equity shares held by PEL and its nominees pursuant to the Scheme	-	-	(94,72,49,806)	(947.24)
At the end of the year	**1,32,29,48,130**	**1,322.95**	**1,19,33,18,500**	**1,193.32**

Notes to financial statements
for the year ended March 31, 2024

72,84,170 (March 31,2023: NIL) stock options are outstanding and are to be issued by the Company upon exercise of the same in accordance with the terms of exercise under the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 ("PPL Plan 2022").(Refer note 68 for ESOP plan.)

In accordance with Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 ("PPL Plan 2022"), the ESOP Trust (Piramal Pharma Limited Employees Welfare Trust) has not purchased any equity shares of the Company from secondary market for the year ended March 31, 2024. Refer Note no. 68 to the financial statement wrt Employee stock option disclosure.

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% Holding	No. of shares	% Holding
The Sri Krishna Trust through its Trustee Mr. Ajay G Piramal and Dr. (Mrs.) Swati A Piramal	35,28,91,420	26.67%	31,55,10,320	26.44%
Caisse De Depot Et Placement Du Quebec	-	-	6,59,80,753	5.53%
CA Alchemy Investments (erstwhile CA Clover Intermediate II Investments)	23,86,63,700	18.11%	23,86,63,700	20.00%
HDFC Trustee Company Limited - HDFC Flexi Cap Fund	6,62,60,507	5.01%	-	-

(iii) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the balance sheet date:

Particulars	Financial Year	No. of shares
Allotment of equity shares of face value ₹ 10 each fully paid up to the shareholders of Piramal Enterprises limited in the ratio of 1:4 pursuant to composite scheme of arrangement	2022-23	95,46,54,800
Allotment of equity shares of face value of ₹10 each as bonus shares to the existing shareholders in the ratio 5.674:1	2021-22	17,76,65,757
Allotment of equity shares of face value ₹10 each fully paid-up in lieu of conversion of compulsory convertible preference shares to CA Alchemy Investments (erstwhile CA Clover Intermediate II Investments).	2021-22	39,88,262
Allotment of equity shares of face value ₹10 each fully paid-up in lieu of consideration payable to Piramal Enterprises Limited.	2021-22	96,57,423
Allotment of equity shares of face value ₹10 each fully paid-up in lieu of transfer of stake held by Piramal Enterprises Limited in Piramal Healthcare Inc. to the Company.	2020-21	1,06,71,651

(iv) Terms and Rights attached to equity shares

Equity Shares:

The Company has one class of equity shares having a face value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend if declared by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to financial statements
for the year ended March 31, 2024

(v) Shareholdings of Promoter

Shares held by promoters at the end of the year as at March 31, 2024

Promoter Name	No. of shares	%of total shares	% Change during the year#
Ajay G. Piramal	5,47,326	0.04%	10.98%
Swati A. Piramal	9,313	0.00%	10.87%
Anand Piramal	8,74,082	0.07%	10.87%
Nandini Piramal	2,90,418	0.02%	59.62%
Lalita G. Piramal	4,936	0.00%	0.00%
Peter DeYoung	4,32,000	0.03%	0.00%
Anya Piramal DeYoung	1,92,000	0.01%	0.00%
Master Dev Piramal Deyoung	1,92,000	0.01%	0.00%
Ajay G. Piramal (Karta of Ajay G. Piramal HUF)	28,857	0.00%	10.87%
PRL Realtors LLP	3,97,97,353	3.01%	10.87%
The Ajay G. Piramal Foundation	43,75,937	0.33%	10.87%
V3 Designs LLP	4,30,21,826	3.25%	10.87%
Anand Piramal Trust	6,17,884	0.05%	10.87%
Nandini Piramal Trust	5,44,325	0.04%	10.87%
Aasan Corporate Solutions Private Limited	89,31,097	0.68%	10.87%
Piramal Welfare Trust (Formerly Piramal Enterprise executives trust)	1,05,73,898	0.80%	10.80%
The Sri Krishna Trust (Through its trustees Ajay G. Piramal and Swati Piramal)	35,28,91,420	26.67%	11.85%

Since the Company issued equity shares by way of a Rights Issue during the year, shareholding of promoter has changed.

Shares held by promoters at the end of the year as at March 31, 2023

Promoter Name	No. of shares	%of total shares	% Change during the year*
Ajay G. Piramal	4,93,184	0.04%	100%
Swati A. Piramal	8,400	0.00%	100%
Anand Piramal	7,88,388	0.07%	100%
Nandini Piramal	1,81,948	0.02%	100%
Lalita G. Piramal	4,936	0.00%	100%
Peter DeYoung	4,32,000	0.04%	100%
Anya Piramal DeYoung	1,92,000	0.02%	100%
Master Dev Piramal Deyoung	1,92,000	0.02%	100%
Ajay G. Piramal (Karta of Ajay G. Piramal HUF)	26,028	0.00%	100%
PRL Realtors LLP	3,58,95,652	3.01%	100%
The Ajay G. Piramal Foundation	39,46,924	0.33%	100%
V3 Designs LLP	3,88,04,000	3.25%	100%
Anand Piramal Trust	5,57,308	0.05%	100%
Nandini Piramal Trust	4,90,960	0.04%	100%
Aasan Corporate Solutions Private Limited	80,55,500	0.68%	100%
Piramal Welfare Trust (Formerly Piramal Enterprise executives trust)	95,43,224	0.80%	100%
The Sri Krishna Trust (Through its trustees Ajay G. Piramal and Swati Piramal)	31,55,10,320	26.44%	100%

*Since company was listed during the previous year, shareholding of promoter has changed.

On May 10, 2024 , a final dividend of ₹ 0.11 per equity share (face value of ₹ 10 each) amounting to Rs 14.70 crores has been recommended by the Board of Directors in the meeting held which is subject to approval of Shareholders.

The Board of Directors of the Company at its meeting held on May 24, 2022, recommended final dividend of ₹ 0.56 per equity share (Face value of ₹ 10 each) amounting to ₹ 67 Crores, which was approved by the shareholders in the AGM held on 28th July, 2022 and was paid subsequently to the shareholders.

Notes to financial statements
for the year ended March 31, 2024

16. OTHER EQUITY

(₹ in Crores)

	As at March 31,2024	As at March 31,2023
Capital Reserve	(718.34)	(718.34)
(This reserve is outcome of Business transfer (Business combination) from Piramal Enterprises Limited to the Company)		
Securities Premium	4,724.94	3,818.71
(Securities Premium is on account of issue of equity shares. The reserve will be utilised in accordance with the provision of the Companies Act, 2013)		
Share Option Outstanding Reserve	27.47	-
(Share option outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.This will be utilised for allotment of equity shares against outstanding stock option)		
Cash Flow Hedging Reserve	(4.17)	(3.69)
(The Company uses hedging instruments as part of its management of foreign currency risk associated with its Foreign Currency forecasted sales. Amounts recognised in cash flow hedging reserve is reclassified to Statement of Profit and Loss when the hedged items affect the statement of Profit and Loss. To the extent these hedges are effective, the change in the fair value of hedging instrument is recognised in the Cash Flow Hedging Reserve. (Refer Note 47(d))		
Retained Earnings	1,359.23	971.79
(The retained earnings are the profits that the company has earned to date, less any dividend or distributions paid to investors)		
TOTAL	**5,389.12**	**4,068.47**

Note - Refer Statement of Changes in Equity for movement in reserve

17. BORROWINGS - NON CURRENT

(₹ in Crores)

	As at March 31, 2024	As at March 31, 2023
Secured - at amortized cost		
(i) Term Loan from financial institutions	264.10	193.81
(ii) Redeemable Non Convertible Debentures	99.84	398.53
TOTAL	**363.94**	**592.34**

Terms of repayment, nature of security & rate of interest in case of Secured Loans

A. Term Loan from financial institutions*

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024*	Principal Outstanding as at March 31, 2023*
First pari passu charge over pool of selected Tangible Assets and Intangible Assets.	Total tenor of 5 years from date of first drawdown	100.00	200.00
First pari passu charge on selected movable fixed assets of its manufacturing facilites located at Digwal and Pithampur.First pari passu charge on intangible assets.	To be repaid in 18 equal quarterly instalments after a moratorium period of 6 months from the date of 1st disbursement.	200.00	-
First ranking pari passu charge on identified Tangible Assets and an exclusive charge over identified Intangible Assets.	Repayable on May 31, 2023	-	250.00
First pari passu on entire property, plant and equipment of borrower present and future. First charge on current assets of borrower, present and future.	Repayable in 20 Quarterly installments from Feb 2019	-	15.00
First pari passu on entire property, plant and equipment of borrower present and future. Second First pari passu charge on current assets of borrower, present and future.	Repayable in 30 Quarterly installments from Dec 2022	-	21.74

The coupon rates for the above loans are 8.25 % to 8.89 % per annum (Previous Year :8.41 % to 9.64 % per annum).

Refer Note 40 for assets hypothecated/mortgaged as securities against the Secured Borrowings

*Including current maturities of long term debt

B. Redeemable Non Convertible Debentures *

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024*	Principal Outstanding as at March 31, 2023*
First pari- pasu charge over pool of selected tangible and intangible assets.	The amount of ₹200 Crores is redeemable at par in equal annual repayment at the end of 3rd, 4th and 5th year from the date of drawdown with a put and call option at the end of 3 years and 4 years.	200.00	200.00
First Pari-Passu charge over pool of selected tangible and intangible assets.	The amount of ₹100 Crores is redeemable at par at the end of 3rd year	-	100.00
First Pari-Passu charge over pool of selected tangible and intangible assets.	The amount of ₹100 Crores is redeemable at par in equal annual repayment at the end of 3rd, 4th and 5th year from the date of drawdown with a put and call option at the end of 3 years and 4 years.	100.00	100.00

The coupon rate for the above debentures are in the range of 9.33% to 9.55% per annum (Previous Year : 8.15% to 8.93% per annum)

*Including current maturities of long term debt

The Company has not received any funds to lend or invest in other persons or entities on behalf of the Funding party.Further, there are no funds received 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 ("Ultimate Beneficiaries") identified by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has utilised the borrowings (including current borrowings) for the purpose for which they were taken.

18. OTHER FINANCIAL LIABILITIES - NON-CURRENT

(₹ in Crores)

	March 31, 2024	March 31, 2023
Contingent consideration Payable	-	4.98
TOTAL	**-**	**4.98**

19. NON-CURRENT PROVISIONS

(₹ in Crores)

	March 31, 2024	March 31, 2023
Provision for employee benefits (Refer note 37)	32.23	20.58
TOTAL	**32.23**	**20.58**

Notes to financial statements
for the year ended March 31, 2024

20. DEFERRED TAX LIABILITIES (NET)

(₹ in crores)

	March 31, 2024	March 31, 2023
Deferred Tax Liabilities/(Assets) on account of temporary differences :		
- Property, Plant and Equipment and Intangible Assets	230.00	213.13
- Fair value measurement of derivative contracts	(1.05)	(0.13)
- Tax effect on lease liability	(6.23)	(5.50)
- Tax effect on ROU asset	15.08	15.94
- Remeasurement of defined benefit obligation	(3.39)	(2.12)
- Expected Credit Loss on Trade Receivables	(11.38)	(10.93)
- Debt EIR impact	0.73	(1.05)
- Expenses that are allowed on payment basis	(22.38)	(14.58)
- Expenses allowed on deferred basis	(4.16)	-
- Others	(0.58)	(0.61)
TOTAL	**196.64**	**194.15**

21. BORROWINGS - CURRENT

(₹ in crores)

	March 31, 2024		March 31, 2023	
(a) Loans repayable on demand				
Secured - At Amortised Cost				
Loans from banks :				
- Working capital Demand Loan	351.28		519.65	
- Line of Credit	130.00		-	
- Packing Credit Loan	50.36		200.69	
		531.64		**720.34**
Current maturities of long-term debt		256.31		314.60
TOTAL		**787.95**		**1,034.94**

Notes:

Description of loan	Terms of repayment	Rate of Interest
Secured Loans:		
Working capital Demand Loan*	At Call	7.90 % to 8.15 % per annum
Line of Credit***	At Call	7.83 % to 7.90 % per annum
Packing Credit Loan**	At Call	7.90 % to 8.85 % per annum

Terms of repayment, nature of security & rate of interest:

*** Working capital Demand Loan**

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Sep 04, 2023	-	35.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Aug 25, 2023	-	25.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Aug 25, 2023	-	30.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Aug 23, 2023	-	30.00
First pari-passu charge on the current assets of the company, both present and future	Repayable on Aug 08, 2023	-	45.00

Notes to financial statements
for the year ended March 31, 2024

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 21, 2023	-	20.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 19, 2023	-	20.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 17, 2023	-	25.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 15, 2023	-	25.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on June 9, 2023	-	50.00
First pari-passu charge on the current assets of the company, both present and future	Repayable on June 7, 2023	-	20.00
First pari-passu charge on the current assets of the company, both present and future	Repayable on May 09, 2023	-	30.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on May 04, 2023	-	45.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on May 03, 2023	-	49.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 28, 2023	-	20.00
First pari passu charge over the present and future current assets (Stock & Debtors) of the Borrower.	Repayable on April 28, 2023	-	50.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 19, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on May 1, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on September 13, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 3, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 8, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 10, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on June 10, 2024	50.00	-

**** Packing Credit Loan**

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu charge over the company's Stocks & Receivables , both present and future	Repayable on September 01, 2023	-	10.00
First pari-passu charge over the company's Stocks & Receivables , both present and future	Repayable on August 29, 2023	-	63.00
First pari-passu charge over the company's Stocks & Receivables , both present and future	Repayable on August 28, 2023	-	27.00
First pari-passu charge over the company's Stocks & Receivables , both present and future	Repayable on June 6, 2023	-	50.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on May 31, 2023	-	50.00
First pari-passu charge over the company's Stocks & Receivables	Repayable on June 7, 2024	50.00	-

***** Line of Credit**

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu in the form of Plant & Machinery and Intangibles assets	Repayable on December 18, 2024	65.00	-
First pari-passu in the form of Plant & Machinery and Intangibles assets	Repayable on January 3, 2025	65.00	-

Notes to financial statements
for the year ended March 31, 2024

22. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Employee related liabilities	57.07	45.76
Capital Creditors	2.90	1.17
Derivative Financial Liability	3.96	0.97
Security Deposits Received	4.17	3.90
Other payables	-	2.29
Contingent Consideration Payable	0.32	6.15
TOTAL	**68.42**	**60.24**

23. OTHER CURRENT LIABILITIES

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Advances from Customers	26.48	7.49
Statutory Dues	19.73	15.12
Deferred Revenue	126.08	28.02
TOTAL	**172.29**	**50.63**

24. CURRENT PROVISIONS

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits (Refer note 37)	43.57	39.21
TOTAL	**43.57**	**39.21**

25. CURRENT TAX LIABILITIES (NET)

(₹ in crores)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for Income Tax [Net of advance tax-₹ 79.53 Crores (previous year-NIL)]	41.26	-
TOTAL	**41.26**	**-**

Notes to financial statements
for the year ended March 31, 2024

26. REVENUE FROM OPERATIONS

(₹ in Crores)

	For the year ended March 31, 2024		For the year ended March 31, 2023	
REVENUE FROM CONTRACTS WITH CUSTOMERS				
Sale of products	3,980.39		2,968.57	
Sale of Services	344.92	4,325.31	436.61	3,405.18
Other operating revenues:				
Scrap Sales	45.31		32.26	
Government grant #	4.11		-	
Others (insurance claims, export incentives etc.)	15.38	64.80	5.78	38.04
TOTAL		**4,390.11**		**3,443.22**

Disaggregate Revenue Information

The table below presents disaggregated revenues from contracts with customers by major product and timing of transfer of goods or services for each of our business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Revenue by product line/ timing of transfer of goods/ services

(₹ In Crores)

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	At Point in time	Over time	At Point in time	Over time
Pharmaceuticals	3,244.93	114.08	2,094.21	436.61
Over the counter products	966.30	-	874.36	-
Total	**4,211.23**	**114.08**	**2,968.57**	**436.61**

Reconciliation of revenue recognised with the contract price

(₹ In Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products and services at transaction price	4,537.66	3,535.60
Less: Discounts	(212.35)	(130.42)
Revenue recognised on sale of products and services	**4,325.31**	**3,405.18**

The Company is entitled to an assistance under the Industrial Policy & Investment promotion scheme by the Government of Madhya Pradesh in respect of a manufacturing plant located in Pithampur (Madhya Pradesh).

The facility at Pithampur shall be entitled to receive an assistance of ₹ 28.75 crores (maximum entitlement) as Basic Investment Promotion Assistance over an eligible period of 7 years starting from April 1, 2023 to March 31, 2030, subject to fulfilment of conditions in relation to annual production and export turnover.

During the year, ₹ 4.11 crores (Previous year – ₹ Nil) is accrued under the head 'Other operating revenue'

Notes to financial statements
for the year ended March 31, 2024

27. OTHER INCOME

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income on Financial Assets (at amortized costs)	64.47	51.55
Interest Income on Income Tax Refund	0.82	-
Dividend Income		
- On Non-current Equity Instruments in Associates	24.50	83.79
Other Gains & Losses:		
- Foreign Exchange Gain (Net)	29.93	138.69
- On Current Investments at FVTPL	0.08	0.16
Profit on Sale of Investment (Net)	4.37	1.58
Write back of liabilities no longer payable	46.95	49.00
Guarantee Income	21.79	8.28
Lease rent Income	3.97	3.32
Miscellaneous Income	5.18	4.70
TOTAL	**202.06**	**341.07**

28. COST OF MATERIALS CONSUMED

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of Materials consumed	1,545.55	1,166.48
TOTAL	**1,545.55**	**1,166.48**

29. PURCHASES OF STOCK-IN-TRADE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Traded Goods	624.91	548.69
TOTAL	**624.91**	**548.69**

30. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
OPENING STOCK				
Work-in-Progress	222.15		212.87	
Finished Goods	75.57		24.99	
Stock-in-trade	69.97	367.69	0.01	237.87
Add: Acquired under Business Combination (Refer note 51)				
Work-in-Progress	-		29.99	
Finished Goods	-		28.05	
Stock-in-trade	-	0.00	125.09	183.13
CLOSING STOCKS :				
Work-in-Progress	279.34		222.15	
Finished Goods	71.37		75.57	
Stock-in-trade	78.60	429.31	69.97	367.69
TOTAL		**(61.62)**		**53.31**

Notes to financial statements
for the year ended March 31, 2024

31. EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and Wages	527.40	475.77
Contribution to Provident and Other Funds (Refer note 37)	25.25	23.27
Gratuity Expenses (Refer note 37)	5.45	3.64
Staff Welfare	45.87	45.82
Employee Share Based Expenses	9.96	-
TOTAL	**613.93**	**548.50**

32. FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance Charge on financial liabilities measured at amortised cost	102.08	114.52
Interest on Income Tax	3.28	0.04
Other borrowing costs	1.74	1.31
TOTAL	**107.10**	**115.87**

33. OTHER EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Processing Charges		9.20		10.89
Consumption of Stores and Spares Parts		85.94		82.81
Consumption of Laboratory materials		48.64		65.80
Power, Fuel and Water Charges		112.89		107.94
Repairs and Maintenance				
Buildings	35.99		33.39	
Plant and Machinery	52.88		53.13	
Others	0.18	89.05	0.58	87.10
Rent				
Premises	0.87		-	
Other Assets	13.46	14.33	13.12	13.12
Rates & Taxes		36.67		18.98
Insurance		25.24		26.18
Travelling Expenses		34.20		33.39
Directors' Commission		2.16		1.63
Directors' Sitting Fees		0.34		0.39
Bad Debts written off during the year	18.52		0.00	
Less: Bad Debts written off out of Provision for Doubtful Debts	(18.52)	-	(0.00)	-
Expected Credit Loss on Trade Receivables		20.34		7.87
Loss on Sale of Property Plant & Equipment (Net)		0.04		0.20
Advertisement and Business Promotion Expenses		107.33		138.71
Donations*		8.35		8.87
Contribution to Electoral Bond/Political Party#		3.00		3.00
Freight		72.13		73.22
Sales Commission		7.70		3.01
Clearing and Forwarding Expenses		25.73		15.66

Notes to financial statements
for the year ended March 31, 2024

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Communication and Postage	5.12	6.04
Printing and Stationery	5.67	7.39
Legal Charges	0.38	2.39
Professional Charges	82.19	73.72
Royalty Expense	27.07	22.90
Service Charges	114.23	113.04
Information Technology Costs	18.74	12.69
R & D Expenses (net)	58.08	48.90
Miscellaneous Expenses	34.66	42.87
TOTAL	**1,049.42**	**1,028.71**

Note:

*** Details in respect of Corporate Social Responsibility Expenditure:**

- Gross amount required to be spent during the year - ₹4.65 Crores (Previous year: ₹7.58 Crores)
- Amount of expenditure incurred ₹5.28 Crores (Previous year: ₹7.58 Crores)
- Carry forward/(Shortfall) at the end of the year ₹0.63 Crores (Previous year : Nil)
- Total of previous years shortfall ₹Nil (Previous year : Nil)
- Reason for shortfall - Not Applicable
- Nature of CSR activities - Aspirational District Collaborative (formerly known as Aspirational District Collaborative) Education programme.
- Details of related party transactions - Nil (Previous year : Nil)
- Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. - Not Applicable

 # Amount contributed to political parties.

It includes amount paid to political parties during the year - Rs 3 Crores.

During the previous year, the Company had paid an amount of Rs 3 Crores made through electoral bonds to Bhartiya Janata Party (in accordance with the Electoral Bond Scheme notified by GOI)

34. Exceptional Items

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Certain transaction cost related to business combination (Refer Note 51)	-	(6.96)
TOTAL	**-**	**(6.96)**

35. Other Comprehensive Income / (Loss) (Net Of Taxes)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement of post-employment benefit obligations	(3.78)	(2.57)
Deferred (losses) on cash flow hedge	(0.48)	(15.78)
TOTAL	**(4.26)**	**(18.35)**

Notes to financial statements
for the year ended March 31, 2024

36 Contingent Liabilities and Commitments

(₹ in Crores)

	Particulars	As at March 31, 2024	As at March 31, 2023
A	**Contingent Liabilities :**		
1	**Claims against the Company not acknowledged as debt:**		
i.	Dispute with Telangana Pollution Control Board (TPCB)	11.86	11.86
ii.	Appeals filed in respect of disputed demands:		
	Income Tax		
	- where the Company is in appeal	0.24	-
	Sales Tax	1.59	2.83
	Central / Excise / Service Tax / Custom / GST	42.27	39.36
	Labour Matters	2.34	1.92
	Note: Future cash outflows in respect of above are determinable only on receipt of judgments/decisions pending with various forums/authorities.		
iii.	Unexpired Letters of Credit	0.95	1.35
B	**Commitments :**		
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for	103.65	70.26
b.	The Company has imported raw materials at concessional rates, under the Advance License Scheme of the Government of India, to fulfil conditions related to quantified exports in stipulated period	27.39	23.12
c.	The company being the holding / ultimate holding company, will extend financial support to its subsidiaries as and when required.		

Refer note 38.3 for performance guarantees

37 Employee Benefits :

Brief description of the Plans:

Other Long Term Employee Benefit Obligations:

Leave Encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

Defined Contribution plans:

The Company's defined contribution plans are Provident Fund (in case of certain employees), Superannuation, Employees State Insurance Fund and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions to such plans.

Post-employment benefit plans:

Gratuity for employees in India is as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

The Company's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Company funds the plan on a periodical basis.

In case of certain employees, Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Notes to financial statements
for the year ended March 31, 2024

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, equity, mutual funds and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

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

Salary risk

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

The gratuity plan is a funded plan and the Company makes contributions to trust administered by the Company. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The contributions made to the trust are recognised as plan assets. Plan assets in the Provident fund trust are governed by local regulations, including limits on contributions in each class of investments.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations, with the objective that assets of the gratuity / provident fund obligations match the benefit payments as they fall due. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of government and corporate bonds, although the Company also invests in equities, cash and mutual funds. The plan asset mix is in compliance with the requirements of the regulations in case of Provident fund.

I. Charge to the Statement of Profit and Loss based on Defined Contribution Plans:

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution to Regional Provident Fund Office	3.29	2.74
Employer's contribution to Superannuation Fund	0.27	0.27
Employer's contribution to Employees' State Insurance	0.54	0.60
Employer's contribution to Employees' Pension Scheme 1995	6.67	6.03
Employer's contribution to National Pension Scheme	1.37	0.98

Included in Contribution to Provident and Other Funds and R&D Expenses (Refer Note 31 & 33)

Notes to financial statements
for the year ended March 31, 2024

II. Disclosures for defined benefit plans based on actuarial valuation reports:

A. Change in Defined Benefit Obligation

(₹ in Crores)

Particulars	(Funded)		(Funded)	
	Gratuity	Provident Fund	Gratuity	Provident Fund
	Year Ended March 31, 2024		Year Ended March 31, 2023	
Present Value of Defined Benefit Obligation as at beginning of the year	66.73	206.35	54.91	170.01
Acquisition through business combination	-	-	5.16	-
Interest Cost	4.81	17.72	3.76	16.61
Current Service Cost	5.16	14.58	4.61	12.48
Contributions from plan participants	-	23.06	-	19.99
Liability Transferred In for Employees Joined	-	0.15	-	2.99
Liability Transferred Out for Employees left	-	(0.82)	-	-
Benefits Paid from the fund	(5.88)	(13.46)	(4.19)	(8.94)
Return on Plan Assets, Excluding Interest Income	-	-	-	(6.79)
Actuarial (Gains)/loss - due to change in Demographic Assumptions	(0.07)	-	-	-
Actuarial (Gains)/loss - due to change in Financial Assumptions	2.86	-	(0.26)	-
Actuarial (Gains)/loss - due to experience adjustments	3.41	-	2.74	-
Present Value of Defined Benefit Obligation as at the end of the year	**77.02**	**247.58**	**66.73**	**206.35**

B. Changes in the Fair Value of Plan Assets

(₹ in Crores)

Particulars	(Funded)		(Funded)	
	Gratuity	Provident Fund	Gratuity	Provident Fund
	Year Ended March 31, 2024		Year Ended March 31, 2023	
Fair Value of Plan Assets as at beginning of the year	48.61	210.09	45.43	170.01
Acquisition through business combination	-	-	5.16	-
Interest Income	3.47	17.72	3.11	16.61
Contributions from employer	-	37.68	0.06	32.47
Assets Transferred In for Employees joined	-	0.15	-	2.99
Assets Transferred out for Employees left	-	(0.82)	-	-
Benefits Paid from the fund	(5.88)	(13.46)	(4.19)	(8.94)
Return on Plan Assets, Excluding Interest Income	1.15	0.38	(0.96)	(3.05)
Fair Value of Plan Assets as at the end of the year	**47.35**	**251.74**	**48.61**	**210.09**

C. Amount recognised in the Balance Sheet

(₹ in Crores)

Particulars	(Funded)		(Funded)	
	Gratuity	Provident Fund	Gratuity	Provident Fund
	Year Ended March 31, 2024		Year Ended March 31, 2023	
Present Value of Defined Benefit Obligation as at the end of the year	77.02	247.58	66.73	206.35
Fair Value of Plan Assets as at end of the year	47.35	251.74	48.61	210.09
Net Liability/(Asset)	**29.67**	**(4.16)**	**18.12**	**(3.74)**
Assets Not Recognised In Balance Sheet	-	4.16	-	3.74
Net Liability recognised in the Balance Sheet (Refer Note 19)	**29.67**	**-**	**18.12**	**-**
Recognised under:				
Non Current provision (Refer Note 19)	**29.67**	**-**	**18.12**	**-**

Any Gains/Losses on Asset and Surplus of Asset are not recognised in the Balance Sheet as the same belongs to the Trust and the Company does not have claim over the Trust surplus (if any).

The Company has no legal obligation to settle the deficit in the funded plan (Gratuity), if any, with an immediate contribution or additional one off contributions.

Notes to financial statements
for the year ended March 31, 2024

D. Expenses recognised in Statement of Profit and Loss

(₹ in Crores)

Particulars	(Funded)		(Funded)	
	Gratuity	Provident Fund	Gratuity	Provident Fund
	Year Ended March 31, 2024		Year Ended March 31, 2023	
Current Service Cost	5.16	14.58	4.61	12.48
Net interest Cost	1.34	(0.00)	0.65	-
Total Expenses / (Income) recognised in the Statement of Profit And Loss*	**6.50**	**14.58**	**5.26**	**12.48**

*Included in Salaries and Wages, Contribution to Provident and Other Funds, Gratuity Fund and R&D Expenses (Refer Note 31 and 33).

E. Expenses Recognized in the Other Comprehensive Income/(Losses) (OCI)

(₹ in Crores)

Particulars	Gratuity	Gratuity
	Year Ended March 31, 2024	Year Ended March 31, 2023
Actuarial (Gains)/Losses on Obligation for the Year - Due to changes in demographic assumptions	(0.07)	-
Actuarial (Gains)/Losses on Obligation for the Year - Due to changes in financial assumptions	2.86	(0.26)
Actuarial (Gains)/Losses on Obligation for the Year - Due to experience adjustment	3.41	2.74
Return on Plan Assets, Excluding Interest Income	(1.15)	0.96
Net (Income)/Loss Recognized in OCI	**5.05**	**3.44**

F. Significant Actuarial Assumptions:

(₹ in Crores)

Particulars	(Funded)		(Funded)	
	Gratuity	Provident Fund	Gratuity	Provident Fund
	Year Ended March 31, 2024		Year Ended March 31, 2023	
Discount Rate (per annum)	7.19%	7.19%	7.39%	7.39%
Expected Rate of return on Plan Assets (per annum)	7.19%	8.25%	7.39%	8.15%
Salary escalation rate	10.00% p.a. for the next 1 year, 7.00% p.a. for the next 2 years, starting from the 2nd year 6.00% p.a. thereafter, starting from the 4th year	N.A.	9.50% p.a. for the next 1 year, 7.00% p.a. for the next 2 years, starting from the 2nd year 6.00% p.a. thereafter, starting from the 4th year	N.A.

The expected rate of return on plan assets is based on market expectations at the closing of the year. The rate of return on long-term government bonds is taken as reference for this purpose.

In case of certain employees, the Provident Fund contribution is made to a Trust administered by the Company. In terms of the Guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident fund liability based on the assumptions listed above and determined that there is no shortfall at the end of each reporting period.

G. Movements in the present value of net defined benefit obligation are as follows:

(₹ in Crores)

Particulars	Gratuity	Gratuity
	As at March 31, 2024	As at March 31, 2023
Opening Net Liability	18.12	9.48
Expenses Recognized in Statement of Profit and Loss	6.50	5.26
Expenses Recognized in OCI	5.05	3.44
Employer's Contribution	-	(0.06)
Net Liability Recognized in the Balance Sheet	**29.67**	**18.12**

Notes to financial statements
for the year ended March 31, 2024

H. Category of Assets

(₹ in Crores)

Particulars	Gratuity	Provident Fund	Gratuity	Provident Fund
	As at March 31, 2024		As at March 31, 2023	
Government of India Assets (Central & State)	27.73	123.95	22.09	107.30
Public Sector Unit Bonds	0.21	3.52	0.19	3.72
Corporate Bonds	12.80	99.74	17.54	82.20
Fixed Deposits under Special Deposit Schemes of Central Government*	1.64	-	3.94	-
Insurance fund	-	-	-	-
Equity Shares of Listed Entities / Mutual Funds	4.95	13.78	4.82	8.05
Others*	0.02	10.76	0.03	8.82
Total	**47.35**	**251.75**	**48.61**	**210.09**

* Except these, all the other investments are quoted.

I. Other Details

(₹ in Crores)

Particulars	Gratuity	Gratuity
	As at March 31, 2024	As at March 31, 2023
No of Active Members	5,028	4,565
Per Month Salary For Active Members (₹ in Crores)	16.95	14.74
Average Expected Future Service (Years)	6 Years	7 Years
Projected Benefit Obligation (PBO) (₹ in Crores)	77.01	66.72
Prescribed Contribution For Next Year (12 Months) (₹ in Crores)	16.95	14.74

J. Cash Flow Projection: From the Fund

(₹ in Crores)

Projected Benefits Payable in Future Years From the Date of Reporting	Gratuity	Gratuity
	Estimated for year ended March 31, 2024	Estimated for year ended March 31, 2023
1st Following Year	14.04	9.35
2nd Following Year	6.81	5.90
3rd Following Year	9.09	7.64
4th Following Year	8.75	7.04
5th Following Year	8.29	6.99
Sum of Years 6 To 10	37.02	34.00
Sum of Years 11 and above	33.37	38.52

The Company's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Company funds the plan on a periodical basis.

In case of certain employees, Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

Weighted average duration of the defined benefit obligation is 6 years.(Previous year : 8 years)

Notes to financial statements
for the year ended March 31, 2024

K. Sensitivity Analysis

(₹ in Crores)

Projected Benefit Obligation	Gratuity As at March 31, 2024	Gratuity As at March 31, 2023
Impact of +1% Change in Rate of Discounting	(3.49)	(6.06)
Impact of -1% Change in Rate of Discounting	3.86	2.76
Impact of +1% Change in Rate of Salary Increase	3.83	2.71
Impact of -1% Change in Rate of Salary Increase	(3.53)	(5.50)
Impact of +1% Change in Rate of Employee Turnover	0.10	(1.24)
Impact of -1% Change in Rate of Employee Turnover	(0.12)	1.27

The above sensitivity analysis are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The liability for Leave Encashment (Non – Funded) as at March 31,2024 is ₹43.07 Crores.(Previous year ₹38.43 crores)

The liability for Long term Service Awards (Non – Funded) as at March 31,2024 is ₹3.04 Crores.(Previous year ₹2.96 crores)

38 Related Party Disclosures

1. List of related parties

A. Subsidiaries

The Subsidiary companies including step down subsidiaries as on March 31, 2024

Name of the Company	Principal Place of Business	Proportion of Ownership interest held as at March 31, 2024	Proportion of Ownership interest held as at March 31, 2023
Piramal Critical Care Italia, S.P.A**	Italy	100%	100%
Piramal Critical Care Deutschland GmbH**	Germany	100%	100%
Piramal Critical Care Limited **	U.K.	100%	100%
Piramal Healthcare (Canada) Limited ** (Piramal Healthcare, Canada)	Canada	100%	100%
Piramal Critical Care B.V. **	Netherlands	100%	100%
Piramal Pharma Solutions (Dutch) B.V. **	Netherlands	100%	100%
Piramal Critical Care Pty. Ltd. **	Australia	100%	100%
Piramal Healthcare UK Limited ** (Piramal Healthcare UK)	U.K.	100%	100%
Piramal Healthcare Pension Trustees Limited**	U.K.	100%	100%
Piramal Critical Care South Africa (Pty) Ltd **	South Africa	100%	100%
Piramal Dutch Holdings N.V.	Netherlands	100%	100%
Piramal Healthcare Inc. @	U.S.A	100%	100%
Piramal Critical Care, Inc. ** (PCCI)	U.S.A	100%	100%
Piramal Pharma Inc.**	U.S.A	100%	100%
Piramal Pharma Solutions Inc.** (Piramal Pharma Solutions)	U.S.A	100%	100%
PEL Pharma Inc.@	U.S.A	100%	100%
PEL Healthcare LLC**	U.S.A	100%	100%
Ash Stevens LLC ** (Ash Stevens)	U.S.A	100%	100%
Piramal Pharma II Private Limited (w.e.f. June 8, 2022)	India	100%	100%
Piramal Pharma Japan GK ** (liquidated on August 15,2023)	Japan	100%	100%
Piramal Critical Care Single Member PC (w.e.f. February 28, 2023) **	Greece	100%	100%
Piramal Pharma Limited Employees Welfare trust (w.e.f April 5, 2023)	India	100%	NA

** held through Piramal Dutch Holdings N.V.

@ 10% held through PPL and 90% held through Piramal Dutch Holdings N.V.

Notes to financial statements
for the year ended March 31, 2024

B. Associates

Name of the Entity	Principal Place of business	% voting power held as at March 31, 2024	% voting power held as at March 31, 2023
AbbVie Therapeutics India Pvt Ltd (erstwhile known as "Allergan India Pvt Ltd")	India	49.00%	49.00%
Yapan Bio Private Limited (Yapan)	India	33.33%	33.33%

C. Other related parties *

Relatives of Key Managerial Personnel*

Mr. Ajay G. Piramal

Dr. (Mrs) Swati A. Piramal

Mr. Anand Piramal

Entities with significant influence of Key Management Personnel*:

Payu India Private Limited

Trilegal

The Ajay G Piramal Foundation

Nandini Piramal Trust

Mr. Ajay G. Piramal HUF

*where there are transactions during current year and/or previous year.

