



Dedicated To Life

July 10, 2026

Listing Department BSE Limited P.J. Towers, Dalal Street Mumbai-400001	Code: 532321	Listing Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051	Code: ZYDUSLIFE

Re: **Annual General Meeting and Integrated Annual Report for the Financial Year ended on March 31, 2026**

Dear Sir / Madam,

Pursuant to regulation 34(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company along with the Notice of Thirty First Annual General Meeting ("AGM") for the Financial Year ended on March 31, 2026, which is being sent to the members through electronic means as per the circulars from Ministry of Corporate Affairs and The Securities and Exchange Board of India.

Important details with regard to AGM are as under:

Sr. No.	Particulars	Details
1.	AGM details	Day: Tuesday Date: August 11, 2026 Time: 10:00 a.m. (IST) Through Video Conference / Other Audio Visual Means
2.	Cut-off date to determine list of members entitled to receive Notice of AGM and Integrated Report	Friday, July 3, 2026
3.	Cut-off date to determine list of members entitled to receive final dividend	Friday, July 24, 2026
4.	Dividend Payment Date	On or around Friday, August 14, 2026
5.	Cut-off date to determine list of members entitled for e-voting	Tuesday, August 4, 2026
6.	Remote e-voting start time, day and date	9.00 a.m. (IST), Saturday, August 8, 2026
7.	Remote e-voting end time, day and date	5.00 p.m. (IST), Monday, August 10, 2026

The link to view the Notice of AGM and Integrated Annual Report is as under:

<https://www.zyduslife.com/investor/admin/uploads/14/2/2025-2026.pdf>

Please receive the same in order.

Thanking you,

Yours faithfully,

For, **Zydus Lifesciences Limited**

DHAVAL
NARENDRA
SONI
Digitally signed by
DHAVAL NARENDRA
SONI
Date: 2026.07.10
13:27:17 +05'30'

Dhaval N. Soni

Company Secretary and Compliance Officer

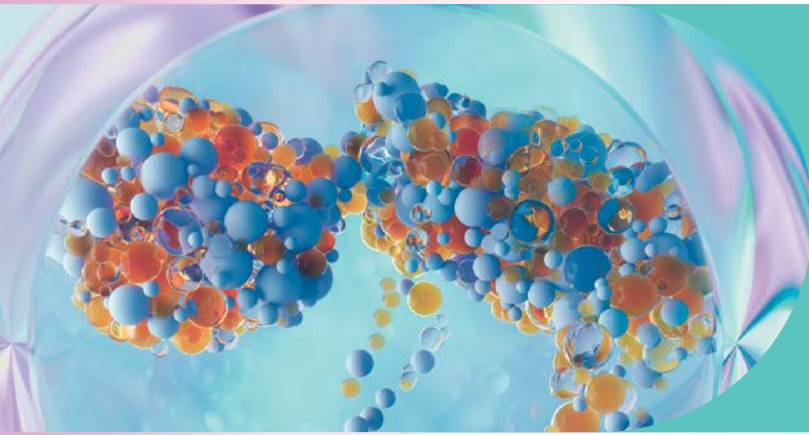
Membership No. FCS7063

Encl.: As above

Zydus Lifesciences Limited

Regd. Office : 'Zydus Corporate Park', Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad-382 481, Gujarat, India. | Phone : +91-79-71800000, +91-79-48040000
website : www.zyduslife.com | CIN : L24230GJ1995PLC025878





Scaling Innovation



Redefining Care



Delivering Value

Corporate Information

BOARD OF DIRECTORS

- Pankaj R. Patel**
Chairman
- Bhadresh K. Shah**
Independent Director
- Shelina P. Parikh**
Independent Woman Director
- Akhil A. Monappa**
Independent Director
- Upasana K. Konidela**
Independent Woman Director
- Kulin S. Lalbhai**
Independent Director
(effective May 19, 2026) *
- Mukesh M. Patel**
Non-Executive Director
- Dr. Sharvil P. Patel**
Managing Director and
Key Managerial Personnel
- Ganesh N. Nayak**
Director

KEY MANAGERIAL PERSONNEL (OTHER THAN DIRECTORS)

- Tushar D. Shroff**
Chief Financial Officer
- Dhaval N. Soni**
Company Secretary

KEY CONTACTS

- Arvind Bothra**
Head - Investor Relations
arvind.bothra@zyduslife.com
- Dhaval N. Soni**
dhavalsoni@zyduslife.com

COMMITTEES OF THE BOARD AND THEIR CONSTITUTION:

- Audit Committee**
Akhil A. Monappa, Chairperson
Bhadresh K. Shah
Shelina P. Parikh
Kulin S. Lalbhai

NOMINATION AND REMUNERATION COMMITTEE

- Bhadresh K. Shah, Chairperson
Akhil A. Monappa
Upasana K. Konidela
Kulin S. Lalbhai

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT SOCIAL AND GOVERNANCE COMMITTEE

- Pankaj R. Patel, Chairperson
Dr. Sharvil P. Patel
Shelina P. Parikh
Upasana K. Konidela

RISK MANAGEMENT COMMITTEE

- Pankaj R. Patel, Chairperson
Dr. Sharvil P. Patel
Akhil A. Monappa
Kulin S. Lalbhai
Mukesh M. Patel
Tushar D. Shroff

STAKEHOLDERS' / INVESTORS' RELATIONSHIP COMMITTEE

- Mukesh M. Patel, Chairperson
Pankaj R. Patel
Dr. Sharvil P. Patel
Bhadresh K. Shah

SHARE TRANSFER COMMITTEE

- Pankaj R. Patel, Chairperson
Dr. Sharvil P. Patel
Ganesh N. Nayak

FINANCE AND ADMINISTRATION COMMITTEE

- Pankaj R. Patel
Dr. Sharvil P. Patel
Ganesh N. Nayak

STATUTORY AUDITORS

- Deloitte Haskins & Sells LLP
Chartered Accountants
Ahmedabad

SECRETARIAL AUDITORS

- SPANJ & Associates
Practicing Company Secretaries
Ahmedabad

COST AUDITORS

- R. Nanabhoy & Co.
Cost Accountants
Mumbai

INTERNAL AUDITORS

- Ernst & Young LLP
Chartered Accountants
Mumbai

REGISTERED AND CORPORATE OFFICE

- Zydus Corporate Park
Scheme No. 63, Survey No. 536,
Khoraj (Gandhinagar),
Near Vaishnodevi Circle,
Sarkhej Gandhinagar Highway,
Ahmedabad-382481

REGISTRAR AND SHARE TRANSFER AGENTS

- MUFG Intime India Private Limited**
(formerly known as Link Intime India Private Limited)

- 506-508, Amarnath Business Centre-1
(ABC-1), Besides Gala Business Centre,
Off C G Road, Ellisbridge,
Ahmedabad-380006

MANUFACTURING FACILITIES

Human Formulations

- Plot No. 417, 419, 420, Sarkhej-
Bavla N.H. No. 8A, Moraiya,
Ahmedabad-382210
(Formulations and Vaccines)

- Swaraj Majra, Juddi Kalan, Baddi,
Tehsil-Nalagarh, District-Solan,
Himachal Pradesh-173205

- Plot No. 203-213,
Kundaim Industrial Estate, Kundaim,
Ponda, Goa-403115

- Plot No. 1A/1 & 2, Pharma SEZ Sarkhej-
Bavla N.H. No. 8, Matoda, Sanand,
Ahmedabad-382213

- Plot No. 1A, Pharma SEZ Sarkhej-
Bavla N.H. No. 8, Matoda, Sanand,
Ahmedabad-382213

- Plot No. 1B, Pharma SEZ Sarkhej-
Bavla N.H. No. 8, Matoda, Sanand,
Ahmedabad-382213

R&D CENTRES

- Zydus Research Centre (ZRC)
Survey No. 396/403, Sarkhej-Bavla
N.H. No. 8A, Moraiya,
Ahmedabad-382213

PHARMACEUTICAL TECHNOLOGY CENTRE (PTC)

- Plot No. 417, 419, 420,
Sarkhej-Bavla N.H. No. 8A,
Moraiya, Ahmedabad-382210

ZYDUS ACTIVE PHARMACEUTICAL INGREDIENTS (API) PARK

- Survey No. 233, 234/2, 236/1, 237/1, Tandalja, Behind Bright Day CBSE School,
Vasna Bhayali Canal Road, Vadodara-390002

PHARMACEUTICAL TECHNOLOGY CENTRE (PTC)

- 265/266/267, Sarkhej-Bavla N.H. No. 8A, Opp. Laxminarayan Petrol Pump,
Sanand, Ahmedabad-382213

VACCINE TECHNOLOGY CENTRE (VTC)

- Plot No. 23, 25/P, 37, 40/P, 42,
Sarkhej-Bavla N.H. No. 8A,
Opp. Ramdev Masala, Changodar,
Sanand, Ahmedabad-382213

- Plot No. 254-255, Behind Zyfine Unit,
Opp. Lakshminarayan Petrol Pump,
Sarkhej-Bavla N.H. No. 8A, Changodar,
Sanand, Ahmedabad-382210

- Survey No. 434/6/B & 434/1/K, Jarod,
Waghodia, Vadodara-391510

Active Pharmaceutical Ingredients

- 291, GIDC Industrial Estate,
Ankleshwar-393002

- Plot No. 5/1-B, GIDC Industrial Estate,
Ankleshwar-393002

- Plot No. 26-29, 31,
Dabhasa Umraya Road,
Dabhasa, Padra, Vadodara-391440

- Plot No. 162, Ekalbara Road,
Dabhasa, Padra, Vadodara-391440

- Plot No. 254-255, Behind Zyfine Unit,
Opp. Lakshminarayan Petrol Pump,
Sarkhej-Bavla N.H. No. 8A, Changodar,
Sanand, Ahmedabad-382210

- Plot No. 265, 266, 267
Opp. Laxminarayan Petrol Pump,
Sarkhej-Bavla N.H. No. 8A,
Changodar, Tal.: Sanand
Dist. Ahmedabad-382210

- Plot No. N-15, Additional M.I.D.C,
Ambernath, Maharashtra 421506

Biological Products and Vaccines

- Plot No. 23, 25/P, 37, 40/P,
42 to 47, Sarkhej-Bavla N.H. No. 8A,
Opp. Ramdev Masala, Changodar,
Sanand, Ahmedabad-382213

* subject to approval of shareholders at the ensuing annual general meeting.

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● ● ●
As a global lifesciences organisation, we remain committed to unlocking new possibilities in lifesciences through pathbreaking discoveries that impact lives.