Employee Benefit Trusts

Piramal Pharma Limited Employees PF trust (PPFT)

D. Key Management Personnel (KMP)

Mr. Peter De Young

Ms. Nandini Piramal

Mr. Vivek Valsaraj

E. Non Executive/Independent Directors

Mr. S. Ramadorai

Mr. Sridhar Gorthi

Mr. Jairaj Manohar Purandare

Mr. Neeraj Bharadwaj

Mr. Peter Andrew Stevenson

Ms. Nathalie Leitch

Ms. Vibha Paul Rishi

2. Details of transactions with related parties.

(₹ in Crores)

Details of Transactions	Subsidiaries		Associates		Other Related Parties		Total	
	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
Purchase of Goods								
- Piramal Critical Care Inc.	126.67	64.69	-	-	-	-	126.67	64.69
- Piramal Healthcare UK Limited	6.01	1.88	-	-	-	-	6.01	1.88
TOTAL	**132.68**	**66.57**	-	-	-	-	**132.68**	**66.57**
Sale of Goods								
- AbbVie Therapeutics India Pvt Ltd	-	-	100.44	70.04	-	-	100.44	70.04

Notes to financial statements
for the year ended March 31, 2024

(₹ in Crores)

Details of Transactions	Subsidiaries		Associates		Other Related Parties		Total	
	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
- Piramal Healthcare UK Limited	7.95	11.18	-	-	-	-	7.95	11.18
- Piramal Critical Care Inc.	415.13	238.88	-	-	-	-	415.13	238.88
- Piramal Healthcare (Canada) Limited	1.15	1.32	-	-	-	-	1.15	1.32
- Piramal Critical Care Limited	2.16	1.32	-	-	-	-	2.16	1.32
- Piramal Critical Care BV	21.13	25.49	-	-	-	-	21.13	25.49
- Ash Stevens LLC	7.07	5.27	-	-	-	-	7.07	5.27
- PEL Healthcare LLC	0.73	-	-	-	-	-	0.73	-
TOTAL	**455.32**	**283.46**	**100.44**	**70.04**	**-**	**-**	**555.76**	**353.50**
Rendering of Services								
- Piramal Healthcare UK Limited	13.79	16.48	-	-	-	-	13.79	16.48
- Piramal Healthcare (Canada) Limited	2.30	2.11	-	-	-	-	2.30	2.11
- Ash Stevens LLC	0.76	1.51	-	-	-	-	0.76	1.51
- Piramal Pharma Solutions (Dutch) BV	1.56	1.84	-	-	-	-	1.56	1.84
- PEL Healthcare LLC	0.13	-	-	-	-	-	0.13	-
TOTAL	**18.54**	**21.94**	**-**	**-**	**-**	**-**	**18.54**	**21.94**
Dividend Income								
- AbbVie Therapeutics India Pvt Ltd	-	-	24.50	83.79	-	-	24.50	83.79
TOTAL	**-**	**-**	**24.50**	**83.79**	**-**	**-**	**24.50**	**83.79**
Guarantee Commission Income								
- Piramal Healthcare UK Limited	0.60	0.51	-	-	-	-	0.60	0.51
- Piramal Critical Care Limited	4.59	2.27	-	-	-	-	4.59	2.27
- Piramal Dutch Holdings N.V.	2.57	1.21	-	-	-	-	2.57	1.21
- Piramal Critical Care Inc.	11.20	3.56	-	-	-	-	11.20	3.56
- Piramal Pharma Inc.	1.46	0.69	-	-	-	-	1.46	0.69
- Piramal Pharma Solutions Inc.	0.78	0.04	-	-	-	-	0.78	0.04
- Piramal Healthcare Canada Ltd	0.38	-	-	-	-	-	0.38	-
- Piramal Pharma II Private Limited	0.24	-	-	-	-	-	0.24	-
TOTAL	**21.82**	**8.28**	**-**	**-**	**-**	**-**	**21.82**	**8.28**
Reimbursement of Expenses (Receivable/ Received)								
- Ash Stevens LLC	0.30	0.20	-	-	-	-	0.30	0.20
- PEL Healthcare LLC	0.16	0.08	-	-	-	-	0.16	0.08
- Piramal Critical Care BV	0.05	0.07	-	-	-	-	0.05	0.07
- Piramal Critical Care GMBH	0.04	0.03	-	-	-	-	0.04	0.03
- Piramal Critical Care Inc.	0.64	1.33	-	-	-	-	0.64	1.33
- Piramal Critical Care Italia Spa	0.04	0.05	-	-	-	-	0.04	0.05
- Piramal Critical Care Limited	0.21	0.11	-	-	-	-	0.21	0.11
- Piramal Critical Care South Africa Pty	0.02	0.02	-	-	-	-	0.02	0.02
- Piramal Healthcare Canada Ltd	0.18	0.16	-	-	-	-	0.18	0.16
- Piramal Healthcare UK Limited	0.47	0.39	-	-	-	-	0.47	0.39
- Piramal Pharma Solutions Inc.	0.08	0.12	-	-	-	-	0.08	0.12
- Piramal Critical Care Pty Limited	*	*	-	-	-	-	*	*
- Piramal Pharma II Private Limited	0.08	-	-	-	-	-	0.08	-
TOTAL	**2.27**	**2.56**	**-**	**-**	**-**	**-**	**2.27**	**2.56**

Notes to financial statements
for the year ended March 31, 2024

(₹ in Crores)

Details of Transactions	Subsidiaries		Associates		Other Related Parties		Total	
	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
Expenses cross charged by Subsidiaries to PPL w.r.t Right Issues								
- Ash Stevens LLC	0.17	-	-	-	-	-	0.17	-
- Piramal Critical Care BV	0.06	-	-	-	-	-	0.06	-
- Piramal Critical Care Inc.	0.08	-	-	-	-	-	0.08	-
- Piramal Healthcare Inc	0.18	-	-	-	-	-	0.18	-
- Piramal Critical Care Limited	0.15	-	-	-	-	-	0.15	-
- Piramal Pharma II Private Limited	*	-	-	-	-	-	*	-
- Piramal Critical Care South Africa Pty	0.01	-	-	-	-	-	0.01	-
- Piramal Healthcare (Canada) Limited	0.12	-	-	-	-	-	0.12	-
- Piramal Healthcare UK Limited	0.26	-	-	-	-	-	0.26	-
- Piramal Pharma Solutions Inc.	0.21	-	-	-	-	-	0.21	-
TOTAL	**1.24**	**-**	**-**	**-**	**-**	**-**	**1.24**	**-**
Receiving of Services								
- Piramal Healthcare UK Limited	24.73	19.77	-	-	-	-	24.73	19.77
- Ash Stevens LLC	57.08	49.89	-	-	-	-	57.08	49.89
- PayU Payments Private Limited	-	-	-	-	0.35	-	0.35	-
- Trilegal	-	-	-	-	0.44	-	0.44	-
TOTAL	**81.81**	**69.66**	**-**	**-**	**0.79**	**-**	**82.60**	**69.66**
Reimbursement of expenses (paid/ payable)								
- Piramal Critical Care Inc.	2.52	-	-	-	-	-	2.52	-
- Piramal Healthcare (Canada) Limited	0.11	-	-	-	-	-	0.11	-
- Mr. Vivek Valsaraj	-	-	-	-	*	-	*	-
- Ms. Nandini Piramal	-	-	-	-	0.01	-	0.01	-
- Mr. Peter De Young	-	-	-	-	0.07	-	0.07	-
- Mr. Peter Stevenson	-	-	-	-	0.01	-	0.01	-
TOTAL	**2.63**	**-**	**-**	**-**	**0.09**	**-**	**2.72**	**-**
Contribution of funds								
- PPFT	-	-	-	-	37.68	32.46	37.68	32.46
TOTAL	**-**	**-**	**-**	**-**	**37.68**	**32.46**	**37.68**	**32.46**
Guarantees given during the year (including forex fluctuations) (Corporate/Performance)#								
- Piramal Pharma Solutions Inc. (performance guarantee)	-	540.32	-	-	-	-	-	540.32
- Piramal Healthcare UK Limited	-	64.68	-	-	-	-	-	64.68
- Piramal Critical Care Inc.	-	1,996.85	-	-	-	-	-	1,996.85
- Piramal Critical Care Limited ^	-	1,015.72	-	-	-	-	-	1,015.72
- Piramal Dutch Holdings N.V. ^	-	615.49	-	-	-	-	-	615.49
- PEL Pharma Inc. ^	-	351.71	-	-	-	-	-	351.71
- Piramal Healthcare (Canada) Limited	87.58	-	-	-	-	-	87.58	-
- Piramal Pharma II Private Limited	100.00	-	-	-	-	-	100.00	-
TOTAL	**187.58**	**4,584.77**	**-**	**-**	**-**	**-**	**187.58**	**4,584.77**

Notes to financial statements
for the year ended March 31, 2024

(₹ in Crores)

Details of Transactions	Subsidiaries		Associates		Other Related Parties		Total	
	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
Loans net of repayment and equity contribution/ investment in cash/ kind#								
- Piramal Dutch Holdings N.V. @	353.18	-	-	-	-	-	353.18	-
- PEL Pharma Inc (net of repayment of Mar 24 - ₹161.36 Crores and Mar 23 - ₹76.94 Crores)	(64.30)	112.29	-	-	-	-	(64.30)	112.29
- Piramal Pharma II Private Limited (equity infusion/Investments in cash or in kind)	-	34.01	-	-	-	-	-	34.01
- Piramal Pharma II Private Limited (net of repayment of Mar 24 - ₹NIL and Mar 23 - ₹62 Crores)	107.11	4.80	-	-	-	-	107.11	4.80
- Piramal Pharma Limited Employees Welfare Trust	2.80	-	-	-	-	-	2.80	-
- Piramal Pharma Limited Employees Welfare Trust (Equity contribution)	*	-	-	-	-	-	*	-
TOTAL	**398.79**	**151.10**	**-**	**-**	**-**	**-**	**398.79**	**151.10**
Interest income on loans								
- Piramal Pharma II Private Limited	4.95	0.63	-	-	-	-	4.95	0.63
- Piramal Dutch Holdings N.V.	52.32	36.69	-	-	-	-	52.32	36.69
- PEL Pharma Inc.	5.67	12.74	-	-	-	-	5.67	12.74
TOTAL	**62.94**	**50.06**	**-**	**-**	**-**	**-**	**62.94**	**50.06**
Proceeds from Right issue of Equity shares								
- Mr. Ajay G. Piramal	-	-	-	-	0.44	-	0.44	-
- Ms. Nandini Piramal	-	-	-	-	0.88	-	0.88	-
- Mr. Ajay G. Piramal HUF	-	-	-	-	0.02	-	0.02	-
- Dr. (Mrs) Swati A. Piramal	-	-	-	-	0.01	-	0.01	-
- Mr. Anand Piramal	-	-	-	-	0.69	-	0.69	-
- The Ajay G Piramal Foundation	-	-	-	-	3.48	-	3.48	-
- Nandini Piramal Trust	-	-	-	-	0.43	-	0.43	-
- Mr. Vivek Valsaraj	-	-	-	-	0.12	-	0.12	-
- Mr. Subramanian Ramadorai	-	-	-	-	0.02	-	0.02	-
TOTAL	**-**	**-**	**-**	**-**	**6.09**	**-**	**6.09**	**-**

Interest rates charged to subsidiaries are made at market rates comparable with prevailing rates in the respective geographies. All other transactions were made on normal commercial terms and conditions and at market rates.

@ During the year, the loan given to Piramal Dutch Holdings NV which has fallen due during the year has been renewed/extended amounting to Rs 673.50 crores.
* Amounts below rounding off norms adopted by Company
^ Guarantees transferred from PEL during the previous year
# For business purposes

3. Compensation of key managerial personnel#

The remuneration of directors and other members of key managerial personnel during the period was as follows:

₹ in crores

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
Short-term employee benefits	10.21	12.10
Post-employment benefits	0.79	0.74
Commission and other benefits to non-executive/independent directors	2.16	1.63
Sitting fees	0.34	0.39
Total	**13.50**	**14.86**

The remuneration for directors and key executives is determined by the Nomination and remuneration Committee having regard to the performance of the individuals and market trends.

Exclusive of provision for liability in respect of leave earned and gratuity, since this is based on actuarial valuation done on an overall basis for all employees. Performance bonus / incentive amount considered on payment basis. This does not include Equity Share Options granted during the year. The same will be considered as and when exercised.

Notes to financial statements
for the year ended March 31, 2024

4. Balances of related parties.

(₹ in Crores)

Account Balances	Subsidiaries		Associates		Other Related Parties		Total	
	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
Loans to Related Parties - Unsecured (Long term)#								
- Piramal Dutch Holding N.V.	1,126.46	751.05	-	-	-	-	1,126.46	751.05
- PEL Pharma Inc.	151.85	214.80	-	-	-	-	151.85	214.80
- Piramal Pharma Limited Employees Welfare Trust	2.80	-	-	-	-	-	2.80	-
- Piramal Pharma II Private Limited	114.08	4.80	-	-	-	-	114.08	4.80
TOTAL	**1,395.19**	**970.65**	**-**	**-**	**-**	**-**	**1,395.19**	**970.65**
Loans to Related Parties - Unsecured (Short term)#								
- Piramal Dutch Holding N.V.	44.32	34.09	-	-	-	-	44.32	34.09
- PEL Pharma Inc.	2.21	-	-	-	-	-	2.21	-
- Piramal Pharma II Private Limited	0.71	-	-	-	-	-	0.71	-
TOTAL	**47.24**	**34.09**	**-**	**-**	**-**	**-**	**47.24**	**34.09**
Other receivable from related party								
- Piramal Healthcare UK Limited	3.47	0.39	-	-	-	-	3.47	0.39
- PEL Healthcare LLC	1.53	0.36	-	-	-	-	1.53	0.36
- Piramal Healthcare (Canada) Limited	1.32	0.16	-	-	-	-	1.32	0.16
- Piramal Critical Care BV	-	0.07	-	-	-	-	-	0.07
- Ash Stevens LLC	8.18	0.20	-	-	-	-	8.18	0.20
- Piramal Pharma Solutions Inc.	0.57	0.11	-	-	-	-	0.57	0.11
- Piramal Critical Care Deutschland GmbH	0.07	0.05	-	-	-	-	0.07	0.05
- Piramal Critical Care Limited	1.08	-	-	-	-	-	1.08	-
- Piramal Critical Care Pty Limited	*	-	-	-	-	-	*	-
- Piramal Critical Care South Africa Pty	0.02	-	-	-	-	-	0.02	-
- Piramal Critical Care Inc.	2.51	-	-	-	-	-	2.51	-
TOTAL	**18.75**	**1.34**	**-**	**-**	**-**	**-**	**18.75**	**1.34**
Trade Receivables								
- Piramal Healthcare UK Limited	36.95	36.58	-	-	-	-	36.95	36.58
- Piramal Critical Care Inc.	109.61	27.48	-	-	-	-	109.61	27.48
- Piramal Critical Care BV	17.21	17.01	-	-	-	-	17.21	17.01
- Piramal Healthcare (Canada) Limited	0.27	0.62	-	-	-	-	0.27	0.62
- AbbVie Therapeutics India Pvt Ltd	-	-	15.01	11.95	-	-	15.01	11.95
- Ash Stevens LLC	2.40	6.79	-	-	-	-	2.40	6.79
- Piramal Pharma Solutions (Dutch) BV	0.94	1.59	-	-	-	-	0.94	1.59
- Piramal Critical Care Limited	0.98	-	-	-	-	-	0.98	-
TOTAL	**168.36**	**90.07**	**15.01**	**11.95**	**-**	**-**	**183.37**	**102.02**
Advance to Vendor								
- Piramal Critical Care Inc.	19.63	-	-	-	-	-	19.63	-
- PayU Payments Private Limited	-	-	-	-	0.22	-	0.22	-
TOTAL	**19.63**	**-**	**-**	**-**	**0.22**	**-**	**19.85**	**-**
Advance from Customer								
- Piramal Healthcare UK Limited	-	3.56	-	-	-	-	-	3.56
TOTAL	**-**	**3.56**	**-**	**-**	**-**	**-**	**-**	**3.56**

Notes to financial statements
for the year ended March 31, 2024

(₹ in Crores)

Account Balances	Subsidiaries		Associates		Other Related Parties		Total	
	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
Trade Payable								
- Piramal Pharma Inc.	0.01	0.20	-	-	-	-	0.01	0.20
- Piramal Healthcare UK Limited	11.91	11.81	-	-	-	-	11.91	11.81
- Piramal Critical Care Inc.	28.14	46.47	-	-	-	-	28.14	46.47
- Piramal Critical Care BV	1.28	-	-	-	-	-	1.28	-
- Piramal Healthcare (Canada) Limited	0.07	0.04	-	-	-	-	0.07	0.04
- Piramal Pharma Solutions Inc.	0.04	0.04	-	-	-	-	0.04	0.04
- Ash Stevens LLC	13.43	9.06	-	-	-	-	13.43	9.06
TOTAL	**54.88**	**67.62**	**-**	**-**	**-**	**-**	**54.88**	**67.62**
Other Payable								
- Piramal Critical Care Inc.	-	2.28	-	-	-	-	-	2.28
TOTAL	**-**	**2.28**	**-**	**-**	**-**	**-**	**-**	**2.28**
Guarantee Commission Receivable								
- Piramal Healthcare UK Limited	0.96	0.40	-	-	-	-	0.96	0.40
- Piramal Critical Care Limited	1.76	1.03	-	-	-	-	1.76	1.03
- Piramal Dutch Holding N.V.	1.48	0.58	-	-	-	-	1.48	0.58
- Piramal Critical Care Inc.	5.82	1.85	-	-	-	-	5.82	1.85
- PEL Pharma Inc.	0.84	0.33	-	-	-	-	0.84	0.33
- Piramal Pharma Solutions Inc.	0.39	0.04	-	-	-	-	0.39	0.04
- Piramal Pharma II Private Limited	0.11	-	-	-	-	-	0.11	-
TOTAL	**11.36**	**4.23**	**-**	**-**	**-**	**-**	**11.36**	**4.23**
Guarantees Outstanding - Corporate #								
- Piramal Critical Care Inc.	1,701.56	1,996.85	-	-	-	-	1,701.56	1,996.85
- Piramal Critical Care Limited	659.76	1,069.92	-	-	-	-	659.76	1,069.92
- Piramal Dutch Holdings N.V.	365.29	615.49	-	-	-	-	365.29	615.49
- PEL Pharma Inc.	208.74	351.71	-	-	-	-	208.74	351.71
- Piramal Healthcare (Canada) Limited	87.58	-	-	-	-	-	87.58	-
TOTAL	**3,022.93**	**4,033.97**	**-**	**-**	**-**	**-**	**3,022.93**	**4,033.97**
Contingent Liabilities								
Performance Guarantees #								
- Piramal Healthcare UK Limited	527.77	519.47	-	-	-	-	527.77	519.47
- Piramal Pharma Solutions Inc.	548.44	540.32	-	-	-	-	548.44	540.32
TOTAL	**1,076.21**	**1,059.79**	**-**	**-**	**-**	**-**	**1,076.21**	**1,059.79**

* Amounts below rounding off norms adopted by Company

For business purposes

The balances include reinstatement of foreign currency balances as per the closing foreign exchange rate.

39 In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Company, which are presented in the same Annual Report and therefore, no separate disclosure on segment information is given in these financial statements.

40 Plant & Equipment, Brands and Trademarks, and Current Assets are mortgaged/hypothecated to the extent of ₹ 1,285 Crores (As on March 31, 2023 ₹1,819.93 Crores) as a security against secured borrowings as at March 31, 2024.

Notes to financial statements
for the year ended March 31, 2024

(₹ in Crores)

41	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Miscellaneous Expenses in Note 33 includes Auditors' Remuneration in respect of:		
	A) Statutory Auditors:		
	a) Audit Fees	1.23	1.00
	b) Other Services	0.19	0.63
	c) Out of Pocket Expenses	0.05	*
	Expenditure considered in other equity includes Statutory Auditors' remuneration in respect of:		
	d) Expenses in relation to Rights Issue	1.10	-

* Amounts are below the rounding off norm adopted by the Company.

42 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as under:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount remaining unpaid to any supplier as at the end of each financial year	45.99	32.52
Interest thereon remaining unpaid to any supplier as at the end of each financial year	0.02	0.16
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each financial year	209.82	207.26
Amount of interest due and payable for the period of delay in making payment	3.83	-
Amount of interest accrued and remaining unpaid at the end of financial year	3.85	4.40
Amount of further interst remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	7.72	4.56

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

43 The Company has advanced loans to its subsidiary companies for business purposes.

Principal amounts outstanding as at the year end were:

(₹ in Crores)

Subsidiary Companies	As at March 31, 2024	As at March 31, 2023
Piramal Dutch Holdings N.V.	1,107.99	741.00
PEL Pharma Inc	149.61	212.85
Piramal Pharma II Private Limited	111.91	4.80
Piramal Pharma Limited Employee Welfare Trust*	2.80	-

The coupon rates for the above loans are 6% to 9% per annum (Previous Year : 4% to 9% per annum). Terms of repayment ranges from 3 to 10 years from the date of agreement (Previous Year : 3 to 5 years).

*Loan given to Piramal Pharma Limited Employee Welfare Trust is interest free.The loan has been given pursuant to the ESOP scheme and hence not considered prejudicial.

The maximum amounts due during the year were:

(₹ in Crores)

Subsidiary Companies	For the year ended March 31, 2024	For the year ended March 31, 2023
Piramal Dutch Holdings N.V.	1,107.99	745.46
PEL Pharma Inc	203.71	292.86
Piramal Pharma II Private Limited	111.91	49.90
Piramal Pharma Limited Employee Welfare Trust	2.80	-

Notes to financial statements
for the year ended March 31, 2024

44 Earnings Per Share (EPS) –The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the net profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as rights issue (including the bonus element) that have changed the number of shares outstanding.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding is adjusted for the effects of all dilutive potential ordinary shares such as Employee stock options etc

Earnings per share (EPS) Reconcilation:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Earnings		
Profit after tax (₹ in crores)	391.22	69.50
Shares		
Number of equity shares at the beginning of the year (excluding treasury shares)	1,19,33,18,500	1,18,59,13,506
Effect of fresh issue of equity shares during the year	-	42,19,832
Effect of fresh issue of equity shares on account of Rights issue made during the year**	6,52,46,559	-
Effect of bonus element on account of Rights issue made during the year	2,25,39,307	2,25,39,307
Weighted average number of equity shares – Basic	**1,28,11,04,366**	**1,21,26,72,645**
Dilutive effect of stock options outstanding*	24,05,321	-
Weighted average number of equity shares – Diluted	**1,28,35,09,687**	**1,21,26,72,645**
Basic earnings per share in rupees (face value – ₹ 10 per share) (In Rs)	3.05	0.57
Diluted earnings per share in rupees (face value – ₹ 10 per share) (In Rs)	3.05	0.57

*As at March 31, 2024 and March 31, 2023 11,952 and NIL options, respectively, were excluded from the diluted weighted average number of equity shares calculation because their effect would have been anti-dilutive. The average market value of the Company's shares for the purpose of calculating the dilutive effect of stock options was based on quoted market prices for the year during which the options were outstanding.

**Adjusted for the weights

45 (i) Amounts recognised in the Balance Sheet:

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

Movement during year ended March 31, 2024

(₹ in crores)

Category of Asset	Opening as on April 1, 2023	Additions during 2023-24	Deductions during 2023-24	Amortisation for the year ended March 31,2024	Closing as on March 31, 2024
Building	17.98	4.85	0.68	4.95	17.20
Leasehold Land	102.41	-	-	1.57	100.84
Plant & Equipment	-	3.80	-	0.84	2.96
Office Equipment	2.11	0.79	-	0.59	2.30
Total	**122.50**	**9.44**	**0.68**	**7.95**	**123.30**

Lease liabilities as on March 31, 2024 24.80

Notes to financial statements
for the year ended March 31, 2024

Right-of-use assets

Movement during year ended March 31, 2023

(₹ in crores)

Category of Asset	Opening as on April 1, 2022	Acquired on account of demerger (refer note 51)	Additions during 2022-23	Deductions during 2022-23	Amortisation for the year ended March 31,2023	Closing as on March 31, 2023
Building	8.56	5.40	8.43	1.01	3.40	17.98
Leasehold Land	81.82	19.79	2.86	-	2.06	102.41
Office Equipment	0.74	-	2.03	-	0.66	2.11
Total	**91.12**	**25.19**	**13.32**	**1.01**	**6.12**	**122.50**

Lease liabilities as on March 31, 2023 21.87

(ii) Amounts recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to leases

(₹ in crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on lease liabilities (included in finance cost)	2.03	1.61
Expense relating to short-term leases (included in Other Expenses)	14.33	13.12

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2023 is 8.91%. (Previous year-8.91%)

The bifurcation below provides details regarding the contractual maturities of lease liabilities as of March 31, 2024 and March 31, 2023 on an undiscounted basis:

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
1 year	8.40	6.20
1-3 years	11.11	11.05
3-5 years	4.70	3.84
More than 5 years	6.28	7.04

Right-of-use assets	Range of remaining term	
	As at March 31, 2024	As at March 31, 2023
Building	1 to 9 years	1 to 10 years
Leasehold Land	44 to 87 years	45 to 88 years
Office Equipment	2 to 5 years	3 to 5 years
Plant & Equipment	2 to 5 years	-

(iii) The Company has generated lease rent income amounting to ₹ 3.97 Crores (Previous year - ₹ 3.32 Crores) from leasing out building premises. This is included in miscellaneous income.

(iv) Total cash out flow for above leases amounts to ₹ 7.84 crores (Previous year : ₹ 6.55 crores)

46 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in note 17 & 21 offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or other long-term / short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Notes to financial statements
for the year ended March 31, 2024

The capital components of the Company are as given below:

(₹ in Crores)

	As at March 31, 2024	As at March 31, 2023
Equity	6,712.07	5,261.79
Total Equity	**6,712.07**	**5,261.79**
Borrowings - Non Current	363.94	592.34
Borrowings - Current	787.95	1,034.94
Total Debt	**1,151.89**	**1,627.28**
Cash & Cash equivalents	(228.80)	(54.28)
Net Debt	**923.09**	**1,573.00**
Debt/Equity Ratio	**0.14**	**0.30**

The terms of the secured borrowings contain certain financial covenants primarily requiring the Company to maintain certain financial ratios like Consolidated Net Debt to Consolidated Net Worth, Consolidated Net Debt to Consolidated EBITDA, Debt Service Coverage Ratio at Standalone level, Security Cover ratio.

The Company is broadly in compliance with the said covenants.

47 Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. The Senior Management along with a centralized treasury manages the liquidity and interest rate risk on the balance sheet.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Management
Liquidity risk	Borrowings and other liabilities	The Senior Management along with centralized treasury deliberates on the static liquidity gap statement, future asset growth plans, tenor of assets, market liquidity and pricing of various sources of funds. It decides on the optimal funding mix taking into consideration the asset strategy and a focus on diversifying sources of funds.
Market risk - Interest rate	Long-term borrowings at variable rates	The Senior Management along with centralized treasury reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities.
Market risk - Securities price risks	Equity Investment	The Company continue to effectively evaluate various risks involved in underlying assets, before and after making any such strategic investments.
Market risk - Foreign exchange	Transactions denominated in foreign currency	The centralised treasury function aggregates the foreign exchange exposure and takes measures to hedge the exposure based on prevalent macroeconomic conditions.
Market risk - Interest rate	Short-term borrowings at variable rates	The Senior Management along with centralized treasury reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities.
Credit risk	Trade receivables, investments and loans to related parties	The Senior Management assess the recoverability of investments and loans given to related parties on periodic basis and considered these balances good and fully recoverable. Refer note-9 for trade receivables
Credit risk	Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost.	Diversification of bank deposits, credit limits and letters of credit Each investment is assessed by the investment team as well as independent risk team on the risk-return framework. The combined analysis of these teams is presented to the Investment Committee for investment decision. The risk is being partly mitigated by setting up a concentration risk framework, which incentivises business units to diversify portfolio across counterparties, sectors and geographies.

Notes to financial statements
for the year ended March 31, 2024

a. Liquidity Risk Management

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Senior Management along with centralized treasury is responsible for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The Company has access to undrawn borrowing facilities at the end of each reporting period, as detailed below:

The Company has the following undrawn credit lines available as at the end of the reporting period.

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Undrawn credit lines	625.30	17.95
	625.30	**17.95**

This includes Short Term Borrowings limits including but not limited to Working Capital Demand Loans, Packing Credits, Letter of Credits, etc. where credit rating has been obtained and which can be issued, if required, within a short period of time.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

(₹ in Crores)

Maturities of Financial Liabilities	March 31, 2024			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	828.71	303.06	113.13	-
Trade Payables	1,107.71	-	-	-
Lease liability	8.40	11.11	4.70	6.28
Other Financial Liabilities	68.42	-	-	-
	2,013.24	**314.17**	**117.83**	**6.28**

(₹ in Crores)

Maturities of Financial Liabilities	March 31, 2023			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	1,083.19	582.89	91.94	-
Trade Payables	761.67	-	-	-
Lease liability	6.20	11.05	3.84	7.04
Other Financial Liabilities	65.22	-	-	-
	1,916.28	**593.94**	**95.78**	**7.04**

In assessing whether the going concern assumption is appropriate, the Company has considered a range of factors relating to current and expected profitability, debt repayment schedule and potential sources of replacement financing. The Company has performed sensitivity analysis on such factors considered and based on current indicators of future economic conditions; there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future

The balances disclosed in the table above are the contractual undiscounted cash flows.

Notes to financial statements
for the year ended March 31, 2024

b. Interest Rate Risk Management

The Company is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. Senior Management along with centralised treasury assess the interest rate risk run by it and provide appropriate guidelines to the treasury to manage the risk. The Senior Management along with centralised treasury reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The Senior Management along with centralised treasury reviews the interest rate gap statement and the interest rate sensitivity analysis.

The exposure of the Company's borrowings and loans to the interest rate risk at the end of the reporting period is mentioned below:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Variable rate borrowings	1,130.00	1,505.74
Fixed rate borrowings	-	100.00
	1,130.00	1,605.74

The sensitivity analysis below have been determined based on the exposure to interest rates for liabilities at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates.

If interest rates related to borrowings had been 100 basis points higher / lower and all other variables were held constant, the Company's Profit before tax for the year ended/Other Equity (pre-tax) as on March 31, 2024 would decrease/increase by Rs 11.30 Crores for total borrowings (Previous year Rs 15.06 Crores) . This is attributable to the Company's exposure to borrowings at floating interest rates.

The exposure of the Company's loans given to subsidaries to the interest rate risk at the end of the reporting period is mentioned below:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Variable rate loans	1,369.51	958.65
Fixed rate loans	-	-
	1,369.51	958.65

If interest rates related to loans given had been 100 basis points higher/lower and all other variables were held constant, the Company's Profit before tax for the year ended/Other Equity (pre-tax) as on March 31, 2024 would increase/decrease by ₹13.70 Crores (Previous year ₹ 9.59 Crores). This is attributable to the Company's exposure to lendings at floating interest rates (refer note 43 for loan balances)

c. Foreign Currency Risk Management

The Company is exposed to Currency Risk arising from its trade exposures and Capital receipt / payments denominated, in other than the Functional Currency. The Company has a detailed policy which includes setting of the recognition parameters, benchmark targets, the boundaries within which the treasury has to perform and also lays down the checks and controls to ensure the effectiveness of the treasury function.

The Company has defined strategies for addressing the risks for each category of exposures (e.g. for exports , for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

a) Derivatives outstanding as at the reporting date

Firm commitment and highly probable forecast transaction	As at March 31, 2024		As at March 31, 2023	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
Forward contracts to sell USD / INR	125.00	1,051.20	105.00	873.54

Notes to financial statements
for the year ended March 31, 2024

b) Particulars of foreign currency exposures as at the reporting date

Currencies	As at March 31, 2024 Trade receivables net of advance from customer		As at March 31, 2023 Trade receivables net of advance from customer	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
AUD	-	-	0.53	2.90
CAD	7.40	45.31	7.39	44.80
EUR	6.74	60.56	3.32	29.73
GBP	1.08	11.33	0.99	10.02
USD	110.85	924.65	59.81	491.50

Currencies	As at March 31, 2024 Trade payables/(advance to supplier)		As at March 31, 2023 Trade payables/(advance to supplier)	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
AUD	0.00	0.02	0.00	0.02
CAD	0.01	0.05	(0.00)	(0.02)
CHF	(0.05)	(0.48)	0.00	0.03
EUR	1.15	10.31	0.15	1.33
GBP	0.81	8.47	0.80	8.09
THB	2.73	0.63	0.78	0.19
SEK	0.07	0.06	0.03	0.02
USD	43.74	364.86	23.06	189.48
NZD	(0.00)	(0.01)	(0.00)	(0.00)
JPY	2.90	0.16	(1.03)	(0.06)
AED	0.87	1.97	0.07	0.15

* Amounts are below the rounding off norms adopted by the Company

Currencies	As at March 31, 2024 Lease Liability		As at March 31, 2023 Lease Liability	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
USD	0.06	0.50	0.09	0.74

Currencies	As at March 31, 2024			
	Loan & Interest Receivable from Related Parties		Current Account Balances Receivable /(Payable)	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
USD	153.52	1,280.53	2.38	19.89
GBP	4.22	44.31	-	-
RUB	-	-	11.96	1.33
RMB	-	-	0.14	0.16
EUR	-	-	0.07	0.59

Currencies	As at March 31, 2023			
	Loan & Interest Receivable from Related Parties		Current Account Balances Receivable /(Payable)	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
USD	119.07	978.44	0.04	0.30
GBP	2.10	21.36	-	-
RUB	-	-	9.10	1.00
RMB	-	-	0.02	0.02

Notes to financial statements
for the year ended March 31, 2024

c) Sensitivity Analysis:

Of the above, the Company is mainly exposed to USD, CAD & EUR. Hence the following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

Particulars		For the year ended March 31, 2024			
Currencies	Increase /Decrease	Total Assets in FC (in Millions)	Total Liabilities in FC (in Millions)	Change in exchange rate (in ₹)	Impact on Profit or Loss before tax/ Other Equity (pre-tax) for the year (in ₹ Crores)
USD	Increase by 5%**	264.37	43.80	4.17	91.99
USD	Decrease by 5%**	264.37	43.80	(4.17)	(91.99)
CAD	Increase by 5%**	7.40	0.01	3.06	2.26
CAD	Decrease by 5%**	7.40	0.01	(3.06)	(2.26)
EUR	Increase by 5%**	6.74	1.15	4.49	2.51
EUR	Decrease by 5%**	6.74	1.15	(4.49)	(2.51)

Particulars		For the year ended March 31, 2023			
Currencies	Increase /Decrease	Total Assets in FC (in Millions)	Total Liabilities in FC (in Millions)	Change in exchange rate (in ₹)	Impact on Profit or Loss before tax/ Other Equity (pre-tax) for the year (in ₹ Crores)
USD	Increase by 5%**	178.88	23.15	4.11	63.99
USD	Decrease by 5%**	178.88	23.15	(4.11)	(63.99)
CAD	Increase by 5%**	7.38	(0.00)	3.03	2.24
CAD	Decrease by 5%**	7.38	(0.00)	(3.03)	(2.24)
EUR	Increase by 5%**	3.32	0.15	4.47	1.42
EUR	Decrease by 5%**	3.32	0.15	(4.47)	(1.42)

**All the other variables constant

d. Accounting for cash flow hedge

The objective of hedge accounting is to represent, in the Company's financial statements, the effect of the Company's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Company makes use of financial derivative instruments, in the form of forward exchange contracts for hedging the risk arising on account of highly probable foreign currency forecast sales.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency fluctuations risk arising on account of highly probable foreign currency forecast sales.

The Company applies cash flow hedge to hedge the variability arising out of foreign exchange currency fluctuations on account of highly probable forecast sales. Such contracts are generally designated as cash flow hedges.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The forward exchange forward contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. Further, the entity has excluded the foreign currency basis spread and takes such excluded element through the income statement. Accordingly, the Company designates only the spot rate in the hedging relationship.

The Company has a Board approved policy, adopted at group level on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

Notes to financial statements
for the year ended March 31, 2024

Hedge effectiveness is assessed through the application of dollar offset method and designation of spot rate as the hedging instrument. The excluded portion of the foreign currency basis spread is taken directly through income statement.

(i) The table below enumerates the Company's hedging strategy, typical composition of the Company's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship for the year ended March 31, 2024 and March 31, 2023:

Sr No	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Foreign Currency hedge	Highly probable forecast sales	Foreign currency denominated highly probable forecast sales is converted into functional currency using a forward contract.	Highly probable forecast sales	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market. Further, the foreign currency basis spread is separated and accounted for at FVTPL. Accordingly, only the spot rate has been designated in the hedging relationship.	Cashflow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at March 31, 2024

(₹ In Crores)

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI (net of taxes)	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective-ness	Amount reclassified from cash flow hedging reserve to profit or loss (net of taxes)	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	12.50 (USD)	-	3.96	(10.29)	-	Not applicable	9.81	Revenue

As at March 31, 2023

(₹ In Crores)

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI (net of taxes)	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective-ness	Amount reclassified from cash flow hedging reserve to profit or loss (net of taxes)	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	10.50 (USD)	-	0.97	(77.14)	-	Not applicable	61.36	Revenue

(ii) The table below provides a profile of the timing of the notional amounts of the Company's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

As at March 31, 2024

(₹ In Crores)

Particulars	Total	Less than 1 year	1-5 years	Over 5 years
Foreign currency risk:				
Forward exchange contracts	12.50 (USD)	12.50 (USD)	-	-
Average INR:USD forward contract rate	83.77	83.77	-	-

Notes to financial statements
for the year ended March 31, 2024

As at March 31, 2023

(₹ In Crores)

Particulars	Total	Less than 1 year	1-5 years	Over 5 years
Foreign currency risk:				
Forward exchange contracts	10.50 (USD)	10.50 (USD)	-	-
Average INR:USD forward contract rate	83.11	83.11	-	-

(iii) The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

Movement in Cash flow hedge reserve for the year ended	31 March 2024 Gain/(Loss)	31 March 2023 Gain/(Loss)
Opening Balance	(3.69)	12.09
Effective portion of changes in fair value:		
Foreign exchange forward contracts	(13.75)	(103.09)
Tax on movements on reserves during the year	3.46	25.95
Amount reclassified to profit or loss:		
Foreign exchange forward contracts	13.11	82.01
Tax on movements on reserves during the year	(3.30)	(20.64)
Closing balance as at the end of the year	**(4.17)**	**(3.69)**

48 The Company conducts research and development to find new sustainable chemical routes for pharmaceutical products. The Company is undertaking development activities for Oral Solids and Sterile Injectables, apart from other Active Pharmaceutical Ingredients (API).

The Company has research and development centers in Mumbai, Thane, Ennore, Digwal, Mahad and Ahmedabad.

Details of additions to Property Plant & Equipments, Intangibles under Development and Revenue Expenditure for Department of Scientific & Industrial Research (DSIR) Recognised research and development facilities / division of the Company at Mumbai, Ennore , Ahmedabad and Thane for the year are as follows:

(₹ in Crores)

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue Expenditure*		
DSIR	149.50	153.03
Other than DSIR	18.85	11.15
TOTAL	**168.35**	**164.18**
Capital Expenditure- DSIR		
Additions to Property Plant & Equipment	13.64	29.20
Additions to Intangibles under Development (DMF)	9.33	8.69
TOTAL	**22.96**	**37.89**

*The amount included in Note 33 under R&D Expenses (net) does not include ₹110.27 Crs. (Previous year-₹115.28 Crores) relating to Ahmedabad locations.