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You can also find this report online:
<https://www.zyduslife.com/investor/admin/uploads/14/2/2025-2026.pdf>



Scan QR code
to see this report online

About the Report



Zydus Lifesciences Limited presents its second Integrated Annual Report for the financial year 2025-26, offering a holistic perspective on how the Company creates and sustains value over the short, medium and long term. The report brings together Zydus' strategy, governance, business model, performance, outlook, risks and opportunities, while also capturing its progress across Environmental, Social and Governance (ESG) priorities. Designed to provide a transparent and integrated view of the organisation's value creation journey, the report reflects the Company's continued commitment to responsible growth, operational excellence and long-term stakeholder value.

A strong focus on quality and compliance continues to guide its operations, ensuring that products meet the highest global standards of safety, efficacy and reliability. From Novel Chemical Entities to complex biosimilars and difficult-to-make generics, Zydus has continued to expand access to need-based therapies for patients across markets, while prioritising its twin focus on access and affordability.

In addressing unmet healthcare needs, Lipaglyn continues to support patients with conditions such as Metabolic Associated Fatty Liver Disease (MAFLD) and Metabolic Dysfunction-Associated Steatohepatitis (MASH). Oxemia, a first-in-India innovation based on Desidustat, is the first Indian NCE to be approved outside India. Approved by the NMPA of China, the drug aims to bring relief to CKD patients suffering from anaemia. In Oncology, Sigrima improves access to critical treatment for women battling HER2-positive breast cancer. The Company also provides advanced care for patients with rare and orphan diseases through the introduction of Zycubo, while strengthening its existing portfolio with Nulibry® and Zokinvy®, addressing ultra-rare and life-threatening conditions.

Beyond unlocking pathbreaking discoveries, the Company continues to widen its social impact through awareness

initiatives, access programmes and CSR interventions in healthcare, education, water conservation and women's empowerment. Its programmes improve access to care, strengthen community infrastructure and enable sustainable livelihoods. By combining science with social responsibility, the Company works to create lasting impact, supporting underserved communities and contributing to a healthier, more equitable society.

REPORTING SCOPE, BOUNDARY & PERIOD

This Integrated Annual Report covers the reporting period from April 1, 2025 to March 31, 2026 and includes Zydus Lifesciences Limited, its subsidiaries, and 118 operational units globally. In this Integrated Annual Report, 'During the Reporting Year' refers to FY2025-26, while 'Previous Reporting Year' denotes FY2024-25. Zydus made meaningful progress across research, manufacturing, access to critical life-saving therapies and expansion into MedTech. Through sustained investments in R&D, the Company continued to strengthen a robust pipeline focussed on important preventive and therapeutic areas and pressing health challenges. Its progress remains rooted in science and driven by a commitment to excellence.

REPORTING GUIDELINES AND FRAMEWORKS

The Company has aligned its reporting with the International Integrated Reporting Council (IIRC) framework to present its healthcare contributions and commitment to openness in a comprehensive manner. The report is structured around the six capitals defined by the IIRC, offering stakeholders a holistic 360-degree perspective on performance and value creation.

The Company's Key Performance Indicators are aligned with the Global Reporting Initiative (GRI) Standards 2021, supplemented by disclosures from the Sustainability Accounting Standards Board (SASB) for the Biotechnology and Pharmaceuticals sectors. In addition, the report incorporates the Business Responsibility and Sustainability Report (BRSR) requirements mandated by SEBI and maps initiatives to the United Nations Sustainable Development Goals (UNSDGs), reinforcing alignment with global sustainability priorities and demonstrating the Company's role in addressing critical societal challenges.

Financial and statutory sections – including the Directors' Report, Corporate Governance Report, and Management Discussion & Analysis – have been prepared in accordance with the Companies Act, 2013, Indian Accounting Standards, SEBI Regulations, Secretarial Standards, and other applicable laws and amendments.

This comprehensive approach provides stakeholders with a clear and balanced view of financial and non-financial performance, ESG strategy, and the impacts and outcomes of its goals.

RESPONSIBILITY STATEMENT

The Board of Directors confirms that this report presents a balanced overview of the Company's financial, operational, non-financial and sustainability performance for FY2025-26. The content has been developed through contributions from multiple business functions and reviewed under the oversight of senior management and functional leadership to ensure completeness and accuracy.

ASSURANCE

Zydus remains committed to transparency, accountability and the highest standards of disclosure. The non-financial information presented in the Integrated Report and Business Responsibility and Sustainability Report (BRSR) has been independently assured by M/s SGS India Private Limited, with the assurance statement available on page no. 302. The Company's financial statements have been independently audited by M/s Deloitte Haskins & Sells LLP, with the audit report included on page no. 306. Together, these assurance processes reinforce the integrity and reliability of the information presented.

○○○

FEEDBACK INVITATION

Zydus values stakeholder engagement and welcomes feedback, queries and suggestions on this report and its broader approach to long-term value creation :



- **Designated Contact:** Dhaval Soni
- **Designation:** Company Secretary
- **Email:** dhavalsoni@zyduslife.com

NAVIGATION GUIDE

IC
INTELLECTUAL CAPITAL

FC
FINANCIAL CAPITAL

MC
MANUFACTURED CAPITAL

HC
HUMAN CAPITAL

NC
NATURAL CAPITAL

RC
RELATIONSHIP CAPITAL

SC
SOCIAL CAPITAL

FORWARD-LOOKING STATEMENT

Certain statements in this report may contain forward-looking information relating to the Company's business strategy, growth plans, operational performance and future outlook. These statements are based on current assumptions and expectations and are subject to risks, uncertainties and external factors that may cause actual outcomes to differ materially. Such statements should not be construed as guarantees of future performance, and the Company assumes no obligation to revise them based on subsequent developments, unless required by law.



Late Mr. Ramanbhai B. Patel
Founder Chairman

19th August, 1925 - 19th September, 2001

At Zydus, our journey is inspired by our Late Founder Chairman Mr. Ramanbhai B. Patel.

A visionary first generation entrepreneur and a pioneering scientist, he founded the erstwhile Cadila Laboratories in 1952. He built an enduring legacy rooted in research, innovation, quality, and scientific excellence. Building on this legacy, Zydus Lifesciences Limited continues its trailblazing path. A century after his birth, we honour his extraordinary contribution to Indian innovation and pharmaceutical sciences. He inspires us all at Zydus, as we continue our relentless pursuit of life-changing, innovation-led discoveries that empower people to lead healthier and more fulfilled lives, across the world.

Scaling Innovation



Zydus is **accelerating innovation** through continuous investments in research and development to build a robust pipeline spanning novel drug discovery, complex and specialty generics, biologics, biosimilars, and vaccines. These efforts are rooted in deep scientific expertise and a relentless pursuit of excellence, enabling the Company to deliver life-changing therapies for critical medical needs.

Redefining Care



Redefining care for Zydus means enhancing access and affordability. The Company's approach ensures that innovative treatments reach those who need them the most, bridging gaps in healthcare delivery. This commitment extends beyond Zydus' products. Through community outreach, health awareness initiatives, and CSR programmes, Zydus continues to strengthen the ecosystem of care, particularly for underserved populations.

Delivering Value



Delivering value is embedded in every decision we make. From expanding capacities, deepening our presence across geographies and therapies, and advancing our scientific and R&D capabilities, each step we take is deliberate and well-calibrated. The Company's focus is on building a future where high-quality, complex therapies are accessible to all, outcomes are better, growth is sustainable, and value creation is stronger.

A scientist wearing a white lab coat, blue hairnet, glasses, and a blue surgical mask is working in a biosafety cabinet. They are using a yellow pipette to transfer liquid from a small vial into a larger container. The cabinet contains various laboratory equipment, including a rack of test tubes, a bottle of red liquid, and several large clear bottles with yellow caps. The background is a light green wall.

Corporate Overview

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● ABOUT ZYDUS LIFESCIENCES

Scaling healthcare through innovation and cutting-edge science

Zydus Lifesciences is a global, innovation-driven lifesciences company, committed to advancing scientific research and innovation to deliver transformative healthcare outcomes. The Company develops pathbreaking therapies and solutions that address unmet medical needs and enhance quality of life, across prevention, early diagnosis, and effective disease management.

Zydus' operations encompass research and development, manufacturing, marketing, and distribution of a diverse portfolio, including generics, branded generics, specialty formulations, biosimilars, vaccines, and active pharmaceutical ingredients (APIs). The Company has also expanded capabilities in biosimilars and biologics contract manufacturing, reinforcing our presence in next-generation therapies.

The Company's extensive portfolio serves patients across regulated and emerging markets, addressing critical therapeutic segments. Backed by a robust pipeline of novel drug discoveries, deep scientific expertise, manufacturing scale, and advanced technology platforms, the Company aims to unlock new possibilities in lifesciences, driving sustainable growth and long-term value creation for all stakeholders.



VISION

To be a global lifesciences company transforming lives through pathbreaking discoveries



MISSION

To unlock new possibilities in lifesciences through healthcare solutions that impact lives



PURPOSE

Empowering people with the freedom to live healthier and more fulfilled lives

KEY HIGHLIGHTS

>USD 3 billion

GLOBAL REVENUE¹

USD 9.2 billion

MARKET CAPITALISATION²

USD 257 million

R&D SPEND IN FY2025-26
(8.4% OF REVENUE)

3rd largest

GENERIC COMPANY IN THE US
IN TERMS OF PRESCRIPTIONS³

**Amongst Top3
in ~55%**

PRODUCT FAMILIES MARKETING
IN THE US⁴

>50%

REVENUE FROM BRANDED BUSINESS
(PHARMACEUTICAL, WELLNESS &
MEDTECH)

10 R&D Centres

FOR NCE, BIOLOGICS, VACCINES,
GENERICs, APIs, MEDICAL
DEVICES AND WELLNESS
PRODUCTS

44

MANUFACTURING FACILITIES

~30,000

ZYDANS GLOBALLY INCL.
>1,500 SCIENTISTS (R&D)