49 Income taxes relating to operations

a) Tax expense recognised in the statement of profit and loss

(₹in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax :		
In respect of the current year	117.52	26.31
In respect of prior year	(5.04)	12.46
	112.48	**38.77**
Deferred tax :		
In respect of the current year	3.92	15.42
	3.92	**15.42**
Total tax expense recognised	**116.40**	**54.19**

Notes to financial statements
for the year ended March 31, 2024

b) Tax (expense)/ benefits recognised in other comprehensive income

(₹ in Crores)

Particulars	Year ended March 31, 2024	For the Year ended March 31, 2023
Current tax :	-	-
Deferred tax :		
Fair value Remeasurement of hedging instruments entered into for cash flow hedges	0.16	5.31
Remeasurement of defined benefit obligation	1.27	0.87
Total tax expense recognised	**1.43**	**6.18**

c) Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	49.17	34.92
Deferred tax liabilities	(245.81)	(229.07)
	(196.64)	**(194.15)**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

d) Movement of Deferred Tax during the year ended March 31, 2024

(₹ in Crores)

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Expected Credit Loss on Trade Receivables	10.93	0.45	-	11.38
Fair value measurement of derivative contracts	0.13	0.76	0.16	1.05
Tax effect on lease liability	5.50	0.73	-	6.23
Tax effect on ROU asset	(15.94)	0.86	-	(15.08)
Property, Plant and Equipment and Intangible Assets	(213.13)	(16.87)	-	(230.00)
Debt EIR impact	1.05	(1.78)	-	(0.73)
Expenses allowed on deferred basis	-	4.16	-	4.16
Remeasurement of defined benefit obligation	2.12	-	1.27	3.39
Expenses that are allowed on payment basis	14.58	7.80	-	22.38
Others	0.61	(0.03)	-	0.58
Total	**(194.15)**	**(3.92)**	**1.43**	**(196.64)**

Movement of Deferred Tax during the year ended March 31, 2023

(₹ in Crores)

Particulars	Opening Balance	Acquisition under business combination (Refer note 51)	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:					
Expected Credit Loss on Trade Receivables	0.99	-	9.94	-	10.93
Fair value measurement of derivative contracts	(1.65)	-	(3.53)	5.31	0.13
Tax effect on lease liability	2.69	-	2.81	-	5.50
Tax effect on ROU asset	(6.59)	(3.72)	(5.63)	-	(15.94)
Property, Plant and Equipment and Intangible Assets	(177.46)	(9.84)	(25.83)	-	(213.13)
Debt EIR impact	(0.72)	-	1.77	-	1.05
Expenses that are allowed on payment basis	9.44	-	5.14	-	14.58
Remeasurement of defined benefit obligation	1.25	-	-	0.87	2.12
Others	0.69	-	(0.09)	-	0.61
Total	**(171.36)**	**(13.56)**	**(15.42)**	**6.18**	**(194.15)**

Notes to financial statements
for the year ended March 31, 2024

e) **The income tax expense for the year can be reconciled to the accounting profit as follows:**

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	**507.62**	**123.69**
Income tax expense calculated at 25.17%	**127.77**	**31.13**
Effect of expenses that are not deductible in determining taxable profit (PPI, CSR, capital)	4.59	4.72
Dividend paid recognised as income in tax books-Refer Note B of SOCIE	-	13.49
Expense reversed in books, earlier disallowed in tax	-	(2.01)
Prior year tax on account of 80M deduction	-	7.74
Effect of deduction (Chapter VIA) considered in determining taxable profit	(4.44)	-
Tax adjustment for earlier years not deductiable in determining taxable profit	(11.79)	-
Others	0.27	(0.88)
Income tax expense recognised in statement of profit and loss	**116.40**	**54.19**

50 Fair Value Measurement

a) **Financial Instruments by category (net of ECL provision) :**

(₹ in Crores)

Particulars	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments	61.33	-	100.16	-
Loans	-	1,442.43	-	1,004.74
Cash & Bank Balances	-	241.73	-	64.16
Trade Receivables	-	1,331.38	-	909.56
Other Financial Assets	-	68.00	-	43.24
	61.33	**3,083.54**	**100.16**	**2,021.70**
Financial liabilities				
Borrowings	-	1,151.89	-	1,627.28
Trade Payables	-	1,107.71	-	761.67
Lease Liabilities	-	24.80	-	21.87
Other Financial Liabilities	3.96	64.46	0.97	64.25
	3.96	**2,348.87**	**0.97**	**2,475.07**

The Company considers that carrying amounts of financial assets and financial liabilities disclosed above approximate their fair values.

b) **Fair Value Hierarchy and Method of Valuation**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crores)

Financial Assets	March 31, 2024					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investmnt in Mutual Funds	i.	61.28	61.28	-	-	61.28
Investment in equity shares	i.	0.05	0.05	-	-	0.05

Notes to financial statements
for the year ended March 31, 2024

(₹ in Crores)

Financial Assets	March 31, 2023					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investment in Mutual Funds	i.	100.16	100.16	-	-	100.16

(₹ in Crores)

Financial Liabilities	March 31, 2024					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Other Financial Liabilities						
Derivative Financial Liabilities	ii.	3.96	-	3.96	-	3.96

(₹ in Crores)

Financial Liabilities	March 31, 2023					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Other Financial Liabilities						
Derivative Financial Liabilities	ii.	0.97	-	0.97	-	0.97
Measured at Amortised Cost for which fair values are disclosed						
Borrowings	iii	1,627.28	-	-	1,628.11	1,628.11

Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Company considers that the carrying amounts recognised in the financial statements approximate their fair values.

For financial assets/liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-thecounter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for Term loan and Debentures included in level 3.

Valuation techniques used to determine the fair values:

i. This includes mutual funds and equity shared which are fair valued using quoted prices and closing NAV in the market.

ii. This includes forward exchange contracts . The fair value of the forward exchange contract is determined using forward exchange rate at the balance sheet date.

iii. Fair values of borrowings are based on discounted cash flow using a current borrowing rate. They are classified as Level 3 values hierarchy due to the use of unobservable inputs, including own credit risk. The discounting factor used has been arrived at after adjusting the rate of interest for the financial liabilities by the difference in the Government Securities rates from date of initial recognition to the reporting dates.

Notes to financial statements
for the year ended March 31, 2024

51 Composite scheme of arrangement

i. During the previous year, the Composite Scheme of Arrangement between the Company, Piramal Enterprises Limited ('PEL'), Convergence Chemicals Private Limited ('CCPL'), Hemmo Pharmaceuticals Private Limited ('HPPL'), PHL Fininvest Private Limited ('PFPL') and their respective shareholders and creditors ('Scheme'), submitted pursuant to the approval of Board of Directors of the Company at their meeting held on October 7, 2021, has been approved by National Company Law Tribunal on August 12, 2022 ("approval date") with an appointed date of 1st April, 2022 ("appointed date"). Effect of the Scheme has resulted into,

a) Business combination accounting following the purchase price allocation of assets and liabilities acquired of Demerged Undertaking (as defined in the Scheme) in accordance with Ind-AS 103 'Business Combination', cancellation of 94,72,49,806 (nos.) equity shares of face value of ₹ 10 each issued to PEL and fresh issuance of 95,46,54,800 (nos.) equity shares of face value of ₹ 10 each to the shareholders of PEL, and elimination of inter-company transactions, (including dividend) for the interim period (i.e. from appointed date to approval date).This transaction has been accounted wef April 1,2022

b) Amalgamation of CCPL and HPPL, wholly owned subsidiaries, using 'the pooling of interest method', as if the amalgamation had occurred on 1st April, 2021 or from the date on which the Company acquired control over these subsidiaries, whichever is later, in line with Appendix-C of Ind-AS 103.

Subsequently, the Company received approval on October 19, 2022 for listing application filed with Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

(i) The fair value of assets and liabilities recognised as a result of business combination stated in (a) above are as follows:

Particulars	₹ in Crores
Assets	
Property, Plant and Equipment	73.34
Capital work in progress	3.50
Right of use assets	25.19
Other Non-current Financial Assets	2.65
Inventory	212.91
Trade Receivables	134.46
Other current Financial Assets	55.78
Other current Assets	78.68
Total Assets	**586.51**
Liabilities	
Trade payable	459.18
Deferred tax liability	13.56
Lease Liability	5.68
Other current financial liabilities	4.59
Other current liabilities	2.78
Non-current Provisions	2.16
Current Provisions	5.05
Total Liabilities	**493.00**
Net identifiable assets acquired	**93.51**

Calculation of goodwill

Particulars	₹ in Crores
Consideration	100.93
Less: Net identifiable assets acquired	93.51
Goodwill	**7.42**

Credit/Charge to P&L

Cost in relation to merger of pharma division of ₹6.96 Crores were charged to Statement of Profit and Loss for the year ended March 31, 2023 under the head - Exceptional items.

Notes to financial statements
for the year ended March 31, 2024

Revenue and profit contribution

It is impracticable to give revenue and profit contribution of demerged undertaking as it is not tracked separately post demerger.

Acquired Receivables

Particulars	₹ in Crores
Fair value of acquired trade receivables	134.46
Gross contractual amount for trade receivables	134.46
Contractual cash flows not expected to be collected	-

52 Trade Receivables ageing (#)

As at March 31, 2024

(₹ in Crores)

Ageing of receivables	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables :							
Considered Good	723.60	554.04	34.85	17.06	1.83	-	**1,331.38**
Considered doubtful	-	0.09	3.69	26.49	3.59	10.87	**44.73**
Disputed Trade Receivables :							
Considered doubtful	-	-	0.43	-	-	-	**0.43**
	723.60	**554.13**	**38.97**	**43.55**	**5.42**	**10.87**	**1,376.54**
Less: Allowance for doubtful debts							**(45.16)**
Total							**1,331.38**

As at March 31, 2023

(₹ in Crores)

Ageing of receivables	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables :							
Considered Good	580.56	305.67	19.62	3.71	-	-	**909.56**
Considered doubtful	-	-	5.57	7.60	5.70	23.29	**42.16**
Disputed Trade Receivables :							
Considered doubtful	-	1.08	0.16	-	-	-	**1.24**
	580.56	**306.75**	**25.33**	**11.31**	**5.70**	**23.29**	**952.96**
Less: Allowance for doubtful debts							**(43.40)**
Total							**909.56**

[#] Where due date has not been specified,ageing has been calculated basis transaction date

53 Trade Payable Ageing

As at March 31, 2024

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	36.15	9.84	-	-	-	**45.99**
(ii) Others	236.75	252.18	9.96	3.30	4.38	**506.57**
Total	**272.90**	**262.02**	**9.96**	**3.30**	**4.38**	**552.56**

As at March 31, 2023

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	24.42	7.63	0.22	0.01	0.24	**32.52**
(ii) Others	121.92	103.91	1.76	2.87	4.82	**235.28**
Total	**146.34**	**111.54**	**1.98**	**2.88**	**5.06**	**267.80**

Unbilled payables (includes accrued expenses and GRIR) amounts to ₹ 555.15 Crores as at March 31,2024 (As at March 31,2023 - 493.87 Crores)

The credit period on purchase of goods and services generally ranges from 0 to 120 days.

Notes to financial statements
for the year ended March 31, 2024

54 Ageing for Capital work in-progress (CWIP)

i. Ageing for Capital work in-progress (CWIP) as at March 31, 2024

(₹ in Crores)

Capital work in-progress (CWIP)	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	204.66	23.23	2.70	1.81	232.40

Ageing for Capital work in-progress (CWIP) as at March 31, 2023

(₹ in Crores)

Capital work in-progress (CWIP)	Amount in CWIP for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	99.34	26.27	6.39	4.50	136.50

ii. Project wise details of CWIP project whose completion is overdue or has exceeded its cost compared to its original plan.

As at March 31, 2024

(₹ in Crores)

	Capital work-in-progress (CWIP)	To be completed in			
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
	Projects in progress				
1.	Projects 0094	55.61	-	-	-
2.	Projects 1405	11.92	-	-	-
3.	Projects 1114	-	8.48	-	-
4.	Projects 1452	3.92	-	-	-
5.	Projects 0002	3.90	-	-	-
6.	Projects 1417	3.39	-	-	-
7.	Projects 1388	3.24	-	-	-
8.	Projects 0001	2.55	-	-	-
9.	Projects 1532	2.55	-	-	-
10.	Others	12.36	0.36	-	-

As at March 31, 2023

(₹ in Crores)

	Capital work-in-progress (CWIP)	To be completed in			
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
	Projects in progress				
1.	Projects 0542	46.27	-	-	-
2.	Projects 0947	8.03	-	-	-
3.	Projects 1114	7.86	-	-	-
4.	Projects 0703	2.88	-	-	-
5.	Projects 1155	1.63	-	-	-
6.	Projects 1359	1.45	-	-	-
7.	Projects 1171	1.38	-	-	-
8.	Projects 1120	0.83	-	-	-
9.	Projects 0550	0.78	-	-	-
10.	Others	4.38	-	-	-

Notes to financial statements
for the year ended March 31, 2024

55 Ageing for Intangible Asset Under Development (IAUD)

i. Ageing for Intangible Assets under Development (IAUD) as at March 31, 2024

(₹ in Crores)

	Intangible Assets under Development (IAUD)	Amount in IAUD for a period of				
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
a.	Projects in progress	29.39	28.70	208.71	34.04	300.84

Ageing for Intangible Assets under Development (IAUD) as at March 31, 2023

(₹ in Crores)

	Intangible Assets under Development (IAUD)	Amount in IAUD for a period of				
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
a.	Projects in progress	35.11	208.79	8.55	27.62	280.07

ii. Project wise details of IAUD project whose completion is overdue or has exceeded its cost compared to its original plan.

As at March 31, 2024

(₹ in Crores)

	Intangible Assets under Development (IAUD)	To be completed in			
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
	Projects in progress				
1.	Project 1547	12.57	-	-	-
2.	Project 1394	4.61	-	-	-
3.	Project 1160	0.92	-	-	-
4.	Project 1306	0.87	-	-	-
5.	Project 1336	0.84	-	-	-
6.	Others	2.79	-	-	-

As at March 31, 2023

(₹ in Crores)

	Intangible Assets under Development (IAUD)	To be completed in			
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
	Projects in progress				
1.	Project-0650	2.07	-	-	-
2.	Project-1295	1.84	-	-	-
3.	Project-1313	1.33	-	-	-
4.	Project-1160	0.48	-	-	-
5.	Project-1155	0.40	-	-	-
6.	Others	0.93	-	-	-

Notes to financial statements
for the year ended March 31, 2024

56 Ratios

The ratios for the year ended March 31,2024 and March 31,2023 are as follows:

Sr No.	Particulars	Numerator	Denominator	For the year Ended March 31,2024 Audited	For the year Ended March 31,2023 Audited	Variance
i	Current Ratio	Current Assets	Current Liabilities	1.48	1.20	23.3%
ii	Debt Equity Ratio*	Total Debt	Total Equity	0.17	0.31	-45.16%
iii	Debt Service Coverage Ratio	Profit before Interest, Tax and Exceptional items	Interest Expense on long term debt+ Principal Repayment of long term Debt	1.15	1.02	12.7%
iv	Return on Equity	Net Profit after tax	Average Shareholders Equity	6.5%	1.3%	5.2%
v	Inventory Turnover Ratio	Cost of goods sold	Average inventory	171.09	139.74	22.4%
vi	Trade Receivables Turnover Ratio	Sales of Products and Services	Average Trade Receivable	94.81	101.76	-6.8%
vii	Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	140.31	140.64	-0.2%
viii	Net capital turnover Ratio	Sales of Products and Services	Working Capital (1)	2.34	2.38	-1.7%
ix	Net profit Ratio	Profit after tax before exceptional items	Revenue from operations	8.9%	2.2%	6.7%
x	Return on Capital Employed	Earnings Before Interest and Taxes	Capital Employed (2)	7.8%	2.8%	5.0%
xi	Return on Investment	Income generated from investments	Closing Investment	1.5%	5.1%	-3.6%

* The variance is due to debt repayment in the current year pursuant to rights issue.

(1) Working Capital excludes current borrowings

(2) Tangible Net Worth + Total Debt + Deferred Tax Liability= Capital Employed

57 The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

58 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

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

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

61 Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

62 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

63 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Notes to financial statements
for the year ended March 31, 2024

64 The Company has transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, and disclosed as under:

(₹ In Crores)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2024
Aurozon (India) Pvt Ltd	Payable	*
Waaree Retails LLP	Payable	*
Welink SMO India Private Limited	Payable	*
Chinni Beverages Private Limited	Payable	*
Epic Attires Private Limited	Payable	*
Sachin Roadlines Pvt. Ltd	Payable	*
Aquamax Hydrosytems Private Ltd	Payable	*
Ems Networks Pvt Ltd	Payable	*
Secureplus Allied Private Limited	Payable	*
DRK Enterprise	Receivable	*
Qual Pharma Health Solutions Pvt Ltd.	Receivable	*
Suruchi Foods Limited	Receivable	*

(₹ In Crores)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2023
Aquamax Hydrosytems Private Ltd	Receivable	*
BA Tec Services Pvt Ltd	Payable	*
EMS Networks Pvt Ltd	Payable	*
Epic Attires Private Limited	Payable	*
Secureplus Allied Private Limited	Payable	0.04
Waaree Retails LLP	Receivable	*
Welink Smo India Private Limited	Payable	*
Winsel Marketing Pvt. Ltd.	Payable	*
DRK Enterprise	Receivable	0.03
Manish Petro Chem Pvt Ltd	Payable	*
Micro Pathology Services P Ltd	Receivable	*
Mommymia Dream World Pvt Ltd	Payable	*
Nitin Polymers Pvt Ltd	Payable	*
Oracle Biotech (India) Private Ltd	Payable	*
Orbit Medi Soultion'S Pvt. Ltd.,	Payable	*
Qual Pharma Health Solutions Pvt Ltd.	Payable	*
Rama Comprint Pvt Ltd	Receivable	*
Suguna Poultry Farm Ltd	Payable	*
Suruchi Foods Limited	Payable	*
Transworld Pharma Private Ltd.	Payable	*

* Amounts are below rounding off norms adopted by the Company.

These are not related parties under Section 2(76) of the Companies Act, 2013

65 Audit server backup:

(a) As per MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the companies are required to maintain back up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the companies are required to create back up on servers physically located in India on a daily basis.

(b) The Turbhe Site (a business merged during the previous year in "Piramal Pharma Limited" (the Company)) is maintaining the books of account in electronic mode. To comply with this requirement, the site has started taking daily backup from June 15, 2023. In the interim period, the site was taking a backup on a work day basis instead of daily.

Notes to financial statements
for the year ended March 31, 2024

Audit trail:

(a) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (hereinafter referred as "the Account Rules") states that for the financial year commencing on or after the April 1, 2023, every Company which uses accounting software for maintaining its books of account, shall use only such accounting software which has 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 ensuring that the audit trail cannot be disabled.

(b) In SAP, audit trail feature as required has been enabled throughout the year. However, for an accounting software used by the Turbhe Site (a business merged during the previous year) to maintain its books of account for the period from April 1, 2023, to May 31, 2023 did not have a feature of recording audit trail (edit log) facility. For another accounting software used by the Turbhe Site to maintain its books of account from June 1, 2023 (the audit trail feature was enabled at the application level wef June 30, 2023 and for master tables was enabled wef September 10, 2023. The audit trail was not enabled at the database level to log any direct data changes.

(c) The Company has used a software (an employee expense Management tool) operated by a third-party service provider. Presently, the Company does not have an independent auditors SOC report covering the audit trail requirement for the year ended March 31, 2024.

(d) The Company has not tampered with the audit trail feature in respect of the accounting software(s) for the period for which the audit trail feature was operating.

(e) 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 year ended March 31, 2024.

66 Goodwill

Movement in Goodwill during the year:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	160.55	153.13
Add: Addition due to acquisition during the year (Refer note 51)	-	7.42
Closing balance	**160.55**	**160.55**

The above goodwill relates to acquisition of Hemmo Pharmaceuticals Private Limited of ₹145.05 Crores (Previous year - ₹ 145.05 Crores), Convergence Chemicals Private Limited of ₹ 8.08 Crores (Previous year - ₹ 8.08 crores) and pharma business of Piramal Enterprises Limited (demerged undertaking as defined in the scheme) of ₹7.42 Crores (Previous year - ₹7.42 Crores).

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or group of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment, which is represented through group of CGUs.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value - in - use.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

The recoverable amount being fair value was computed using the discounted cash flow method for which the estimated cash flows for a period of 5 years were developed using internal forecasts, and a post-tax discount rate of 14.72% (Previous year-12.4% to 15%) respectively . The cash flows beyond 5 years have been extrapolated assuming growth rate of 5% (Previous year-3.4% to 5%) , depending on the cash generating unit and the country of operations.

The management believes that any reasonably possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit.

Based on the above, no impairment was identified as of March 31, 2024 as the recoverable value of the segments exceeded the carrying values.

Notes to financial statements
for the year ended March 31, 2024

67 Rights Issue of Equity Shares

a) The Committee of Directors (Rights Issue) at its meeting held on July 27, 2023, has inter alia considered and approved the rights issue of 129,629,630 fully paid-up Equity Shares of Rights issue price of ₹81 per equity share [including a premium of ₹ 71 per Equity Share] on Rights basis to the eligible equity shareholders in the ratio of 5 rights equity shares for every 46 equity shares held by the eligible equity shareholder for amount aggregating up to ₹1,050 crores. Out of the aforesaid issue, 129,604,598 and 25,032 equity shares were allotted by the Company on August 22, 2023 and on September 27, 2023, respectively.

Accordingly, basic and diluted EPS for the year ended March 31, 2023 has been retrospectively adjusted for the bonus element in rights issue.

b) Proceeds from the rights issue have been utilised upto March 31, 2024 in the following manner:

(₹ in Crores)

	Particulars	Planned	Actual
Objects of issue as stated in Final Letter of Offer dated July 27, 2023:			
a)	Repayment of certain borrowings availed by the Company	859.24	859.24
b)	General corporate purposes	166.22	
	Add: Amounts that can be used towards General corporate purposes*	6.51	
		172.73	172.73
c)	Issue related expenses	24.54	
	Less: Excess Issue related expenses that can be used towards general corporate purposes*	(6.51)	
	Net Issue related expenses (Gross of GST of ₹ 2.74 Crores)	18.03	18.03
Total		**1,050.00**	**1,050.00**

*As per Objects of the issue as mentioned in the letter of offer, in case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

There has been no variation or deviation in the utilization of the funds raised by the Company as stated in the Letter of Offer, dated July 27, 2023.

c) Issue related expenses:

(₹ in Crores)

Particulars	Issue related expenses (net of GST of ₹ 2.74 Crores)
Debited to securities premium	14.14
Debited to statement of profit and loss	1.15

d) Transactions with any person or entity belonging to the promoter/promoter group which holds 10% or more shareholding in the Company:

(₹ in Crores)

Proceeds from Right issue of Equity shares	Amount
The Sri Krishna Trust through its Trustee Mr. Ajay G Piramal and Dr. (Mrs.) Swati A Piramal	302.79

68 ESOP Disclosure

Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 ("PPL Plan 2022")

The Company constituted the PPL 2022 Plan for all eligible employees pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on 28 July 2022. The PPL 2022 Plan covers all employees and directors (excluding promoter, promoter group and directors holding more than 10% of the outstanding equity shares of the Company) of the Company and its subsidiaries (collectively, "eligible employees"). The Nomination and Remuneration Committee of the Board of the Company (the "Committee") administers the PPL 2022 Plan and grants stock options to eligible employees. The Committee determines which eligible employees will receive options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The share options can be exercised up to five years after the end of the vesting period and therefore, the contractual term of the options granted is 1 to 8 years.

Notes to financial statements

for the year ended March 31, 2024

Pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on 28th July 2022, the Piramal Pharma Limited Employees Welfare Trust (the "ESOP Trust") was formed to support the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 by acquiring, from the Company or through secondary market acquisitions, equity shares which are used for issuance to eligible employees (as defined therein) upon exercise of stock options thereunder.

(a) Details of stock options granted :

Particulars	Grant Date	Vesting Date (Range)		Outstanding at the beginning of the year	Granted during the year	Exercised during the year	Expired/ forfeited during the year	Options lapsed during the year	Balance as at the end of the year	Exercisable at period end	Grant date share price
Grant Date 1	19 April, 2023	19 April, 2024	01 August, 2025	-	1,257,876.00	-	178,315.00	-	1,079,561.00	-	77.56
Grant Date 2	25 May, 2023	25 May, 2024	01 August, 2025	-	227,922.00	-	21,904.00	-	206,018.00	-	78.50
Grant Date 3	31 July, 2023	31 July, 2024	31 July, 2026	-	9,099,066.00	-	3,634,176.00	-	5,464,890.00	-	104.43
Grant Date 4	10 August, 2023	10 August, 2024	10 August, 2026	-	81,796.00	-	14,505.00	-	67,291.00	-	99.60
Grant Date 5	30 January, 2024	30 January, 2025	30 January, 2027	-	649,005.00	-	187,167.00	-	461,838.00	-	139.00
Grant Date 6	07 February, 2024	07 February, 2025	07 February, 2027	-	6,302.00	-	1,730.00	-	4,572.00	-	139.25

(b) Fair Value of stock options granted

The fair value of services received in return for stock options granted to employees is measured by reference to the fair value of stock options granted. The fair value of stock options granted under the PPL 2022 Plan has been measured using the Black Scholes Option Pricing Model ('BS Model') at the date of the grant.

The Black Scholes Option Pricing Model ('BS Model') includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. In respect of options granted, the expected term of an option (or "Life of Option") is estimated based on the vesting term and contractual term, as well as the expected exercise behaviour of the employees receiving the option. Expected volatility of the option is based on historical volatility of comparable companies during a period equivalent to the option life, of the observed market prices of the comparable companies publicly traded equity shares as historical volatility of PPL not considered due to limited trading history. Dividend yield of the options is based on recent dividend activity. Risk-free interest rates are based on the government securities yield in effect at the time of the grant.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock-based compensation expense could be materially impacted in future years.

The estimated fair value of stock options is recognised in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.

Notes to financial statements

for the year ended March 31, 2024

The weighted average inputs used in computing the fair value of options granted were as follows:

Particulars	Grant Date	Weighted Avarage Fair Value at Grant Date	Exercise price (In ₹)	Risk free interest rate	Dividend yield	Volatility	Remaining Expected life* (years)
Grant Date 1	19 April, 2023	61.52	10	7.0% - 7.2%	0.9% - 1.3%	27.5% - 33.9%	0.55 to 3.85 years
Grant Date 2	25 May, 2023	63.35	10	7.0% - 7.1%	0.9% - 1.3%	32.9% - 33.8%	2.65 to 3.85 years
Grant Date 3	31 July, 2023	93.98	10	7.1% - 7.3%	0.7% - 1.5%	25.9% - 33.8%	0.63 to 4.83 years
Grant Date 4	10 August, 2023	88.03	10	7.2% - 7.3%	0.7% - 1.6%	26.6% - 33.8%	0.86 to 2.86 years
Grant Date 5	30 January, 2024	131.14	10	7.1% - 7.2%	0.3% - 0.9%	25.5% - 32.6%	1.43 to 5.33 years
Grant Date 6	07 February, 2024	129.73	10	7.1% - 7.2%	0.3% - 0.9%	28.9% - 32.6%	3.35 to 5.35 years

*Tenure to vesting of options and half of exercise period assuming even exercise of options during exercise period

Share-based payment expense:

(₹ In Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Equity settled share-based payment expense	9.96	-
Equity settled share-based payment expense receivable from subsidiary	17.51	-
Total expense arising from share-based payment transactions	**27.47**	**-**

69 The financial statements have been approved for issue by Company's Board of Directors on May 10, 2024.

Signature to note 1 to 69 of financial statements.

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Financial Statements

Form AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

Part "A": Subsidiaries

Name of the Subsidiary Company	Piramal Critical Care Deutschland GmbH	Piramal Critical Care Italia, S.P.A	Piramal Critical Care Limited	Piramal Healthcare (Canada) Limited	Piramal Healthcare (UK) Limited	Piramal Healthcare Pension Trustees Limited	Piramal Critical Care South Africa (Pty) Ltd	Piramal Dutch Holdings N.V.	Piramal Healthcare Inc.	Piramal Critical Care, Inc.	Piramal Pharma Inc.
Reporting period for the subsidiary	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*
Reporting currency	EUR	EUR	USD	CAD	GBP	GBP	ZAR	USD	USD	USD	USD
Average rate	89.66	89.66	82.72	61.32	103.60	103.60	4.43	82.72	82.72	82.72	82.72
Closing rate	91.95	91.95	83.22	62.79	105.72	105.72	4.49	83.22	83.22	83.22	83.22
Share capital (Including Additional Paid In Capital)	57.81	22.99	99.07	203.34	245.60	–	4.38	1,886.19	2,262.61	144.28	69.76
Reserves & Surplus	(50.87)	(11.69)	(279.65)	619.65	385.79	–	4.87	145.36	(549.58)	1,137.32	(56.32)
Total assets	34.48	73.11	1,119.04	969.30	1,624.39	–	33.17	3,533.59	1,722.89	3,542.87	71.30
Total liabilities	27.54	61.82	1,299.62	146.30	993.00	–	23.93	1,502.03	9.86	2,261.27	57.86
Investments	–	–	9.00	–	–	–	–	3,087.39	213.57	–	–
Turnover	47.86	110.30	261.09	361.86	909.73	–	40.39	–	72.37	1,962.09	–
Profit/ (Loss) before taxation	(10.30)	(8.21)	(163.43)	59.69	(42.20)	–	2.02	(95.79)	62.02	346.82	(1.36)
Provision for taxation–(income)/expense	–	–	–	(14.59)	5.54	–	0.58	–	18.36	73.03	(0.10)
Profit/ (Loss) after taxation	(10.30)	(8.21)	(163.43)	74.27	(36.66)	–	1.44	(95.79)	43.66	273.79	(1.46)
Other Comprehensive Income	–	–	–	–	–	–	–	–	–	–	–
Proposed dividend	–	–	–	–	–	–	–	–	–	–	–
% of shareholding	100	100	100	100	100	100	100	100	100	100	100

Name of the Subsidiary Company	Piramal Pharma Solutions Inc.	PEL Pharma Inc.	Ash Stevens LLC	Piramal Critical Care B.V.	Piramal Critical Care Pty Limited (Australia)	PEL Healthcare LLC	Piramal Pharma Solutions (Dutch) B.V.	PCC Greece	Piramal Pharma II Private Limited	Piramal Pharma Limited Employees Welfare Trust (w.e.f April 5, 2023)
Reporting period for the subsidiary	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	December 31, 2023*	March 31, 2024*	March 31, 2024*
Reporting currency	USD	USD	USD	EUR	AUD	USD	EUR	EUR	INR	INR
Average rate	82.72	82.72	82.72	89.66	54.41	82.72	89.66	89.66	1.00	1.00
Closing rate	83.22	83.22	83.22	91.95	56.62	83.22	91.95	91.95	1.00	1.00
Share capital (Including Additional Paid In Capital)	119.28	83.63	372.74	9.20	2.83	153.93	–	–	34.01	**
Reserves & Surplus	(927.78)	(233.31)	474.55	(139.71)	0.51	(252.68)	4.16	4.04	(11.74)	**
Total assets	477.08	1,175.99	1,092.17	275.94	6.55	309.53	7.97	4.19	137.21	2.80
Total liabilities	1,285.58	1,325.67	244.88	406.46	3.21	408.28	3.80	0.15	114.94	2.80
Investments	–	595.03	–	–	–	–	–	–	–	–
Turnover	126.71	36.28	600.47	242.15	5.81	173.16	73.45	–	–	–
Profit/ (Loss) before taxation	(176.89)	(61.59)	173.14	(59.45)	0.29	(143.32)	2.22	0.55	(11.35)	**
Provision for taxation–(income)/expense	0.21	0.02	–	–	0.07	0.04	0.87	–	–	–
Profit/ (Loss) after taxation	(177.10)	(61.61)	173.14	(59.45)	0.22	(143.36)	1.35	0.55	(11.35)	**
Other Comprehensive Income	–	–	–	–	–	–	–	–	–	–
Proposed dividend	–	–	–	–	–	–	–	–	–	–
% of shareholding	100	100	100	100	100	100	100	100	100	100

* For the purposes of the Consolidated Financial Statements included in this annual report, the accounts of the Company have been rolled forward to March 31, 2024. The details provided herein, however, are based on the statutory financial year.

1. Name of the subsidiaries which are yet to commence operations- Piramal Critical Care Single Member PC (w.e.f. February 28, 2023)
2. Following are new subsidiaries during the year - Piramal Pharma Limited employees Employee Welfare trust (w.e.f April 5, 2023)
3. Following is the subsidiary liquidated during the year- Piramal Pharma Japan GK (liquidated on August 15,2023)
4. ** Amounts below rounding off norms adopted by Company

Form AOC-1

Part "B": Associates

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

Name of the Associates	AbbVie Therepeutics India Pvt Ltd	Yapan Bio Private Limited
Latest Audited Balance Sheet Date	March 31, 2024	March 31, 2024
Shares of Associates / Joint Ventures held by the Company on the year end		
- Number	39,20,000	1,20,000
- Amount of Investment in Associate / Joint Venture	3.92	122.11
- Extent of Holding %	49%	33.33%
Description of how there is significant influence	Based on shareholding	Based on shareholding
Reason why the associate / joint venture is not consolidated	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted
Networth attributable to Shareholding as per latest audited Balance Sheet	84.01	121.31
Profit / Loss for the year		
i. Considered in Consolidation	60.10	(0.39)
ii. Not considered in Consolidation	Not Applicable	Not Applicable

1. Name of the associates / joint ventures which have been liquidated or sold or ceased to be associate/ joint venture during the year - NA

INDEPENDENT AUDITOR'S REPORT

To The Members of **Piramal Pharma Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Piramal Pharma Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates, 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.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries 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.

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 and its associates 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 the other auditors in terms of their reports referred to in the sub-paragraph (a) 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 judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment assessment of Goodwill — Refer to note 38 of the consolidated financial statements	
Refer Note 2b in the summary of material accounting policies	Principal audit procedures:
The carrying amount of Goodwill aggregates to ₹ 1,122.55 crores. The Group performs the annual assessment of the goodwill at cash generating unit (CGU) level. The Group's evaluation involves comparison of its recoverable amount to its carrying amount. 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 the cash generating unit. Considering the inherent estimation uncertainty involved in the underlying assumptions relating to projected cash flows, discount rate and terminal growth rate used while determining the recoverable amount, the impairment assessment of goodwill has been considered as a key audit matter.	1. In relation to Goodwill attributable to CGUs of the Parent, we have: a) Evaluated the design and tested the operating effectiveness of the internal controls relating to impairment assessment of underlying CGUs. b) Evaluated the reasonableness of the Management's estimates and judgements in corroboration with management enquiry, underlying evidences and past trends. c) With the assistance of the internal fair valuation specialist as deemed appropriate, evaluated the reasonableness of the valuation methodology, discount rate and growth rate used in the assessment. d) Tested the mathematical accuracy and performed sensitivity analysis of the valuation models. 2. In relation to goodwill attributable to components audited by other auditors, we : a) assessed professional competency of the component auditors, b) directed them through referral instructions to perform aforementioned audit procedures, as applicable, in relation to their respective CGUs and reviewed their responses. 3. Evaluated the adequacy of disclosures made in the consolidated financial statements.

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 Business Responsibility and Sustainability Report, Management Discussion and Analysis (MDA), Corporate Governance and Board's Report including Annexures to Board's Report, 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 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 the subsidiaries is traced from their financial statements audited by the 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 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 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 for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 intend 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 are also responsible for overseeing the financial reporting process of the Group and of its associates.

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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 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 entities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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/financial information of fourteen subsidiaries, whose financial statements/financial information reflect total assets of ₹ 11,483.88 crores as at March 31, 2024, total revenues of ₹ 4,851.24 crores and net cash outflows amounting to ₹ 4.45 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(b) We did not audit the financial information of six subsidiaries, whose financial information reflect total assets of ₹ 18.54 crores as at March 31, 2024, total revenues of ₹ 14.47 crores and net cash inflows amounting to ₹ 10.74 crores 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 profit of ₹ 59.49 crores for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of two 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 subsidiaries and 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 other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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 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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except for keeping backup on daily basis of books of account maintained in electronic mode, in a server physically located in India in relation to one of the division of the Parent and Piramal Pharma II Private Limited (a subsidiary of "the Company") ii) for the matters as stated in (i)(vii) below (Refer Note 68 to the financial statements).

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 Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Parent and its subsidiary company 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) The modification relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) 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 and a subsidiary company, 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.

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 and based on the auditor's reports of subsidiary company, being incorporated in India, the remuneration paid by the Parent and such subsidiary company to their respective 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates; (Refer Note 26 to the consolidated financial statements)

   ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; (Refer Note 47 to the consolidated financial statements)

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.

   iv) (a) The respective Managements of the Parent and its subsidiary which is a company incorporated in India whose financial statements have been audited under the

Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 70 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 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 ("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 subsidiary which is a company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 70 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries 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 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 auditor of the subsidiary company which is 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 auditor 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) (a) The Parent and its subsidiary, which is a company incorporated in India had not declared and paid interim dividend in the previous year.

(b) The Parent, whose financial statements have been audited under the Act, have not declared or paid any interim dividend during the year. As stated in note 14 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable. The subsidiary company which is a company incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) 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 auditor of a subsidiary 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 auditor in the CARO report of the said subsidiary company included in the consolidated financial statements.

vii) Based on our examination which included test checks, the Parent has used accounting software(s) for maintaining its books of account for the 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) except that in respect of one of its divisions:

(i) an accounting software used to maintain its books of account for the period from April 1, 2023 to May 31, 2023, did not have a feature of recording audit trail (edit log) facility,

(ii) for another accounting software used to maintain its books of account from June 1, 2023 (a) the audit trail feature was not enabled at the application level till June 29, 2023 and for master tables till September 09, 2023 (b) audit trail was not enabled at the database level to log any direct data changes.

Further, the Parent has used a software operated by a third party software service provider, for maintaining certain travel expense records and in absence of an independent auditor's system and organization controls report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

Based on the report of the other auditor, in respect of one subsidiary incorporated in India, whose financial statements have been audited under the Act, the accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility for financial accounting transactions was not operational throughout the year and the audit trail feature for database level for the accounting software used by the Company to maintain its books of account was enabled on May 10, 2023.

Additionally, during the course of our audit, we or the other auditor did not come across any instance of audit trail feature being tampered with in respect of the accounting software(s) for the period for which the audit trail feature was operating.

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 year ended March 31, 2024.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 24121513BKEPEW3940)

Place: Mumbai
Date: May 10, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (h) 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 Ind AS 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 Piramal Pharma Limited (hereinafter referred to as "Parent") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary company and its associate companies, 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 and its subsidiary company, which is a company 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 auditor of the subsidiary company, which is a company 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 and its subsidiary company, 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 auditor referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which is a company 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 one subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 24121513BKEPEW3940)

Place: Mumbai
Date: May 10, 2024

Consolidated Balance Sheet

as at March 31, 2024

₹ in Crores

Particulars	Note No.	As at March 31,2024	As at March 31,2023
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipment	3	3,872.64	3,363.04
(b) Capital Work in Progress	55	565.70	852.93
(c) Goodwill	38	1,122.55	1,107.51
(d) Intangible Asset	3	2,617.11	2,772.57
(e) Intangible Assets Under Development	56	550.10	565.65
(f) Right of Use Assets	52	377.63	225.48
(g) Financial Assets:			
(i) Investments			
- Investments accounted for using the equity method	4(a)	205.32	170.11
- Other Investments	4(b)	34.94	41.76
(ii) Other Financial Assets	5	20.83	21.55
(h) Deferred tax assets (Net)	6	386.50	349.30
(i) Other non-current assets	7	94.02	217.18
Total Non-Current Assets		**9,847.34**	**9,687.08**
Current Assets			
(a) Inventories	8	2,175.88	1,681.37
(b) Financial Assets:			
(i) Investments	4(b)	144.69	427.11
(ii) Trade Receivables	9 & 53	2,134.43	1,799.34
(iii) Cash & Cash Equivalents	10	356.82	195.59
(iv) Bank Balances Other Than (iii) above	11	125.74	111.97
(v) Other Financial Assets	12	15.89	92.42
(c) Other Current Assets	13	511.02	527.68
Total Current Assets		**5,464.47**	**4,835.48**
TOTAL ASSETS		**15,311.81**	**14,522.56**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	1,322.95	1,193.32
(b) Other Equity	15	6,588.42	5,580.18
Total Equity		**7,911.37**	**6,773.50**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings	16	2,483.75	3,383.54
(ii) Lease Liabilities	52	117.99	101.92
(iii) Other Financial Liabilities	17	-	4.98
(b) Provisions	18	32.32	20.68
(c) Deferred Tax Liabilities (Net)	19	229.18	219.31
(d) Other Non-Current Liabilities	20	167.90	175.58
Total Non-Current Liabilities		**3,031.14**	**3,906.01**
Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings	21	2,075.11	2,121.23
(ii) Lease Liabilities	52	33.31	30.39
(iii) Trade Payables			
Total outstanding dues of Micro enterprises and small enterprises	54 & 64	45.99	32.52
Total outstanding dues of creditors other than Micro enterprises and small enterprises		1,492.38	1,160.19
(iv) Other Financial Liabilities	22	251.27	227.05
(b) Other Current Liabilities	23	387.37	228.92
(c) Provisions	24	43.57	39.21
(d) Current Tax Liabilities (Net)	25	40.30	3.54
Total Current Liabilities		**4,369.30**	**3,843.05**
TOTAL LIABILITIES		**7,400.44**	**7,749.06**
TOTAL EQUITY & LIABILITIES		**15,311.81**	**14,522.56**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes 1-73
Summary of Material Accounting Policies 2a
In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner
Membership Number: 121513

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

₹ in Crores

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations	27	8,171.16	7,081.55
Other Income (Net)	28	175.39	225.11
Total Income		**8,346.55**	**7,306.66**
Expenses			
Cost of materials consumed	29	1,976.83	1,682.46
Purchases of Stock-in-Trade	30	1,175.77	952.20
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	(198.60)	68.64
Employee benefits expense	32	2,029.50	1,896.35
Finance costs	33	448.49	344.18
Depreciation and amortization expense	3 & 52	740.57	676.69
Other expenses (Net)	34	1,991.40	1,853.66
Total Expenses		**8,163.96**	**7,474.18**
Profit/ (Loss) before share of net profit of associates, exceptional items and tax		**182.59**	**(167.52)**
Share of net profit of associates	4 (a)	59.49	54.33
Profit / (Loss) after share of net profit of associates before exceptional items and tax		**242.08**	**(113.19)**
Exceptional Items	35	(62.79)	(6.96)
Profit / (Loss) after share of net profit of associates and before tax		**179.29**	**(120.15)**
Less: Income Tax Expense			
Current Tax (Including prior year taxes)	49	185.35	110.40
Deferred Tax, net	49	(23.88)	(44.09)
Profit/ (Loss) after tax for the year		**17.82**	**(186.46)**
Other Comprehensive Income / (Loss) (OCI), net of tax expense	36		
A. Items that will not be subsequently reclassified to profit or loss			
Remeasurement of post employment benefit plans		(5.05)	(3.44)
Income Tax Impact on above		1.27	0.87
		(3.78)	**(2.57)**
B. Items that will be subsequently reclassified to profit or loss			
(a) Deferred losses on cash flow hedge		(0.64)	(20.75)
(b) Exchange differences on translation of foreign operations		62.67	210.10
(c) Share of other comprehensive income/ (expense) of associates accounted for using the equity method		0.22	-
Income Tax Impact on above		(1.75)	(10.98)
		60.50	**178.37**
Other Comprehensive Income/ (Loss) (OCI) for the year, net of tax expense		**56.72**	**175.80**
Total Comprehensive Income/ (Loss) for the year		**74.54**	**(10.66)**
Earnings per equity share (Basic) (₹) (Face value of ₹ 10 each)	42	0.14	(1.54)
Earnings per equity share (Diluted) (₹) (Face value of ₹ 10 each)	42	0.14	(1.54)

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes 1-73

In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner
Membership Number: 121513

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Consolidated Statement of Cash Flows
for the year ended March 31, 2024

₹ in Crores

	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before share of profit of associates and tax	119.80	(160.56)
Adjustments for :		
Exceptional item	62.79	-
Depreciation and amortisation expense	702.56	640.96
Amortisation of Right-of-use assets	38.00	35.73
Provision written back	(46.95)	(49.00)
Finance Costs	448.49	344.18
Interest Income on Financial assets	(11.92)	(1.64)
Government Grant Income	(4.11)	-
(Gain)/Loss on measurement of financial assets at FVTPL	4.75	(0.98)
Loss on Sale of Property Plant and Equipment	0.46	0.48
Amortisation of grants & Other deferred income	(58.80)	(39.20)
Write-down of Inventories	37.23	92.97
Profit on Sale on Current Investment (Net)	(4.27)	(1.58)
Expected Credit Loss on Trade Receivables	31.90	42.05
Employee Share Based expenses	27.47	-
Un realised foreign exchange loss	48.28	71.56
Operating Cash Flow Before Working Capital Changes	**1395.68**	**974.97**
Adjustments For Changes In Working Capital :		
Adjustments For (Increase) / Decrease In Operating Assets		
- Trade receivables	(391.39)	89.26
- Other Current Assets	20.77	13.90
- Other Non Current Assets	2.35	(136.76)
- Other Financial Assets - Non Current	0.72	76.68
- Inventories	(531.75)	(172.64)
- Other Financial Assets - Current	18.86	76.32
Adjustments for increase / (decrease) in operating liabilities		
- Trade Payables	404.30	(271.65)
- Non - Current provisions	6.81	2.48
- Other Current Financial Liabilities	29.80	43.39
- Other Current Liabilities	183.19	0.70
- Current provisions	4.36	0.36
- Other Non-current Financial Liabilities	(4.98)	(2.36)
- Other Non-current Liabilities	22.66	(21.76)
Cash Generated from Operations	**1,161.38**	**672.89**
- Taxes Paid (Net of Refunds)	(156.84)	(189.00)
Net Cash Generated from Operating Activities	**1,004.54**	**483.89**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment / Intangible Assets (including Capital Work in Progress and Capital Advances)	(712.04)	(964.75)
Proceeds from Sale of Property Plant and Equipment / Intangible Assets	1.60	19.69
Purchase of Current Investments		
- in Mutual Funds	(1,670.69)	(1,209.13)
Proceeds from Sale of Current Investments		
- in Mutual Funds	1,943.09	834.00
Contingent Consideration paid	(6.33)	(73.31)
Fixed deposits placed	(19.69)	(14.25)
Maturity of Deposits	5.92	13.91
Dividend received (net of TDS of March 2024 - ₹2.45 Crores {March 2023 - ₹ 8.38 Crores})	22.05	75.41
Investment in Associate	-	(20.35)
Other Grants received	2.08	-
Net Cash used in Investing Activities	**(434.01)**	**(1,338.78)**

Consolidated Statement of Cash Flows
for the year ended March 31, 2024

₹ in Crores

	For the year ended March 31, 2024	For the year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non - Current Borrowings		
- Receipts	240.13	2,562.81
- Payments	(861.30)	(1,721.53)
Proceeds from Current Borrowings		
- Receipts	1,420.57	1,821.86
- Payments	(1,770.93)	(1,464.72)
Lease payments		
- Principal	(17.09)	(35.51)
- Interest	(7.83)	(7.08)
Proceeds on issuance of equity share capital under rights issue	1,050.00	-
Transaction cost related to rights issue	(14.13)	-
Finance Costs Paid	(461.78)	(271.04)
Dividend Paid	-	(67.00)
Net Cash Generated from / (Used in) Financing Activities	**(422.36)**	**817.79**
Net Increase/ (Decrease) in Cash & Cash Equivalents [(A)+(B)+(C)]	**148.17**	**(37.10)**
Opening Cash and Cash Equivalents	**53.23**	**85.18**
Add: Effect of exchange fluctuation on cash and cash equivalents	**17.79**	**5.15**
Closing Cash and Cash Equivalents	**219.19**	**53.23**
Cash and Cash Equivalents Comprise of :		
Cash on Hand	1.79	2.21
Bank Overdraft	(137.63)	(142.36)
Balance with Scheduled Banks in Current Accounts	333.14	193.38
Cheques on hand	5.54	-
Remittance in transit	16.35	-
	219.19	**53.23**

Note:

During the previous year, the Parent Company had issued 95,46,54,800 (nos.) fully paid equity shares with face value of ₹ 10 each and security premium of ₹ 126.31 per share, aggregating to ₹ 13,012.90 crores in exchange of net assets of Demerged Undertaking pursuant to the Scheme.

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes 1-73

In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner
Membership Number: 121513

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital (Refer Note 14):

Particulars	₹ in Crores
Balance as at March 31, 2022	**1,185.91**
Issued during the year	7.41
Balance as at March 31, 2023	**1,193.32**
Issued during the year	129.63
Balance as at March 31, 2024	**1,322.95**

B. Other Equity (Refer Note 15)

(₹ in crores)

	Attributable to the owners of Piramal Pharma Limited						
	Reserves & Surplus				Other Items in OCI		
Particulars	Securities Premium	Capital Reserve	Retained Earnings	Share Option outstanding Reserve	Foreign Currency Translation Reserve	Cash Flow Hedging Reserve	Total
Balance as at April 01, 2022	**3,725.18**	**406.66**	**1,158.85**	**-**	**207.91**	**12.09**	**5,510.69**
Loss after tax for the year	-	-	(186.46)	-	-	-	(186.46)
Other Comprehensive Income/ (Loss), net of tax expense for the year	-	-	(2.57)	-	193.82	(15.45)	175.80
Issue of Equity Shares (Refer Note 14)	93.53	-	-	-	-	-	93.53
Dividend paid during the year*	-	-	(13.40)	-	-	-	(13.40)
Balance as at March 31, 2023	**3,818.71**	**406.66**	**956.42**	**-**	**401.73**	**(3.36)**	**5,580.18**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in crores)

	Attributable to the owners of Piramal Pharma Limited						
	Reserves & Surplus				Other Items in OCI		
Particulars	Securities Premium	Capital Reserve	Retained Earnings	Share Option outstanding Reserve	Foreign Currency Translation Reserve	Cash Flow Hedging Reserve	Total
Balance as at April 01, 2023	**3,818.71**	**406.66**	**956.42**	**-**	**401.73**	**(3.36)**	**5,580.18**
Profit after tax for the year	-	-	17.82	-	-	-	**17.82**
Other Comprehensive Income/ (Loss), net of tax expense for the year	-	-	(3.78)	-	60.76	(0.48)	**56.50**
Rights Issue of Equity Shares (Refer Note 71)	920.37	-	-	-	-	-	**920.37**
Expenses incurred for rights issue of equity shares (Refer Note 71)	(14.14)	-	-	-	-	-	**(14.14)**
Recognition of Share based payments (Refer Note 72)	-	-	-	27.47	-	-	**27.47**
Share of other comprehensive income of associates accounted for using the equity method	-	-	0.22	-	-	-	**0.22**
Balance as at March 31, 2024	**4,724.94**	**406.66**	**970.67**	**27.47**	**462.49**	**(3.84)**	**6,588.42**

* During the previous year, the Company had paid a dividend aggregating to ₹ 67 Crores to its shareholders (shareholding determined as of the record date). Pursuant to the Scheme referred to in note 14, PEL transferred its shareholding in the Company amongst other assets w.e.f. April 01, 2022. Accordingly, to the extent of such shares transferred to the Company, dividend amounting ₹ 53.60 Crores has been netted off from the gross dividend paid. The table above reflects such net amount.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes 1-73

In terms of our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner
Membership Number: 121513

Place- Mumbai
Date- May 10, 2024

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Notes to the consolidated financial statements
for the year ended March 31, 2024

1. GENERAL INFORMATION

Piramal Pharma Limited ("PPL", "Company", "Parent") (including all its subsidiaries) (the parent and its subsidiaries together referred to as "Group") is one of the India's largest Pharmaceutical Company.

PPL is a leading pharmaceutical company with global operations, providing end-to-end pharma services to customers and a portfolio of differentiated pharma products across a domestic and global distribution network. We operate under three business verticals - Piramal Pharma Solutions, an integrated contract development and manufacturing organization ("CDMO") having a product suite in niche areas such as highly potent Active pharmaceutical ingredients ("APIs"), Finished dosage forms ("FDFs"), antibody drug conjugates, potent sterile injectable, hormonal oral solid dosage forms, biologics and vaccines; Piramal Critical Care, a complex hospital generics ("CHG") business in the areas of inhalation anaesthesia, injectable anaesthesia and pain management, intrathecal therapy and other injectable; and India consumer healthcare ("ICH") business, selling well-known OTC brands.

PPL is listed on stock exchanges and domiciled in India and has its registered office at Mumbai, India.

2a. MATERIAL ACCOUNTING POLICIES

i) Basis of preparation of Consolidated financial statements

Compliance with Ind AS

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

The Separate financial statements are presented in addition to the consolidated financial statements presented by the Group.

Historical Cost convention

The Consolidated financial statements have been prepared on the historical cost basis except for the following at the end of each reporting period, as explained in the accounting policies below:

a) certain financial instruments and contingent consideration - measured at fair value

b) assets classified as held for sale - measured at fair value less cost to sell

c) cash settled stock appreciation rights - measured at fair value

d) plan assets of defined benefit plans, which are measured at fair value.

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

ii) Principles of consolidation and equity accounting

a) Subsidiaries:

Subsidiaries are all entities (including Structured entities) over which the group has control. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and

Notes to the consolidated financial statements
for the year ended March 31, 2024

- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Wherever necessary and relevant, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

b) Associates:

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting (see (d) below), after initially being recognised at cost. Wherever necessary, adjustments are made to financial statements of associates to bring their accounting policies in line with those used by the other members of group.

c) Equity method:

Under the equity method, an investment in an associate is recognised initially in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group 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 associate. An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in capital reserve in the period in which the investment is acquired.

Dividends received or receivable from associates or joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy mentioned in Note 2a (vi) below.

d) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the group. A change in the ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non controlling interests and any consideration paid or received is recognised within equity.

iii) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary/ demerged undertaking comprises of:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination

Notes to the consolidated financial statements

for the year ended March 31, 2024

are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Common control transactions

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

1) The assets and liabilities of the combining entities are reflected at their carrying amounts. The Group has made accounting policy choice to account investment in associates and joint venture at a carrying cost as appearing in the books of acquiree.
2) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
3) The balance of the retained earnings appearing in the consolidated financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
4) The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
5) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
6) The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occured after that date, the prior period information is restated only from that date.

iv) Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of Property Plant & Equipments are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent expenditures related to an item of Property Plant & Equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Group & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Notes to the consolidated financial statements

for the year ended March 31, 2024

Right of use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset.

Depreciation

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013 / estimated useful lives as determined by the management of respective subsidiaries based on technical evaluation. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of Property, Plant & Equipment are as stated below:

Asset Class	Useful life
Buildings*	3 years - 60 years
Roads	10 years
Plant & Equipment	2 years - 31 years
Continuous Process Plant	25 years
Office Equipment	1 year - 15 years
Motor Vehicles	4 years - 12 years
Furniture & fixtures	2 years - 28 years

*Useful life of leasehold improvements is as per lease period

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

v) a) Intangible Assets acquired separately

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Consolidated Statement of Profit and Loss.

The research and development (R&D) cost is accounted in accordance with Ind AS - 38 'Intangibles'.

Internally generated intangible assets - Research and Development expenditure

Research

Research costs, including patent filing charges, technical know-how fees, testing charges on animal and expenses incurred on development of a molecule till the stage of Pre-clinical studies and till the receipt of regulatory approval for commencing phase I trials are treated as revenue expenses and charged off to the Statement of Profit and Loss of respective year.

Development

Development costs relating to design and testing of new or improved materials, products or processes are recognized as intangible assets and are carried forward under Intangible Assets under Development until the completion of the project when they are capitalised as Intangible assets, if the following conditions are satisfied:

- It is technically feasible to complete the asset so that it will be available for use;
- Management intends to complete the asset and use or sell it;
- There is an ability to use or sell the asset;
- It can be demonstrated how the asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- The expenditure attributable to the asset during its development can be reliably measured.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible Assets with finite useful lives are amortized on a straight line basis over the following period:

Asset Class	Useful life
Intangible Assets (Acquired)	
Brands and Trademarks	5 years - 25 years
Copyrights, Know-how (including qualifying Product Development Cost) and Intellectual property rights	4 years - 30 years
Computer Software	2 years - 9 years
Customer relationships	8 years - 14 years
Intangible Assets (self-generated)	
Product know-how	1 year - 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Notes to the consolidated financial statements
for the year ended March 31, 2024

v) (b) Goodwill

Goodwill on acquisition is included in intangible assets. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are 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 the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill is carried at cost less accumulated impairment losses.

vi) Impairment of Assets

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

vii) Financial instruments

Financial assets **(other than trade receivables)** and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets (other than trade receivables) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Investments and Other Financial Assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss.

Notes to the consolidated financial statements
for the year ended March 31, 2024

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method. Subsequently, these are measured at amortised cost using the Effective Interest Method less any impairment losses.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through statement of profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the consolidated statement of profit and loss.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period year. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instrument

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

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for the year ended March 31, 2024

Compulsorily Convertible Preference Shares

Compulsorily Convertible Preference Shares are classified as a financial liability measured at amortised cost until it is extinguished on conversion.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

(ii) Derivatives that are not designated as hedges: The group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

Notes to the consolidated financial statements
for the year ended March 31, 2024

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or counterparty.

viii) Trade Receivables

Trade receivables that do not contain a significant financing component are measured at transaction price of good sold or services rendered as defined in Ind AS 115, Revenue from Contract with Customers.

ix) Inventories

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods (Manufactured and Traded) and Stores and Spares. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. The cost of Work-in-progress and Finished Goods comprises of materials, direct labour, other direct costs and related production overheads, as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

x) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur. Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- Defined Contribution plans such as provident fund, superannuation, pension, employee state insurance scheme and other social security schemes in overseas jurisdictions
- Defined Benefit plans such as provident fund and Gratuity, Pension fund (in case of a subsidiary)

In case of Provident fund, contributions are made to a Trust administered by the Group, except in case of certain employees, where the Contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Group's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state

Notes to the consolidated financial statements

for the year ended March 31, 2024

insurance scheme and other social security schemes in overseas jurisdictions are considered as defined contribution plans, as the Group does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

In case of 401(k) contribution plan (in case of U.S. subsidiaries), contribution by the Group is discretionary. Any contribution made is charged to the Statement of Profit and Loss.

Defined Benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit provident and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Except in case of an overseas subsidiary, the present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. In case of an overseas subsidiary, where pension is classified as a Defined Benefit Scheme, assets are measured using market values and liabilities are measured using a Projected Unit Credit method and discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which benefits will be paid, and that have terms approximating to the terms of the related obligation. Shortfall, if any, is provided for in the financial statements.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets (excluding interest income) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Bonus Plans

The Group recognises a liability and an expense for bonuses. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

xi) Provisions and Contingent Liabilities

Provisions are recognised when there is 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 there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurence of one or more uncertain future events not wholly within the control of the Group 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.

xii) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Sale of goods (including scrap sales): Revenue from the sale of goods is recognised when the Group transfers Control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the product shipped. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

Notes to the consolidated financial statements

for the year ended March 31, 2024

Sale of Services: In contracts involving the rendering of services/development contracts, revenue is recognised at the point in time/ over a period of time in which services are rendered as per the terms of contract. Advisory fees are accounted on an accrual basis in accordance with the Investment Management Agreement and Advisory Services Agreement.

In case of fixed price contracts, the customer pays a fixed amount based on the payment schedule and the Group recognises revenue on the basis of input method. If the services rendered by the Group exceed the payment, a Contract asset (Unbilled Revenue) is recognised. If the payments exceed the services rendered, a contract liability (Deferred Revenue/Advance from Customers) is recognised.

If the contracts involve time-based billing, revenue is recognised in the amount to which the Group has a right to invoice.

Interest: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend: Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Insurance Claim: Insurance Claim is recorded as an income on the basis of filing of insurance claim and corresponding claim receivable is recognised as an asset.

Deferred Revenue and Unbilled Revenue: Amounts received from customers or billed to customers, in advance of services performed are recorded as deferred revenue under Other Current Liabilities. Unbilled revenue included in Other Financial Assets, represents amounts recognised in respect of services performed in accordance with contract terms, not yet billed to customers as at the year end.

xiii) Foreign Currency Transactions

In preparing the financial statements of each individual Company entity, transactions in currencies other than the entity's functional currency (viz Indian Rupees) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group foreign operations that have a functional currency other than presentation currency i.e. Indian Rupees are translated using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest. When a foreign operation is disposed off, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the reporting date.

Foreign currency differences arising from translation of intercompany receivables or payables relating to foreign operations, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of net investment in foreign operation and are recognized in FCTR.

xiv) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

xv) Government Grants

Government grants are recognised when there is reasonable assurance that the Company/Group will comply with the conditions attached to them and there is no uncertainty on collection.

Government grants are recognized in the consolidated statement of profit or loss on a systematic basis over the periods in which the Group recognizes the related costs for which the grants are intended to compensate. Specifically, government grants whose primary

Notes to the consolidated financial statements
for the year ended March 31, 2024

condition is that the Group should purchase, construct or otherwise acquire non current assets (including property, plant and equipment) are recognized as deferred income in the consolidated balance sheet and transferred to the consolidated statement of profit or loss on a systematic and rational basis over the useful lives of the related assets and presented within revenue from operation.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group/Company with no future related costs are recognized in the statement of profit or loss in the period in which they become receivable and presented within revenue from operation.

xvi) Leases

The Group's lease asset classes primarily consist of leases for land, buildings and IT assets. At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

xvii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred

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for the year ended March 31, 2024

tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

xviii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xix) Borrowing Costs

General and specific borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those Property, Plant & Equipments which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xx) Segment Reporting

The Group is operating in single reportable segment of 'Pharma' in terms of Ind AS 108.

xxi) Impact of the initial application of new and amended Ind ASs that are effective in the current year that begins on or after April 1, 2023.

Amendments to Ind AS 1 - Presentation of Financial Statements

The Group has adopted the amendments to Ind AS 1 for the first time in the current year. The amendements change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendment replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can be reasonably expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

For example, accounting policy information is likely to be considered as material if the information relates to material transactions, other events or conditions and the accounting policy

- Has changed during the year resulting in a material change to the information in the financial statements
- Was chosen from alternatives permitted by Ind AS
- Was developed in accordance with Ind AS 8 in absense of an Ind AS which specifically applies
- Relates to an area where the Company is required to make significant judgements and assumptions which are disclosed in accordance with Ind AS 1:122 and 125.
- Relates to complex accounting for which users of the financial statements would otherwise not understand the relating transactions, other events or conditions.

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or condition is immaterial and need not be disclosed. If the Company discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. Further, if the Company concludes that the accounting poicy information is immaterial, that conclusion does not affect the related disclosure requirements of other Ind ASs.

However, accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. Furthermore, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Group has evaluated the amendment and there is no impact on its financial statements.

Notes to the consolidated financial statements

for the year ended March 31, 2024

Amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Definition of accounting estimate

The Group has adopted the amendments to Ind AS 8 for the first time in the current year. The amendments replace the definition of a 'change in accounting estimates' with the definition 'accounting estimates'. Under the new definition, accounting estimates are monetary amounts in the financial statements are the subject to measurement uncertainty. The definition of 'change in accounting estimates' was deleted.

The Group has evaluated the amendment and there is no impact on its financial statements.

Amendments to Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and same has been disclosed in note 49.

xxii) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

xxiii) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxiv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

xxv) Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the forseeable future.

When preparing financial statements, management makes an assessment of the group's ability to continue as going concern. Financial statements is prepared on going concern basis unless management either intends to liquidate the group or to cease trading, or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the group's ability to continue as going concern, those uncertainties are disclosed. When the financial statement is not prepared on a going concern basis, that face is disclosed, together with the basis on which the financial statement is prepared and the reason why the group is not regarded as going concern.

xxvi) Subsequent Events

Financial statement are approved after considering 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets and liabilities are made for events occurring after the Balance Sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the Balance Sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the Group may provide a disclosure in the financial statement considering the nature of the transaction..

xxvii) Employee Share based Payments:

The Company operates equity settled share based plan for the employees (Referred to as employee stock option plan (ESOP)).

Equity settled share based payments to employees and others providing similar services are measured at fair value of the equity instruments at the grant date. The fair value excludes the effect of non market based vesting conditions. Details regarding the determination of the fair value of the equity settled share-based transactions are set out in note 72 to the consolidated financial statements.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

Notes to the consolidated financial statements

for the year ended March 31, 2024

The fair value of employee stock options is measured using the Black-Scholes valuation model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on historical experience), expected dividends, and the risk free interest rate (based on government bonds).

The fair value of the equity settled share based payments is expenses on a straight line basis over the vesting period, based on the Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Company revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that cumulative expense reflects the revision estimate, with a corresponding adjustment to the employee stock option reserve. The Company recovers the expenses incurred on behalf of its subsidiary for the stock options granted to the employees of the subsidiaries. The said recovery is netted off from the Employee benefits expense.

xxviii) Treasury shares:

The Company has created an ESOP Trust (Piramal Pharma Limited Employees Welfare Trust) which acts as a vehicle to execute its ESOP plan. The ESOP trust is considered as an extension of the Company and the shares held by the ESOP trust are treated as Treasury shares. It was formed to support the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 by acquiring, from the Company or through secondary market acquisitions, equity shares which are used for issuance to eligible employees upon exercise of stock options.

These shares are recognised at cost and is disclosed as separately as reduction from Other Equity as treasury shares. No gain or loss is recognised in the Statement of Profit and Loss on purchase, sale, issuance, or cancellation of treasury shares.

2b. Critical accounting judgements and key sources of estimation uncertainties

The preparation of the consolidated financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i. Fair Valuation:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Group uses market observable data to the extent it is available. When Level 1 inputs are not available, the Group engages third party qualified external valuers to establish the appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 51.

ii. Impairment of Goodwill and Other Intangible Assets including Intangible Assets under Development

Goodwill and Other Intangible Assets (including Intangible Assets Under Development) are tested for impairment on an annual basis. Recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which the intangibles are monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

iii. Useful lives and residual values of property, plant and equipment

Property, plant and equipment and Intangible Assets represent a significant proportion of the assets of the Group. Depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Notes to the consolidated financial statements

for the year ended March 31, 2024

iv. Income Taxes

Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

v. Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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.

vi. Contingent Consideration (Refer Note 63)

In accounting for business combinations, judgment is required in determining contingent consideration. Contingent consideration is payable in case of achievement of certain milestones. It is calculated by applying an appropriate discount rate to the probability adjusted sales / margins.

vii. Functional Currency (Refer Note 46(c))

Functional currency is the currency of the primary economic environment in which the Company and its subsidiaries operate. The Group assesses the factors as per Ind AS 21 in determining the functional currency of the Company and its subsidiaries. If there is any change in underlying transactions, events and conditions in the Company or its subsidiary, the Group reassesses the functional currency.

viii. Assessment of Significant influence (Refer Note 37)

Irrespective of the voting rights in an entity, if the Company has a right to appoint Directors or participates in all significant financial and operating decisions of an investee, there is an existence of significant influence and the investment is considered as an Associate.

ix. Employee Share Based Payments

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk - free interest rate (based on government bonds).

x. Provisions and Contingencies

In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

xi. Impairment loss in Investments carried at cost

The Group conducts impairment reviews of investments in associates whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Group to estimate the value in use which base on future cash flows and a suitable discount rate in order to calculate the present value.

xii. Expected credit loss

The measurement of expected credit loss on financial assets is based on the evaluation of collectability and the management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the trade receivables having regard to, the past collection history of each party and ongoing dealings with these parties, and assessment of their ability to pay the outstanding on designated dates.

xiii. Business Combination

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

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3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT Opening As at April 1, 2023	Additions^	Deductions/ Adjustments	Exchange Difference	As at March 31,2024 (A)	ACCUMULATED DEPRECIATION Opening As at April 1, 2023	For the year @	Deductions/ Adjustments	Exchange Difference	As at March 31,2024 (B)	NET CARRYING AMOUNT As at March 31,2024 (A-B)	As at March 31, 2023
Property, Plant & Equipment												
Land Freehold	133.94	35.64	-	3.35	172.93	2.05	-	-	0.02	2.07	170.86	131.89
Building	1,525.97	331.00	24.49	13.41	1,894.87	218.37	70.82	(3.85)	2.09	287.43	1,607.44	1,307.60
Roads	4.80	0.99	-	0.02	5.81	2.40	0.38	-	0.01	2.79	3.02	2.40
Plant & Equipment	3,532.18	481.36	(41.76)	49.36	4,021.14	1,652.31	314.21	(13.72)	29.70	1,982.50	2,038.64	1,879.87
Furniture & fixtures	74.86	14.12	(0.11)	0.78	89.65	46.21	8.77	0.03	0.56	55.57	34.08	28.65
Office Equipment	38.59	12.03	(0.59)	0.03	50.06	26.61	5.76	(0.59)	0.01	31.79	18.27	11.98
Motor Vehicles	1.63	0.12	-	0.01	1.76	0.98	0.46	-	-	1.44	0.32	0.65
Total (I)	**5,311.97**	**875.26**	**(17.97)**	**66.96**	6,236.22	**1,948.93**	**400.40**	**(18.13)**	**32.39**	2,363.59	3,872.64	**3,363.04**
Intangible Assets (Acquired)												
Customer relations*	140.05	-	-	1.81	141.86	75.23	14.27	-	0.93	90.43	51.43	64.82
Product related Intangibles - Brands and Trademarks*+	2,948.94	19.16	-	35.91	3,004.01	996.06	167.97	-	10.22	1,174.25	1,829.76	1,952.88
Product related Intangibles - Copyrights,Knowhow and Intellectual property rights*	347.97	16.87	-	4.73	369.57	187.94	47.16	-	2.29	237.39	132.18	160.03
Computer Software	159.67	57.50	(2.41)	2.66	217.42	80.14	23.55	-	1.41	105.10	112.32	79.53
Product Know-how	446.72	10.35	-	0.87	457.94	10.34	19.32	-	0.54	30.20	427.73	436.38
Intangible Assets (Self Generated)												
Product Know-how	153.81	12.84	-	5.64	172.29	74.88	29.89	-	3.83	108.60	63.69	78.93
Total (II)	**4,197.16**	**116.72**	**(2.41)**	**51.62**	4,363.09	**1,424.59**	**302.16**	**-**	**19.22**	1,745.97	2,617.11	**2,772.57**
Grand Total (I+II)	**9,509.13**	**991.98**	**(20.38)**	**118.58**	10,599.31	**3,373.52**	**702.56**	**(18.13)**	**51.61**	4,109.56	6,489.75	**6,135.61**

*** Material Intangible Assets as on March 31, 2024 and March 31, 2023**

(₹ in Crores)

Asset Class	Asset Description	Carrying Value as at March 31, 2024	Carrying Value as at March 31, 2023	Remaining useful life as on March 31, 2024
Product-related Intangibles - Brands and Trademarks	Brands	205.63	237.78	1 year - 13 years
Product-related Intangibles - Brands and Trademarks	Purchased Brands	1,624.13	1,715.10	14 years -19 years
Customer Relations	Customer Relations	24.83	34.60	4 years
Product-related Intangibles -Copyrights, Knowhow and Intellectual property rights	Purchased Copyrights, Knowhow and Intellectual property rights	501.79	527.44	4 years - 28 years

^With respect to one of the capitalization done in a subsidiary during the current year , borrowing cost capitalised with respect to a qualifying asset amounts to ₹ 10.84 crores which is charged at 7.25% p.a.

+ Certain Brands are in the process of being registered in the name of the Group, for which the necessary application has been made with trade mark registry.

@ Depreciation for the year includes depreciation amounting to ₹ 8.66 Crores (Previous year: ₹ 8.02 Crores) on assets used for Research and Development locations at Thane , Ennore, Ahemdabad and Mumbai.

There has been no revaluation of Property, Plant and Equipment (PPE) (Including ROU) and Intangibles during the year ended March 31, 2024.

Refer Note 55 and 56 for ageing of Capital Work in progress and Intangible assets under development.

Refer Note 26B(a) for the contractual capital commitments for purchase of Property, Plant & Equipment.

Refer note 43 for details of capital research & development expenditure.

Refer Note 41 for assets hypothecated/mortgaged as securities against the Secured Borrowings.

Considering internal and external sources of information, the group has evaluated at the end of the reporting period, whether there is any indication that any intangible asset (including intangible assets under development) may be impaired. Where such indication exists, the group has estimated the recoverable amount of the intangible assets (including intangible assets under development) based on 'value in use' method.The financial projections on the basis of which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets (including intangible assets under development) represent the Group's best estimate of the recoverable amounts.

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3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT						ACCUMULATED DEPRECIATION					NET CARRYING AMOUNT	
	Opening as at April 01, 2022	Acquisition (Refer note 63)	Additions	Deductions/ Adjustments	Exchange Difference	As at March 31, 2023 (A)	Opening as at April 01, 2022	For the year #	Deductions/ Adjustments	Exchange Difference	As at March 31, 2023 (B)	As at March 31,2023 (A-B)	As at March 31, 2022
Property, Plant & Equipment													
Land Freehold	130.04	-	0.05	-	3.85	133.94	1.60	0.45	-	-	2.05	131.89	128.44
Building	1,199.59	39.38	261.78	(0.13)	25.35	1,525.97	155.14	58.93	-	4.30	218.37	1,307.60	1,044.45
Roads	3.71	0.62	0.47	-	-	4.80	2.21	0.36	(0.17)	-	2.40	2.40	1.50
Plant & Equipment	2,965.59	30.64	468.32	(51.86)	119.49	3,532.18	1,317.80	299.03	(32.73)	68.21	1,652.31	1,879.87	1,647.79
Furniture & fixtures	66.57	2.00	4.90	(0.65)	2.04	74.86	36.57	9.01	(0.63)	1.26	46.21	28.65	30.00
Office Equipment	32.74	0.57	5.25	(0.14)	0.17	38.59	21.33	5.41	(0.15)	0.02	26.61	11.98	11.41
Motor Vehicles	1.27	0.13	0.59	(0.36)	-	1.63	0.79	0.41	(0.18)	(0.04)	0.98	0.65	0.48
Total (I)	**4,399.51**	**73.34**	**741.36**	**(53.14)**	**150.90**	**5,311.97**	**1,535.44**	**373.60**	**(33.86)**	**73.75**	**1,948.93**	**3,363.04**	**2,864.07**
Intangible Assets													
Customer relations*	130.69	-	-	-	9.36	140.05	57.91	13.86	-	3.46	75.23	64.82	72.78
Product related Intangibles - Brands and Trademarks*+	2,757.31	-	7.68	(2.56)	186.51	2,948.94	798.57	153.52	-	43.97	996.06	1,952.88	1,958.74
Product related Intangibles - Copyrights,Knowhow and Intellectual property rights*	322.56	-	-	-	25.41	347.97	133.93	44.40	-	9.61	187.94	160.03	188.63
Computer Software	104.12	-	53.84	(2.77)	4.48	159.67	60.30	19.90	(1.89)	1.83	80.14	79.53	43.82
Product Know-how	587.28	-	6.39	-	6.86	600.53	45.16	35.68	-	4.38	85.22	515.31	542.12
Total (II)	**3,901.96**	**-**	**67.91**	**(5.33)**	**232.62**	**4,197.16**	**1,095.87**	**267.36**	**(1.89)**	**63.25**	**1,424.59**	**2,772.57**	**2,806.09**
Grand Total (I+II)	**8,301.47**	**73.34**	**809.27**	**(58.47)**	**383.52**	**9,509.13**	**2,631.31**	**640.96**	**(35.75)**	**137.00**	**3,373.52**	**6,135.61**	**5,670.16**

*** Material Intangible Assets as on March 31, 2023 and March 31, 2022**

(₹ in Crores)

Asset Class	Asset Description	Carrying Value as at March 31, 2023	Carrying Value as at March 31, 2022	Remaining useful life as on March 31, 2023
Product-related Intangibles - Brands	Brands	237.78	269.94	1 years - 14 years
Product-related Intangibles - Brands and Trademarks	Purchased Brands	1,715.10	1,688.80	15 years - 20 years
Customer Relations	Customer Relations	34.60	41.29	5 years
Product-related Intangibles - Copyrights, Knowhow and Intellectual property rights	Purchased copyright, Knowhow and Intellectual Property	527.44	556.96	5 years - 29 years

Depreciation for the year ended March 31, 2023 includes depreciation amounting to ₹ 8.02 Crores (Previous Year ₹ 7.88 Crores) on assets used for Research and Development locations at Ennore,Thane and Mumbai.

+ Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.

Refer note 26B (a) for the contractual capital commitments for purchase of Property, Plant & Equipment

There has been no revaluation of Property, Plant and Equipment (PPE) (Including ROU) and Intangibles during the year ended March 31, 2023.

Refer Note 55 and 56 for ageing of Capital Work in progress and Intangible assets under development.

Considering internal and external sources of information, the Group has evaluated at the end of the reporting period, whether there is any indication that any intangible asset may be impaired. Where such indication exists, the Group has estimated the recoverable amount of the intangible assets based on value in use method. The financial projections on the basis of which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets represent the Group's best estimate of the recoverable amounts.

Notes to the consolidated financial statements
for the year ended March 31, 2024

4 (a) Investments accounted for using the equity method

(₹ In Crores)

Particulars	As at March 31,2024		As at March 31,2023	
	Quantity	Amount	Quantity	Amount
Investments in Equity Instruments:				
A. In Associates :				
I. Unquoted				
i. Abbvie India Private Limited (Refer note 37(i))				
Interest as at April 01, 2023 and April 01, 2022 respectively	39,20,000	48.41	39,20,000	78.09
Add - Share of profit for the year		59.88		54.13
Add - Share of other comprehensive income for the year		0.22		*
Less - Dividend received		(24.50)		(83.79)
Total		**84.01**		**48.41**
ii. Yapan Bio Private Limited (Refer note 37(ii))				
Interest as at April 01, 2023 and April 01, 2022 respectively	1,00,000	121.70	1,00,000	101.73
Add - Investment during the year	-	-	20,000	20.35
Add - Share of profit / (loss) for the year		(0.39)		0.20
Add - Share of other comprehensive income / (loss) for the year		-		*
Total		**121.31**		**121.70**
Total equity accounted investments		**205.32**		**170.11**
Aggregate amount of unquoted investments		**205.32**		**170.11**

* Below rounding off norms adopted by Group.

4 (b) Investments

Non-Current Investments:

(₹ In Crores)

Particulars	As at March 31,2024		As at March 31,2023	
	Quantity	Amount	Quantity	Amount
Investments in other body corporate (Fully Paid - Up)				
Unquoted - At FVTPL:				
Nyca Investment Fund III (0.90% of total fund balance)		34.89		39.54
Investments In Equity Instruments (Fully Paid - Up)				
Unquoted - At FVTPL:				
BASF India Limited	80	0.05	80	0.04
Investments In Share Warrants				
Unquoted - At FVTPL:				
Bio Q Pharma Inc.		2.18		2.18
Less: Provision for impairment (Refer Note 35)		(2.18)		-
Total		**34.94**		**41.76**
Aggregate amount of un-quoted investment		**37.12**		**41.76**
Aggregate amount of impairment in value of investment		**(2.18)**		**-**

Notes to the consolidated financial statements
for the year ended March 31, 2024

Current Investments:

(₹ In Crores)

Particulars	As at March 31,2024 Quantity	As at March 31,2024 Amount	As at March 31,2023 Quantity	As at March 31,2023 Amount
Investments In Promissory Note (Fully Paid-Up)				
Unquoted - At FVTPL:				
Bio Q Pharma Inc.		14.29		14.23
Less: Provision for impairment (Refer Note 35)		(14.29)		-
Investments in Mutual fund				
Quoted - At FVTPL:				
Aditya Birla Sun life Overnight Fund-Growth-Direct Plan	-	-	3,55,160	43.07
Kotak Overnight Fund Growth - Direct	3,92,254	50.10	2,25,826	27.00
UTI Overnight Fund - Direct Growth Plan Growth	-	-	97,814	30.02
UTI Aggressive Hybrid fund - Regular Plan Growth	2,32,949	11.18	-	-
Franklin India Short Term Income Plan (Growth)	-	-	2,530	0.02
Nippon India Equity Savings Fund - Growth	-	-	4,78,118	0.01
Investment in Money Market Funds				
Quoted - At FVTPL:				
Goldman Sachs Financial Square Government Funds	-	-	2,90,00,000	238.81
Dreyfus Treasury Obligations Cash Management	1,00,000	83.41	90,00,000	73.95
Total		**144.69**		**427.11**
Aggregate amount of quoted investment		**144.69**		**412.88**
Aggregate amount of un-quoted investment		**14.29**		**14.23**
Aggregate amount of impairment in value of investment		**(14.29)**		**0.00**

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
(i) Financial Assets accounted as per equity method		
Investments in Equity Instruments of Associates	205.32	170.11
(ii) Financial Assets carried at fair value through profit or loss (FVTPL)		
Equity	34.94	55.99
Mutual Funds	61.28	100.13
Money Market Funds	83.41	312.76
Total	**384.96**	**638.99**

5. Other Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Unbilled revenue #	-	1.86
Security Deposits	20.83	19.69
TOTAL	**20.83**	**21.55**

Classified as financial asset as right to consideration is unconditional upon passage of time.