¹In FY2025-26, assuming exchange rate of ₹ 88.33 per USD

²As on March 31, 2026 at an exchange rate of ₹ 94.87/USD

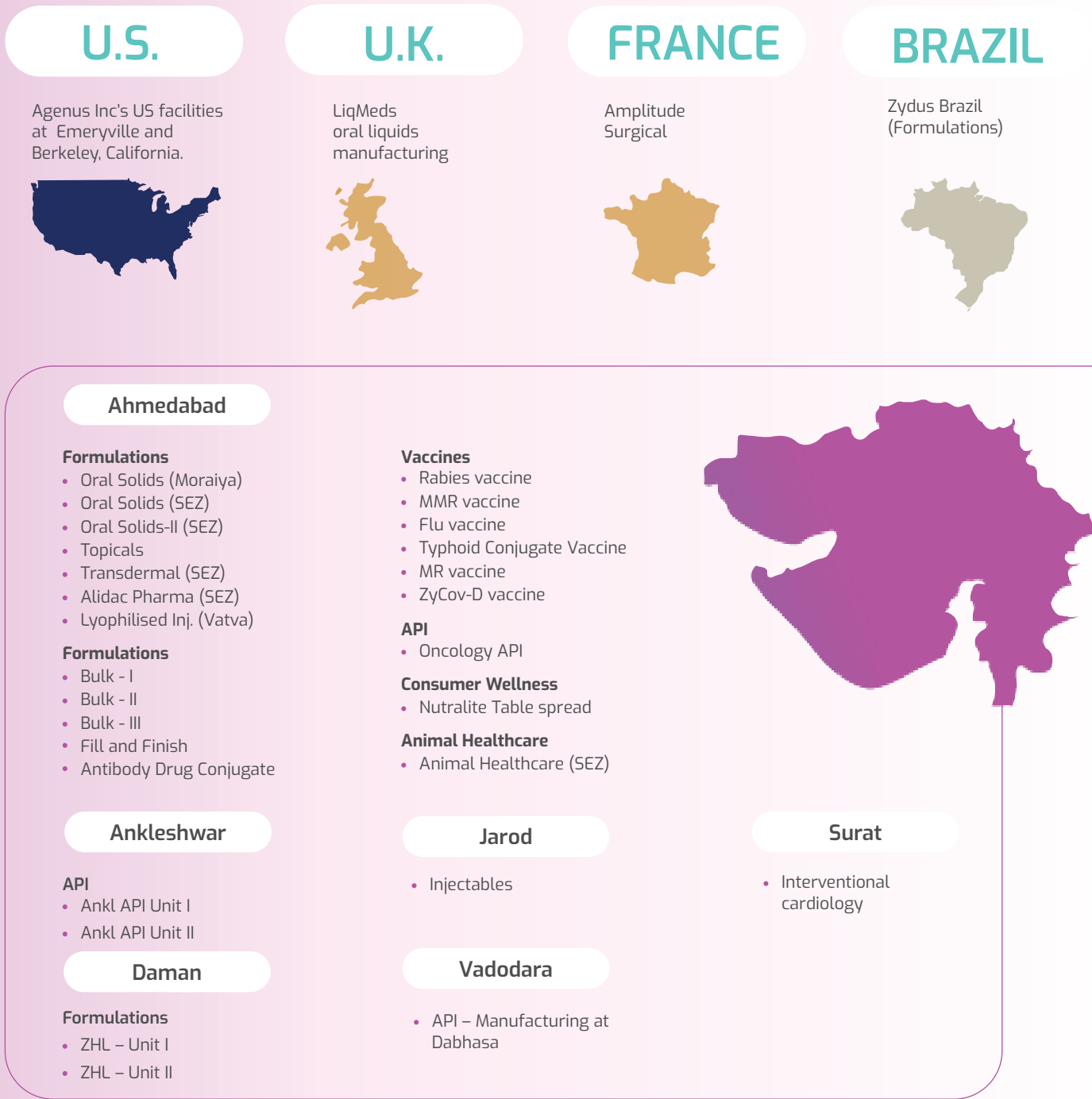
³IQVIA MAT March 2026 TRx

⁴IQVIA MAT March 2026 TRx

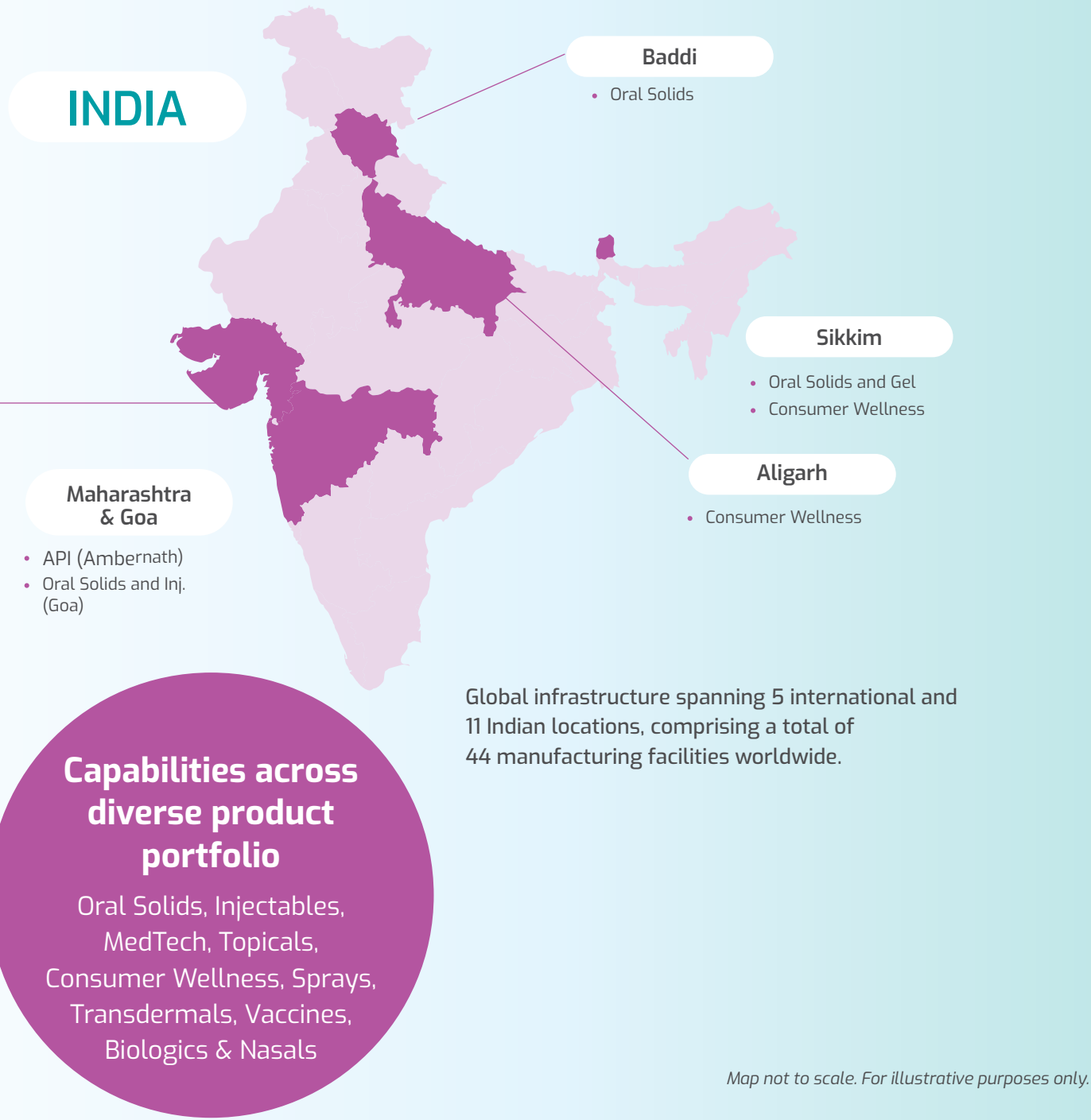
● EXPANDING REACH

Global Manufacturing Network

A Shared Purpose.



Zydus' global manufacturing and commercial footprint reflects the scale, strength and resilience of our operations. With a network of world-class facilities across India and key international markets, the Company leverages advanced capabilities, diversified delivery platforms and operational excellence to deliver high-quality healthcare solutions to patients around the world.



● CHAIRMAN'S MESSAGE

Transforming Science into Impact

Dear Shareholders,

For more than seven decades, Zydus has been guided by a simple conviction that science must ultimately serve humanity. While lifesciences continues to evolve at an unprecedented pace, our purpose remains unchanged: to empower people to lead healthier and more fulfilled lives.

Patients remain at the heart of this purpose. Their trust shapes our priorities, guides our investments and inspires our pursuit of innovation-driven – life-changing discoveries across preventives, therapeutics, wellness, diagnostics and medical technology. As a global lifesciences organisation, we remain committed to unlocking new possibilities in lifesciences through pathbreaking discoveries that impact lives.

Our continued investments in science, innovation and health are strengthening a portfolio designed to address important unmet healthcare needs and create lasting value for society. We continue to enhance our capabilities through a judicious combination of internal development, collaborations and strategic acquisitions. Across every geography in which we operate, we remain steadfast in our commitment

to quality, governance and regulatory excellence. These principles have earned the trust of patients, healthcare professionals, regulators and shareholders, and they continue to guide our actions and decisions.

Against this backdrop, FY2025-26 was a year of meaningful progress for Zydus. Our financial performance strengthened our ability to invest in scientific advancement, manufacturing excellence, talent development and healthcare access. These investments are essential to sustaining innovation and creating long-term value for all stakeholders.

A YEAR OF SUSTAINED PROGRESS

FY2025-26 reflected the consistent execution, strength and resilience of our diversified business model, supported by steady progress across our core and emerging growth platforms.

Consolidated revenues reached ₹271.5 billion, representing growth of 17% over the previous year. The Company also delivered its highest operating profit and profitability levels, with an EBITDA margin of 31.2%. What lends these results their true significance is

the balanced contribution from across our major businesses and markets, underscoring the resilience of our growth model.

Beyond the financial results, the composition of our growth continued to strengthen. Our India formulations business maintained its momentum and continued to outperform the market. International markets, including Europe, Latin America and several emerging geographies, delivered encouraging growth. In the United States, our business continued its progression towards a more differentiated portfolio, building upon the strong foundation established through our generics business.

Consumer Wellness recorded meaningful expansion during the year, supported by both organic growth and strategic acquisitions. We also added a new dimension to our portfolio through our entry into MedTech, a sector that aligns closely with our vision of advancing patient care through innovation.

We maintained our investment in research and development at approximately 8% of revenues during the year, consistent with our long-standing commitment to scientific innovation and the development of future healthcare solutions.

Taken together, these developments reflect an organisation that continues to strengthen its foundations while thoughtfully expanding its future opportunities. They reinforce our confidence in the long-term potential of our diversified business model and our ability to create sustainable value for patients, partners and shareholders alike.

ROOTED IN PURPOSE, SHAPED BY OUR LEGACY

As we enter FY2026-27, we do so with the privilege of reflecting on a significant milestone in our journey. FY2025-26 marked the birth centenary year of

our Founder, Late Shri Ramanbhai B. Patel, whose vision, values and commitment to society continue to inspire generations of Zydans. His life's work was built on the principles of scientific excellence, integrity, quality and a deep commitment to improving lives. These values have guided the organisation through decades of change and continue to provide a strong foundation as we navigate new opportunities and challenges.