Notes to the consolidated financial statements
for the year ended March 31, 2024

6. Deferred Tax Assets (Net) (Refer Note 49)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Deferred tax assets on account of temporary differences		
- Brought forward losses	464.53	338.77
- Unrealised profit margin on inventory	21.08	11.72
- Other temporary differences	0.11	3.30
	485.72	**353.79**
(b) Deferred tax liabilities on account of temporary differences		
- Property, Plant and Equipment and Intangible assets	99.22	3.01
- Other temporary differences	-	1.48
	99.22	**4.49**
TOTAL	**386.50**	**349.30**

Deferred Tax Assets and Deferred Tax Liabilities of the respective entities have been offset as they relate to the same governing taxation laws.

7. OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax [Net of provision of ₹284.13 crores (Previous year- ₹ 255.29 Crores)]	36.85	30.07
Advances recoverable	45.10	185.85
Capital Advances	12.07	1.22
Prepayments	-	0.04
TOTAL	**94.02**	**217.18**

8. INVENTORIES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw and Packing Materials [includes in Transit of ₹ 8.26 Crores as on March 31,2024 (Previous year ₹ 8.58 Crores)]	1,021.51	728.36
Work-in-Progress	525.76	334.72
Finished Goods	186.41	247.02
Stock-in-trade [includes in Transit of ₹ 21.41 Crores as on March 31, 2024, (Previous year ₹ 12.31 Crores)]	267.34	199.17
Stores and Spares [includes in transit of Nil (Previous year Nil)	174.86	172.10
TOTAL	**2,175.88**	**1,681.37**

1. Refer Note 41 for the inventories hypothecated as security against borrowings.
2. The cost of inventories recognised as an expense during the year was ₹ 3,091.50 Crores. (Previous year ₹ 2,829.83 Crores)
3. The cost of inventories recognised as an expense includes reversal of ₹ 5.84 Crores (Previous Year reversal of ₹ 6.45 Crores) in respect of write downs of inventory to net realisable value and charge of ₹ 43.07 Crores (Previous year charge of ₹ 99.42 crores) in respect of provisions for slow moving/non moving/expired/near expiry products.
4. Refer Note 2(a)(ix) for policy for valuation of inventories.

Notes to the consolidated financial statements
for the year ended March 31, 2024

9. TRADE RECEIVABLES

(₹ in Crores)

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	Secured - Considered Good	0.23	0.23
(b)	Unsecured- Considered Good	2,139.51	1,801.57
	Less: Expected Credit Loss on (b)	(5.31)	(2.46)
(c)	Unsecured-Considered Doubtful	104.62	100.96
	Less: Expected Credit Loss on (c)	(104.62)	(100.96)
TOTAL		**2,134.43**	**1,799.34**

The credit period on sale of goods generally ranges from 7 to 180 days.

The Group has a documented Credit Risk Management Policy for its Pharmaceuticals Manufacturing and Services business. For every new customer (except established large pharma companies), the group performs a credit rating check using an external credit agency. If a customer clears the credit rating check, the credit limit for that customer is derived using internally documented scoring systems. The credit limits for all the customers are reviewed on an ongoing basis.

	Expected credit loss (%) For external customers	
Ageing	**As at March 31, 2024**	**As at March 31, 2023**
Less than 365 days	0.30%	0.30%
More than 365 days	100.00%	100.00%

(₹ in Crores)

Movement in Expected Credit Loss Allowance:	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	103.42	54.52
Add: Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	31.32	42.05
Less: Bad Debts written off	(25.75)	(1.29)
Add: Transfer from Piramal Enterprise Limited on account of demerger	-	8.13
Add: Effect of translation differences	0.94	0.01
Balance at the end of the year	**109.93**	**103.42**

Refer Note 53 for ageing of Trade Receivables
Refer Note 41 for the receivables hypothecated as security against borrowings.

10. CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
i. Balance with Banks :		
- Current Accounts	333.14	193.38
- Cheques in hand	5.54	-
ii. Remittance in transit	16.35	-
iii. Cash on Hand	1.79	2.21
TOTAL	**356.82**	**195.59**

11. OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with banks	111.21	102.09
Margin Money	14.53	6.12
Deposit Accounts (Deposit with original maturity of more than 3 months and less than 12 months) [Held as security against borrowings/ guarantees: NIL (Previous year ₹3.66 Crores)]	-	3.76
TOTAL	**125.74**	**111.97**

Notes to the consolidated financial statements
for the year ended March 31, 2024

12. OTHER FINANCIAL ASSETS

(Unsecured and Considered Good)

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
Security Deposits	12.74	15.10
Derivative Financial Assets	-	23.16
Unbilled revenues #	0.37	15.01
Interest Accrued	0.76	2.20
Others (including claim receivable from third party)	2.02	36.95
TOTAL	**15.89**	**92.42**

Classified as financial asset as right to consideration is unconditional upon passage of time.

13. OTHER CURRENT ASSETS

(Unsecured and Considered Good)

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
Advance to Vendors	120.53	131.34
Prepayments	64.02	76.57
Balances with Government Authorities	310.10	318.41
Claims Receivable (including export incentive, Government Grants, etc)	15.13	1.36
Advance Tax [Net of Provision of NIL at March 31, 2024 (Previous year NIL)]	1.24	-
TOTAL	**511.02**	**527.68**

14. Equity Share Capital

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
AUTHORISED SHARE CAPITAL		
2,62,90,00,000 (previous year 2,62,90,00,000) equity shares of ₹ 10 each	2,629.00	2,629.00
35,00,00,000 (previous year 35,00,00,000) preference shares of ₹ 10 each	350.00	350.00
2,10,00,000 (previous year 2,10,00,000) unclassified shares	21.00	21.00
	3,000.00	**3,000.00**
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
1,32,29,48,130 (Previous year 1,19,33,18,500) equity shares of face value of ₹ 10 each fully paid.	1,322.95	1,193.32
TOTAL	**1,322.95**	**1,193.32**

(i) Movement in Equity Share Capital

Particulars	As at March 31,2024		As at March 31,2023	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	1,19,33,18,500	1,193.32	1,18,59,13,506	1,185.91
Add: Issued during the year				
Rights issue (Refer note 71)	12,96,29,630	129.63	-	-
Allotment of shares pursuant to the Scheme	-	-	95,46,54,800	954.65
Less: Cancelled during the year				
Cancellation of equity shares held by PEL and its nominees pursuant to the Scheme	-	-	(94,72,49,806)	(947.24)
At the end of the year	**1,32,29,48,130**	**1,322.95**	**1,19,33,18,500**	**1,193.32**

Notes to the consolidated financial statements

for the year ended March 31, 2024

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024 No. of shares	As at March 31, 2024 % Holding	As at March 31, 2023 No. of shares	As at March 31, 2023 % Holding
The Sri Krishna Trust through its Trustee Mr. Ajay G Piramal and Dr. (Mrs.) Swati A Piramal	35,28,91,420	26.67%	31,55,10,320	26.44%
Caisse De Depot Et Placement Du Quebec	-	-	6,59,80,753	5.53%
CA Alchemy Investments (erstwhile CA Clover Intermediate II Investments)	23,86,63,700	18.11%	23,86,63,700	20.00%
HDFC Trustee Company Limited - HDFC Flexi Cap Fund	6,62,60,507	5.01%	-	-

ESOP Disclosure

Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 ("PPL Plan 2022")

The Company constituted the PPL 2022 Plan for all eligible employees pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on 28 July 2022. The PPL 2022 Plan covers all employees and directors (excluding promoter, promoter group and directors holding more than 10% of the outstanding equity shares of the Company) of the Company and its subsidiaries (collectively, "eligible employees"). The Nomination and Remuneration Committee of the Board of the Company (the "Committee") administers the PPL 2022 Plan and grants stock options to eligible employees. The Committee determines which eligible employees will receive options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The share options can be exercised up to five years after the end of the vesting period and therefore, the contractual term of the options granted is 1 to 8 years.

Pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on 28th July 2022, the Piramal Pharma Limited Employees Welfare Trust (the "ESOP Trust") was formed to support the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 by acquiring, from the Company or through secondary market acquisitions, equity shares which are used for issuance to eligible employees (as defined therein) upon exercise of stock options thereunder.

(a) Details of stock options granted :

Particulars	Grant Date	Vesting Date (Range)		Outstanding at the beginning of the year	Granted during the year	Exercised during the year	Expired/ forfeited during the year	Options lapsed during the year	Balance as at the end of the year	Exercisable at period end	Grant date share price
Grant Date 1	April 19, 2023	April 19, 2024	August 1, 2025	-	12,57,876.00	-	1,78,315.00	-	10,79,561.00	-	77.56
Grant Date 2	May 25, 2023	May 25, 2024	August 1, 2025	-	2,27,922.00	-	21,904.00	-	2,06,018.00	-	78.50
Grant Date 3	July 31, 2023	July 31, 2024	July 31, 2026	-	90,99,066.00	-	36,34,176.00	-	54,64,890.00	-	104.43
Grant Date 4	August 10, 2023	August 10, 2024	August 10, 2026	-	81,796.00	-	14,505.00	-	67,291.00	-	99.60
Grant Date 5	January 30, 2024	January 30, 2025	January 30, 2027	-	6,49,005.00	-	1,87,167.00	-	4,61,838.00	-	139.00
Grant Date 6	February 7, 2024	February 7, 2025	February 7, 2027	-	6,302.00	-	1,730.00	-	4,572.00	-	139.25

(b) Fair Value of stock options granted

The fair value of services received in return for stock options granted to employees is measured by reference to the fair value of stock options granted. The fair value of stock options granted under the PPL 2022 Plan has been measured using the Black Scholes Option Pricing Model ('BS Model') at the date of the grant.

The Black Scholes Option Pricing Model ('BS Model') includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. In respect of options granted, the expected term of an option (or "Life of Option") is estimated based on the vesting term and contractual term, as well as the expected exercise behaviour of the employees receiving the option. Expected volatility of the option is based on historical volatility of comparable companies during a period equivalent to the option life, of the observed market prices of the comparable companies publicly traded equity shares as historical volatility of PPL not considered due to limited trading history. Dividend yield of the options is based on recent dividend activity. Risk-free interest rates are based on the government securities yield in effect at the time of the grant.

Notes to the consolidated financial statements

for the year ended March 31, 2024

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock-based compensation expense could be materially impacted in future years.

The estimated fair value of stock options is recognised in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.

The weighted average inputs used in computing the fair value of options granted were as follows:

Particulars	Grant Date	Weighted Avarage Fair Value at Grant Date	Exercise price (In ₹)	Risk free interest rate	Dividend yield	Volatility	Remaining Expected life* (years)
Grant Date 1	April 19, 2023	61.52	10	7.0% - 7.2%	0.9% - 1.3%	27.5% - 33.9%	0.55 to 3.85 years
Grant Date 2	May 25, 2023	63.35	10	7.0% - 7.1%	0.9% - 1.3%	32.9% - 33.8%	2.65 to 3.85 years
Grant Date 3	July 31, 2023	93.98	10	7.1% - 7.3%	0.7% - 1.5%	25.9% - 33.8%	0.63 to 4.83 years
Grant Date 4	August 10, 2023	88.03	10	7.2% - 7.3%	0.7% - 1.6%	26.6% - 33.8%	0.86 to 2.86 years
Grant Date 5	January 30, 2024	131.14	10	7.1% - 7.2%	0.3% - 0.9%	25.5% - 32.6%	1.43 to 5.33 years
Grant Date 6	February 7, 2024	129.73	10	7.1% - 7.2%	0.3% - 0.9%	28.9% - 32.6%	3.35 to 5.35 years

*Tenure to vesting of options and half of exercise period assuming even exercise of options during exercise period

Share-based payment expense:

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total expense arising from share-based payment transactions	27.47	-

(iii) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the consolidated balance sheet date:

Particulars	Financial Year	No. of shares
Allotment of equity shares of face value ₹ 10 each fully paid up to the shareholders of Piramal Enterprises Limited in the ratio of 1:4 pursuant to composite scheme of arrangement	2022-23	95,46,54,800
Allotment of equity shares of face value ₹ 10 each fully paid-up in lieu of consideration payable to Piramal Enterprises Limited.	2021-22	96,57,423
Allotment of equity shares of face value ₹ 10 each fully paid-up in lieu of conversion of compulsory convertible preference shares to CA Alchemy Investments (erstwhile CA Clover Intermediate II Investments).	2021-22	39,88,262
Allotment of equity shares of face value of ₹10 each as bonus shares to the existing shareholders in the ratio 5.674:1	2021-22	17,76,65,757
Allotment of equity shares of face value ₹ 10 each fully paid-up in lieu of transfer of stake held by Piramal Enterprises Limited in Piramal Healthcare Inc. to the Company	2020-21	1,06,71,651

(iv) Terms and Rights attached to equity shares

Equity Shares:

The Company has one class of equity shares having a face value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend if declared by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the consolidated financial statements
for the year ended March 31, 2024

(v) Shareholdings of Promoter

Shares held by promoters at the end of the year as at March 31, 2024

Promoter Name	No. of shares	% of total shares	% Change during the year*
Ajay G. Piramal	5,47,326	0.04%	10.98%
Swati A. Piramal	9,313	0.00%	10.87%
Anand Piramal	8,74,082	0.07%	10.87%
Nandini Piramal	2,90,418	0.02%	59.62%
Lalita G. Piramal	4,936	0.00%	0.00%
Peter DeYoung	4,32,000	0.03%	0.00%
Anya Piramal DeYoung	1,92,000	0.01%	0.00%
Master Dev Piramal Deyoung	1,92,000	0.01%	0.00%
Ajay G. Piramal (Karta of Ajay G. Piramal HUF)	28,857	0.00%	10.87%
PRL Realtors LLP	3,97,97,353	3.01%	10.87%
The Ajay G. Piramal Foundation	43,75,937	0.33%	10.87%
V3 Designs LLP	4,30,21,826	3.25%	10.87%
Anand Piramal Trust	6,17,884	0.05%	10.87%
Nandini Piramal Trust	5,44,325	0.04%	10.87%
Aasan Corporate Solutions Private Limited	89,31,097	0.68%	10.87%
Piramal Welfare Trust (Formerly Piramal Enterprise executives trust)	1,05,73,898	0.80%	10.80%
The Sri Krishna Trust (Through its trustees Ajay G. Piramal and Swati Piramal)	35,28,91,420	26.67%	11.85%

*Since the Company issued equity shares by way of a Rights Issue during the year, shareholding of promoter has changed.

Shares held by promoters at the end of the year as at March 31, 2023

Promoter Name	No. of shares	% of total shares	% Change during the year*
Ajay G. Piramal	4,93,184	0.04%	100%
Swati A. Piramal	8,400	0.00%	100%
Anand Piramal	7,88,388	0.07%	100%
Nandini Piramal	1,81,948	0.02%	100%
Lalita G. Piramal	4,936	0.00%	100%
Peter DeYoung	4,32,000	0.04%	100%
Anya Piramal DeYoung	1,92,000	0.02%	100%
Master Dev Piramal Deyoung	1,92,000	0.02%	100%
Ajay G. Piramal (Karta of Ajay G. Piramal HUF)	26,028	0.00%	100%
PRL Realtors LLP	3,58,95,652	3.01%	100%
The Ajay G. Piramal Foundation	39,46,924	0.33%	100%
V3 Designs LLP	3,88,04,000	3.25%	100%
Anand Piramal Trust	5,57,308	0.05%	100%
Nandini Piramal Trust	4,90,960	0.04%	100%
Aasan Corporate Solutions Private Limited	80,55,500	0.68%	100%
Piramal Welfare Trust (Formerly Piramal Enterprise executives trust)	95,43,224	0.80%	100%
The Sri Krishna Trust (Through its trustees Ajay G. Piramal and Swati Piramal)	31,55,10,320	26.44%	100%

The Board of Directors of the Company at its meeting held on May 24, 2022, recommended final dividend of ₹ 0.56 per equity share (Face value of ₹ 10 each) amounting to ₹ 67 Crores, which was approved by the shareholders in the AGM held on July 28, 2022 and was paid subsequently to the shareholders.

On May 10, 2024 , a final dividend of ₹ 0.11 per equity share (face value of ₹ 10 each) amounting to ₹ 14.70 crores has been recommended by the Board of Directors in the meeting held which is subject to approval of Shareholders.

Notes to the consolidated financial statements
for the year ended March 31, 2024

15. OTHER EQUITY

(₹ in Crores)

Particulars	As at March 31,2024	As at March 31,2023
Capital Reserve	406.66	406.66
(This reserve is outcome of Business transfer (Business combination) from Piramal Enterprises Limited to the Company)		
Securities premium	4,724.94	3,818.71
(Securities Premium is on account of issue of equity shares. The reserve will utilised in accordance with the provision of the Companies Act, 2013.)		
Retained Earnings	970.67	956.42
(The retained earnings are the profits that the company has earned to date ,less any dividend or distributions paid to investors)		
Foreign Currency Translation Reserve	462.49	401.73
(Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity.)		
Cash Flow Hedging Reserve	(3.84)	(3.36)
(The Group uses hedging instruments as part of its management of foreign currency risk associated with its Foreign Currency Non-repatriable loans and for forecasted sales. Amounts recognised in cash flow hedging reserve is reclassified to Statement of Profit and Loss when the hedged items affect the statement of Profit and Loss. To the extent these hedges are effective, the change in the fair value of hedging instrument is recognised in the Cash Flow Hedging Reserve. (Refer Note 46(d)))		
Share Option Outstanding Reserve	27.47	-
(Share option outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.This will be utilised for allotment of equity shares against outstanding stock option)		
TOTAL	**6,588.42**	**5,580.18**

Refer Statement of Changes in Equity for movement in reserves.

16. NON CURRENT BORROWINGS

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured - at amortized cost		
(i) Term Loan from banks & financial institutions		
- Rupee Loans	264.10	293.81
- Others	2,119.51	2,691.20
(ii) Redeemable Non Convertible Debentures	100.14	398.53
TOTAL	**2,483.75**	**3,383.54**

A. Secured Term Loans from Banks & Others *

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
City National Bank Florida Term Loan - vaporizers carved out of JP Morgan Chase Term Loan	Repayment in 60 monthly installments from Aug 2019	2.08	6.42
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Jun 2020	2.27	4.09
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Sep 2020	3.46	5.72
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Sep 2020	6.19	9.67
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Nov 2020	13.25	19.93
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Jan 2021	7.80	11.88
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Feb 2021	6.23	9.33

Notes to the consolidated financial statements
for the year ended March 31, 2024

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Feb 2021	3.18	4.76
Fifth Third Bank Term Loan- vaporizers carved out of SBI Term Loan	Repayment in 60 monthly installments from Apr 2021	5.00	7.27
Negative pledge over all and whole of the leasehold interest in PMF building, Earl's Road, Grangemouth, FK3,BXG (Otherwise known as PMF Building Avecia Complex, Grangemouth) registered in the Land Register of Scotland.	Repayable in quarterly installments commencing from the month of December 2024 and final repayment date is December 30, 2030	168.94	158.61
SBI Term Loan facility - All the assets (except carved out vaporizers financed through Fifth Third, Citizens Bank, and City National Bank of Florida) of the Company are collateralized.	Repayment in quarterly installments beginning March 2023.	1,493.04	1,618.83
Corporate Guarantee by PPL and First ranking security over assets of Piramal Dutch Holdings NV to ensure asset coverage ratio of 1.05x*	Repayable in 14 structured instalments after moratorium of 18 months from the first draw down date	341.40	442.54
PCCUK-Charge on brands acquired on exclusive basis	Repayable in 4 quarterly instalments of $ 5.31 Mn and a lumpsum payment of $ 46 Mn	560.86	727.03
Corporate Guarantee by PPL and First ranking security over assets of PEL Pharma to ensure asset coverage ratio of 1.05x*	Repayable in 14 structured instalments after moratorium of 18 months from the first draw down date	195.09	252.88
First pari passu on entire Property Plant & Equipment of borrower, present and future. First charge on Current Assets of borrower, present and future.	Repayable in 20 Quarterly instalments from Feb 2019	-	15.00
First pari passu on entire Property Plant & Equipment of borrower, present and future. Second First pari passu charge on Current Assets of borrower, present and future.	Repayable in 30 Quarterly instalments from Dec 2022	-	21.74
First pari passu charge over pool of selected Tangible Assets and Intangible Assets.	Total tenor of 5 years from date of first drawdown	100.00	200.00
First pari passu hypothecation charge on all existing and future moveable fixed assets of the Borrower.	Total tenor of 5 years from date of first drawdown - repayment in 7 unequal half yearly instalments after moratorium of 18 months	-	100.00
First ranking pari passu charge on identified Tangible Assets and an exclusive charge over identified Intangible Assets.	Repayable on May 31, 2023	-	250.00
First pari passu charge on selected movable fixed assets of its manufacturing facilites located at Digwal and Pithampur.First pari passu charge on intangible assets.	To be repaid in 18 equal quarterly instalments after a moratorium period of 6 months from the date of 1st disbursement.	200.00	-

* Guarantee was earlier given by PEL , however during the previous year , the same was transferred in the name of PPL
The parent company utilised the borrowings (including current borrowings) for the purpose for which they were taken.
The coupon rate for the above loans are in the range of 3.25% to 8.89% per annum (Previous year: 3.25% to 9.64% per annum).
Refer Note 41 for assets hypothecated/mortgaged as securities against the Secured Borrowings

B. Redeemable Non Convertible Debentures

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari- pasu charge over pool of selected tangible and intangible assets.	The amount of ₹ 200 Crores is redeemable at par in equal annual repayment at the end of 3rd, 4th and 5th year from the date of drawdown with a put and call option at the end of 3 years and 4 years.	200.00	200.00
First Pari-Passu charge over pool of selected tangible and intangible assets.	The amount of ₹100 Crores is redeemable at par at the end of 3rd year	-	100.00
First Pari-Passu charge over pool of selected tangible and intangible assets.	The amount of ₹100 Crores is redeemable at par in equal annual repayment at the end of 3rd, 4th and 5th year from the date of drawdown with a put and call option at the end of 3 years and 4 years.	100.00	100.00

The rate for the above debentures is 9.33 % per annum to 9.55 % per annum (Previous year : 8.15 % per annum to 8.93 % per annum)
Refer Note 41 for assets hypothecated/mortgaged as securities against the Secured Borrowings

Notes to the consolidated financial statements
for the year ended March 31, 2024

17. Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent consideration Payable at FVTPL	-	4.98
Total	**-**	**4.98**

18. Non-Current Provisions

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer note 39)	32.23	20.59
Provision for Onerous contracts*	0.09	0.09
Total	**32.32**	**20.68**

*Refer Note 47 for movement during the year

19. Deferred tax liabilities (Net) (Refer Note 49)

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Deferred Tax Assets on account of temporary differences		
- Brought forward losses	13.62	16.66
- Expenses that are allowed on payment basis	74.43	79.48
- Expenses that are allowed on deferred basis	4.16	-
- Remeasurement of defined benefit obligation	3.38	1.62
- Fair Value Measurement of derivative contracts	1.05	0.13
- Expected Credit Loss on Trade Receivables	11.38	10.93
- Debt EIR Impact	-	1.82
- Tax effect on Lease Liabilities	6.23	5.50
- Other temporary differences	0.59	0.65
Total (a)	**114.84**	**116.78**
(b) Deferred Tax Liabilities on account of temporary differences		
- Property, Plant and Equipment and Intangible assets	328.21	314.28
- Tax effect on ROU assets	15.08	15.94
- Debt EIR Impact	0.73	0.77
- Other temporary differences	-	5.11
Total (b)	**344.02**	**336.10**
Deferred Tax Liabilities (Net) (b)-(a)	**229.18**	**219.31**

20. Other Non-Current Liabilities

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Government grant related to assets	23.80	18.73
Advances from customer	131.03	142.02
Deferred Revenue	13.07	14.83
TOTAL	**167.90**	**175.58**

Notes to the consolidated financial statements
for the year ended March 31, 2024

21. Current Borrowings

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured - At Amortised Cost		
Loans from banks		
- Working capital Demand Loan	867.39	972.71
- Line of Credit	130.00	-
- Overdraft with banks (including PCRE)	151.17	322.16
Unsecured - at amortised cost		
Loans from banks		
- Repayable on demand	2.53	2.97
Overdraft with banks	20.29	4.45
Current maturities of long-term debt	903.73	818.94
TOTAL	**2,075.11**	**2,121.23**

Description of loan	Terms of repayment	Rate of Interest
Secured Loans:		
Working capital Demand Loan and Overdraft with Banks	At Call	6.10 % to 8.15% per annum
Line of credit	At Call	7.83 % to 7.90 % per annum
Others (PCRE)	At Call	7.90 % to 8.85 % per annum
Unsecured Loans:		
Loans from Banks (Repayable on demand)	At Call	6 % per annum

A. Working capital Demand Loan and Overdraft

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future.	1 year term. Renewable every year	44.94	44.72
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Sep 04, 2023	-	35.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Aug 25, 2023	-	25.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Aug 25, 2023	-	30.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Aug 23, 2023	-	30.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on Aug 08, 2023	-	45.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 21, 2023	-	20.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 19, 2023	-	20.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 17, 2023	-	25.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on July 15, 2023	-	25.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on June 09, 2023	-	50.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on June 07, 2023	-	20.00
First pari-passu charge over entire current assets of the company , both present and future	Repayable on May 09, 2023	-	30.00
First pari-passu charge over entire current assets of the company, both present and future	Repayable on May 04, 2023	-	45.00

Notes to the consolidated financial statements
for the year ended March 31, 2024

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu charge over entire current assets of the company, both present and future	Repayable on May 03, 2023	-	49.00
First pari-passu charge over entire current assets of the company, both present and future	Repayable on Apr 28, 2023	-	20.00
First pari passu charge over the present and future current assets (Stock & Debtors) of the Borrower.	Repayable on Apr 28, 2023	-	50.00
Secured by trade receivables and Inventory for North American sites	At Call	72.98	71.90
Secured by trade receivables and Inventory for North American sites	At Call	43.79	43.14
Secured by trade receivables for Canada site	Repayable on 365 days from date of disbursement	85.73	85.12
Secured by Account Receivables and Inventory for North American sites	At Call	25.02	-
SBI Revolving Loan facility - All the assets (except carved out vaporizers financed through Fifth Third, Citizens Bank and City National Bank of Florida) of the Company are collateralized.	Repayment in quarterly instalments beginning June 2023 with rollover option.	209.67	207.33
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 19, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on May 01, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on September 13, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 03, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 08, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on April 10, 2024	50.00	-
First pari-passu charge over entire current assets of the company , both present and future	Repayable on June 10, 2024	50.00	-
Secured by current assets of the company	At call	75.64	-
HSBC Revolving Loan facility - All the assets (except carved out vaporizers financed through Fifth Third, Citizens Bank, and City National Bank of Florida) of the Company are collateralized.	Repayable on demand (uncommitted facility)	58.39	-

Refer Note 41 for assets hypothecated/mortgaged as securities against the Secured Borrowings

B. Packing Credit loan (PCRE)

(₹ in crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu charge over the company's Stocks & Receivables, both present and future	Repayable on June 06, 2023	-	50.00
First pari-passu charge over the company's Stocks & Receivables, both present and future	Repayable on September 01, 2023	-	10.00
First pari-passu charge over the company's Stocks & Receivables, both present and future	Repayable on August 29, 2023	-	63.00
First pari-passu charge over the company's Stocks & Receivables, both present and future	Repayable on August 28, 2023	-	27.00
First pari-passu charge over the company's Stocks & Receivables	Repayable on June 07, 2024	50.00	-
First pari-passu charge over entire current assets of the company, both present and future	Repayable on May 31, 2023	-	50.00

Notes to the consolidated financial statements
for the year ended March 31, 2024

C. Line of Credit

(₹ in crores)

Nature of Security	Rate of Interest	Principal Outstanding as at March 31, 2024	Principal Outstanding as at March 31, 2023
First pari-passu in the form of Plant & Machinery and Intangibles assets (short term loan)	Repayable on December 18, 2024	65.00	-
First pari-passu in the form of Plant & Machinery and Intangibles assets (short term loan)	Repayable on January 03, 2025	65.00	-

Refer Note 41 for assets hypothecated/mortagaged as securities against the Secured Borrowings.

22. OTHER FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Employee related liabilities	159.43	199.43
Contingent consideration at FVTPL	0.33	6.15
Capital Creditors	3.07	1.50
Security Deposits Received	4.17	3.91
Derivative Financial Liabilities	4.13	4.94
Other payables (including medicaid , rebates)	80.14	11.12
TOTAL	**251.27**	**227.05**

23. OTHER CURRENT LIABILITIES

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance From Customers	145.27	117.47
Deferred Revenue	198.35	83.66
Deferred Government grant related to assets	1.96	2.24
Statutory Dues	41.79	25.55
TOTAL	**387.37**	**228.92**

24. CURRENT PROVISIONS

(₹ in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note 39)	43.57	39.21
TOTAL	**43.57**	**39.21**

25. CURRENT TAX LIABILITIES (NET)

(₹ in crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for Income Tax [Net of advance Tax of ₹ 87.80 crore (Previous year - ₹7.99 Crores)]	40.30	3.54
TOTAL	**40.30**	**3.54**

Notes to the consolidated financial statements
for the year ended March 31, 2024

26. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
A Contingent liabilities:		
1 Claims against the Company not acknowledged as debts:		
Dispute with Telangana Pollution Control Board (TPCB)	11.86	11.86
2 Others:		
i. Appeals filed in respect of disputed demands:		
Income Tax		
- where the Company is in appeal	0.24	-
Sales Tax	1.59	2.83
Central Excise / Service Tax / Customs/ GST	42.27	39.36
Labour Matters	2.34	1.92
Note: Future cash outflows in respect of above are determinable only on receipt of judgments/decisions pending with various forums/authorities.		
ii. Unexpired Letters of Credit	3.13	1.35
iii. For details of Contingent Liability incurred by the Group arising from its share of associates Refer Note 37.		
B Commitments:		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for	199.70	225.34
b. The Group has imported raw materials at concessional rates, under the Advance License Scheme of the Government of India, to fulfil conditions related to quantified exports in stipulated period	27.39	23.12

27. REVENUE FROM OPERATIONS

(₹ In Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Revenue from contract with customers		
Sale of products	7,066.45	5,988.99
Sale of Services	1,039.96	1,043.42
Other operating revenues:		
Scrap Sales	45.31	32.26
Others (Governmant grant, insurance claims, export incentives etc.)	19.44	16.88
Total	**8,171.16**	**7,081.55**

The Company is entitled to an assistance under the Industrial Policy & Investment promotion scheme by the Government of Madhya Pradesh in respect of a manufacturing plant located in Pithampur (Madhya Pradesh). The facility at Pithampur shall be entitled to receive an assistance of ₹ 28.75 crores (maximum entitlement) as Basic Investment Promotion Assistance over an eligible period of 7 years starting from April 01, 2023 to March 31, 2030, subject to fulfilment of conditions w.r.t. annual production and export turnover. During the year, ₹ 4.11 crores (Previous year – ₹ NIL) is accrued under the head 'Other operating revenue'.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by major product and timing of transfer of goods or services for each of our business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Notes to the consolidated financial statements
for the year ended March 31, 2024

For the year ended March 31, 2024

(₹ In Crores)

Revenue by product line/ timing of transfer of goods/ services	For the year ended March 31, 2024 At point in time	Over time
Global Pharma	6,792.50	347.61
Over the counter products	966.29	-
Total	**7,758.79**	**347.61**

For the year ended March 31, 2023

(₹ In Crores)

Revenue by product line/ timing of transfer of goods/ services	For the year ended March 31, 2023 At point in time	Over time
Global Pharma	5,503.27	654.79
Over the counter products	874.35	-
Total	**6,377.62**	**654.79**

Reconciliation of revenue recognised with contract price:

(₹ In Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products and services at transaction price	9,356.26	8,057.76
Less: Discounts	(1,249.86)	(1,025.35)
Revenue recognised on sale of products and services	**8,106.40**	**7,032.41**

28. OTHER INCOME (NET)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Revenue on Financial Assets		
- Bank Deposits at amortised costs	11.10	1.64
- On Income Tax Refund	0.82	-
Other Gains & Losses:	-	-
- Exchange Gain (Net)	30.40	110.77
- Income on instruments mandatorily measured at FVTPL	0.08	0.98
Write back of liabilities no longer payable	46.95	49.00
Profit on Sale of Investment.	4.27	1.58
Lease Rental Income	3.97	3.32
Miscellaneous Income	77.80	57.82
TOTAL	**175.39**	**225.11**

29. COST OF MATERIALS CONSUMED

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw Materials consumed	1,976.83	1,682.46

30. PURCHASES OF STOCK-IN-TRADE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Traded Goods	1,175.77	952.20
TOTAL	**1,175.77**	**952.20**

Notes to the consolidated financial statements
for the year ended March 31, 2024

31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
OPENING INVENTORY:		
Work-in-Progress	334.72	322.40
Finished Goods	247.03	97.95
Stock-in-trade	199.18	246.09
Stock acquired under business acquisition (Refer note 63)		
Work-in-Progress	-	29.99
Finished Goods	-	28.05
Stock-in-trade	-	125.09
LESS: CLOSING INVENTORY :		
Work-in-Progress	525.76	334.72
Finished Goods	186.41	247.03
Stock-in-trade	267.34	199.18
TOTAL	**(198.60)**	**68.64**

32. EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and Wages	1,724.03	1,641.62
Employee Share Based expenses (Refer Note 72)	27.47	-
Contribution to Provident and Other Funds (Refer Note 39)	129.64	114.92
Gratuity Expense (Refer Note 39)	5.45	3.64
Staff Welfare	142.91	136.17
TOTAL	**2,029.50**	**1,896.35**

33. FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance Charge on financial liabilities measured at amortised cost	443.63	337.67
Interest on Income Tax	3.32	0.04
Other borrowing costs	1.54	6.47
TOTAL	**448.49**	**344.18**

34. OTHER EXPENSES (NET)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Processing Charges	18.51	22.87
Consumption of Stores and Spares Parts	137.49	126.53
Consumption of Laboratory materials	107.68	114.14
Power, Fuel and Water Charges	241.59	207.81
Repairs and Maintenance		
Buildings	78.17	72.87
Plant and Machinery	185.64	162.96
Others	43.89	32.16

Notes to the consolidated financial statements
for the year ended March 31, 2024

34. OTHER EXPENSES (NET) (Contd.)

(₹ in Crores)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023
Rent			
Premises		2.81	3.46
Other Assets		28.78	28.64
Rates & Taxes		88.97	57.17
Insurance		46.03	43.84
Travelling Expenses		77.46	66.49
Directors' Commission		2.16	1.63
Directors' Sitting Fees		0.56	0.39
Bad Debts written off during the year	26.33		
Less: Bad debt written out of Provision for doubtful debts	(25.75)	0.58	-
Expected Credit Loss on Trade Receivables (Refer Note 9)		31.32	42.05
Loss on sale of property, plant and equipment		0.46	0.48
Advertisement and Business Promotion Expenses		142.29	176.15
Donations*		8.35	8.99
Contribution to Electoral Bond/ Political Party#		3.00	3.00
Freight		154.14	144.53
Sales Commission		7.70	3.01
Clearing and Forwarding Expenses		55.62	48.90
Communication and Postage		14.29	14.32
Printing and Stationery		10.83	12.84
Legal Charges		7.35	10.75
Loss on account of change in control		0.54	-
Professional Charges		195.08	162.78
Royalty Expense		59.59	56.21
Service Charges		33.72	38.59
Information Technology Costs		31.39	30.25
Net Fair Value losses on instruments mandatorily measured at FVTPL		4.75	-
R & D Expenses Net		100.67	86.36
Miscellaneous Expenses		69.98	73.49
TOTAL		**1,991.40**	**1,853.66**

Note:

* **Details in respect of Corporate Social Responsibility Expenditure:**

- Gross amount required to be spent during the year - ₹4.65 Crores (Previous year: ₹7.58 Crores)
- Amount of expenditure incurred ₹5.28 Crores (Previous year: ₹7.58 Crores)
- Carry forward/(Shortfall) at the end of the year ₹0.63 Crores (Previous year : Nil)
- Total of previous period's shortfall ₹Nil (Previous year : Nil)
- Reason for shortfall - Not Applicable
- Nature of CSR activities - Aspirational District Collaborative Education programme.
- Details of related party transactions - Nil (Previous year : Nil)
- Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. - Not Applicable

\# **Amount contributed to political parties**

It includes amount paid to political party (Bharatiya Janata Party) during the year - ₹ 3 Crores.

During the previous year, the Company had paid an amount of ₹ 3 Crores made through electoral bonds to Bhartiya Janata Party (in accordance with the Electoral Bond Scheme notified by GOI).

Notes to the consolidated financial statements
for the year ended March 31, 2024

35. EXCEPTIONAL ITEMS

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for claim against supplier (Refer Note a)	(32.27)	-
Provision for impairment for investment and Intangible asset under development (Refer Note b)	(30.52)	-
Certain transaction cost related to business combination (Refer note 63)	-	(6.96)
TOTAL	**(62.79)**	**(6.96)**

a) During the year ended March 31, 2024, a step-down wholly-owned subsidiary ("Piramal Critical Care Inc") of the Company had received an intimation from its supplier citing quality and sterility issues identified at its manufacturing facility.The supplier then initiated recall of the said pharmaceutical products. The subsidiary provided multiple opportunities to the supplier to pay for the recalled/unsold products along with other associated costs. Since the supplier has not paid for the same, a formal insolvency proceeding has been initiated under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("IBC") against the supplier before the Ahmedabad Bench of the National Company Law Tribunal on November 21, 2023. Owing to the above matter, the subsidiary has created a provision towards claims against the supplier amounting to ₹ 32.27 Crores which has been classified as an exceptional item in the consolidated statement of profit and loss for the year ended March 31, 2024.

b) In May 2021, Piramal Critical Care B.V, a step-down wholly owned subsidiary of the company had partnered with a U.S. based company claiming to have proprietary development, regulatory and manufacturing know-how to implement solutions for certain infusible pharmaceuticals. The arrangement involved an investment of ₹ 16.47 Crores, in the company through share warrants and convertible notes and an exclusive, irrevocable, and perpetual license for sale of two products valued at ₹ 44.82 Crores. While one of the products has been launched successfully; considering the inadequacy of progress on the other product and the changed market scenario, the group has recognised a provision of ₹ 30.52 Crores, towards the Equity investment and partial license rights and has classified that as an exceptional item in the consolidated statement of profit and loss for the year ended March 31, 2024.

36. OTHER COMPREHENSIVE INCOME / (LOSS) (NET OF TAXES)

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement of post-employment benefit obligations (Refer Note 39)	(3.78)	(2.57)
Deferred gains / (losses) on cash flow hedges	(0.48)	(15.45)
Share of Other Comprehensive Income / (Expense) of associates accounted for using the equity method	0.22	-
Exchange differences on translation of foreign operations	60.76	193.82
TOTAL	**56.72**	**175.80**

37. INTEREST IN OTHER ENTITIES:

INTEREST IN ASSOCIATES

Sr. No.	Name of the Company	Principal place of business	Carrying Amount as at (₹ In Crores) March 31, 2024	% of ownership interest	Carrying Amount as at (₹ In Crores) March 31, 2023	% of ownership interest
1	AbbVie Therapeutics India Pvt Ltd (erstwhile known as Allergan India Private Limited)	India	84.01	49.00%	48.41	49.00%
2	Yapan Bio Private Limited (Yapan)	India	121.31	33.33%	121.71	33.33%

The above investments are accounted for using Equity Method. These are unlisted investments and hence quoted prices are not available.

AbbVie Therapeutics India Pvt Ltd is mainly engaged in trading of opthalmic products.

Yapan Bio Private Limited is mainly engaged in contract process development and manufacting of vaccines and biologics/ bio-therapeutics for human clinical trials.

Notes to the consolidated financial statements
for the year ended March 31, 2024

i) AbbVie Therapeutics India Pvt Ltd

Significant judgement: classification of associate

The Group owns 49% equity shares of Abbvie Therepeutics India Private Limited. As per the terms of the contractual agreement with AbbVie Therapeutics India Pvt Ltd (erstwhile known as Allergan India Private Limited), the company by virtue of its shareholding neither has the power to direct the relevant activities of the company, nor has the right to appoint majority of the Directors. The company only has a right to participate in the policy making processes. Accordingly AbbVie Therapeutics India Pvt Ltd has been considered as an Associate.

Significant financial information for associate (based on unaudited accounts)

Summarised Balance Sheet as at:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Current assets	233.56	186.63
Non-current assets	47.35	48.71
Current liabilities	(78.86)	(118.94)
Non-current liabilities	(31.04)	(19.36)
Net Assets	**171.01**	**97.04**

Summarised statement of profit and loss for the year ended:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Revenue	461.25	446.04
Profit for the year	122.20	110.41
Other comprehensive income/ (loss)	0.45	-
Total comprehensive income	122.65	110.41
Dividends received	24.50	83.79

Reconciliation to carrying amounts as at:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Net assets	171.01	97.04
Group's share in %	49%	49%
Proportion of the Group's ownership interest	83.80	47.55
Others	0.21	0.86
Carrying amount	**84.01**	**48.41**

Contingent liabilities as at:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Share of associate's contingent liabilities		
- Claims against the company not acknowledged as debt	15.29	14.08
- Disputed demands for income tax	5.70	3.57
Total contingent liabilities	**20.99**	**17.65**

ii) Yapan Bio Private Limited (YBPL)

Significant judgement: classification of associate

The Group owns 33.33% equity shares of Yapan Bio Private Limited. As per the terms of the contractual agreement with promotors of YBPL, the Group by virtue of its shareholding neither has the power to direct the relevant activities of the company, nor has the right to appoint majority of the Directors. The Group only has a right to participate in the policy making processes. Accordingly Yapan Bio Private Limited has been considered as an Associate.

Notes to the consolidated financial statements
for the year ended March 31, 2024

Significant financial information for associate

Summarised Balance Sheet as at:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Current assets	51.43	49.14
Non-current assets	72.15	30.49
Current liabilities	(33.70)	(3.34)
Non-current liabilities	(16.93)	(0.87)
Net Assets	**72.95**	**75.42**

Summarised statement of profit and loss for the year ended:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Revenue	26.91	13.70
(Loss)/ Profit for the year	(1.18)	0.71

Reconciliation to carrying amounts as at:

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Net assets	72.95	75.42
Group's share in %	33.33%	33.33%
Proportion of the Group's ownership interest	24.74	25.14
Goodwill on acquisition	96.57	96.57
Carrying amount	**121.31**	**121.71**

Contingent Liability

There are no Contingent liabilities as at March 31, 2024 & March 31, 2023 in Yapan Bio Private Limited.

iii) List of subsidiaries

Subsidiaries

The Subsidiary companies including step down subsidiaries as on March 31, 2024

Name of the Company	Principal Place of Business	Proportion of Ownership interest held as at March 31, 2024	Proportion of Ownership interest held as at March 31, 2023
Piramal Critical Care Italia, S.P.A**	Italy	100%	100%
Piramal Critical Care Deutschland GmbH**	Germany	100%	100%
Piramal Critical Care Limited **	U.K.	100%	100%
Piramal Healthcare (Canada) Limited ** (Piramal Healthcare, Canada)	Canada	100%	100%
Piramal Critical Care B.V. **	Netherlands	100%	100%
Piramal Pharma Solutions (Dutch) B.V. **	Netherlands	100%	100%
Piramal Critical Care Pty. Ltd. **	Australia	100%	100%
Piramal Healthcare UK Limited ** (Piramal Healthcare UK)	U.K.	100%	100%
Piramal Healthcare Pension Trustees Limited**	U.K.	100%	100%
Piramal Critical Care South Africa (Pty) Ltd **	South Africa	100%	100%
Piramal Dutch Holdings N.V.	Netherlands	100%	100%
Piramal Healthcare Inc. @	U.S.A	100%	100%
Piramal Critical Care, Inc. ** (PCCI)	U.S.A	100%	100%
Piramal Pharma Inc.**	U.S.A	100%	100%
Piramal Pharma Solutions Inc.** (Piramal Pharma Solutions)	U.S.A	100%	100%

Notes to the consolidated financial statements
for the year ended March 31, 2024

Name of the Company	Principal Place of Business	Proportion of Ownership interest held as at March 31, 2024	Proportion of Ownership interest held as at March 31, 2023
PEL Pharma Inc.@	U.S.A	100%	100%
PEL Healthcare LLC**	U.S.A	100%	100%
Ash Stevens LLC ** (Ash Stevens)	U.S.A	100%	100%
Piramal Pharma II Private Limited (w.e.f. June 8, 2022)	India	100%	100%
Piramal Pharma Japan GK ** (liquidated on August 15,2023)	Japan	N/A	100%
Piramal Pharma Limited Employees Welfare Trust (w.e.f April 5, 2023)	India	100%	N/A
Piramal Critical Care Single Member PC (w.e.f. February 28, 2023) **	Greece	100%	100%

** held through Piramal Dutch Holdings N.V.

@ 10% held through PPL and 90% held through Piramal Dutch Holdings N.V.

38. GOODWILL

Movement in Goodwill on Consolidation during the year:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	1,107.51	1,030.50
Add: Addition due to acquisition during the year (Refer note 63)	-	7.42
Add: Currency translation differences	15.04	69.59
Closing balance	**1,122.55**	**1,107.51**

The above goodwill relates to acquisition of Hemmo Pharmaceuticals Private Limited of ₹ 145.05 Crore (Previous Year ₹ 145.05 Crore), Convergence Chemicals Private Limited of ₹ 8.08 Crore (Previous Year ₹ 8.08 Crore) , Piramal Pharma Solutions Inc. of ₹ 176.73 Crore (Previous Year ₹ 174.89 Crore), Piramal Healthcare UK Limited of ₹ 44.09 Crore(Previous Year ₹ 41.75 Crore), Piramal Critical Care Inc.(Minrad International Inc. and Mallinkrodt) of ₹ 677.17 Crore (Previous Year ₹ 667.25 Crore), Ash Stevens Inc of ₹ 64.01 Crore (Previous Year ₹ 63.07 Crore), Pharma business of Piramal Enterprises Limited (demerged undertaking as defined in the scheme) of ₹ 7.42 Crore (Previous Year ₹ 7.42 Crore).

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or group of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment, which is represented through group of CGUs.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

The recoverable amount, being fair value, was computed using the discounted cash flow method for which the estimated cash flows for a period of 5 years in the Pharmaceuticals segment were developed using internal forecasts, and a post-tax discount rate of 11.52% to 17% respectively (March 31, 2023: 10% to 17% respectively). The cash flows beyond 5 years have been extrapolated assuming growth rates ranging from 5% to 7% (March 31, 2023: growth rate 3.4% to 5%), depending on the cash generating unit and the country of operations.

The management believes that any reasonably possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit.

Based on the above, no impairment was identified as of March 31, 2024 and March 31, 2023 as the recoverable value of the CGU's exceeded the carrying values.

Notes to the consolidated financial statements
for the year ended March 31, 2024

39. EMPLOYEE BENEFITS :

Brief description of the Plans:

Other Long Term Employee Benefit Obligations

Leave Encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise.

Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the consolidated balance sheet date.

Defined Contribution plans

The Group's defined contribution plans are Provident Fund (in case of certain employees), Superannuation, Overseas Social Security Plans, Employees State Insurance Fund and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and 401(k) plan contribution(in case of U.S. subsidiaries). The Group has no further obligation beyond making contributions to such plans.

Post-employment benefit plans

Gratuity for employees in India is paid as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. The Group has both funded and non funded plans and makes contributions to recognised funds in India in case of funded plans.

The Group's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Group funds the plan on a periodical basis.

In case of certain employees, the Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

In case of a foreign subsidiary, the subsidiary sponsors a defined benefit retirement plan. The benefits are based on employees' years of experience and final remuneration. The plan was funded through a separate trustee-administered fund.The pension cost for the main defined plans is established in accordance with the advice of independent qualified actuary. There are no active members in the fund.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, equity, mutual funds and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

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

Salary risk

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

The Group has both funded and non funded plans and makes contributions to recognised funds in India in case of funded plans. The Group does not fully fund the liability and maintains a target level of funding to be maintained over

Notes to the consolidated financial statements
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a period of time based on estimations of expected gratuity payments. In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Group. The contributions made to the trust are recognised as plan assets. Plan assets in the Provident fund trust are governed by local regulations, including limits on contributions in each class of investments.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations, with the objective that assets of the gratuity / provident fund obligations match the benefit payments as they fall due. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of government and corporate bonds, although the Group also invests in equities, cash and mutual funds. The plan asset mix is in compliance with the requirements of the regulations in case of Provident fund.

In case of an overseas subsidiary, the pension plans were funded through a separate trustee - administered fund. The subsidiary employs a building block approach in determining the long term rate of return on pension plan assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles.

I. Charge to the Consolidated Statement of Profit and Loss based on Defined Contribution Plans:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Employer's contribution to Regional Provident Fund Office	3.29	2.74
Employer's contribution to Superannuation Fund	0.27	0.27
Employer's contribution to Employees' State Insurance	0.54	0.60
Employer's contribution to Employees' Pension Scheme 1995	6.67	6.03
Contribution to Pension Fund	61.19	50.47
401 (k) Plan contribution	44.63	41.04
TOTAL	**116.59**	**101.15**

Included in Contribution to Provident and Other Funds and R&D Expenses disclosed under Other Expenses (Refer Note 32 and 34)

II. Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2024 and March 31, 2023

A. Change in Defined Benefit Obligation

(₹ in crores)

	(Funded)					
	Gratuity		Pension		Provident Fund	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Present Value of Defined Benefit Obligation as at beginning of the year	66.73	54.91	391.71	614.18	206.35	170.01
Acquired through business combination	-	5.16	-	-	-	-
Interest Cost	4.81	3.76	18.95	11.57	17.72	16.61
Current Service Cost	5.16	4.61	-	-	14.58	12.48
Contributions from plan participants	-	-	-	-	23.06	19.99
Liability Transferred In for employees joined	-	-	-	-	0.15	2.99
Liability Transferred Out for Employees left	-	-	-	-	(0.82)	-
Benefits Paid	(5.88)	(4.19)	(15.02)	(15.14)	(13.46)	(8.94)
Return on Plan Assets, Excluding Interest Income	-	-	-	-	-	(6.79)
Actuarial (Gains)/loss - due to change in demographic assumptions	(0.07)	-	-	-	-	-
Actuarial (Gains)/loss - due to change in Financial Assumptions	2.86	(0.26)	22.22	(220.75)	-	-
Actuarial (Gains)/loss - due to experience adjustments	3.41	2.74	-	-	-	-
Exchange Differences on Foreign Plans	-	-	13.42	1.85	-	-
Present Value of Defined Benefit Obligation as at the end of the year	**77.02**	**66.73**	**431.28**	**391.71**	**247.58**	**206.35**

Notes to the consolidated financial statements
for the year ended March 31, 2024

B. Changes in the Fair Value of Plan Assets

(₹ in crores)

	(Funded)					
	Gratuity		Pension		Provident Fund	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Fair Value of Plan Assets as at beginning of the year	48.62	45.44	595.01	890.21	210.09	170.01
Interest Income	3.47	3.11	28.88	16.73	17.72	16.61
Acquistion through business combination	-	5.16	-	-	-	-
Contributions from employer	-	0.06	-	-	37.68	32.47
Assets Transferred In for employees joined	-	-	-	-	0.15	2.99
Assets Transferred out for Employees left	-	-	-	-	(0.82)	-
Benefits Paid from the fund	(5.88)	(4.19)	(15.02)	(15.14)	(13.46)	(8.94)
Return on Plan Assets, Excluding Interest Income	1.15	(0.96)	(9.74)	(293.20)	0.38	(3.05)
Administration cost	-	-	(2.64)	(7.58)	-	-
Exchange Differences on Foreign Plans	-	-	20.03	3.99	-	-
Fair Value of Plan Asset as at the end of the year	**47.36**	**48.62**	**616.52**	**595.01**	**251.74**	**210.09**

C. Amount recognised in the Consolidated Balance Sheet

(₹ in crores)

	(Funded)					
	Gratuity		Pension		Provident Fund	
	As at March 31,		As at March 31,		As at March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Present Value of Defined Benefit Obligation as at the end of the year	77.02	66.73	431.28	391.71	247.58	206.35
Fair Value of Plan Assets As at end of the year	47.36	48.62	616.52	595.01	251.74	210.09
Funded Status	-	-	185.24	203.30	-	-
Asset Ceiling	-	-	(185.24)	(203.30)	-	-
Effect of currency translations	-	-	-	-	-	-
Net Liability/(Asset)	**29.66**	**18.11**	**-**	**-**	**(4.16)**	**(3.74)**
Assets Not Recognised In Balance Sheet	-	-	-	-	4.16	3.74
Net Liability recognised in the Consolidated Balance Sheet (Refer Notes 18 and 24)	**29.66**	**18.11**	**-**	**-**	**-**	**-**

(₹ in crores)

	(Funded)					
	Gratuity		Pension		Provident Fund	
	As at March 31,		As at Ended March 31,		As at Ended March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Recognised under:						
Non Current provision (Refer Note 18)	29.66	18.11	-	-	-	-
Current provision (Refer Note 24)	-	-	-	-	-	-

Any Gains/Losses on Asset and Surplus of Asset are not recognised in the consolidated Balance Sheet as the same belongs to the Trust and the Group does not have claim over the Trust surplus (if any).

The Group has no legal obligation to settle the deficit in the funded plan (Gratuity) with an immediate contribution or additional one off contributions.

Notes to the consolidated financial statements
for the year ended March 31, 2024

D. Expenses recognised in Consolidated Statement of Profit and Loss

(₹ in crores)

	(Funded)					
	Gratuity		Pension		Provident Fund	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Current Service Cost	5.16	4.61	-	-	14.58	12.48
Net interest Cost	1.34	0.65	-	-	-	-
Total Expenses / (Income) recognised in the Statement of Profit And Loss*	**6.50**	**5.26**	-	-	**14.58**	**12.48**

*Included in Salaries and Wages, Contribution to Provident and Other Funds, Gratuity Fund and Research and Development Expenses (Refer Note 32 and 34)

E. Expenses Recognized in the Other Comprehensive Income (OCI) for Current Year

(₹ in crores)

	(Funded)					
	Gratuity		Pension		Provident Fund	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Actuarial (Gains)/Losses on Obligation For the Period - Due to changes in demographic assumptions	(0.07)	-	-	-	-	-
Actuarial (Gains)/Losses on Obligation For the Period - Due to changes in financial assumptions	2.86	(0.26)	22.22	(220.75)	-	-
Actuarial (Gains)/Losses on Obligation For the Period - Due to experience adjustment	3.41	2.74	-	-	-	-
Return on Plan Assets, Excluding Interest Income	(1.15)	0.96	15.02	300.78	-	-
Change in Asset Ceiling	-	-	(37.24)	(80.03)	-	-
Net (Income)/Expense For the year Recognized in OCI	**5.05**	3.44	-	-	-	-

F. Significant Actuarial Assumptions:

	(Funded)					
	Gratuity		Pension		Provident Fund	
	As at March 31,		As at March 31,		As at March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Discount Rate (per annum)	7.19%	7.39%	4.80%	4.80%	7.39%	7.39%
Salary escalation rate	10.00% p.a. for the next 1 year, 7.00% p.a. for the next 2 years, starting from the 2nd year 6.00% p.a. thereafter, starting from the 4th year	9.50% p.a. for the next 1 year,7.00% p.a. for the next 2 years, starting from the 2nd year 6.00% p.a. thereafter, starting from the 4th year	-	-	NA	NA
Expected Rate of return on Plan Assets (per annum)	7.19%	7.39%	3.30%	3.20%	8.15%	8.15%

The expected rate of return on plan assets is based on market expectations at the closing of the year. The rate of return on long-term bonds is taken as reference for this purpose.

In case of certain employees, the Provident Fund contribution is made to a Trust administered by the Group. In terms of the Guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident fund liability based on the assumptions listed above and determined that there is no shortfall at the end of each reporting period.

Notes to the consolidated financial statements
for the year ended March 31, 2024

G. Movements in the present value of net defined benefit obligation are as follows:

(₹ in crores)

	(Funded)	
	Gratuity	
	As at March 31,	
Particulars	**2024**	**2023**
Opening Net Liability/(Asset)	18.11	9.47
Acquisition through business combination	-	-
Expenses Recognized in Statement of Profit or Loss	6.50	5.26
Expenses Recognized in OCI	5.05	3.44
Employer's Contribution	-	(0.06)
Net Liability/(Asset) Recognized in the Consolidated Balance Sheet	29.66	18.11

H. Category of Assets

(₹ in crores)

	(Funded)					
	Gratuity		Pension		Provident Fund	
	As at March 31,		As at March 31,		As at March 31,	
Particulars	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Government of India Assets (Central & State)	27.73	22.09	-	-	123.95	107.30
Public Sector Unit Bonds	0.21	0.19	-	-	-	3.72
Debt Instruments	-	-	462.35	446.25	-	-
Corporate Bonds	12.80	17.54	-	-	103.25	82.20
Fixed Deposits under Special Deposit Schemes of Central Government*	1.64	3.94	-	-	-	-
Equity Shares of Listed Entities/ Mutual funds	4.95	4.82	-	-	13.78	8.05
Global Equities	-	-	154.13	148.75	-	-
Others*	0.02	0.03	-	-	10.76	8.82
Total	**47.35**	48.61	616.48	595.00	251.74	210.09

* Except these, all the other investments are quoted.

I. Other Details

Funded Gratuity

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Number of Active Members	5,028	4,565
Per Month Salary For Active Members (₹ In crores)	16.95	14.74
Average Expected Future Service (Years)	6.00	7.00
Projected Benefit Obligation (PBO) (₹ In crores)	77.01	66.72
Prescribed Contribution For Next Year (12 Months) (₹ In crores)	16.95	14.74

J. Cash Flow Projection: From the Fund

(₹ in crores)

Projected Benefits Payable in Future Years From the Date of Reporting	**Estimated for the year ended March 31, 2024**	**Estimated for the year ended March 31, 2023**
1st Following Year	14.04	9.35
2nd Following Year	6.81	5.90
3rd Following Year	9.09	7.64
4th Following Year	8.75	7.04
5th Following Year	8.29	6.99
Sum of Years 6 To 10	37.02	34.00
Sum of Years 11 years and above	33.37	38.52

The Group's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Group funds the plan on a periodical basis.

In case of certain employees, the Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

Weighted average duration of the defined benefit obligation is in the range of 8 years.

Notes to the consolidated financial statements
for the year ended March 31, 2024

K. Sensitivity Analysis

(₹ in crores)

Projected Benefit Obligation	Gratuity - Funded As at March 31, 2024	Gratuity - Funded As at March 31, 2023
Impact of +1% Change in Rate of Discounting	(3.49)	(6.06)
Impact of -1% Change in Rate of Discounting	3.86	2.76
Impact of +1% Change in Rate of Salary Increase	3.83	2.71
Impact of -1% Change in Rate of Salary Increase	(3.53)	(5.50)
Impact of +1% Change in Rate of Employee Turnover	0.10	(1.24)
Impact of -1% Change in Rate of Employee Turnover	(0.12)	1.27

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the consolidated balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The liability for Long term Service Awards (Non – Funded) as at year end is ₹ 3.04 crores (Previous year - ₹ 2.96 Crores)

The liability for Leave Encashment (Non – Funded) as at year end is ₹ 43.07 Crores (Previous year - ₹ 38.43 Crores)

40. RELATED PARTY DISCLOSURES

1. List of related parties-:

A. Associates

Name of the Entity	Principal Place of business	% voting power held as at March 31, 2024	% voting power held as at March 31, 2023
AbbVie Therapeutics India Pvt Ltd (erstwhile known as "Allergan India Pvt Ltd")	India	49.00%	49.00%
Yapan Bio Private Limited (Yapan)	India	33.33%	33.33%

B. Other related parties

Entities with significant influence of Key Management Personnel*:

Payu India Private Limited

Trilegal

The Ajay G Piramal Foundation

Nandini Piramal Trust

Mr. Ajay G. Piramal HUF

*where there are transactions during current year and/or previous year.

Employee Benefit Trusts

Piramal Pharma Limited employees PF trust (PPFT)

C. Key Management Personnel (KMP)

Mr. Peter De Young

Ms. Nandini Piramal

Mr. Vivek Valsaraj

D. Relatives of Key Managerial Personnel*

Mr. Ajay G. Piramal

Dr. (Mrs) Swati A. Piramal

Mr. Anand Piramal

*where there are transactions during current year and/or previous year.

Notes to the consolidated financial statements
for the year ended March 31, 2024

E. Non Executive Independent Directors

Mr. S. Ramadorai

Mr. Neeraj Bharadwaj

Mr. Jairaj Manohar Purandare

Mr. Peter Andrew Stevenson

Ms. Nathalie Leitch

Ms. Vibha Paul Rishi

Mr. Sridhar Gorthi

2. Details of transactions with related parties

(₹ in Crores)

Details of Transactions	Associates Mar-24	Associates Mar-23	Other Related Parties Mar-24	Other Related Parties Mar-23	Total Mar-24	Total Mar-23
Sale of Goods						
- AbbVie Therapeutics India Pvt Ltd	100.44	70.04	-	-	100.44	70.04
TOTAL	**100.44**	**70.04**	-	-	**100.44**	**70.04**
Dividend Income						
- AbbVie Therapeutics India Pvt Ltd	24.50	83.79	-	-	24.50	83.79
TOTAL	**24.50**	**83.79**	-	-	**24.50**	**83.79**
Services received						
- PayU India Private Limited	-	-	0.35	-	0.35	-
- Trilegal	-	-	0.44	-	0.44	-
TOTAL	-	-	**0.79**	-	**0.79**	-
Advance Paid						
- Yapan Bio Private Limited (Yapan)	5.02	-	-	-	5.02	-
TOTAL	**5.02**	-	-	-	**5.02**	-
Purchase of Goods						
- Yapan Bio Private Limited (Yapan)	28.19	-	-	-	28.19	-
TOTAL	**28.19**	-	-	-	**28.19**	-
Proceeds from Right issue of Equity shares						
- Mr. Ajay G. Piramal	-	-	0.44	-	0.44	-
- Ms. Nandini Piramal	-	-	0.88	-	0.88	-
- Mr. Ajay G. Piramal HUF	-	-	0.02	-	0.02	-
- Dr. (Mrs) Swati A. Piramal	-	-	0.01	-	0.01	-
- Mr. Anand Piramal	-	-	0.69	-	0.69	-
- The Ajay G Piramal Foundation	-	-	3.48	-	3.48	-
- Nandini Piramal Trust	-	-	0.43	-	0.43	-
- Mr. Vivek Valsaraj	-	-	0.12	-	0.12	-
- Mr. Subramanian Ramadorai	-	-	0.02	-	0.02	-
TOTAL	-	-	**6.09**	-	**6.09**	-
Reimbursement of Expenses (Payable / Paid)						
- Mr. Vivek Valsaraj	-	-	*	-	*	-
- Ms. Nandini Piramal	-	-	0.01	-	0.01	-
- Mr. Peter De Young	-	-	0.07	-	0.07	-
- Mr. Peter Stevenson	-	-	0.01	-	0.01	-
TOTAL	-	-	**0.09**	-	**0.09**	-
Contribution to funds						
- PPFT	-	-	37.68	32.46	37.68	32.46
TOTAL	-	-	**37.68**	**32.46**	**37.68**	**32.46**

All the transactions were made on normal commercial terms and conditions and at market rates.

*below rounding off norms adopted by the group

Notes to the consolidated financial statements
for the year ended March 31, 2024

3. Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

(₹ in crores)

Particulars*	Mar-24	Mar-23
Short-term employee benefits (excluding perquisites)	10.21	12.10
Post-employment benefits	0.79	0.74
Commission and other benefits to non executive / independent directors	2.16	1.63
Sitting fees	0.34	0.39
Total	**13.50**	**14.86**

The remuneration for directors and key executives is determined by the Nomination and remuneration Committee having regard to the performance of the individuals and market trends.

*Exclusive of provision for liability in respect of leave earned and gratuity, since this is based on actuarial valuation done on an overall basis for all employees. Performance bonus/incentive amount considered on payment basis. This does not include Equity Share Options granted during the year. The same will be considered as and when exercised.

4. Balances of related parties

(₹ in crores)

	Associates		Other Related Parties		Total	
Details of Balances	**Mar-24**	**Mar-23**	**Mar-24**	**Mar-23**	**Mar-24**	**Mar-23**
Trade Receivables						
- AbbVie Therapeutics India Pvt Ltd (erstwhile known as "Allergan India Pvt Ltd")	15.01	11.95	-	-	15.01	11.95
TOTAL	15.01	11.95	-	-	15.01	11.95
Vendor Advance given						
- Payu payments private limited	-	-	0.22	-	0.22	-
- Yapan Bio Private Limited (Yapan)	4.33	-	-	-	4.33	-
TOTAL	**4.33**	**-**	**0.22**	**-**	**4.55**	**-**

41. Property, Plant & Equipment, Brands and Trademarks and Other Financial Assets are mortgaged / hypothecated to the extent of ₹ 3,475.45 Crores (As on March 31, 2023 ₹ 4,721.17 Crores) as a security against long term secured borrowings as at March 31, 2024.

Plant & Equipment, Inventories and Trade receivables are hypothecated as a security to the extent of ₹ 2,503.37 Crores (As on March 31, 2023 ₹ 2,117.39 Crores) against short term secured borrowings as at March 31, 2024.

42 The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the net profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as rights issue (including the bonus element) that have changed the number of shares outstanding.

Notes to the consolidated financial statements
for the year ended March 31, 2024

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding is adjusted for the effects of all dilutive potential ordinary shares such as Employee stock options etc.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Earnings		
Profit after tax (₹ in crores)	17.82	(186.46)
Shares		
Number of equity shares at the beginning of the year (excluding treasury shares)	1,19,33,18,500	1,18,59,13,506
Effect of fresh issue of equity shares during the year	-	42,19,832
Effect of fresh issue of equity shares on account of Rights issue made during the year**	6,52,46,559	-
Effect of bonus element on account of Rights issue made during the year	2,25,39,307	2,25,39,307
Weighted average number of equity shares – Basic	**1,28,11,04,366**	**1,21,26,72,645**
Dilutive effect of stock options outstanding*	24,05,321	-
Weighted average number of equity shares – Diluted	**1,28,35,09,687**	**1,21,26,72,645**
Basic earnings per share in rupees (face value – ₹ 10 per share) (In ₹)	0.14	(1.54)
Diluted earnings per share in rupees (face value – ₹ 10 per share) (In ₹)	0.14	(1.54)

*As at March 31 ,2024 and March 31,2023, 11,952 and NIL options, respectively, were excluded from the diluted weighted average number of equity shares calculation because their effect would have been anti-dilutive. The average market value of the Company's shares for the purpose of calculating the dilutive effect of stock options was based on quoted market prices for the year during which the options were outstanding.

**Adjusted for the weights

43 (a) The Parent Company conducts research and development to find new sustainable chemical routes for pharmaceutical & herbal products. The Parent Company is undertaking development activities for Oral Solids and Sterile Injectables, apart from other Active Pharmaceutical Ingredients (API).

The Parent Company has research and development centers in Mumbai, Thane, Ennore, Digwal, Mahad and Ahmedabad.

Details of additions to Property Plant & Equipments, Intangibles under Development and Revenue Expenditure for Department of Scientific & Industrial Research (DSIR) Recognised research and development facilities / division of the Parent Company at Mumbai, Ennore, Thane and Ahmedabad for the year are as follows;

(₹ in Crores)

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue Expenditure*		
DSIR	149.50	153.03
Other than DSIR	18.85	11.15
TOTAL	**168.35**	**164.18**
Capital Expenditure- DSIR		
Additions to Property Plant & Equipments	13.64	29.20
Additions to Intangibles under Development (DMF)	9.33	8.69
TOTAL	**22.97**	**37.89**

*The amount included in Note 34 under R&D Expenses (net) does not include ₹ 110.27 Crores (Previous Year ₹ 115.28 Crores) relating to Ahmedabad locations.

(b) In addition to the above, R & D Expenses (Net) included under Note 34 "Other Expenses" also includes expenditure incurred by the Group amounting to ₹ 42.60 crores (Previous year ₹ 37.46 crores).

44 There are no discrepancies between amount of current assets submitted to banks and financial institutions in quarterly returns and amount as per books of accounts for the Parent Company and its Indian subsidiary.

45 CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings as detailed in notes 16, 20 and 21 offset by cash and bank balances) and total equity of the Group.

The Group determines the amount of capital required on the basis of annual as well as long term operating plans and

Notes to the consolidated financial statements
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other strategic investment plans. The funding requirements are met through long-term /short-term borrowings.The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The capital components of the Group are as given below:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Equity	7,911.37	6,773.50
Total Equity	**7,911.37**	**6,773.50**
Borrowings - Non Current	2,483.75	3,383.54
Borrowings - Current	2,075.11	2,121.23
Total Debt	**4,558.86**	**5,504.77**
Cash & Cash equivalents	(356.82)	(195.59)
Net Debt	**4,202.04**	**5,309.18**
Debt/Equity Ratio	**0.53**	**0.78**

The terms of the Secured and unsecured loans and borrowings contain certain financial covenants primarily requiring the Company and it's subsidiaries to maintain financial ratios like Total Debt to Consolidated Net Worth, Interest Coverage Ratio, Fixed Asset Cover ratio, Minimum net worth conditions, etc. The Company and it's subsidiaries are broadly in compliance with the said covenants.

46 RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk.

The Group has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks.

The Senior Management along with a centralized treasury manages the liquidity and interest rate risk on the consolidated balance sheet.

This note explains the sources of risk which the group is exposed to and how the group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Management
Liquidity risk	Borrowings and other liabilities	The Senior Management along with centralized treasury deliberates on the static liquidity gap statement, future asset growth plans, tenor of assets, market liquidity and pricing of various sources of funds. It decides on the optimal funding mix taking into consideration the asset strategy and a focus on diversifying sources of funds.
Market risk - Interest rate	Long-term borrowings at variable rates	The Senior Management along with the centralized treasury reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities.
Market risk - Interest rate	Short-term borrowings at variable rates	The Senior Management along with the centralized treasury reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities.
Market risk - Securities price risks	Equity Investment	The Senior Management along with centralized treasury reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities.
Market risk - Foreign exchange	Transactions denominated in foreign currency	The centralised treasury function aggregates the foreign exchange exposure and takes measures to hedge the exposure based on prevalent macroeconomic conditions.
Credit risk	Trade receivables and investments	The Senior Management assess the recoverability of investments basis and considered these balances good and fully recoverable. Refer note-9 for trade receivables
Credit risk	Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost.	Diversification of bank deposits, credit limits and letters of credit Each investment is assessed by the investment team as well as independent risk team on the risk-return framework. The combined analysis of these teams is presented to the Investment Committee for investment decision. The risk is being partly mitigated by setting up a concentration risk framework, which incentivises business units to diversify portfolio across counterparties, sectors and geographies.

Notes to the consolidated financial statements
for the year ended March 31, 2024

a. Liquidity Risk Management

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Senior Management along with centralized treasury is responsible for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The Group has access to undrawn borrowing facilities at the end of each reporting period, as detailed below:

The Group has the following undrawn credit lines available as at the end of the reporting period.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Undrawn credit lines	746.41	95.91
	746.41	**95.91**

This includes Short Term Borrowings limits including but not limited to Working Capital Demand Loans, Packing Credits, Letter of Credits, etc. where credit rating has been obtained and which can be issued, if required, within a short period of time.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

(₹ in Crores)

	As at March 31, 2024			
Maturities of Financial Liabilities	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	2,111.25	1,568.76	858.32	107.25
Trade Payables	1,538.37	-	-	-
Lease Liabilities	32.91	46.84	9.53	106.24
Other Financial Liabilities	251.27	-	-	-
	3,933.81	**1,615.60**	**867.85**	**213.49**

(₹ in Crores)

	As at March 31, 2023			
Maturities of Financial Liabilities	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	2,407.73	2,529.44	1,268.17	85.20
Trade Payables	1,192.71	-	-	-
Lease Liabilities	36.33	40.15	26.22	127.08
Other Financial Liabilities	232.03	-	-	-
	3,868.80	**2,569.59**	**1,294.38**	**212.28**

b. Interest Rate Risk Management

The Group is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. Senior Management along with centralised treasury assess the interest rate risk run by it and provide appropriate guidelines to the treasury to manage the risk. The Senior Management along with centralised treasury reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The Senior Management along with centralised treasury reviews the interest rate gap statement and the interest rate sensitivity analysis.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	4,558.86	5,325.68
Fixed rate borrowings	-	179.08
	4,558.86	**5,504.76**

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The sensitivity analysis below has been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liabilities/assets outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

If interest rates related to overseas borrowings had been 25 basis points higher/lower and all other variables were held constant,and other borrowings had been 100 basis points higher /lower and all other variables were held constant, the Company's Profit before tax for the year ended/Other Equity (pre-tax) as on March 31, 2024 would decrease/increase by ₹ 8.57 Crores for Overseas Borrowing and ₹ 11.70 Crores for other borrowings totalling to ₹ 19.87 Crores (Previous year ₹ 24.29 Crores) respectively. This is attributable to the Group's exposure to borrowings at floating interest rates.

c. Foreign Currency Risk Management

The Group is exposed to Currency Risk arising from its trade exposures and Capital receipts / payments denominated, in other than the Functional Currency. The Group has a detailed policy which includes setting of the recognition parameters, benchmark targets, the boundaries within which the treasury has to perform and also lays down the checks and controls to ensure the continuing success of the treasury function.

The Group has defined strategies for addressing the risks for each category of exposures (e.g. for exports, for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

i) Derivatives outstanding as at the reporting date

i. Hedge of firm commitment and highly probable forecast transactions	As at March 31, 2024		As at March 31, 2023	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
Forward contracts to sell USD / INR	125.00	1,051.20	105.50	873.54
Forward contracts to sell USD / JPY	-	-	4.05	3,328.09
Forward contracts to sell USD / GBP	-	-	21.00	17,256.75
Forward contracts to sell USD / CAD	-	-	32.00	26,296.00

ii) Particulars of unhedged foreign currency exposures as at the reporting date

	As at March 31, 2024				As at March 31, 2023			
	Trade receivables		Trade Payables/ Advances to Supplier		Trade receivables		Trade Payables/ Advances to Supplier	
Currencies	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
EUR	23.21	208.63	6.32	56.81	12.87	115.21	14.19	127.11
USD	132.06	1,101.50	61.15	510.05	88.66	728.55	35.71	293.46
GBP	12.91	135.57	12.43	130.60	5.21	51.86	3.63	36.57
AUD	0.63	3.40	0.00	0.02	1.08	6.22	0.00	0.01
CAD	7.40	45.31	0.01	0.05	7.45	45.22	(0.00)	(0.02)
SGD	-	-	-	-	-	-	-	-
ZAR	35.30	15.43	0.20	0.09	35.40	16.35	0.10	0.05
HKD	0.20	0.21	-	-	0.59	0.62	-	-
IDR	27,025.79	14.05	9,726.18	5.06	25,370.58	13.91	1,407.40	0.77
YEN	117.80	6.49	-	-	157.98	9.73	0.13	0.01
CZK	38.17	13.54	0.63	0.22	46.83	17.79	0.74	0.28
INR	-	-	115.86	11.59	-	-	-	-
THB	-	-	2.73	0.62	-	-	0.78	0.19
SEK	(0.98)	(0.01)	1.00	0.07	-	-	0.03	0.02
AED	-	-	0.87	1.97	-	-	0.07	0.15
CHF	0.10	0.89	(0.02)	(0.21)	0.13	1.13	0.10	1.31
DKK	(0.56)	(0.00)	0.47	0.00	-	-	-	-
NOK	(0.07)	(0.00)	0.12	0.00	-	-	-	-
NZD	-	-	(0.01)	(0.03)	-	-	-	-
JPY	-	-	6.26	0.33	-	-	-	-

Notes to the consolidated financial statements
for the year ended March 31, 2024

	As at March 31, 2024				As at March 31, 2023			
	Loan from Banks		Current Account Balances		Loan from Banks		Current Account Balances	
Currencies	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
USD	10.00	83.41	47.63	397.30	10.36	85.12	33.61	276.18
EUR	-	-	(14.47)	(130.06)	-	-	(7.03)	(62.85)
GBP	-	-	-	-	-	-	-	-

	As at March 31, 2024		As at March 31, 2023	
	Cash & Cash Equivalents		Cash & Cash Equivalents	
Currencies	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
USD	0.05	(12.45)	(0.16)	(1.36)
GBP	(0.24)	(2.50)	(0.15)	(1.98)
CHF	0.20	1.83	0.10	0.93
EUR	0.04	0.37	2.91	25.84
CZK	3.70	1.31	4.11	1.57
ZAR	5.98	2.61	0.47	0.22
IDR	3,203.48	1.67	7,459.29	4.09
YEN	8.31	0.46	85.02	5.24
HKD	0.49	0.53	-	-

Of the above, the Group is mainly exposed to USD, GBP, EUR & CHF. Hence the following table analyses the Group's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

		As at March 31, 2024				As at March 31, 2023			
Currencies	Increase/ Decrease	Total Assets in FC (In Millions)	Total Liabilities in FC (In Millions)	Change in exchange rate	Impact on Profit or Loss/Other Equity for the year ₹ in Crores	Total Assets in FC (In Millions)	Total Liabilities in FC (In Millions)	Change in exchange rate	Impact on Profit or Loss/Other Equity for the year ₹ in Crores
USD	Increase by 5%#	187.26	275.28	4.17	(36.71)	135.86	183.80	4.11	(19.70)
USD	Decrease by 5%#	187.26	275.28	(4.17)	36.71	135.86	183.80	(4.11)	19.70
GBP	Increase by 5%#	13.09	16.65	0.53	(0.19)	5.07	6.13	0.50	(0.05)
GBP	Decrease by 5%#	13.09	16.65	(0.53)	0.19	5.07	6.13	(0.50)	0.05
EUR	Increase by 5%#	18.57	6.32	0.45	0.55	14.76	21.77	0.41	(0.28)
EUR	Decrease by 5%#	18.57	6.32	(0.45)	(0.55)	14.76	21.77	(0.41)	0.28
CHF	Increase by 5%#	0.32	(0.02)	0.46	0.02	0.23	0.10	0.45	0.01
CHF	Decrease by 5%#	0.32	(0.02)	(0.46)	(0.02)	0.23	0.10	(0.45)	(0.01)
CAD	Increase by 5%#	7.40	0.01	0.31	0.23	7.45	(0.00)	0.30	0.23
CAD	Decrease by 5%#	7.40	0.01	(0.31)	(0.23)	7.45	(0.00)	(0.30)	(0.23)

Holding all the variables constant

d. Accounting for cash flow hedge

The objective of hedge accounting is to represent, in the Company's financial statements, the effect of the Company's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Company makes use of financial derivative instruments, in the form of forward exchange contracts for hedging the risk arising on account of highly probable foreign currency forecast sales.