The belief in quality excellence, that research must be the cornerstone of an enterprise rooted in health and care. This is as relevant today as it was when the Group was founded. Zydans around the world uphold these values each day and contribute to the continued progress of our organisation.

SCIENCE AT OUR CORE

Among the year's most significant milestones was the completion of the New Drug Application (NDA) filing with the USFDA for Saroglitazar Magnesium for the treatment of Primary Biliary Cholangitis (PBC). Supported by positive topline results from the EPICS-III Phase 2(b)/3 clinical trial, this achievement represents the culmination of more than a decade of scientific discovery, development and clinical research.

We also continued to advance Usnoflast (ZYIL1), our novel NLRP3 inflammasome inhibitor, which is currently undergoing Phase 2(b) clinical evaluation in the United States for Amyotrophic Lateral Sclerosis (ALS). The molecule has received both Orphan Drug Designation and Fast Track Designation from the USFDA. We continue to explore its potential across additional indications where novel therapeutic approaches may deliver meaningful patient benefit.

Together, these programmes reflect a deliberate and disciplined research strategy focussed on scientific differentiation, patient impact and long-term value creation.



We maintained our investment in research and development at approximately 8% of revenues during the year, consistent with our long-standing commitment to scientific innovation and the development of future healthcare solutions.

In rare diseases, Sentyln Therapeutics achieved an important milestone with the USFDA approval of Zycubo (copper histidinate injection) for the treatment of Menkes disease. As the first approved therapy for this rare and fatal genetic disorder, Zycubo represents the profound impact that innovation can have on patients and families facing limited treatment options. Sentyln now markets three approved rare disease therapies in the United States, strengthening our commitment to serving highly specialised patient populations.

Our biologics programme also recorded significant progress during the year. We launched Tishtha, our biosimilar of Nivolumab, and Anyra, India's first indigenously developed biosimilar of Aflibercept. These launches demonstrate our growing capabilities in advanced biologics while improving patient access to important therapies that have historically been available at substantially higher costs.

In vaccines, we further strengthened our contribution to public health through the commencement of supplies of the Measles-Rubella vaccine under the Government of India's Universal Immunisation Programme. We also expanded access to vaccines in emerging and underserved markets through supply agreements with PAHO for rabies vaccines and UNICEF for the typhoid conjugate vaccine.

EXPANDING OUR HORIZONS, STRENGTHENING CAPABILITIES

During FY2025-26, we took several important steps to strengthen our long-term strategic position. Our entry into MedTech is a natural extension of our mission to improve patient outcomes across the continuum of care. With a strategic focus on orthopaedics, nephrology and cardiology, we are building capabilities in areas that complement our existing healthcare portfolio while creating new opportunities for innovation.

The acquisition of Amplitude Surgical, a leading French orthopaedic implant company, provides Zydus with established manufacturing capabilities, clinical relationships and commercial reach across Europe and Asia. This also enhances our ability to participate in the growing global orthopaedics market and strengthens our foundation in medical technology.

During the year, we also received CE Mark approval for Andy, our proprietary robotic surgical platform. This achievement represents an important milestone in our efforts to build advanced technology-led solutions that support clinicians and improve patient outcomes. While MedTech remains at an early stage within Zydus, we remain committed to building this business thoughtfully and with a long-term perspective.



In Consumer Wellness, the acquisition of Comfort Click Limited strengthened our presence across Europe and the United States through digital and direct-to-consumer channels.

Another strategically significant development was the acquisition of biologics manufacturing facilities from Agenus Inc. in California, United States, under Zylidac Bio. Located within one of the world's leading biotechnology clusters, these facilities strengthen our biologics manufacturing capabilities and enhance our participation in the rapidly evolving global biotechnology ecosystem.

In the medium term, Zylidac Bio will operate as a biologics CDMO, supporting global biopharmaceutical innovators through contract development and manufacturing services. Over the longer term, these capabilities will support our own biosimilar ambitions in the United States and strengthen our ability to participate across the biologics value chain.

The longer-term significance, however, lies in what Zylidac Bio means for Zydus' own biosimilar ambitions in the United States. The facility will generate near-term revenues through CDMO services while building the manufacturing backbone for the future growth of our US biosimilars business, including the potential manufacture of our recently in-licensed pembrolizumab biosimilar. We consider this one of the more far-sighted investments we made in FY26.

We also completed our acquisition of Assertio Holdings, whose portfolio is anchored by ROLVEDON, a long-acting G-CSF biologic approved for the prevention of febrile neutropenia in cancer patients receiving chemotherapy. This will strengthen our ability to serve patients through differentiated specialty offerings while expanding our commercial presence in one of the world's most important pharmaceutical markets.

In Consumer Wellness, the acquisition of Comfort Click Limited strengthened our presence across Europe and the United States through digital and direct-to-consumer channels. Together with the continued expansion of our

domestic wellness portfolio, this contributed to robust growth within the Consumer Wellness business.

As healthcare systems increasingly focus on prevention and wellness alongside treatment, we believe this segment will continue to play an important role in our long-term portfolio strategy.

OUR PEOPLE ARE OUR STRENGTH

Our global workforce of around 30,000 people, including more than 1,500 R&D scientists is not a mere statistic; it represents the core driving force behind our mission. In FY26, we accelerated investments to build a future-ready organisation, rapidly expanding digital and AI-enabled capabilities across research, manufacturing, and commercial functions. Cutting-edge tools like AI-assisted pathology and clinical risk stratification are already transforming how our scientists innovate.

We recognise that our aggressive diversified and global business spanning breakthrough innovations, major acquisitions, and new business platforms demands robust leadership. To ensure flawless execution quality matches our vast market opportunities, we have been deliberate in deepening and strengthening our leadership bandwidth across all businesses, geographies, and functions.

RESPONSIBILITY TOWARDS SOCIETY AND PLANET

At Zydus, sustainability is integral to the way we create long-term value. We recognise that business success and societal progress are deeply interconnected, and our approach reflects this understanding.

We continue to make steady progress towards our commitment of achieving net water neutrality by 2028 while advancing our energy transition



In MedTech, we will focus on integrating Amplitude Surgical and further developing our capabilities in nephrology and cardiology, reinforcing our commitment to advancing patient care through innovation and technology.

agenda. Renewable energy now contributes 42% of our overall energy mix, and greenhouse gas intensity has declined by 19% over the past two years. These efforts were recognised through improvements in key ESG assessments, including S&P Global CSA and Sustainalytics.

Our corporate social responsibility initiatives continue to create meaningful impact through five pillars – Swasthya, Shiksha, Shodh, Saath and Saksham. Through these programmes, we seek to improve healthcare access, strengthen education, support innovation, empower communities and enhance livelihoods.

Among our most significant social initiatives is the Zydus Medical College and Hospital in Dahod. The institution provides free healthcare to more than four lakh underserved patients annually while training future generations of healthcare professionals. It reflects our belief that access to quality healthcare and medical education are essential components of nation-building.

We are also strengthening access to essential medicines and patient support programmes, particularly for underserved communities managing chronic diseases. These efforts

reflect our commitment to improving healthcare outcomes beyond the boundaries of our commercial operations.

CAPITAL ALLOCATION AND GOVERNANCE

A strong balance sheet remains an important source of resilience and strategic flexibility. We concluded FY2025-26 with a net debt-to-equity ratio of 0.16x, positioning us well to invest in future growth opportunities while continuing to create value for shareholders.

Following the close of the financial year, the Board approved a share buyback of up to ₹1,100 crore at ₹1,260 per share. This decision reflects the Board's confidence in the Company's long-term prospects and its commitment to disciplined capital allocation. Strong governance remains fundamental to sustainable value creation. We continue to strengthen Board oversight, governance frameworks and disclosures across the organisation.

This year marks our second Integrated Annual Report, prepared using the six-capitals framework of the International Integrated Reporting Council. We believe that transparent, comprehensive and forward-looking reporting enables deeper engagement with stakeholders and provides a more complete picture of long-term value creation.

LOOKING AHEAD

The year ahead is full of opportunities. We enter FY27 confident in delivering high-teen revenue growth, powered by the momentum of our Indian and international businesses, new product launches, and disciplined integration of our recent acquisitions.

In the US, we are on the cusp of a major transformation. The potential launch of Saroglitazar, subject to regulatory approval, will pivot Zydus from a generics provider to an innovation-led player delivering our own invented molecules to American patients. Combined with our growing 505(b)(2) pipeline, rare disease portfolio and biosimilars, we have built a diversified, resilient US specialty franchise.

Across our other businesses, we remain focussed on building long-term capabilities and sustainable growth platforms. In Consumer Wellness, we will continue to strengthen our brands, expand market reach and deepen consumer engagement across geographies. In MedTech, we will focus on integrating Amplitude Surgical and further developing our capabilities in nephrology and cardiology, reinforcing our commitment to advancing patient care through innovation and technology.

To our shareholders and stakeholders, thank you for your continued confidence and support. We remain deeply committed to earning that trust through innovation, operational excellence and an unwavering commitment to improving lives.

With warm regards,

PANKAJ R. PATEL

Chairman

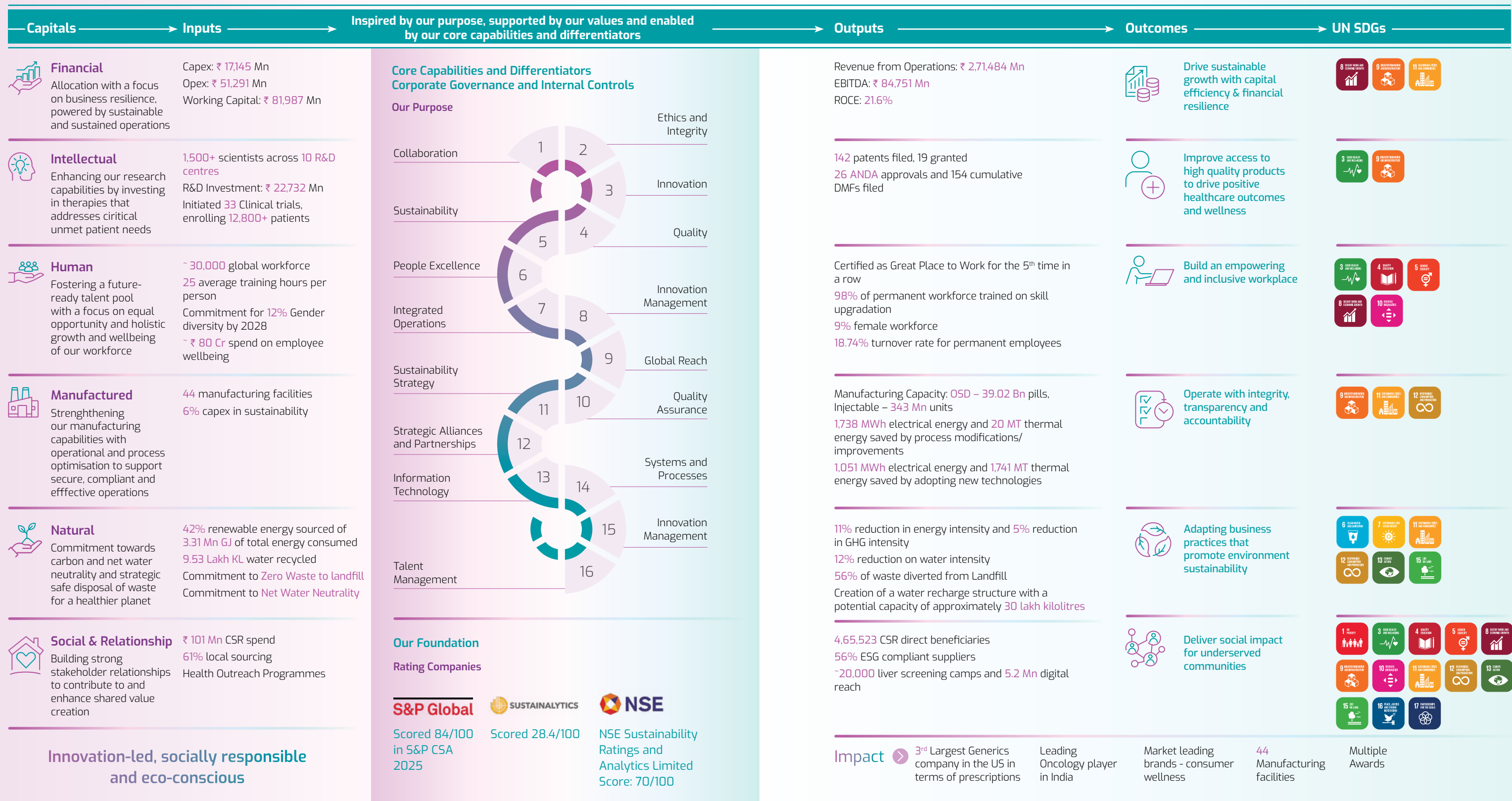
Zydus Lifesciences Limited

ⓧ *Zydus Lifesciences Limited BSE filing, June 16, 2026:
<https://www.bseindia.com/xml-data/corpfiling/AttachHis/ad3d6c91-4e13-4040-9239-9f7335f23f69.pdf>

Strategic Review

- 20 Value Creation Model
- 22 Stakeholder Engagement
- 27 Materiality
- 30 Risk Management
- 36 Sustainability

Value Creation Model



● STAKEHOLDER ENGAGEMENT

Engaging with stakeholders for shared progress

Stakeholder engagement is a cornerstone of our Company's sustainability approach and strategy. Through continuous and meaningful interactions, the Company gains valuable insights into stakeholder expectations, helping align its business strategies with evolving needs and priorities.

Our Company closely engages with key internal and external stakeholders across several critical areas to drive lasting positive impact. The Company follows a structured stakeholder mapping approach, engaging a diverse group of stakeholders, including shareholders, regulators, suppliers, healthcare professionals, industry partners, local communities, consumers, patients and employees, ensuring inclusive growth and shared progress.

KEY STAKEHOLDERS

The Company views stakeholder mapping as a collaborative process of research, analysis and discussion that draws from multiple perspectives to determine a key list of stakeholders across its entire stakeholder spectrum. The Company has identified the following key stakeholders critical to its business operations.



APPROACH TO STAKEHOLDER ENGAGEMENT

The Company recognises that meaningful stakeholder engagement is central to building trust, driving sustainability, and creating long-term value. The Company's approach is structured, comprehensive, and adaptive, ensuring that diverse perspectives are integrated into its decision-making processes.

IDENTIFICATION & PRIORITISATION

The Company begins its stakeholder engagement process with the identification and mapping of both internal and external stakeholders. The selection of key stakeholders is based on their influence, expertise, dependency, level of impact and the degree of trust between the company and its stakeholders. This approach enables the company to prioritise those stakeholders who are most critical to its sustainability objectives and business strategy.

ENGAGEMENT STRATEGIES & COMMUNICATION

The Company develops tailored engagement strategies for each stakeholder group, maintaining open, transparent, and regular dialogue to foster trust. It leverages diverse communication channels suited to stakeholder preferences, ensuring that messages resonate effectively and strengthen relationships.

ACTION PLAN & INTERGRATION

The Company translates the findings and insights gathered from the

stakeholders into actional outcomes by incorporating their perspectives into decision-making, policies, and operations. This approach helps to address concerns effectively while creating shared value.

MONITORING & CONTINUOUS IMPROVEMENT

The Company continuously reviews and refines its stakeholder engagement approach to strengthen relationships and ensure that stakeholders feel valued and heard. This is achieved by actively listening, gathering feedback and tracking the effectiveness of engagement strategies.

STAKEHOLDER ENGAGEMENT

Stakeholder Group	Significance of Engagement	Modes of Engagement	Frequency of Engagement	Capitals Impacted
Patients	Our Company regularly engage with patients to understand their needs and expectations. Additionally, patient participation is integral to clinical studies, supporting the evaluation of safety, efficacy, and overall performance of products.	- Website - Clinical studies - Pharmacovigilance	Need Basis	SC RC
Channel Partners	Channel partners play a crucial role in business continuity by ensuring product accessibility across different geographies. Our Company ensures regular engagement with channel partners to devise strategies for the efficient distribution of products.	- Meetings - Field visits - Digital Communication	Need Basis	SC RC
Suppliers	Regular communication with suppliers is essential to maintain quality, safety and timely availability of input materials and other services. Our Company also conducts supplier audits to ensure that suppliers comply with its Supplier Code of Conduct.	- Meetings - Supplier audit - Facility visits	Need Basis	SC RC
Healthcare Professionals	Healthcare professionals serve as key opinion leaders and provide valuable insights into the market outlook, as well as patient needs and expectations.	- Meetings - Field visits	Need Basis	SC RC

Stakeholder Group	Significance of Engagement	Modes of Engagement	Frequency of Engagement	Capitals Impacted
Healthcare Professionals	Healthcare professionals serve as key opinion leaders and provide valuable insights into the market outlook, as well as patient needs and expectations.	- Meetings - Field visits	Need Basis	SC RC
Government and Regulators	Our Company is a responsible and ethical organisation and ensures stringent compliance with applicable regulations. With the increased focus on ESG-related issues, the Company regularly communicates with government representatives and regulatory bodies to gain an in-depth understanding of evolving laws and regulations.	- Meetings - Conferences - Facility visits by Government / Regulatory officials - Official Communication - Statutory Publications	Need Basis	FC SC RC NC
Industry Associations	The Company maintains regular interaction with the Government / Regulatory Authorities on any public policy framework through apex industry institutions such as the Indian Pharmaceutical Alliance, Federation of Indian Chambers of Commerce & Industry (FICCI), The Indian Drug Manufacturers Association, Pharmexcil and Gujarat Chamber of Commerce & Industry (GCCl), etc. The Company also shares its views on new standards or regulatory developments pertaining to the pharmaceutical industry.	- Industry Conferences - Representations on policy matters	Need Basis	FC SC RC

Stakeholder Group	Significance of Engagement	Modes of Engagement	Frequency of Engagement	Capitals Impacted
Shareholders and Investors	Our Company engages with shareholders and investors to share regular updates on its strategies, financial and operational performance, significant events and achievements, key risks and challenges and future roadmap for growth.	- Meetings - Investor Conferences - AGM - Website	Quarterly/ need basis	FC
Employees	Employees are crucial to our Company's growth and success. Our Company prioritises employee development and seeks regular feedback from them to create a conducive working environment. Our Company also has an intranet portal through which all employee data can be accessed and where employees can also raise their queries and concerns.	- Employee Engagement - Survey - Emails - Calls - Grievance mechanism - One-to-one connect	Need Basis	HC
Communities	Our Company engages with communities to create mutually beneficial relationships and drive their overall development.	- Visit to community sites - Digital channels	Regularly	SC RC
Consumers	The Company recognises that it is vital to understand consumer needs and preferences to develop high-quality, accessible medicines and medical devices.	- Digital Platforms - Advertisements - Newspaper - Consumer feedback division to address queries and grievances - Website	Continuous	MC IC SC RC

● MATERIALITY

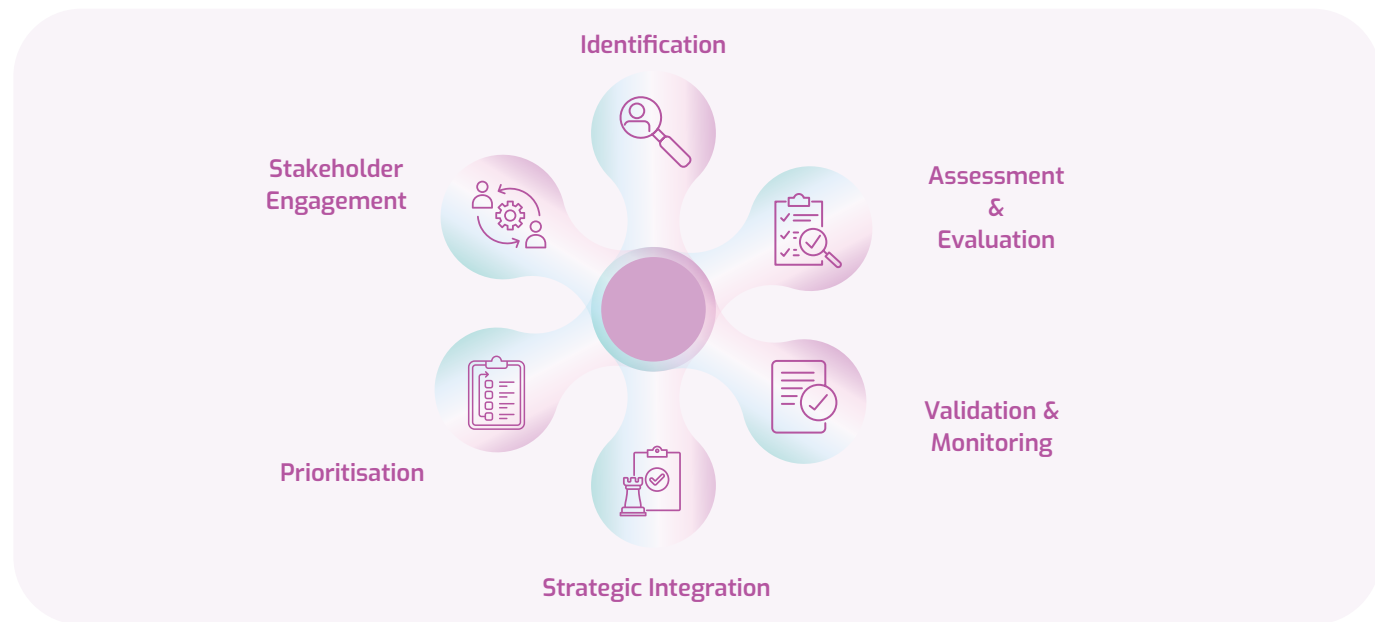
Prioritising our material topics

The Company's comprehensive materiality assessment enables it to identify and prioritise the issues that matter most to its stakeholders and business. By integrating these insights into the Company's strategy, it is better equipped to navigate an evolving risk landscape, respond to emerging challenges, and capitalise on growth opportunities, while delivering sustainable value creation for stakeholders.