The Group has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

Notes to the consolidated financial statements
for the year ended March 31, 2024

For derivative contracts designated as hedge, the Group documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency fluctuations risk arising on account of highly probable foreign currency forecast sale.

The Group applies cash flow hedge to hedge the variability arising out of foreign exchange currency fluctuations on account of highly probable forecast sales. Such contracts are generally designated as cash flow hedges.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The forward exchange forward contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. Further, the entity has excluded the foreign currency basis spread and takes such excluded element through the income statement. Accordingly, the Group designates only the spot rate in the hedging relationship.

Hedge effectiveness is assessed through the application of dollar offset method and designation of spot rate as the hedging instrument. The excluded portion of the foreign currency basis spread is taken directly through income statement.

The table below enumerates the Group's hedging strategy, typical composition of the Group's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship for the year ended March 31, 2024 and March 31, 2023:

Sr No	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Foreign Currency hedge	Highly probable forecast sales	Foreign currency denominated highly probable forecast sales is converted into functional currency using a forward contract.	Highly probable forecast sales	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market. Further, the foreign currency basis spread is seperated and accounted for at FVTPL. Accordingly, only the spot rate has been designated in the hedging relationship.	Cashflow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at March 31, 2024

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective-ness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	12.50 (USD)	-	4.13	(10.29)	-	Not applicable	9.81	Revenue

As at March 31, 2023

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective-ness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	10.50 (USD)	-	0.97	(77.14)	-	Not applicable	61.36	Revenue

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The table below provides a profile of the timing of the notional amounts of the Group's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

	As at March 31, 2024				As at March 31, 2023			
	Total	Less than 1 year	1-5 years	Over 5 years	Total	Less than 1 year	1-5 years	Over 5 years
Foreign currency risk:								
Forward exchange contracts	12.50 (USD)	12.50 (USD)	-	-	10.50 (USD)	10.50 (USD)	-	-
Average INR:USD forward contract rate	83.77	83.77	-	-	83.11	83.11	-	-

(i) The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ In Crores)

Movement in Cash flow hedge reserve for the years ended	As at March 31, 2024	As at March 31, 2023
Closing balance as at March 31, 2023	(3.36)	12.09
Effective portion of changes in fair value:		
Foreign exchange forward contracts	(13.75)	(103.09)
Tax on movements on reserves during the year	3.46	25.95
Net amount reclassified to profit or loss:		
Effective portion of changes in fair value:		
Foreign exchange forward contracts	13.11	82.34
Tax on movements on reserves during the year	(3.30)	(20.65)
Closing balance as at March 31, 2024	**(3.84)**	**(3.36)**

47 MOVEMENT IN PROVISIONS :

(₹ In Crores)

	Onerous Contracts	
	As at	
Particulars	March 31, 2024	March 31, 2023
Balances as at the beginning of the year	0.09	0.08
Revaluation of closing balances	-	0.01
Balances as at the end of the year	**0.09**	**0.09**
Classified as Non-current (Refer note 18)	0.09	0.09
Total	**0.09**	**0.09**

*below rounding off norms adopted by the group

Provision for Onerous contracts represents the amounts provided for contracts where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

48 Below table provides the geographical information in term of Ind AS 108:

Geographical Segments

(₹in Crores)

	Within India		Outside India		Total	
Particulars	March 2024	March 2023	March 2024	March 2023	March 2024	March 2023
Revenue from operations	1,663.19	1,444.49	6,507.97	5,637.06	8,171.16	7,081.55

(₹in Crores)

	Within India		Outside India		Total	
Particulars	March 2024	March 2023	March 2024	March 2023	March 2024	March 2023
Carrying amount of Non current Assets*	3,287.79	3,170.92	5,875.11	5,903.37	9,162.91	9,074.29

* Other than Financial assets, deferred tax assets and Net Advance Tax Paid

No customer contributed more than 10% of the total revenue of the Group

Notes to the consolidated financial statements
for the year ended March 31, 2024

49 INCOME TAXES RELATING TO OPERATIONS

a) Tax expense recognised in consolidated statement of profit and loss

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
In respect of the current year	190.39	97.94
In respect of prior years	(5.04)	12.46
	185.35	**110.40**
Deferred tax		
Deferred Tax, net	(23.88)	(44.09)
	(23.88)	**(44.09)**
Total tax expense recognised	**161.47**	**66.31**
Total tax expense attributable to		
from continuing operations	161.47	66.31

b) Tax (expense)/ benefits recognised in other comprehensive income

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Exchange loss on long term loans transferred to OCI	(1.91)	(16.28)
Fair value remeasurement of hedging instruments entered into for cash flow hedges	0.16	5.30
Remeasurement of defined benefit obligation	1.27	0.87
Total tax expense recognised	**(0.48)**	**(10.11)**

c) Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated balance sheet:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (net)	386.50	349.30
Deferred tax liabilities (net)	(229.18)	(219.31)
	157.32	**129.99**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Notes to the consolidated financial statements
for the year ended March 31, 2024

d) Movement of Deferred Tax during the year ended March 31, 2024

(₹ in Crores)

Particulars	Balance as at April 01, 2023	Recognised in statement of profit and loss	Foreign Currency Translation Impact	Recognised in other comprehensive income	Acquired through business combination (Refer note 63A(i))	Closing balance
Deferred tax (liabilities)/assets in relation to:						
Expected Credit Loss on Trade Receivables	10.93	0.45	-	-	-	11.38
Brought forward losses	355.43	117.15	5.57	-	-	478.15
Tax effect on ROU assets	(15.94)	0.86	-	-	-	(15.08)
Tax effect on Lease Liability	5.50	0.73	-	-	-	6.23
Expenses that are allowed on payment basis	79.48	(5.94)	0.89	-	-	74.43
Expenses that are allowed on deferred basis	-	4.16	-	-	-	4.16
Unrealised profit margin on inventory	11.72	9.36	-	-	-	21.08
Property, Plant and Equipment and Intangible assets	(317.30)	(107.67)	(2.46)	-	-	(427.43)
Measurement of financial liabilities at amortised cost	-	-	-	-	-	-
Remeasurement of defined benefit obligation	1.62	0.49	-	1.27	-	3.38
Fair value measurement of derivative contracts	0.13	0.76	-	0.16	-	1.05
Debt EIR Impact	1.05	(1.78)	-	-	-	(0.73)
Other temporary differences	(2.63)	3.39	(0.06)	-	-	0.70
Exchange differences on long term loans designated as net investments transferred to OCI	-	1.91	-	(1.91)	-	-
Total	**129.99**	**23.87**	**3.94**	**(0.48)**	**-**	**157.32**

Movement of Deferred Tax during the year ended March 31, 2023

(₹ in Crores)

Particulars	Balance as at April 01, 2022	Recognised in statement of profit and loss	Foreign Currency Translation Impact	Recognised in other comprehensive income	Acquired through business combination (Refer note 63A(i))	Closing balance
Deferred tax (liabilities)/assets in relation to:						
Expected Credit Loss on Trade Receivables	0.99	9.94	-	-	-	10.93
Brought forward losses	319.56	27.15	8.72	-	-	355.43
Tax effect on ROU assets	(5.28)	(6.94)	-	-	(3.72)	(15.94)
Tax effect on Lease Liability	5.50	-	-	-	-	5.50
Disallowances for items allowed on payment basis	74.64	(0.52)	5.36	-	-	79.48
Unrealised profit margin on inventory	7.17	4.55	-	-	-	11.72
Property, Plant and Equipment and Intangible assets	(285.81)	(12.22)	(9.43)	-	(9.84)	(317.30)
Remeasurement of defined benefit obligation	0.75	-	-	0.87	-	1.62
Fair value measurement of derivative contracts	(1.76)	(3.41)	-	5.30	-	0.13
Debt EIR Impact	(0.07)	1.12	-	-	-	1.05
Other temporary differences	(10.43)	8.15	(0.35)	-	-	(2.63)
Exchange differences on long term loans designated as net investments transferred to OCI	-	16.28	-	(16.28)	-	-
Total	**105.26**	**44.10**	**4.30**	**(10.11)**	**(13.56)**	**129.99**

Notes to the consolidated financial statements
for the year ended March 31, 2024

e) The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consolidated Profit before tax	119.80	(174.48)
Income tax expense calculated at 25.17%	30.15	(43.89)
Effect of expenses that are not deductible in determining taxable profit	(4.14)	20.25
Utilisation of previously unrecognised tax losses	(0.91)	(4.16)
Effect of incomes which are taxed at different rates	20.70	5.98
Expense reversed in books, earlier disallowed in tax	-	(2.01)
Investment Tax credits	(29.57)	(7.89)
Tax losses for which no deferred income tax is recognised	137.96	52.56
Tax Adjustment for earlier years not deductable in determining taxable profit	(11.79)	(3.10)
Prior year tax on account of 80M deduction	-	7.74
Effect of deduction (chapter VIA) considered in determining taxable profit	(0.79)	-
Dividend paid recognised as income in tax books-Refer Note C of SOCIE	-	13.49
Temporary difference on which no deferred tax was recognized	18.47	-
Tax paid on dividend from associate adjusted to investment	2.52	21.09
Others	(1.13)	6.25
Income tax expense recognised in consolidated statement of profit and loss	**161.47**	**66.31**

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for the year ended March 31, 2024 and March 31, 2023 by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

In assessing the realizability of deferred tax assets, the Group considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Group considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income taxes are deductible, the Group believes that it is probable that the Group will realize the benefits of this deferred tax asset. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

In addition to this, during the period, the Group has recognized Deferred Tax Asset of ₹ 6.70 Crores (Previous period ₹ 30.26 Crores) on unused tax losses, considering profits in the past years and reasonable certainty of realisation of such deferred tax asset in the future years.

Deferred tax asset amounting to ₹ 432.26 Crores (Previous year ₹ 254.74 crores) as at March 31, 2024 in respect of unused tax losses, temporary differences and tax credits was not recognized by the Group, considering that the Company and its subsidiaries had a history of tax losses for recent years. Unrecognized Deferred tax of ₹ 432.26 Crores (Previous year ₹ 254.74 Crores) as at March 31, 2024 are attributable to carry forward tax losses which are not subject to expiration dates.

Deferred income taxes are not recognised on the undistributed earnings of subsidiaries, associates where it is expected that the earnings will not be distributed in the foreseeable future or where the tax credit can be availed by the holding company.

Notes to the consolidated financial statements
for the year ended March 31, 2024

50 a) Disclosures mandated by Schedule III by way of additional information

(₹ in Crores)

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2024		Share in Profit for the year ended March 31, 2024		Share in Other Comprehensive Income for the year ended March 31, 2024		Share in Total Comprehensive Loss for the year ended March 31, 2024	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Expense	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Loss	Amount (₹ in Crores)
Parent								
Piramal Pharma Limited	84.83%	6,711.53	2194.77%	391.18	-7.50%	(4.26)	519.07%	386.93
Subsidiaries								
Indian								
Piramal Pharma II Private Limited	0.28%	22.27	-63.66%	(11.35)	0.00%	-	-15.22%	(11.35)
Piramal Pharma Limited Employees Welfare Trust (w.e.f April 5, 2023)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
Piramal Dutch Holdings N.V.	19.61%	1,551.43	-566.35%	(100.94)	-26.93%	(15.27)	-155.91%	(116.22)
Piramal Healthcare Inc.	21.30%	1,685.86	278.75%	49.68	38.71%	21.95	96.10%	71.63
Piramal Critical Care, Inc.	18.54%	1,466.74	1263.57%	225.21	35.33%	20.04	329.00%	245.25
Piramal Pharma Inc.	0.17%	13.21	-8.45%	(1.51)	0.36%	0.21	-1.74%	(1.30)
PEL Pharma Inc.	-2.77%	(219.39)	-359.53%	(64.08)	-19.06%	(10.81)	-100.47%	(74.89)
Ash Stevens LLC	11.05%	874.30	710.50%	126.64	21.15%	12.00	185.98%	138.63
Piramal Pharma Solutions Inc.	-11.18%	(884.54)	-877.11%	(156.33)	-21.02%	(11.92)	-225.71%	(168.25)
Piramal Critical Care Italia, S.P.A	0.11%	8.88	-39.11%	(6.97)	-0.33%	(0.19)	-9.61%	(7.16)
Piramal Critical Care Deutschland GmbH	0.06%	5.08	-40.97%	(7.30)	0.10%	0.05	-9.73%	(7.25)
Piramal Healthcare (UK) Limited	7.50%	593.70	-435.37%	(77.60)	45.10%	25.58	-69.78%	(52.02)
Piramal Healthcare Pension Trustees Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Piramal Critical Care Limited	-2.87%	(227.17)	-932.27%	(166.16)	-3.91%	(2.22)	-225.89%	(168.38)
Piramal Healthcare (Canada) Limited	10.10%	798.97	241.33%	43.01	13.07%	7.41	67.65%	50.43
Piramal Critical Care South Africa (Pty) Ltd	0.13%	10.33	8.06%	1.44	-0.93%	(0.53)	1.22%	0.91
Piramal Critical Care B.V.	-1.77%	(140.07)	-426.83%	(76.08)	-0.67%	(0.38)	-102.57%	(76.46)
Piramal Critical Care Pty. Ltd.	0.04%	2.96	3.18%	0.57	-0.08%	(0.04)	0.70%	0.52
PEL Healthcare LLC	-1.78%	(141.16)	-900.85%	(160.56)	-1.55%	(0.88)	-216.58%	(161.44)
Piramal Pharma Japan GK (liquidated w.e.f. August 15, 2023)	0.00%	-	-0.78%	(0.14)	0.45%	0.26	0.16%	0.12
Piramal Pharma Solutions (Dutch) BV	0.05%	4.25	23.80%	4.24	0.00%	-	5.69%	4.24
Piramal Critical Care Single Member P.C.	0.05%	3.70	-4.46%	(0.80)	0.01%	0.01	-1.06%	(0.79)
Associates (Investment as per the equity method)								
Indian								
AbbVie Therapeutics India Pvt Ltd (erstwhile known as "Allergan India Pvt Ltd")	1.06%	84.01	335.96%	59.88	0.39%	0.22	80.62%	60.10
Yapan Bio Private Limited	1.53%	121.31	-2.19%	(0.39)	0.00%	-	-0.52%	(0.39)
Consolidation Adjustments	-56.05%	(4,434.62)	-301.96%	(53.82)	27.36%	15.51	-51.44%	(38.35)
Total	**100.00%**	**7,911.57**	**100%**	**17.82**	**100%**	**56.72**	**100.00%**	**74.54**

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for the year ended March 31, 2024

b) Disclosures mandated by Schedule III by way of additional information

(₹ in Crores)

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2023		Share in Profit/ (Loss) for the year ended March 31, 2023		Share in Other Comprehensive Income/ (Loss) for the year ended March 31, 2023		Share in Total Comprehensive Income/ (Loss) for the year ended March 31, 2023	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Expense	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Loss	Amount (₹ in Crores)
Parent								
Piramal Pharma Limited	77.67%	5,261.21	-37.39%	69.72	-10.25%	(18.02)	-485.03%	51.70
Subsidiaries								
Indian								
Piramal Pharma II Private Limited	0.50%	33.62	0.21%	(0.39)	0.00%	-	3.65%	(0.39)
Foreign								
Piramal Dutch Holdings N.V.	24.61%	1,666.77	40.26%	(75.07)	-40.06%	(70.43)	1365.04%	(145.50)
Piramal Healthcare Inc.	23.82%	1,614.23	-22.70%	42.33	62.02%	109.02	-1419.93%	151.35
Piramal Critical Care, Inc.	18.03%	1,221.53	-148.46%	276.81	44.92%	78.97	-3337.76%	355.78
Piramal Pharma Inc.	0.21%	14.51	0.22%	(0.41)	0.65%	1.15	-6.91%	0.74
PEL Pharma Inc.	-2.13%	(144.49)	20.98%	(39.12)	-27.86%	(48.98)	826.56%	(88.10)
Ash Stevens LLC	10.86%	735.58	-37.51%	69.93	30.20%	53.09	-1154.10%	123.02
Piramal Pharma Solutions Inc.	-10.57%	(716.28)	90.69%	(169.10)	-26.05%	(45.80)	2016.14%	(214.90)
Piramal Critical Care Italia, S.P.A	0.23%	15.78	3.53%	(6.59)	2.23%	3.92	25.04%	(2.67)
Piramal Critical Care Deutschland GmbH	0.06%	3.82	7.33%	(13.67)	0.23%	0.41	124.43%	(13.26)
Piramal Healthcare (UK) Limited	9.60%	650.20	23.30%	(43.45)	7.05%	12.40	291.32%	(31.05)
Piramal Healthcare Pension Trustees Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Piramal Critical Care Limited	-0.87%	(58.79)	68.59%	(127.88)	1.26%	2.21	1179.03%	(125.67)
Piramal Healthcare (Canada) Limited	11.05%	748.54	-23.37%	43.58	0.94%	1.66	-424.43%	45.24
Piramal Critical Care South Africa (Pty) Ltd	0.14%	9.42	-1.52%	2.83	-0.54%	(0.94)	-17.74%	1.89
Piramal Critical Care B.V.	-0.94%	(63.62)	13.75%	(25.64)	-2.19%	(3.86)	276.76%	(29.50)
Piramal Critical Care Pty. Ltd.	0.04%	2.44	0.11%	(0.20)	-0.05%	(0.08)	2.65%	(0.28)
PEL Healthcare LLC	0.30%	20.65	37.71%	(70.31)	3.13%	5.50	607.98%	(64.81)
Piramal Pharma Japan GK	0.00%	-	0.07%	(0.12)	-0.22%	(0.38)	4.71%	(0.50)
Piramal Pharma Solutions (Dutch) BV	0.00%	0.06	-0.03%	0.05	0.00%	-	-0.51%	0.05
Piramal Critical Care Single Member P.C. (wef Feb 28, 2023)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associates (Investment as per the equity method)								
Indian								
Allergan India Private Limited	0.71%	48.41	-29.03%	54.13	0.00%	-	-507.82%	54.13
Yapan Bio Private Limited (w.e.f. December 20, 2021)	1.80%	121.71	-0.11%	0.20	0.00%	-	-1.88%	0.20
Consolidation Adjustments	-65.13%	(4,411.79)	93.38%	(174.11)	54.58%	95.96	732.97%	(78.13)
Total	100.00%	6,773.51	100.00%	(186.46)	100.00%	175.80	100.00%	(10.66)

Notes to the consolidated financial statements
for the year ended March 31, 2024

51 Fair Value Measurement

a) Financial Instruments by category :

(₹ in Crores)

Categories of Financial Instruments	March 31, 2024 FVTPL	March 31, 2024 Amortised Cost	March 31, 2023 FVTPL	March 31, 2023 Amortised Cost
Financial Assets				
Investments in Equity shares	34.94	-	55.99	-
Investments in Mutual funds	144.69	-	412.88	-
Cash & Bank Balances	-	356.82	-	307.56
Trade Receivables	-	2,134.43	-	1,799.34
Other Financial Assets	-	36.72	23.16	90.81
	179.63	**2,527.97**	**492.03**	**2,197.71**
Financial liabilities				
Borrowings (including Current Maturities of Long Term Debt)	-	4,558.86	-	5,504.76
Trade Payables	-	1,538.37	-	1,192.71
Lease Liability	-	151.30	-	132.32
Other Financial Liabilities	4.13	247.14	4.94	227.09
	4.13	**6,495.67**	**4.94**	**7,056.88**

b) Fair Value Hierarchy and Method of Valuation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crores)

Financial Assets	March 31, 2024 Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investments in Equity Shares	iii	34.94	-	-	34.94	34.94
Investment in Mutual Funds	i	144.69	144.69	-	-	144.69
Other Financial Assets - Current						
Derivative Financial Assets	ii	-	-	-	-	-

(₹ in Crores)

Financial Liabilities	March 31, 2024 Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Derivative Financial Liability	ii	4.13	-	4.13	-	4.13

(₹ in Crores)

Financial Assets	March 31, 2023 Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investments in Equity Shares	iii	55.99	-	-	55.99	55.99
Investment in Mutual Funds	i	412.88	412.88	-	-	412.88
Other Financial Assets - Current						
Derivative Financial Assets	ii	23.16	-	23.16	-	23.16

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for the year ended March 31, 2024

(₹ in Crores)

Financial Liabilities	March 31, 2023					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at Amortised Cost for which fair values are disclosed						
Borrowings (including Current Maturities of Long -Term Borrowings)	iii	5,504.76	-	-	5,504.76	5,504.76
Measured at FVTPL - Recurring Fair Value Measurements						
Derivative Financial Liability	ii	4.94	-	4.94	-	4.94

Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Group considers that the carrying amounts recognised in the financial statements approximate their fair values.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-thecounter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration, Debentures, Term Loans, investment in Alternate Investment Funds and ICDs included in level 3.

Valuation techniques used to determine the fair values:

i. This includes mutual funds and equity shares which are fair valued using quoted prices and closing NAV in the market.

ii. This includes forward exchange contracts. The fair value of the forward exchange contract is determined using forward exchange rate at the balance sheet date.

iii. Fair values of borrowings are based on discounted cash flow using a current borrowing rate. They are classified as Level 3 values hierarchy due to the use of unobservable inputs, including own credit risk. The discounting factor used has been arrived at after adjusting the rate of interest for the financial liabilities by the difference in the Government Securities rates from date of initial recognition to the reporting dates.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2024 and March 31, 2023.

Particulars	(₹ in Crores)
As at March 31, 2022	**50.34**
Gains recognised in consolidated profit or loss	0.98
Exchange Fluctuations	4.67
As at March 31, 2023	**55.99**
Unrealised gain included in the consolidated Statement of Profit and Loss	(4.75)
Provision created for impairment against investment (Refer Note 35)	(16.47)
Exchange Fluctuations	0.17
As at March 31, 2024	34.94

d) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Notes to the consolidated financial statements
for the year ended March 31, 2024

52 Leases

(i) Amounts recognised in the consolidated Balance Sheet

Right-of-use assets

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024

(₹ in Crores)

Category of Asset	Opening as on April 1, 2023	Acquistion through Business Combination	Additions during 2023-24	Deductions during 2023-24	Amortisation for 2023-24	Foreign currency translation impact	Closing as on March 31, 2024
Building	98.19	-	37.22	0.68	30.19	1.55	106.09
Leasehold Land	122.60	-	138.44	-	3.03	-	258.01
Plant & Equipment	-	-	3.80	-	0.84	-	2.96
Office Equipment	4.68	-	9.80	-	3.93	0.02	10.57
Total	**225.48**	**-**	**189.26**	**0.68**	**38.00**	**1.57**	**377.63**

Lease liabilities as on March 31, 2024 151.30

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023

(₹ in Crores)

Category of Asset	Opening as on April 1, 2022	Acquistion through Business Combination*	Additions during 2022-23	Deductions during 2022-23	Amortisation for 2022-23	Foreign currency translation impact	Closing as on March 31, 2023
Building	75.65	5.40	50.41	1.01	30.89	(1.37)	98.19
Leasehold Land	102.02	19.79	2.86	-	2.07	-	122.60
Property, Plant and Equipments	0.85	-	6.79	-	2.77	(0.19)	4.68
Total	**178.52**	**25.19**	**60.06**	**1.01**	**35.73**	**(1.55)**	**225.48**

Lease liabilities as on March 31, 2023 132.31

*Refer note 63

(ii) Amounts recognised in the consolidated statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on lease liabilities (included in finance cost)	8.85	7.15
Expense relating to short-term leases (included in Operating Expenses)	15.97	16.58
Expense relating to leases of low-value assets (other than short term leases as disclosed above) (included in Operating expenses)	10.75	15.52

The weighted average incremental borrowing rate applied to lease liabilities ranges between 5% to 8.91%.

The bifurcation below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
1 year	32.91	36.33
1-3 years	46.84	40.15
3-5 years	9.53	26.22
More than 5 years	106.24	127.08

Right-of-use assets	Range of remaining term	
	As at March 31, 2024	As at March 31, 2023
Building	1 to 9 years	1 to 10 years
Leasehold Land	1 to 98 years	1 to 99 years
Plant & Equipment	1 to 5 years	1 to 6 years
Office Equipment	1 to 5 years	1 to 6 years

(iii) The Group has generated lease rent income amounting to ₹ 3.97 crores (Previous Year : ₹ 3.32 Crores) from leasing out building premises. This is included in miscellaneous income.

(iv) Total cash out flow for above leases amounts to ₹ 24.92 crores (Previous year : ₹ 42.59 crores)

Notes to the consolidated financial statements
for the year ended March 31, 2024

53 Trade Receivables ageing (#)

As at March 31, 2024

(₹ in Crores)

Ageing of receivables	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables :							
Considered Good	1,508.49	573.32	41.23	11.33	0.06	-	2,134.43
Considered doubtful	-	1.01	4.38	42.83	38.18	23.11	109.50
Disputed Trade Receivables :							
Considered doubtful	-	-	0.43	-	-	-	0.43
Less: Expected credit loss							(109.93)
Total	**1,508.49**	**574.33**	**46.04**	**54.16**	**38.24**	**23.11**	**2,134.43**

As at March 31, 2023

(₹ in Crores)

Ageing of receivables	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables :							
Considered Good	1,339.97	434.31	24.45	0.61	-	-	1,799.34
Considered doubtful	-	-	7.10	46.57	8.46	40.05	102.18
Disputed Trade Receivables :							
Considered doubtful	-	1.08	0.16	-	-	-	1.24
Less: Expected Credit Loss							(103.42)
Total	**1,339.97**	**435.39**	**31.71**	**47.18**	**8.46**	**40.05**	**1,799.34**

Where due date has not been specified,ageing has been calculated basis transaction date

54 Trade Payable Ageing

As at March 31, 2024

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	36.15	9.84	-	-	-	45.99
(ii) Others	305.37	278.46	7.40	1.94	2.90	596.07
Total	**341.52**	**288.30**	**7.40**	**1.94**	**2.90**	**642.06**

As at March 31, 2023

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	24.42	7.63	0.22	0.01	0.24	32.52
(ii) Others	192.63	174.52	1.23	1.95	4.01	374.34
Total	**217.05**	**182.15**	**1.45**	**1.96**	**4.25**	**406.86**

Unbilled payables (includes accrued expenses and GRIR) amounting to ₹ 896.31 Crores as on March 31, 2024 (as on March 31, 2023 - ₹ 785.85 Crores)

55 Ageing for Capital work in-progress (CWIP)

i. Ageing for Capital work in-progress (CWIP) as at March 31, 2024

(₹ in Crores)

Capital work in-progress (CWIP)*	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	220.58	48.91	34.49	156.26	**460.24**

Ageing for Capital work in-progress (CWIP) as at March 31, 2023

(₹ in Crores)

Capital work in-progress (CWIP)*	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	432.26	120.87	19.54	164.40	**737.08**

*Above disclosure includes entities in the Group having balance of more than 10% of total capital work in progress.

Notes to the consolidated financial statements
for the year ended March 31, 2024

ii. Project wise details of CWIP project whose completion is overdue or has exceeded its cost compared to its original plan. *

As at March 31, 2024

(₹ in Crores)

	Capital work in-progress (CWIP)	To be completed in				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
	Projects in progress					
1	Project-0094	55.61	-	-	-	**55.61**
2	Project-1405	11.92	-	-	-	**11.92**
3	Project-1114	-	8.48	-	-	**8.48**
4	Project-1452	3.92	-	-	-	**3.92**
5	Project-0002	3.90	-	-	-	**3.90**
6	Project-1417	3.39	-	-	-	**3.39**
7	Project-1388	3.24	-	-	-	**3.24**
8	Project-0001	2.55	-	-	-	**2.55**
9	Project-1532	2.55	-	-	-	**2.55**
10	Others	12.36	0.36	-	-	**12.72**
11	Project-0001 & 0002	-	-	144.91	-	**144.91**

As at March 31, 2023

(₹ in Crores)

	Capital work in-progress (CWIP)	To be completed in				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
	Projects in progress					
1	Project-0542	46.27	-	-	-	**46.27**
2	Project-0947	8.03	-	-	-	**8.03**
3	Project-1114	7.86	-	-	-	**7.86**
4	Project-0703	2.88	-	-	-	**2.88**
5	Project-1155	1.63	-	-	-	**1.63**
6	Project-1359	1.45	-	-	-	**1.45**
7	Project-1171	1.38	-	-	-	**1.38**
8	Project-1120	0.83	-	-	-	**0.83**
9	Project-0550	0.78	-	-	-	**0.78**
11	Project-0001 & 0002	-	142.76	-	-	**142.76**

*Above disclosure includes entities in the Group having balance of more than 10% of total Intangible assets under development.

Notes to the consolidated financial statements
for the year ended March 31, 2024

56 Intangible Assets under Development (IAUD)

i. Ageing for Intangible Assets under Development (IAUD) as at March 31, 2024^

(₹ in Crores)

Assets under Development (IAUD)*		Amount in IAUD for a period of: Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
a.	Projects in progress	31.14	79.44	269.33	118.04	**497.95**

Ageing for Intangible Assets under Development (IAUD) as at March 31, 2023

(₹ in Crores)

Assets under Development (IAUD)*		Amount in IAUD for a period of: Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
a.	Projects in progress	79.35	267.50	41.03	116.70	**504.58**

^There are no material projects which are delayed from its original planned cost or time

ii. Project wise details of IAUD project whoes completion is overdue or has exceeded its cost compared to its original plan.

As at March 31, 2024

(₹ in Crores)

Assets under Development (IAUD)*		To be completed in: Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
	Projects in progress					
1.	Project-1547	12.57	-	-	-	**12.57**
2.	Project-1394	4.61	-	-	-	**4.61**
3.	Project-1160	0.92	-	-	-	**0.92**
4.	Project-1306	0.87	-	-	-	**0.87**
5.	Project-1336	0.84	-	-	-	**0.84**
6.	Others	2.79	-	-	-	**2.79**

*Above disclosure includes entities in the Group having balance of more than 10% of total Intangible assets under development.

57 The group and its associates have not been declared as wilful defaulter by any bank or financial institution or any other lender.

58 The Company has transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, and disclosed as under:

(₹ In Crores)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2024
Aurozon (India) Pvt Ltd	Payable	*
Waaree Retails LLP	Payable	*
Welink SMO India Private Limited	Payable	*
Chinni Beverages Private Limited	Payable	*
Epic Attires Private Limited	Payable	*
Sachin Roadlines Pvt. Ltd	Payable	*
Aquamax Hydrosytems Private Ltd	Payable	*
Ems Networks Pvt Ltd	Payable	*
Secureplus Allied Private Limited	Payable	*
DRK Enterprise	Receivable	*
Qual Pharma Health Solutions Pvt Ltd	Receivable	*
Suruchi Foods Limited	Receivable	*

Notes to the consolidated financial statements
for the year ended March 31, 2024

(₹ In Crores)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2023
Aquamax Hydrosytems Private Ltd	Receivable	*
BA Tec Services Pvt Ltd	Payable	*
EMS Networks Pvt Ltd	Payable	*
Epic Attires Private Limited	Payable	*
Secureplus Allied Private Limited	Payable	0.02
Waaree Retails LLP	Receivable	*
Welink Smo India Private Limited	Payable	*
Winsel Marketing Pvt. Ltd.	Payable	*
DRK Enterprise	Receivable	0.03
Manish Petro Chem Pvt Ltd	Payable	*
Micro Pathology Services P Ltd	Receivable	*
Mommymia Dream World Pvt Ltd	Payable	*
Nitin Polymers Pvt Ltd	Payable	*
Oracle Biotech (India) Private Ltd	Payable	*
Orbit Medi Soultion'S Pvt. Ltd.	Payable	*
Qual Pharma Health Solutions Pvt Ltd	Payable	*
Rama Comprint Pvt Ltd	Receivable	*
Suguna Poultry Farm Ltd	Payable	*
Suruchi Foods Limited	Payable	*
Transworld Pharma Private Ltd.	Payable	*

* below rounding off norms adopted by the Group

59 The Group and its associates have complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

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

61 The Group and its associates have not traded or invested in crypto currency during the year ended March 31, 2024.

62 No proceedings have been initiated on or are pending against the Company or any of its subsidiaries incorporated in India for holding Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Notes to the consolidated financial statements
for the year ended March 31, 2024

63 Business Combinations

Summary of business combination during the previous year

A. Composite scheme of arrangement

i) The Composite Scheme of Arrangement between the Piramal Pharma Limited ("the Company"), Piramal Enterprises Limited ('PEL'), Convergence Chemicals Private Limited ('CCPL'), Hemmo Pharmaceuticals Private Limited ('HPPL'), PHL Fininvest Private Limited ('PFPL') and their respective shareholders and creditors ('Scheme'), submitted pursuant to the approval of Board of Directors of the Company at their meeting held on October 7, 2021, was approved by National Company Law Tribunal on August 12, 2022 ("approval date") with an appointed date of April 1, 2022 ("appointed date"). Effect of the Scheme has resulted into,

a) Business combination accounting following the purchase price allocation of assets and liabilities acquired of Demerged Undertaking (as defined in the Scheme) in accordance with Ind-AS 103 'Business Combination', cancellation of 94,72,49,806 (nos.) equity shares of face value of ₹ 10 each issued to PEL and fresh issuance of 95,46,54,800 (nos.) equity shares of face value of ₹ 10 each to the shareholders of PEL, and elimination of intercompany transactions, (including dividend) for the interim period (i.e. from appointed date to approval date). Accordingly, the financial statements for the current year may not be comparable with the Financial Statements for the previous year.

b) Amalgamation of CCPL and HPPL, wholly owned subsidiaries, using 'the pooling of interest method', as if the amalgamation had occurred on April 1, 2021 or from the date on which the Company acquired control over these subsidiaries, whichever is later, in line with Appendix-C of Ind-AS 103.

The Company received approval on October 19, 2022 for listing application filed with Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

(i) The fair value of assets and liabilities recognised as a result of business combination stated in (a) above are as follows:

Particulars	₹ in Crores
Assets	
Property, Plant and Equipment	73.34
Capital work in progress	3.50
Right of use assets	25.19
Other Non-current Financial Assets	2.65
Inventory	212.91
Trade Receivables	134.46
Other current Financial Assets	55.78
Other current Assets	78.68
Total Assets	**586.51**
Liabilities	
Trade payable	459.18
Deferred tax liability	13.56
Lease Liability	5.68
Other current financial liabilities	4.59
Other current liabilities	2.78
Non-current Provisions	2.16
Current Provisions	5.05
Total Liabilities	**493.00**
Net identifiable assets acquired	**93.51**

Notes to the consolidated financial statements
for the year ended March 31, 2024

Calculation of goodwill

Particulars	₹ in Crores
Purchase consideration	100.93
Less: Net identifiable assets acquired	93.51
Goodwill	**7.42**

Credit/Charge to P&L

Cost in relation to merger of pharma division of ₹6.96 Crores were charged to Statement of Profit and Loss for the year ended March 31, 2023 under the head - Exceptional items.

Revenue and profit contribution

It is impracticable to give revenue and profit contribution of demerged undertaking as it is not tracked separately post demerger.

Acquired Receivables

Particulars	₹ in Crores
Fair value of acquired trade receivables	134.46
Gross contractual amount for trade receivables	134.46
Contractual cash flows not expected to be collected	**-**

64 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as under

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount outstanding to suppliers registered under the MSMED act and remaining unpaid as at year end	45.99	32.52
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	0.02	0.16
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	209.82	207.26
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest due and payable towards suppliers registered under MSMED Act, for Payments already made	3.85	4.40
The amount of interest accrued and remaining unpaid at the end of accounting year	7.67	4.56

65 The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

66 The Group does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period for the companies incorporated in India.

Notes to the consolidated financial statements
for the year ended March 31, 2024

67 The companies incorporated in India holds the title deeds of all immovable properties in their name.

68 As per MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the companies are required to maintain back up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the companies are required to create back up on servers physically located in India on a daily basis.

The Turbhe Site (a business merged during the previous year in "Piramal Pharma Limited" (the Parent company)) is maintaining the books of account in electronic mode. To comply with this requirement, the site has started taking daily backup from June 15, 2023. In the interim period, the site was taking a backup on a work day basis instead of daily.

Piramal Pharma II Private Limited (a subsidiary of "the Company") was incorporated during the previous year and is yet to commence operations. Presently, the books of accounts are maintained in electronic mode. To comply with the requirement, the subsidiary has started taking backup on a daily basis from May 10, 2023.

69 Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (hereinafter referred as "the Account Rules") states that for the financial year commencing on or after the April 1, 2023, every Company which uses accounting software for maintaining its books of account, shall use only such accounting software which has 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 ensuring that the audit trail cannot be disabled.

In SAP, audit trail feature as required has been enabled throughout the year. However, for an accounting software used by the Turbhe Site (a business merged during the previous year) to maintain its books of account for the period from April 01, 2023 to May 31, 2023 did not have a feature of recording audit trail (edit log) facility. For another accounting software used by the Turbhe Site to maintain its books of account from June 01, 2023 (the audit trail feature was enabled at the application level wef June 30, 2023 and for master tables was enabled wef September 10, 2023. The audit trail was not enabled at the database level to log any direct data changes.

The Parent Company has used a software (an employee expense Management tool) operated by a third-party service provider. Presently, the Company does not have an independent auditors SOC report covering the audit trail requirement for the year ended March 31, 2024.

Additionally, in the accounting software used by Piramal Pharma II Private Limited, the audit trail at database level was enabled from May 10, 2023 and the audit trail at application level was not enabled during the year.

The Parent Company and the subsidiary incorporated in India has not tampered with the audit trail feature in respect of the accounting software(s) for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 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 year ended March 31, 2024.

70 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to 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 a Party (Ultimate Beneficiaries) identified by or on behalf of the Group. Further, there are no funds received from any Party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities ("Ultimate Beneficiaries") identified by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the consolidated financial statements
for the year ended March 31, 2024

71 Rights Issue of Equity Shares

a) The Committee of Directors (Rights Issue) at its meeting held on July 27, 2023, has inter alia considered and approved the rights issue of 129,629,630 fully paid-up Equity Shares of Rights issue price of ₹81 per equity share [including a premium of ₹ 71 per Equity Share] for amount aggregating up to ₹1,050 crores. Out of the aforesaid issue, 129,604,598 and 25,032 equity shares were allotted by the Company on August 22, 2023 and on September 27, 2023, respectively.

Accordingly, basic and diluted EPS for the year ended March 31, 2023 has been retrospectively adjusted for the bonus element in rights issue.

b) Proceeds from the rights issue have been utilised upto March 31, 2024 in the following manner:

(₹ in Crores)

Particulars		Planned	Actual
Objects of issue as stated in Final Letter of Offer dated July 27, 2023:			
a)	Repayment of certain borrowings availed by the Company	859.24	859.24
b)	General corporate purposes	166.22	-
	Add: Amounts that can be used towards General corporate purposes*	6.51	-
		172.73	**172.73**
c)	Issue related expenses	24.54	-
	Less: Excess Issue related expenses that can be used towards general corporate purposes*	(6.51)	-
	Net Issue related expenses (Gross of GST of ₹ 2.74 Crores)	**18.03**	**18.03**
Total		**1,050.00**	**1,050.00**

*As per Objects of the issue as mentioned in the letter of offer, in case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

There has been no variation or deviation in the utilization of the funds raised by the Company as stated in the Letter of Offer, dated July 27, 2023.

c) Issue related expenses:

(₹ in Crores)

Particulars	Issue related expenses (net of GST)
Debited to securities premium	14.14
Debited to statement of profit and loss	1.15

d) Transactions with any person or entity belonging to the promoter/promoter group which holds 10% or more shareholding in the Company:

(₹ in Crores)

Proceeds from Right issue of Equity shares	Amount
The Sri Krishna Trust through its Trustee Mr. Ajay G Piramal and Dr. (Mrs.) Swati A Piramal	302.79

72 ESOP Disclosure

Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 ("PPL Plan 2022")

The Company constituted the PPL 2022 Plan for all eligible employees pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on 28 July 2022. The PPL 2022 Plan covers all employees and directors (excluding promoter, promoter group and directors holding more than 10% of the outstanding equity shares of the Company) of the Company and its subsidiaries (collectively, "eligible employees"). The Nomination and Remuneration Committee of the Board of the Company (the "Committee") administers the PPL 2022 Plan and grants stock options to eligible employees. The Committee determines which eligible employees will receive options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The share options can be exercised up to five years after the end of the vesting period and therefore, the contractual term of the options granted is 1 to 8 years.

Pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on 28th July 2022, the Piramal Pharma Limited Employees Welfare Trust (the "ESOP Trust") was formed to support the Piramal Pharma Limited - Employee Stock Option and Incentive Plan 2022 by acquiring, from the Company or through secondary market acquisitions, equity shares which are used for issuance to eligible employees (as defined therein) upon exercise of stock options thereunder.

Notes to the consolidated financial statements

for the year ended March 31, 2024

(a) Details of stock options granted :

Particulars	Grant Date	Vesting Date (Range)		Outstanding at the beginning of the year	Granted during the year	Exercised during the year	Expired/ forfeited during the year	Options lapsed during the year	Balance as at the end of the year	Exercisable at period end	Grant date share price
Grant Date 1	19 April, 2023	19 April, 2024	01 August, 2025	-	12,57,876.00	-	1,78,315.00	-	10,79,561.00	-	77.56
Grant Date 2	25 May, 2023	25 May, 2024	01 August, 2025	-	2,27,922.00	-	21,904.00	-	2,06,018.00	-	78.50
Grant Date 3	31 July, 2023	31 July, 2024	31 July, 2026	-	90,99,066.00	-	36,34,176.00	-	54,64,890.00	-	104.43
Grant Date 4	10 August, 2023	10 August, 2024	10 August, 2026	-	81,796.00	-	14,505.00	-	67,291.00	-	99.60
Grant Date 5	30 January, 2024	30 January, 2025	30 January, 2027	-	6,49,005.00	-	1,87,167.00	-	4,61,838.00	-	139.00
Grant Date 6	07 February, 2024	07 February, 2025	07 February, 2027	-	6,302.00	-	1,730.00	-	4,572.00	-	139.25

(b) Fair Value of stock options granted

The fair value of services received in return for stock options granted to employees is measured by reference to the fair value of stock options granted. The fair value of stock options granted under the PPL 2022 Plan has been measured using the Black Scholes Option Pricing Model ('BS Model') at the date of the grant.

The Black Scholes Option Pricing Model ('BS Model') includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. In respect of options granted, the expected term of an option (or "Life of Option") is estimated based on the vesting term and contractual term, as well as the expected exercise behaviour of the employees receiving the option. Expected volatility of the option is based on historical volatility of comparable companies during a period equivalent to the option life, of the observed market prices of the comparable companies publicly traded equity shares as historical volatility of PPL not considered due to limited trading history. Dividend yield of the options is based on recent dividend activity. Risk-free interest rates are based on the government securities yield in effect at the time of the grant.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock-based compensation expense could be materially impacted in future years.

The estimated fair value of stock options is recognised in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.

Notes to the consolidated financial statements

for the year ended March 31, 2024

The weighted average inputs used in computing the fair value of options granted were as follows:

Particulars	Grant Date	Weighted Avarage Fair Value at Grant Date	Exercise price (In ₹)	Risk free interest rate	Dividend yield	Volatility	Remaining Expected life* (years)
Grant Date 1	19 April, 2023	61.52	10	7.0% - 7.2%	0.9% - 1.3%	27.5% - 33.9%	0.55 to 3.85 years
Grant Date 2	25 May, 2023	63.35	10	7.0% - 7.1%	0.9% - 1.3%	32.9% - 33.8%	2.65 to 3.85 years
Grant Date 3	31 July, 2023	93.98	10	7.1% - 7.3%	0.7% - 1.5%	25.9% - 33.8%	0.63 to 4.83 years
Grant Date 4	10 August, 2023	88.03	10	7.2% - 7.3%	0.7% - 1.6%	26.6% - 33.8%	0.86 to 2.86 years
Grant Date 5	30 January, 2024	131.14	10	7.1% - 7.2%	0.3% - 0.9%	25.5% - 32.6%	1.43 to 5.33 years
Grant Date 6	7 February, 2024	129.73	10	7.1% - 7.2%	0.3% - 0.9%	28.9% - 32.6%	3.35 to 5.35 years

*Tenure to vesting of options and half of exercise period assuming even exercise of options during exercise period

Share-based payment expense:

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total expense arising from share-based payment transactions	27.47	-

73 The financial statements have been approved for issue by Company's Board of Directors on May 10, 2024.

Signature to note 1 to 73 of the Consolidated financial statements.

For and on behalf of the Board of Directors

Nandini Piramal
Chairperson
DIN : 00286092
Place- Mumbai
Date- May 10, 2024

Vivek Valsaraj
Chief Financial Officer
Place- Mumbai
Date- May 10, 2024

Tanya Sanish
Company Secretary
Place- Mumbai
Date- May 10, 2024

Notice

NOTICE is hereby given that the 4th Annual General Meeting ('AGM') of the Members of Piramal Pharma Limited will be held on Friday, July 26, 2024 at 3.00 p.m. Indian Standard Time ('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 Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.
2. To declare final dividend on equity shares for the financial year ended March 31, 2024.
3. To appoint a Director in place of Mr. Vivek Valsaraj (DIN: 06970246), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Re-appointment of Mr. Vivek Valsaraj as Executive Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT subject to and in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 ('the Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) modification(s) or re-enactment thereof for the time being in force) and the relevant provisions of the Articles of Association of the Company, the approval of the Members be and is hereby accorded to the re-appointment of Mr. Vivek Valsaraj (DIN: 06970246) as Whole-Time Director, designated as 'Executive Director' of the Company, liable to retire by rotation, for a term of 3 (three) years effective from February 9, 2025, on the terms and conditions including payment of remuneration, perquisites and benefits as set out in the draft of the agreement to be entered into between the Company and Mr. Vivek Valsaraj, main terms of which are set out hereunder, which have been approved and recommended by the Nomination & Remuneration Committee and the Board of Directors, which draft agreement is hereby approved, with liberty and power to the Board of Directors ('the Board' which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution) to re-designate him and/or reallocate his duties and responsibilities and to grant annual increments and to alter and vary from time to time the terms and conditions of Mr. Valsaraj's appointment, including the amount and type of perquisites, allowances and benefits to be provided to Mr. Valsaraj subject to the applicable provisions of the Act, including Schedule V thereof:

a. **Total Fixed Pay** (as defined herein below) of ₹2,68,30,970 (including basic salary of ₹1,07,32,388) for FY2024-25, with authority to the Board to grant such annual increments and/or revisions in the Total Fixed Pay and/or in the components thereof from time to time during the tenure of his appointment, as may be amended from time to time PROVIDED THAT such annual increments and/ or revisions shall not exceed 30% per annum or such other amount as may be approved by the Board from time to time;

b. **Perquisites and Allowances:** Mr. Valsaraj will be entitled to perquisites, benefits and allowances like furnished residential accommodation (or house rent allowance in lieu thereof), special allowance, reimbursement of expenses in respect of gas, electricity and water, reimbursement of telephone expenses, furnishing and repairs, medical reimbursement for self and family, leave travel allowance, personal accident insurance, leave and encashment of leave, contributions to provident fund and superannuation or annuity fund, gratuity and/or contribution to gratuity fund, chauffeur driven Company maintained / leased cars (or allowances in lieu thereof) and such other payments in the nature of perquisites, benefits and allowances as per Company policy in force from time to time or as may otherwise be decided by the Board;

   In arriving at the value of perquisites, in so far as there exists a provision for valuation of such perquisites under the Income Tax Rules, the value shall be determined on the basis of the Income Tax Rules in force from time to time;

   PROVIDED FURTHER THAT the limits referred to herein shall not apply to those components of his perquisites, which as per Company Policy in force from time to time, are reimbursable at actuals;

   Total Fixed Pay: For the purpose of this resolution, the term 'Total Fixed Pay' shall mean the aggregate of and shall include all fixed components (including basic salary) of Mr. Valsaraj's remuneration, all allowances and the value of all perquisites as per Company Policy in force from time to time, excluding Performance Linked Incentive;

c. **Performance Linked Incentive:** In addition to Total Fixed Pay, Mr. Valsaraj shall also be entitled to Performance Linked Incentive of such amount as may be determined by the Board for each financial year of the Company or part thereof, taking into consideration various criteria, including the performance of Mr. Valsaraj and the performance of the Company PROVIDED THAT the total Performance Linked Incentive shall not exceed 90% per annum of the last drawn Total Fixed Pay or such other amount as may approved by the Board from time to time;

d. **ESOP:** In addition to Total Fixed Pay and Performance Linked Incentive, Mr. Valsaraj shall also be entitled to Employee Stock Options ('ESOP') under the ESOP plan of the Company;

Minimum Remuneration:

RESOLVED FURTHER THAT if in any financial year, the Company has no profits or its profits are inadequate, Mr. Valsaraj shall be entitled to receive the aforesaid remuneration including perquisites, performance linked incentive and benefits on the same terms as set out above, in accordance with the applicable provisions of Schedule V of the Act;

RESOLVED FURTHER THAT approval of the Members be and is hereby accorded to the Board to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

5. Payment of Commission to Non-Executive Directors of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions of the Companies Act, 2013 ('the Act') and the applicable Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Articles of Association, consent of the Members be and is hereby accorded for payment of commission to the Non-Executive Directors ('NEDs') [including Independent Directors('IDs')], existing and as may be appointed from time to time of the Company including in case of no profits/ inadequate profits in accordance with the limits prescribed under Schedule V of the Act upto a sum not exceeding ₹ 5 Crores in aggregate at the end of each financial year for a period of 3 (three) years commencing from the financial year April 1, 2025 AND THAT the same be paid to and distributed amongst the said NEDs (including IDs) of the Company in such amounts or proportions and in such manner as may be directed by the Board of Directors of the Company ('the Board' which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution);

RESOLVED FURTHER THAT the above commission shall be in addition to fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, subject to applicable provisions of law and reimbursement of expenses for participation in the Board and other meetings;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient for or in connection with this resolution and to settle any question or difficulty that may arise in this regard in the best interest of the Company."

6. Issue of Non-Convertible Debentures on Private Placement Basis

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 , Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and subject to the provisions of the Articles of Association of the Company and subject to compliance with such other provisions of law as may be applicable, consent of the Members be and is hereby accorded to the Board of Directors of the Company ('the Board', which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution), to make offer(s) or invite subscriptions for secured/ unsecured non-convertible debentures ('Debentures'), in one or more series/ tranches, on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial

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to the Company, including as to when the Debentures be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected therewith or incidental thereto PROVIDED THAT the total amount that may be so raised in the aggregate, by such offer or invitation for subscriptions of the Debentures, and outstanding at any point of time, shall be within the overall borrowing limit as approved by the Members under Section 180(1)(c) of the Act;

RESOLVED FURTHER THAT approval of the Members be and is hereby accorded to the Board to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

7. Ratification of remuneration payable to Cost Auditors

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. G. R. Kulkarni, Cost Accountants, Mumbai (Registration No. 00168), appointed by the Board of Directors of the Company ('the Board', which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2025, amounting to ₹ 12 Lakhs (Rupees Twelve Lakhs only) plus applicable taxes and reimbursement of actual out of pocket expenses, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT approval of the Members be and is hereby accorded to the Board to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

NOTES:

1. The Ministry of Corporate Affairs ('MCA') has vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023 ('collectively referred to as MCA Circulars') and Securities and Exchange Board of India ('SEBI') vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 (collectively referred to as 'SEBI Circulars') permitted holding of the AGM through VC/OAVM, without physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the MCA Circulars and the SEBI Circulars, the 4th Annual General Meeting ('AGM') of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
2. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy by the Members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

   However, in pursuance of Sections 112 and 113 of the Act, Corporate Members are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM on their behalf and to vote through electronic means.
3. Participation of Members through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
4. An Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the businesses under Item Nos. 4 to 7 of the Notice is annexed hereto. A statement providing additional details of Mr. Vivek Valsaraj, Director who is seeking re-appointment at the 4th AGM, along with his brief profile, is annexed herewith as required under Regulation 36 of the SEBI Listing Regulations, as amended and the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.
5. In accordance with the MCA circulars and the SEBI Circulars, the Annual Report of the Company along with the Notice of AGM is being sent through electronic mode to those Members whose e-mail address is registered with the Company/Depository Participant(s) ('DP').
6. Members may note that this Notice and Annual Report shall also be available on Company's website at www.piramalpharma.com, on the websites of the Stock Exchanges i.e. BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') at www.bseindia.com and www.nseindia.com respectively, and on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com.
7. The Company has fixed Friday, July 12, 2024 as the 'Record Date' for determining entitlement of Members to receive final dividend for the financial year ended March 31, 2024, if approved at the AGM.
8. The final dividend for the financial year ended March 31, 2024, as recommended by the Board, if approved at the AGM, will be paid on or after Friday, July 26, 2024, to those persons or their mandates whose names appear as Beneficial Owners as at the end of the business hours on Friday, July 12, 2024 as per the data furnished by NSDL and Central Depository Services (India) Limited ('CDSL') in respect of the shares held in electronic form.
9. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source at the time of paying dividend to the Members at the prescribed rates on the said Record Date. For the prescribed rates for various categories, the Members are requested to refer to our website under 'Dividend' tab at https://www.piramalpharma.com/shareholder-information. A Resident Individual Member with PAN who is not liable to pay income tax can avail the benefit of non-deduction of tax at source by submitting a duly completed and signed yearly declaration in Form No. 15G/ 15H as maybe applicable, through email to pplpharmadivtax@linkintime.co.in or uploaded at https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html by Friday, July 05, 2024, 6:00 p.m. (IST). Members are requested to note that if the PAN is not correct/ invalid/inoperative or have not filed their income tax returns, then tax will be deducted at higher rates prescribed under Sections 206AA or 206AB of the Income Tax Act, 1961, as applicable, and in case of invalid PAN, they will not be able to get credit of TDS from the Income Tax Department. Non-resident Members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits as mentioned above. No communication/ documents on the tax determination/deduction shall be considered after Friday, July 05, 2024, 6:00 p.m. (IST). A communication in this respect was sent to the Members of the Company vide email dated June 12, 2024 whose email id's are registered with the Company/Depository and in case of others vide letter dated June 14, 2024.
10. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend in accordance with the mandate of SEBI. The Company or its Registrar and Share Transfer Agent ('RTA') cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. The Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their DP only. To avoid delay in receiving dividend, Members are requested to update their KYC with their DP, where shares are held in dematerialised mode to receive dividend directly into their bank account on the payout date.
11. Members are requested to note that dividends, if not encashed for a consecutive 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, the shares in respect of dividends which remain unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline.
12. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 (updated as per Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024) mandated listed companies to issue securities in dematerialised form only.

    In view of this, all securities issued by the Company are in dematerialised form. Pursuant to the Composite Scheme of Arrangement under Section 230 - 232 of the Act, which was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order August 12, 2022 and was effective from August 18, 2022 ('Scheme'), the Company had issued equity shares

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to eligible Members of Piramal Enterprises Limited ('PEL') as per the share entitlement ratio defined in the Scheme.

In line with the above mandate from SEBI, shares of the Company which were allotted to Members of PEL pursuant to the Scheme, who held equity shares in physical form, were credited into Piramal Pharma Escrow Account ('Escrow Account') opened and maintained by the Company for this purpose. The Company through its RTA, on receipt of requisite documents from the said Member(s), credits the equity shares to their respective demat account(s) after due validation.

In order to do so, or for applying for transfer of shares pursuant to transmission/transposition/name change/ name deletion, Members are requested to submit the form Schedule 1 'Application to claim shares from Escrow Account' or form Schedule 2 'Application for transfer of Shares from Escrow Account of Piramal Pharma Limited to the demat account of the Members pursuant to transmission/transposition/name change/ name deletion' along with the documents as mentioned in the forms, to the RTA at their registered office at C- 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083.

Further, Members whose shares are lying in the Escrow Account of the Company, in the absence of demat account details with the Company, the KYC compliances applicable to them remain pending for their folio. Please note that this will impact corporate benefits such as dividend. Accordingly, in order for said dividends to be credited to your bank account, updated KYC details including bank account details will need to updated in the Company records. This can be done upon credit of your shares lying in the Escrow Account to your own demat account.

Members can contact Link Intime for further assistance in this regard.

The Company has also communicated this to the said Members vide email dated June 12, 2024, whose email ids are registered with the Company, and in case of others vide letter dated June 14, 2024, wherein the process to claim the shares from the said Escrow account has been elaborated. Members can contact the Company's RTA to know more about the process to claim their shares from the said account.

13. In accordance with the provisions of Section 72 of the Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 and circulars issued by SEBI, from time to time, Members can avail the facility of nomination in respect of the shares held by them. Members, whose shares are in the Escrow Account and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14, as the case may be. The aforementioned forms are available on the Company's website under 'forms' tab at https://www.piramalpharma.com/shareholder-information and on the website of Link Intime at https://liiplweb.linkintime.co.in/KYC-downloads.html In case of shares held in dematerialised form, the nomination/ change in nomination should be lodged with their respective DPs.

14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

15. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/CIR/2023/145 dated August 11, 2023 (updated as on December 28, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian securities market. Should a Company / its Registrar and Transfer Agent fail to address the Member's grievance directly or through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login. Details can also be accessed under the 'Online Dispute Resolution (ODR)' tab at https://www.piramalpharma.com/shareholder-information

16. Members are requested to avail benefits of the following newly added investor service facilities, introduced by the Company's RTA with the endeavor to enhance & simplify investor servicing:

    a) **Investor Service Portal:** 'SWAYAM' to access various services such as raising & tracking service request, shareholding details and downloadable versions of standard formats required for application of transmission, updation of KYC, etc. Members can click on https://swayam.linkintime.co.in to register themselves.

    b) **Tax Exemption Form submission:** Member's can submit their Tax exemption forms in connection with dividend payment through the online services available on RTA's website i.e. https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html.

17. Voting through electronic means

I. Pursuant to 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, the Company is pleased to provide to its Members, the facility to exercise their right to vote on resolutions proposed to be considered at the 4th AGM by electronic means and has engaged the services of NSDL to provide the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') as well as e-voting during the proceedings of the AGM through VC/ OAVM ('e-voting at the AGM').

II. The remote e-voting period commences on Tuesday, July 23, 2024 (9.00 a.m. IST) and ends on Thursday, July 25, 2024 (5.00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter.

III. Members holding shares, as on the close of business hours on Friday, July 19, 2024, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. 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. Any person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

IV. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain their login ID and password by sending a request at evoting@nsdl.com or rnt.helpdesk@linkintime.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

V. Mr. Bhaskar Upadhyay, Practising Company Secretary (Membership No. FCS 8663 / C.P No. 9625) failing him Mr. Bharat R. Upadhyay, Practising Company Secretary (Membership No. FCS 5436 / C.P No. 4457) of N L Bhatia & Associates, Practising Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

VI. The instructions for remote e-voting are as under:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for individual Members holding securities in demat mode:

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DP. Members are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

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Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Securities held with NSDL	**A. NSDL IDeAS facility** **If you are already registered, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the **'Beneficial Owner'** icon under **'Login'** which is available under **'IDeAS'** section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. 4. Click on **'Access to e-voting'** under e-voting services and you will be able to see e-voting page. 5. Click on options available against company name or e-voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. **If you are not registered for IDeAS e-Services, follow the below steps:** 1. Option to register is available at https://eservices.nsdl.com. 2. Select **'Register Online for IDeAS'** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in points 1-5 above. Members can also download NSDL Mobile app viz. **'NSDL Speede'** which is available on App Store for iOS users and on Google Play for android users.
	B. E-voting website of NSDL 1. Visit the e-voting website of NSDL. Open web browser by typing the following URL:https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-voting system is launched, click on the icon **'Login'** which is available under 'Shareholder/ Member' section. 3. 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. 4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 5. Members can also download NSDL Mobile App **'NSDL Speede'** from Google Play or App Store.
Securities held with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/ Easiest is www.cdslindia.com and click on login icon and select '**My Easi New (Token)**' option and then user shall enter the existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at www.cdslindia.com and click on login and select '**My Easi New (Token)**' option and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from an e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & e-mail as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also able to directly access the system of all e-voting service providers.
Login through their depository participants	1. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. 2. Once you've 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. 3. Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use, Forgot User ID, and Forgot Password, option available at above mentioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login Method for e-Voting and joining the AGM through VC/OAVM for Members other than Individual Members holding securities in demat mode:

i. Open the browser by typing the following URL: https://www.evoting.nsdl.com/

ii. Once the home page of e-Voting system is launched, 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, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

iv. User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Escrow Account	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members whose shares are lying in Escrow Account of the Company	E-voting Event Number ('EVEN') followed by Folio Number registered with the Company (i.e. folio originally registered with PEL) For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v. Password details for Members other than Individual Members are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Kindly trace the email sent to you from NSDL. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares lying in escrow account of the Company. The pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those Members whose email ids are not registered.

vi. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

a) Click on **'Forgot User Details/Password?'**(If you are holding shares in your demat account with NSDL or CDSL) option available on https://www.evoting.nsdl.com

b) Click on 'Physical User Reset Password?' (If your shares are lying in escrow account of the Company) option available on https://www.evoting.nsdl.com/

c) If you are still unable to retrieve the password by aforesaid two options, kindly send a request at evoting@nsdl.com mentioning your demat account number/folio number, PAN, name and registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

vii. After entering your password, kindly tick on Agree to 'Terms and Conditions' by selecting on the check box.

viii. Thereafter, kindly click on 'Login' button upon which the e-voting home page will open.

Step 2: Cast your vote electronically:

i. After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.

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ii. Select 'EVEN' of Company.

iii. Now you are ready for e-Voting as the Voting page opens.

iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

v. Upon confirmation, the message 'Vote cast successfully' will be displayed.

vi. You may also print the details of the votes cast by you by clicking on the print option on the confirmation page for record.

vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

i. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting, to the Scrutiniser at his e-mail id bhaskar@nlba.in with a copy marked to evoting@nsdl.com and to the Company at shareholders.ppl@piramal.com or upload it by clicking on 'Upload Board Resolution / Authority Letter' displayed under 'e-voting' tab in their login.

ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' option available on www.evoting.nsdl.com to reset the password.

iii. In case of any queries, you may refer the Frequently Asked Questions for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and or send a request to Ms. Prajakta Pawle, Executive, NSDL at evoting@nsdl.com.

iv. Process for those Members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to shareholders.ppl@piramal.com If you are an individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 (a) i.e. Login method for e-voting and joining virtual meeting for Individual Members holding securities in demat mode.
- Alternatively Member(s) may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

v. Members may follow the process detailed below for registering their email id to obtain copy of the Annual Report and other correspondences from the Company electronically and update bank details for receiving the dividends directly in their bank account.

Registration of e-mail and updation of bank account:

The Members whose e-mail addresses are not registered and/or who have not updated their bank account details are requested to update their e-mail address and/ or bank account details with their respective DP by following the procedure prescribed by the DP. For Members whose shares are lying in Escrow Account of the Company may Register / update their e-mail address and/ or bank account details by submitting Schedule 1 and / or Schedule 2 as applicable along with documents stated therein with Link Intime through e-mail at rnt.helpdesk@linkintime.co.in or by courier at C-101, 1st Floor, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083 on or before Friday, July 5, 2024.

In case of any query, Member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

18. Members may follow the same procedure for e-voting at the AGM as mentioned for remote e-voting. Only those Members, who will be attending the AGM through VC/ OAVM and have not cast their vote by remote e-voting, may exercise their voting rights at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may attend the AGM and their presence shall be counted for the purpose of quorum, but shall not be entitled to cast their vote again at the AGM. A Member can vote either by remote e-voting or by e-voting at the AGM.

19. After completion of scrutiny of the votes, the Scrutiniser shall submit a consolidated Scrutiniser's Report of the votes cast in favour or against, to the Chairman of the AGM or to any Director or any person authorised by the Chairman for this purpose, who shall countersign the same. The results will be announced within the stipulated time under the applicable laws.

20. The results declared along with the Scrutiniser's Report shall be placed on the Company's website at www.piramalpharma.com and on the website of NSDL at https://www.evoting.nsdl.com/ immediately. The Company shall also simultaneously forward the results to BSE and NSE, where the shares of the Company are listed.

21. 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 all documents referred to in the Notice and Explanatory Statement of this AGM, will be available electronically for inspection. Members who wish to inspect such documents can send their requests to the Company at shareholders.ppl@piramal.com by mentioning their name, PAN, address, DP ID and Client ID.

22. Instructions for Members for attending the AGM through VC/OAVM are as under:

I. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM through the NSDL e-voting system at www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN for the Company's AGM.

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 in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

II. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for commencement of the AGM and will be available for Members on first come first served basis.

III. Please note that Members connecting from mobile devices or tablets or through laptops etc., 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.

IV. Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID, PAN and mobile number at shareholders.ppl@piramal.com from Saturday, July 20, 2024 (9:00 a.m. IST) to Monday, July 22,2024 (5:00 p.m. IST). A Member who has registered as a speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

V. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.com., 022-4886 7000 or contact Ms. Prajakta Pawle, Executive, NSDL at evoting@nsdl.com.

Registered Office:
Gr Flr., Piramal Ananta, Agastya Corporate Park,
Opposite Fire Brigade, Kamani Junction,
Kurla (West), Mumbai – 400 070.

Dated: May 10, 2024
Place: Mumbai

By Order of the Board
For Piramal Pharma Limited

Tanya Sanish
Company Secretary
ACS No.: 25784

Notice

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Re-appointment of Mr. Vivek Valsaraj as Executive Director of the Company

The Members of the Company at the 2nd Annual General Meeting held on July 28, 2022, had appointed Mr. Vivek Valsaraj (DIN: 06970246) as Whole-Time Director designated as 'Executive Director', for a period of 3 (three) years, w.e.f. February 9, 2022 to February 8, 2025 and had approved the limits within which remuneration would be payable to Mr. Valsaraj during this term.

Considering Mr. Valsaraj's rich experience and expertise in the field of finance, his association with the Piramal Group for over 23 years and the milestones achieved during his existing tenure, the Board of Directors at its meeting held on May 10, 2024, in line with the recommendations of the Nomination and Remuneration Committee ('NRC'), has approved and has recommended for approval of the Members, the re-appointment of Mr. Valsaraj as Whole-Time Director designated as 'Executive Director', liable to retire by rotation, for a further period of 3 (three) years, with effect from February 9, 2025 along with the terms and conditions of his re-appointment including payment of remuneration.

The terms and conditions, including remuneration payable to Mr. Valsaraj are contained in the Draft Agreement ('Agreement') proposed to be entered into by the Company with Mr. Valsaraj, main terms of which are set out in the resolution at Item No. 4 of the accompanying Notice. The terms of remuneration of Mr. Valsaraj are in accordance with the Remuneration Policy of the Company. Basis the recommendation of the NRC, the Board decides the actual remuneration payable for a given financial year after taking into consideration the performance of the Director along with the business performance and profits. The Company has achieved adequate profits in terms of Section 198 of the Act during the financial year ended March 31, 2024. In the event of absence or inadequacy of profits, increments in Mr. Valsaraj's remuneration and other benefits including Performance Linked Incentive, would be approved by the Board on the recommendations of the NRC, after taking due cognizance of the performance of business and Company among other factors and in compliance with of the provisions of Section 197 read Schedule V of the Act.

Mr. Valsaraj has granted consent for his re-appointment as a Whole-Time Director. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Also, notice in writing in the prescribed manner as required under Section 160 of the Act has been received by the Company, proposing his candidature for the office of Whole –Time Director.

Mr. Valsaraj satisfies all the conditions set out in Part-I of Schedule V of the Companies Act, 2013 ('the Act') as also conditions set out under Section 196(3) of the Act for being eligible for re-appointment.

Information as required under Section II of Part II of the Schedule V of the Act is provided as **Annexure A** to this Notice and details relating to Mr. Valsaraj as required to be provided pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standards on General Meetings are provided as **Annexure B** to this Notice.

Except Mr. Vivek Valsaraj and his relatives to the extent of their shareholding interest, if any in the Company, none of the other Directors/ Key Managerial Personnel of the Company nor their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board strongly believes that Mr. Valsaraj's knowledge and expertise coupled with the background of his understanding of the Company's businesses will be of immense benefit and value to the Company and, therefore recommends the Special Resolution set out at Item No. 4 of the Notice, for the approval of the Members.

Item No. 5

Payment of Commission to Non-Executive Directors of the Company

Pursuant to provisions of Sections 149(9) and 197(3) of the Companies Act, 2013 read with Schedule V and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the event of the profits of the Company, calculated in accordance with Sections 197 and 198 of the Companies Act, 2013 ('the Act') being inadequate for payment of commission to the Non-Executive Directors ('NEDs'), the payment of said commission would be subject to approval of the Members of the Company by Special Resolution.

The Company has achieved adequate profits in terms of Section 198 of the Act during the financial year ended March 31, 2024. In view of the aforesaid provisions and in order to continue to avail of the benefits of the skill, professional expertise that the NEDs bring to the Board room, their understanding and insights on the industry in which the Company operates and the business exposure of the eminent personalities on the Board of Directors of the Company, the approval of the Members is requested towards payment of commission to NEDs [Independent Directors ('IDs')] of the Company, even in the event of no profits/inadequate profits, in accordance with the terms of and the limits prescribed under Schedule V of the Act, upto a sum not exceeding ₹ 5 Crores in aggregate, at the end of each financial year, for a period of 3 (three) years, commencing from the financial year April 1, 2025.

Commission if approved by the Board, would be payable to all or identified NEDs in accordance with the directions given by the Board taking into consideration the performance evaluation of the NEDs as per the terms of Section 178 of the Act, their experience and the time devoted by them for the business affairs of the Company. The commission shall be in addition to the fee payable to the 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 subject to applicable provisions of law, and reimbursement of expenses for participation in the Board and other meetings.

Information as required under Section II of Part II of the Schedule V of the Act is provided as **Annexure A** to this Notice.

None of the Whole-Time Directors/Key Managerial Personnel of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. All the NEDs including IDs are deemed to be concerned or interested in this resolution to the extent of the commission that may be received by them.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

Item No. 6

Issue of Non-Convertible Debentures on Private Placement Basis

In terms of Sections 42 and 71 of the Companies Act, 2013 ('the Act') read with Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case an offer of or invitation to subscribe to Non-Convertible Debentures ('NCDs') is made by the Company on a private placement basis, the Company is required to seek the prior approval of its Members by means of a Special Resolution, on an annual basis for all the offers or invitations for such NCDs during the year.

For the purpose of availing financial assistance (including borrowings) for its business or operations, the Company may offer or invite subscription to secured / unsecured NCDs on private placement basis (within the meaning of the Section 42 of the Act) in one or more series / tranches. Hence, approval of the Members to offer or invite subscription to NCDs, within the overall borrowing limits under Section 180(1)(c) of the Act, as may be required by the Company, from time to time, for a year is being sought.

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

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

Item No. 7

Ratification of remuneration payable to Cost Auditor

The Board of Directors, on the recommendations of the Audit Committee, has approved appointment of M/s. G.R. Kulkarni & Associates, Cost Accountants, Mumbai (Registration No. 00168), as Cost Auditors for conducting audit of the relevant cost records of the Company for the financial year ending March 31, 2025, at a remuneration of ₹ 12 Lakhs per annum plus taxes as applicable and reimbursement of out-of-pocket expenses.

In accordance with Section 148 of the Act and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration so payable to the Cost Auditors is required to be ratified by the Members of the Company. Hence, ratification from the Members is sought for the same.

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

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the Members.

Registered Office:
Gr Flr., Piramal Ananta, Agastya Corporate Park,
Opposite Fire Brigade, Kamani Junction,
Kurla (West), Mumbai – 400 070.

Dated: May 10, 2024
Place: Mumbai

By Order of the Board
For Piramal Pharma Limited

Tanya Sanish
Company Secretary
ACS No.: 25784

Notice

ANNEXURE - A

Information under Section II of Part II of Schedule V of the Companies Act, 2013

1. General Information

(a) **Nature of Industry:** The Company is engaged in Pharmaceutical Business

(b) **Date or expected date of commencement of commercial production:** October 6, 2020

(c) **Financial performance based on given indicators:**

(₹ in Crores)

Particulars	FY 2024
Gross Turnover & Other Income	4,592.17
Net Profit as per Statement of Profit or Loss (After Tax)	391.22
Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	513.27

(d) **Foreign investments or collaborators, if any:** 18.04% of the equity share capital of the Company is currently held by CA Alchemy Investments, a company registered in Mauritius. Apart from this, there are no foreign direct investments in the Company other than by way of portfolio investments nor is there any foreign collaboration.

2. Information about (a) Mr. Vivek Valsaraj and (b) Non – Executive Directors with respect to commission payment

Particulars	Mr. Vivek Valsaraj	Non- Executive Directors
Background Details / Recognition and Awards and Job Profile and suitability	The details are provided in the brief profile of Directors covered on page numbers 16 and 17 of this Annual Report	
***Past remuneration**	The same is furnished in the Corporate Governance Report of the Company, which forms an integral part of this Annual Report	
Remuneration / Commission proposed	As stated in the resolutions and explanatory statements at Item Nos. 4 and 5 respectively of this Notice	
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Valsaraj, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterparts in other companies.	Taking into consideration the size of the Company, the profile, knowledge, skills and expertise the Non-Executive Directors bring to the Board, the commission proposed to be paid to them is commensurate with the remuneration/ commission drawn by similar positions in other companies.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Mr. Vivek Valsaraj is also the Chief Financial Officer ('CFO') of the Company and does not draw any additional remuneration as CFO. Accordingly, he does not have any pecuniary relationship with the Company except to the extent of remuneration drawn by him as Executive Director.	The Non-Executive Directors do not have any pecuniary relationship with the Company except to the extent of sitting fees, commission or remuneration, as applicable, and reimbursement of out of pocket expenses, if any, received by them for attending the meetings.

* Mr. Neeraj Bharadwaj, Non – Executive Director does not receive any sitting fees or commission.

3. Other Information

(a) **Reasons for loss or inadequate profits:** The Company has made adequate profits as seen in the latest Audited Annual Financial Statements i.e. FY2023-24. However, it is proposed to obtain approval of the Members by way of Special Resolutions as a matter of abundant precaution to enable the Company to pay remuneration as stated in the resolutions at Item Nos. 4 and 5 of the Notice, in case a situation of inadequate profits may arise in any of the financial year during the tenure of appointment of Mr. Vivek Valsaraj, or during the term for which commission is sought to be paid to the NEDs.

(b) **Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:** Not applicable, as the Company has adequate profits.

Disclosures

The details required to be given under this head have been disclosed in the Corporate Governance Report of the Company which forms an integral part of this Annual Report.

ANNEXURE B

Details of Director seeking re-appointment at the Annual General Meeting

(In pursuance of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings)

Name of the Director	Mr. Vivek Valsaraj (DIN: 06970246)
Date of Birth (Age)	August 12, 1973 (50 years)
Nationality	Indian
Date of first Appointment	February 9, 2022
Qualifications, Brief resume/ expertise in specific functional areas	With over 28 years of overall experience in the field of finance, Mr. Vivek Valsaraj has been associated with the Piramal Group for over 23 years. He holds a bachelor's degree in commerce and holds a degree in Cost and Management Accountant (CMA). As the Chief Financial Officer of Piramal Pharma Ltd, he currently oversees the Finance, Investor Relations and Shared Services Functions in the group. Mr. Valsaraj is serving on the board of the joint venture company of Piramal Pharma, Abbvie Therapeutics India Private Limited (formerly Allergan India Private Limited) and several overseas subsidiaries. Within the group, he has been associated with various roles in Corporate and the erstwhile Domestic Formulations business. His expertise spans across Corporate Finance, Business Strategy, Mergers and Acquisitions, Corporate Structuring, Fund Raising, Corporate Governance & Enterprise Risk Management and Taxation. Over the last several years, he has been closely associated with the Pharma business and has been a part of several key M&A transactions and capital raising. He has also played a key role in streamlining and finessing systems, processes, and internal controls. Prior to joining Piramal, he was associated with companies like Wockhardt Ltd and Bharat Bijlee Ltd.
Directorships held in other companies (excluding Section 8 and foreign Companies)	Abbvie Therapeutics India Private Limited
Committee position held in other companies (Statutory Committees)	NIL
Listed entities from which the person has ceased to be Director in the past three years	NIL
No. of shares held	1,14,112 shares
Number of Meetings of the Board attended during the year	Attended all six Board Meetings that were held during the year
Terms and conditions of Appointment/ Re-appointment including Remuneration sought to be paid	As per the resolution no. 4
Remuneration last drawn	Remuneration last drawn is furnished in the Corporate Governance Report of the Company, which forms an integral part of this Annual Report.
Relationship with other Directors/ KMPs/Manager	None

Notes

Corporate Information

THE BOARD OF DIRECTORS

Nandini Piramal, Chairperson

Peter DeYoung, Executive Director

Vivek Valsaraj, Executive Director

Neeraj Bharadwaj, Non-Executive Director

S. Ramadorai, Independent Director

Jairaj Purandare, Independent Director

Sridhar Gorthi, Independent Director

Peter Stevenson, Independent Director

Nathalie Leitch, Non-Executive Director (upto May 10, 2024)

Vibha Paul Rishi, Independent Director

CHIEF FINANCIAL OFFICER

Vivek Valsaraj

COMPANY SECRETARY

Tanya Sanish

INFORMATION FOR MEMBERS

Registrar and Share Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai – 400 083
Tel: +91 8108116767
Fax: +91-22-4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

BANKERS

State Bank of India

The Hongkong & Shanghai Banking Corporation Limited

IndusInd Bank Limited

Export-Import Bank of India

Kotak Mahindra Bank Limited

Axis Bank Limited

Citibank N.A.

Standard Chartered Bank

BNP Paribas Bank

Barclays Bank PLC

ICICI Bank Limited

Bank of India

STATUTORY AUDITORS

Deloitte Haskins & Sells LLP

REGISTERED OFFICE

Gr. Flr., Piramal Ananta, Agastya Corporate Park,
Kamani Junction, LBS Marg,
Kurla (West), Mumbai – 400 070.
Tel.: +91-22-3802 3000/4000
Email: Shareholders.ppl@piramal.com
Website: www.piramalpharma.com
CIN: L24297MH2020PLC338592

FORWARD-LOOKING STATEMENT

In this Annual Report, we have also disclosed certain forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar nature in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Piramal
Pharma Limited

Registered Office:
Gr. Flr., Piramal Ananta, Agastya Corporate Park, Kamani Junction,
LBS Marg, Kurla (West), Mumbai - 400 070

CIN: L24297MH2020PLC338592