APPROACH TO MATERIALITY ASSESSMENT

The assessment begins by defining its scope and objectives, setting a clear methodology to guide the process. The principle of impact materiality is applied, focussing on the company's influence on society and the environment beyond financial outcomes.



IDENTIFICATION OF MATERIAL ISSUES

Sector-specific material issues are mapped and identified based on peer benchmarking, peer analysis, regulatory context, stakeholder input, and business relevance. The business relevance of material issues is considered in relation to regulatory impact, penalties, immediate financial consequences, and other related factors.

STAKEHOLDER INCLUSIVENESS

A diverse range of stakeholders are engaged, including internal stakeholders directly involved in ESG planning and external stakeholder groups such as government agencies, NGOs, consultants, investors, and customers. Inputs and insights are collected through a structured ESG Materiality Assessment Survey Form to ensure inclusiveness and transparency.

PRIORITISATION OF MATERIAL ISSUES

A clear framework is used to select and rank material issues, supported by quantitative analysis of survey responses. Material issues are prioritised based on their significance to stakeholders and scale, scope and remediability of impact on the organisation.

VALIDATION AND REVIEW OF MATERIAL ISSUES

The material issues have been reviewed and approved by the Board of Directors and Senior Management, with a comprehensive assessment conducted every three years to ensure continued relevance and responsiveness to stakeholder concerns. The process is validated internally with senior executives and externally by independent experts (Intertek India Pvt. Ltd.).

ALIGNMENT OF MATERIAL ISSUES WITH ESG STANDARDS

Identified material topics are aligned with ESG goals, business strategy, and global reporting frameworks such as Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), United Nations Sustainable Development Goals (UNSDGs), and Sustainability Accounting Standards Board (SASB).

Furthermore, the Company has integrated the Materiality Assessment into its Enterprise Risk Management (ERM) process to enhance strategic decision-making by aligning risk priorities with stakeholder expectations and long-term value creation. This integration enables the Company to systematically identify, evaluate, and monitor risks that are most significant to its financial performance, reputation, and sustainability. By embedding materiality within ERM, the Company improves its ability to anticipate emerging risks and issues, allocate resources effectively, and strengthen operational resilience.

MATERIALITY ANALYSIS

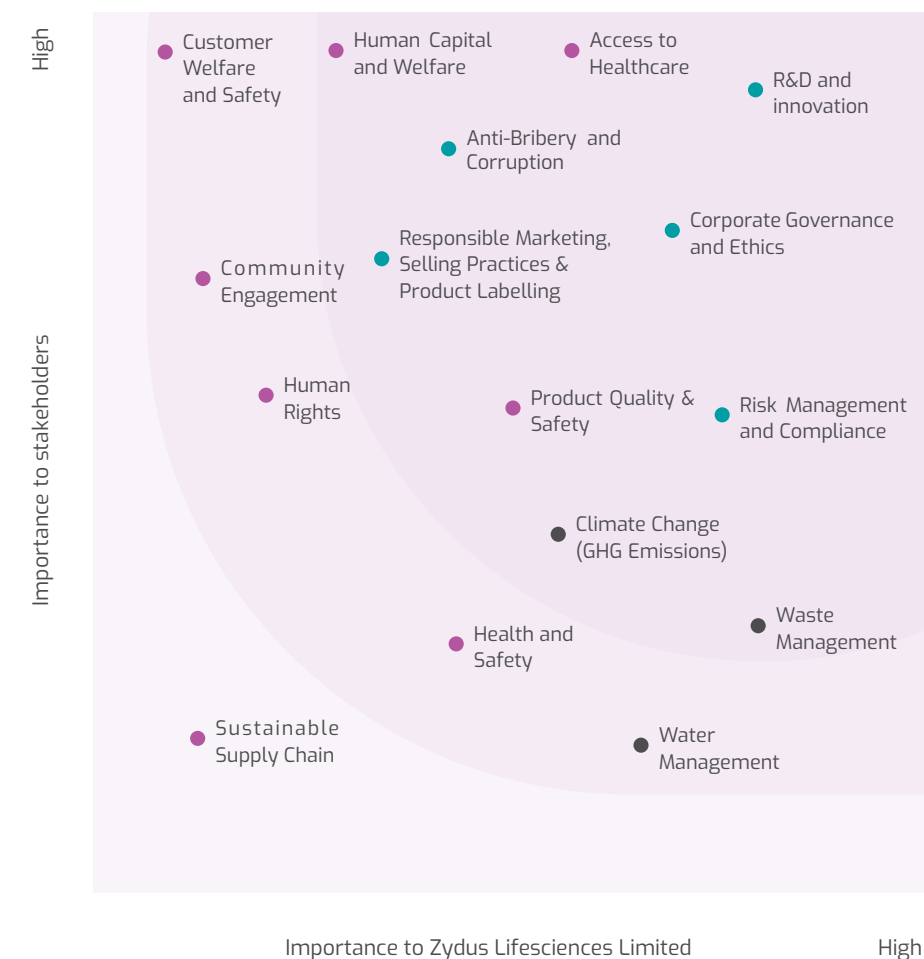
Our Company undertook a comprehensive materiality assessment through a structured and well-defined process, engaging both internal and external stakeholders. This exercise enabled the identification of critical material issues that are embedded in the Company's strategic priorities, operational framework, and value-creation approach. The material issues

are presented through a materiality matrix, with the priority topics reviewed and approved by the Board of Directors and Senior Management.

To ensure continued relevance, the Company reviews material topics annually and undertakes a detailed materiality assessment every three years. The outcomes are integrated

into the Enterprise Risk Management (ERM) framework, aligning key risks with stakeholder expectations and long-term strategic objectives. The Company remains committed to continuously monitoring performance across all identified material topics, ensuring sustained progress and value creation.

MATERIALITY MATRIX



MATERIAL ISSUES

- M1 Climate Change (GHG Emissions)
- M2 Waste Management
- M3 Water Management
- M4 R&D and Innovation
- M5 Responsible Marketing, Selling Practices & Product Labelling
- M6 Anti-Bribery and Corruption
- M7 Corporate Governance and Ethics
- M8 Risk Management and Compliance
- M9 Product Quality & Safety
- M10 Human Rights
- M11 Sustainable Supply Chain
- M12 Customer Welfare and Safety
- M13 Community Engagement
- M14 Health and Safety
- M15 Human Capital and Welfare
- M16 Access to Healthcare

● Environment ● Social ● Governance

[Read more about our materiality assessment on Page no. 264 of the BRSR report](#)

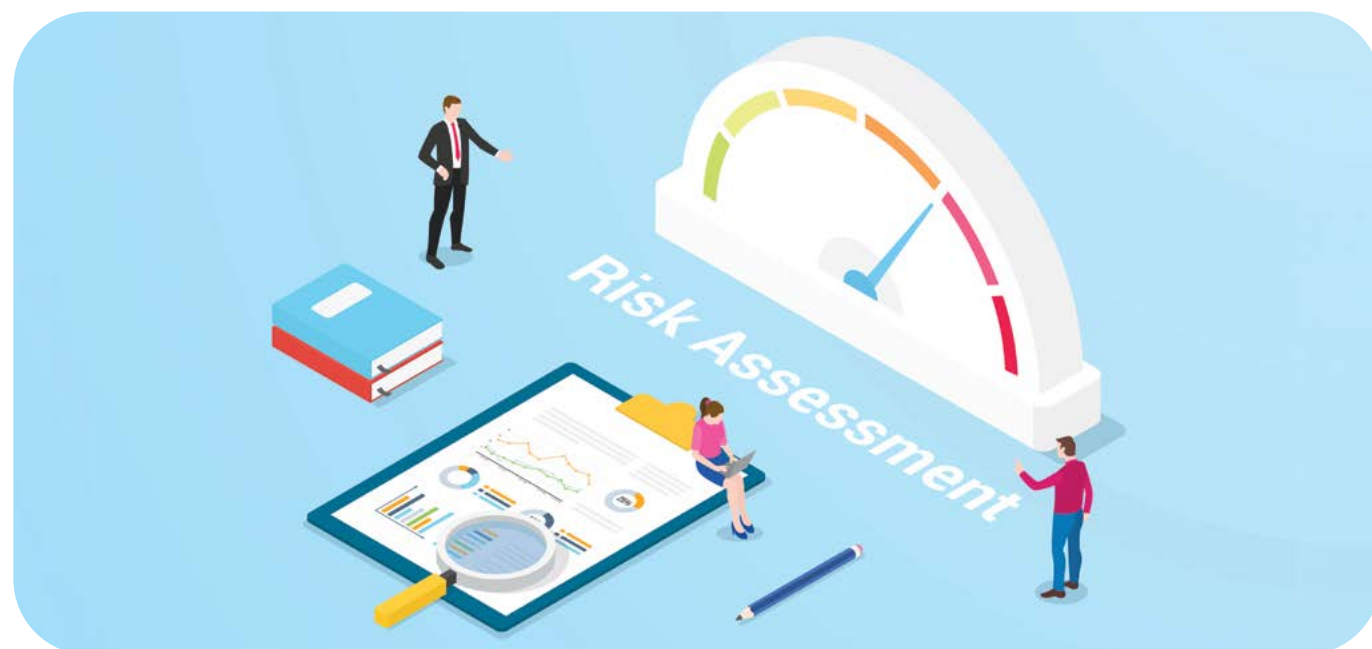
● RISK MANAGEMENT

Strengthening resilience through effective risk management

Given the critical nature of the Company's business, it is exposed to a diverse range of risks, spanning operations, quality, regulatory requirements, market competition, geopolitical events and internal risks. Recognising this, the Company has established a robust risk management framework that enables it to identify, assess and manage risks, ensuring business continuity and sustained value creation.

Effective risk management is fundamental to maintaining the highest standards of safety, efficacy, quality and regulatory compliance across the Company's products and operations. The Company's risk management framework fosters a collaborative process for risk identification, prioritisation, response and monitoring.

This framework is supported by strong oversight mechanisms, with regular reporting to the Audit Committee, Risk Management Committee, and the Board of Directors to enable informed decision-making and strengthen risk responses. By embedding risk management into its business processes, the Company enhances its ability to navigate complexities, respond to emerging challenges and drive sustainable, long-term growth.



RISK GOVERNANCE

The Company adopts a structured, multi-layered approach to risk governance to ensure consistency and accountability in managing risks. At the apex, the Risk Management Committee (RMC), comprising members of the Board, is responsible for risk governance and operates under the Company's Risk Management Policy. At the operational level, Business Unit Heads and Presidents are accountable for managing risks within their respective domains. They play a critical role in facilitating risk identification, assessment, prioritisation, and evaluation, while providing periodic updates to the Chief Risk Officer (CRO).

This ensures that risk considerations are embedded into day-to-day business decisions.

Risk management and compliance oversight are further strengthened through a dedicated cross-functional team comprising representatives from key functions. This team continuously monitors evolving risk exposures and implements mitigation measures aligned with the Company's risk appetite levels.

A central team consolidates insights, evaluates mitigation strategies and reports key findings to the RMC.

Risks are regularly reviewed by individual risk owners and the risk management team to ensure the efficient execution of strategies and controls.

The internal audit function serves as the third line of defence, reinforcing internal controls and evaluating the effectiveness of policies, systems and processes. Internal audit findings are reviewed by the Board-level Audit Committee, which recommends improvements to enhance the Company's internal control framework.



KEY RISKS AND MITIGATION MEASURES

Capitals Impacted	Description	Mitigation
Regulatory Change and Non-Compliance FC IC SC RC	The pharmaceutical industry faces risks arising from evolving regulatory requirements. Any non-compliance may lead to regulatory actions, increased costs and potential reputational impact, affecting operations.	The Company ensures rigorous compliance with regulatory standards. Regular independent audits and stringent cGMP compliance checks ensure audit readiness and adherence to global quality standards. It also aims to build a strong quality culture by leveraging advanced technologies and automation to enhance compliance effectiveness.
Competition, Price pressure and Government control on prices FC IC SC RC	Intense competition in the generics segment could lead to pricing pressure and erosion of market share. The entry of new players in existing products and markets intensifies competition, while government-imposed price controls in certain geographies may impact margins and profitability.	The Company continuously expands volumes of existing products and launches new products to strengthen its market positioning. It aims to move up the value chain by focussing on complex products with higher entry barriers. Additionally, its brand-building and cost optimisation initiatives in key markets enhance efficiency and minimise the impact of pricing pressures.
Geopolitical and Trade Disruption FC SC RC	The Company is exposed to risks arising from political and economic uncertainties, including policy shifts, geopolitical tensions and conflict situations. Such developments can disrupt operations and create volatility in business performance across affected regions.	The Company actively monitors global political and economic developments to manage and reduce its exposure to high-risk regions. The Company also adopts prudent financial safeguards, such as securing receivables through letters of credit or advance payments, to minimise potential financial risks.

Capitals Impacted	Description	Mitigation
Legal, IP and Tax Litigation Exposure FC IC SC RC	Failure to protect intellectual property (IP) rights, regulatory actions related to pricing, quality and labelling, as well as disputes with tax authorities, may result in financial liabilities, penalties and reputational damage.	The Company has implemented robust review mechanisms and systems to assess potential IP infringements and ensure adherence to regulatory requirements. The Company also aims to reinforce internal domain expertise through continuous knowledge enhancement.
Delay / Failure in Development and Product Approvals FC IC	Delays in obtaining, or the non-receipt of, approvals for new products or existing dossiers may lead to missed market opportunities and adversely affect business performance.	The Company has implemented a stage-gate review mechanism to ensure high-quality dossiers from the early stages of development. The Company regularly engages with regulators to ensure timely responses to queries and improve response quality based on past learnings. Additionally, the Company leverages digital tools, such as IRIS, for end-to-end tracking of new product development (NPD) and new product launches (NPL).
Exchange Rates Volatility FC	The Company's presence across diverse geographies exposes it to currency volatility. Fluctuations in foreign exchange rates can impact its revenues, profitability, investments and foreign currency-denominated debt obligations.	The Company adopts appropriate hedging strategies to manage adverse currency movements. The Company also leverages natural hedging by aligning foreign currency revenues with corresponding expenses and liabilities, while maintaining an optimal debt mix.

Capitals Impacted	Description	Mitigation
Cyber Attacks and Data Security FC IC SC RC	With increasing reliance on digital infrastructure, the Company faces the risk of cyberattacks that could disrupt operations and result in financial, operational and reputational losses.	The Company mitigates cybersecurity risks by upgrading End of life/End of Support systems, maintaining secure configurations and timely vulnerability remediation, and leveraging centralized real-time monitoring and incident response capabilities to strengthen cyber resilience and data security.
Supply Chain Disruption Risk FC SC RC	Supply chain risks arising from volatility in raw material, utility and logistics costs, as well as potential disruptions due to geopolitical and socio-economic factors, may impact the Company's ability to meet customer demands.	The Company regularly monitors key APIs, excipients and commodity-linked inputs to manage cost fluctuations. The Company also maintains adequate safety stock of critical materials to address potential disruptions. Its focus on identifying alternate vendors and strengthening India-based suppliers enhances control over cost, quality and supply.

EMERGING RISKS

The emerging risks are identified through a structured evaluation based on likelihood, impact, velocity, and overall risk score. The Company reviews both existing and emerging risks at least annually, with more frequent assessments for high-severity risks.

Aligned with regulatory requirements and the Enterprise Risk Management (ERM) framework, the process incorporates insights from internal and external sources, including industry trends, stakeholder perspectives, technological advancements, and

regulatory developments. This enables the timely identification of emerging risks and the implementation of appropriate mitigation strategies to strengthen business resilience.



Capitals Impacted	Description	Mitigation
Risk of Digital Disinformation and Stakeholder Distrust FC IC SC RC	The dissemination of false or misleading information poses a significant risk by undermining confidence in the Company's products and operations. Such misinformation can impact the Company's reputation and erode trust with regulators, healthcare professionals and patients.	The Company maintains regular and transparent communication to counter misinformation. It also strives to strengthen collaboration with healthcare professionals, regulators and patient groups to build trusted networks, while investing in public awareness initiatives to reinforce scientific credibility. A robust crisis response framework, supported by continuous monitoring systems, enables the timely identification and correction of false information.
Vulnerability to Rapid Technological Advancements FC IC SC RC	Rapid technological advancements pose challenges of obsolescence of existing platforms and research infrastructure. Shorter innovation cycles, evolving regulatory expectations, and shifting market demands can lead to delays in product development, increased costs, and loss of market competitiveness.	Continuous investments in research, advanced technology platforms, and digital capabilities enables the Company to remain aligned with evolving industry trends. Our Company focus on building agile and scalable innovation frameworks, strengthening collaborations, and accelerating the adoption of next-generation technologies to enhance speed, efficiency, and competitiveness in product development.
Sovereign Data Controls and Privacy Law Fragmentation FC IC	Increasing focus on data privacy poses a major risk, with governments enforcing stricter controls on data localisation and cross-border data transfers. The emergence of fragmented and evolving privacy laws across jurisdictions adds complexity, impacting data management, compliance costs and operational efficiency.	The Company addresses this risk through the implementation of data localisation strategies and standardised data management protocols aligned with regional regulations. The Company also engages with regulators and industry forums to stay abreast of evolving requirements, while strengthening in-house legal and compliance capabilities. Investments in scalable IT infrastructure and regular Privacy Impact Assessments ensure enterprise-wide accountability and agility in a dynamic regulatory landscape.

● SUSTAINABILITY

Delivering lasting impact

Sustainability at our Company goes beyond adherence to regulatory requirements, including those relating to environmental, social and governance practices, to drive lasting positive impact. Through its integrated approach, our Company strives to enhance outcomes, safeguard the environment, and create long-term value for all stakeholders.

APPROACH TO SUSTAINABILITY

Sustainability is deeply embedded within our Company's strategic framework, guiding operations, supply chain practices and stakeholder engagement. Aligned with its vision, our Company's ESG approach is rooted in three core pillars: advancing climate action, strengthening corporate governance

and driving transformation through responsible business practices.

Our Company remains committed to contributing to the United Nations Sustainable Development Goals (SDGs) through focussed initiatives and long-term commitments. It has

established clear, forward-looking targets to deliver sustainable impact for all stakeholders. With a strong focus on its India operations, our Company aims to achieve its sustainability ambitions by 2035 through meaningful actions and interventions.

ESG PILLARS

COMBATING GLOBAL CLIMATE CHANGE



Affordable and Clean Energy
Climate Change (Energy and Emissions)



Clean Water and Sanitation
Water Management



Responsible Consumption and Production
Waste Management and Extended Producer Responsibility



Climate Action
Climate Change (Energy and Emissions)



Life on Land
Biodiversity Conservation

EMPLOYEE AND COMMUNITY WELLBEING



No Poverty
Corporate Social Responsibility



Zero Hunger
Corporate Social Responsibility



Good Health and Wellbeing
Employee Health and Safety



Gender Equality
Community Engagement



Decent Work and Economic Growth
Human Capital and Welfare



Sustainable Cities and Communities
Community Engagement

GOOD GOVERNANCE PRACTICES



Industry, Innovation and Infrastructure
Research and Development and Innovation



Responsible Consumption and Production
Sustainable Supply Chain, Responsible Marketing, Selling Practices and Product Labelling



Peace, Justice and Strong Institutions
Anti-Bribery and Corruption, ESG Reporting and Performance



Partnerships for the Goals
Corporate Governance and Business Ethics

ESG GOALS

Environment

- **Carbon neutrality** for Scope 1 and 2 emissions in India operations
- **Net water neutrality** by 2028 for India operations
- **Diverting 40%** incinerable/landfill waste from Indian operations to co-processing by 2026

Social

- **Employee satisfaction survey for 100%** of employees
- **100% strategic suppliers** to be compliant with ESG framework by 2027
- **Ensure 100% completion** of mandatory training to applicable employees
- **Gender diversity of 12%** by 2028

Governance

- **100% compliance** with legal requirements
- **100% of India operations** to be certified with ISO 14001 and ISO 45001
- **Enhance disclosure** on our ESG progress aligned with global ESG frameworks and standards

ESG RATINGS

S&P Global **84/100**
RATING

Highlights

- Among Top03 ranking as per Corporate Sustainability Assessment (CSA) Score 2025
- Member of S&P Global Sustainability Yearbook 2026
- Distinction of among Top10% in pharmaceutical Industry
- Constituent member of Dow Jones Best-in-Class (DJBIC) Emerging Market Index

NSE **70/100**
Sustainability Ratings & Analytics
RATING

Highlights

- "Leader Category" "signifying "Exceptional ESG maturity and Best-in-Class practices"

CRISIL **61/100**
Ratings
RATING

Highlights

- Improved ESG score from previous score of 59

28.4
SUSTAINALYTICS
RATING

Highlights

- ESG Risk "Medium Category"

ESG Risk **68/100**
Assessments & Insights
RATING

3.2/5
FTSE Russell
RATING



ESG HIGHLIGHTS

Environment

IMPROVEMENT IN ENVIRONMENT PARAMETERS IN FY26 W.R.T FY25:

11% Reduction in Energy intensity (GJ/Revenue in Million Rupees)	12% Reduction in water intensity (KL/Revenue in Million Rupees)	5% Reduction in GHG intensity (tCO ₂ e/Revenue in Million Rupees)	6% Reduction in waste intensity (MT/ Revenue in Million Rupees)
56% of waste disposal waste via eco-friendly manner (Coproducting / Preprocessing)	68% reuse of treated water for non-critical operations	42% share of renewable energy in total energy mix	

Social

Zero Fatality in consecutive three years	9% Gender Diversity	Parental Leaves to all employees	Great Place to Work (GPTW) certification for consecutive five	Annual health checkups and subsidised treatment for employees and their families
Established grievance redressal mechanism system for employees	61% of materials purchased from local suppliers from within India	56% of supply chain partners assessed on ESG parameters	>4 lakhs of direct impact beneficiaries through CSR initiatives	

Governance

Established CSR & ESG committee of Board of Directors	50% Board representation in CSR & ESG Committee	22% Board Gender Diversity	56% Board Independence
ESG function at corporate level for driving ESG initiatives	ESG team at Senior Management to Plant level positions with defined roles	Established ESG policies: https://www.zyduslife.com/companypolicy	Established management systems of ISO 14001, ISO 50001, ISO 45001 at operational units
Zero violation of ESG regulatory requirements in last 03 years	S&P Global ESG Rating: - Top 3 globally in pharma, S&P Global Yearbook 2026 inclusion - Top 10% ESG performers - Dow Jones Best-in-Class Emerging Markets Index constituent		



Capital-wise Review

44	Intellectual Capital
58	Financial Capital
64	Manufactured Capital
80	Human Capital
104	Natural Capital
122	Relationship Capital
140	Social Capital



IC
● ● ● ● ● ● ● ● ● ●
INTELLECTUAL CAPITAL

Strengthening innovation for differentiated outcomes

Intellectual capital forms the foundation of the Company's transformation into a future-ready, innovation-driven lifesciences company. Guided by its purpose of empowering people to live healthier and more fulfilling lives, the Company leverages scientific excellence and next-generation capabilities to address evolving healthcare needs, while delivering sustainable impact for patients, stakeholders and society.

Over the years, the Company has built a robust ecosystem spanning discovery research, product development, manufacturing excellence, and global commercialisation capabilities. The Company's innovation journey is defined by pioneering therapies, first-in-category solutions, and differentiated technology platforms that enhance access, improve outcomes, and address unmet patient needs. This integrated approach has enabled it to evolve from a predominantly generics-focussed organisation into a diversified healthcare company with differentiated capabilities across novel therapeutics, complex generics, biosimilars, vaccines, medical devices and consumer wellness products.

KEY LINKAGES

MATERIAL TOPICS

- R&D and Innovation
- Product Quality & Safety
- Access to Healthcare

UN SDGs



KEY HIGHLIGHTS

₹ 22,732
million

R&D INVESTMENT
IN FY2025-26

8.4%

R&D SPEND AS A % OF
REVENUE IN FY2025-26

508

CUMULATIVE ANDAs
FILED

435

CUMULATIVE ANDA
APPROVALS

142

PATENTS FILED IN
FY2025-26

19

PATENTS GRANTED IN
FY2025-26

BUILDING BLOCKS OF INNOVATION LEADERSHIP

 **Sustained Investments in R&D**

Consistent and strategic investments in R&D support discovery, strengthen development capabilities, and accelerate the delivery of differentiated products.

 **Robust Scientific Talent and Infrastructure**

Strong base of skilled scientists and multiple R&D centres drive innovation through deep scientific expertise and collaboration.

 **Culture of Continuous Learning**

Strong organisational focus on knowledge sharing, skill development, and scientific curiosity fosters agility and sustains long-term innovation.

 **Advanced Technology Platforms**

Building differentiated capabilities to enable development of high-barrier and patient-friendly solutions.

 **Adoption of Digital and Next-Generation Technologies**

Integration of digital tools, data analytics, automation, and smart manufacturing enhances efficiency, accelerates timelines, and improves decision-making across the innovation value chain.

 **Collaborative Innovation Ecosystem**

Partnerships with academic institutions, research organisations, and global pharma players enhance access to new technologies, expand capabilities, and accelerate innovation outcomes.

 **Patient-Centric Innovation**

Focus on addressing unmet healthcare needs by developing accessible, affordable, and differentiated therapies that improve quality of life globally.

 **Diversified and Future-Ready Pipeline**

The pipeline spans across NCEs, biologics, vaccines, complex generics, medical devices and consumer health products, ensuring resilience and preparedness for emerging opportunities.

 **Intellectual Property and Regulatory Strength**

Growing portfolio of patents, filings, and regulatory approvals enables protection of innovation, faster market entry, and effective lifecycle management of products.

 **Global Reach and Market Integration**

Presence across regulated and emerging markets supports development of globally relevant products and enables faster commercialisation while addressing diverse patient needs.

OVERVIEW OF STRATEGIC INNOVATION INITIATIVES

NEW CHEMICAL ENTITY RESEARCH

Driven by a sharp focus on addressing unmet healthcare needs and improving patient outcomes, the Company has developed a robust and diversified pipeline of New Chemical Entities (NCEs) across multiple therapeutic areas. The Zydus Research Centre (ZRC) in Ahmedabad has been at the forefront of the Company's innovation journey for over 25 years, driving drug discovery and early-stage clinical development. With a team of over 500 scientists, including 150+ focussed on biotech research, the Centre leverages advanced capabilities in target identification, pre-clinical research, and GLP-compliant infrastructure.

The molecule-by-molecule summary of the Company's progress during the year is as under:

Saroglitazar Magnesium

Saroglitazar Magnesium represents a significant milestone as the first NCE discovered and developed in India by an Indian pharmaceutical company. Launched over a decade ago, the molecule is approved in India for multiple indications, including Diabetic Dyslipidemia, Hypertriglyceridemia, Metabolic Dysfunction-Associated Fatty Liver Disease (MAFLD), and Metabolic Dysfunction-Associated Steatohepatitis (MASH). The molecule is supplied under the brands Lipaglyn® and Bilypsa®.

Both brands continued to expand patient access over the years. During the year, Lipaglyn® recorded a 22% increase in number of patients, while Bilypsa® witnessed a 21% increase, treating over 1.5 mn patients since its launch.

During the year, Lipaglyn® became the Company's first brand to surpass ₹3,000 mn in sales, while Bilypsa® crossed the ₹1,000 mn revenue milestone. The combined sales of Saroglitazar brands, including Zydus and partner brands, exceeded ₹5,500 mn, reflecting the strong clinical relevance and growth potential of the molecule. (Source: IQVIA MAT March 2026).

To gather real-world evidence, the EVIDENCES-XI Phase IV clinical trial is ongoing in India among MAFLD patients with comorbidities, with primary endpoint being the improvement in liver stiffness over a 56-week study period.



The molecule underwent clinical development for the US market for Primary Biliary Cholangitis (PBC) and Metabolic Dysfunction-Associated Steatohepatitis (MASH) indications. Following are the indication-wise updates:

Primary Biliary Cholangitis (PBC)

- Completed EPICS-III, a multi-centre, randomised, double-blind, placebo-controlled, Phase II(b)/III clinical trial evaluating efficacy and safety in PBC patients with inadequate response or intolerance to ursodeoxycholic acid (UDCA)
- Filed a New Drug Application (NDA) with the USFDA

Metabolic Dysfunction-Associated Steatohepatitis (MASH)

- Phase II(b)/III clinical trials targeting MASH with fibrosis continue across multiple sites in the US, Turkey and Argentina

Desidustat

Zydus' second NCE, Desidustat, was launched in India under the brand Oxemia™ for treating anaemia in chronic kidney disease (CKD) patients, including those on dialysis and not on dialysis. As an oral therapy, it offers a convenient alternative to injectable erythropoietin-stimulating agents (ESAs). Since launch, Desidustat has positively impacted over 1 lakh patient lives. Here is an overview of key updates and progress made during the year.

India Market

- Completed patient recruitment for the DREAM-CKD Phase IV clinical trial to generate real-world evidence in patients with CKD induced anaemia. The trial will evaluate molecule safety over 52 weeks

- Completed Phase II(a) clinical trials in collaboration with the Indian Council of Medical Research (ICMR) to assess safety and efficacy in patients with Sickle Cell Disease (SCD), offering hope for millions affected by the disease

- Initiated Phase III clinical trials for Chemotherapy-Induced Anaemia (CIA)

Global Markets

- Licensing partner, China Medical System Holdings Limited received marketing approval for Desidustat from the Chinese regulatory authority for renal anaemia treatment in China
- Received Orphan Drug Designation (ODD) from the USFDA for the treatment of Sickle Cell Disease

Usnoflast

Usnoflast is a novel oral small molecule NLRP3 inhibitor which suppresses inflammasome-mediated inflammation. The molecule is currently under clinical development across two indications: Amyotrophic Lateral Sclerosis (ALS) and Ulcerative Colitis (UC). Here is an indication-wise development status.

Amyotrophic Lateral Sclerosis (ALS)

- ALS is a rare, progressive and fatal neurodegenerative disorder affecting voluntary muscle movement
- Holds Orphan Drug Designation (ODD) and Fast Track Designation from the USFDA

Ulcerative Colitis (UC)

- Initiated Phase II(b) clinical trials in India

- UC is characterised by an irregular, chronic immune response that creates inflammation and ulcers in the mucosa of the large intestine or rectum

Zintrodiazine

Zydus, in partnership with Medicines for Malaria Venture (MMV), is developing Zintrodiazine, a novel anti-malarial drug. The molecule is active against current clinical strains of P. falciparum and P. vivax, including drug-resistant strains, and is being developed as a potential alternative to existing artemisinin-based combination therapies (ACTs), which are under threat of resistance.

During the year, the Company received approval from the DCGI to initiate two Phase III clinical trials in India in patients with uncomplicated malaria caused by P. falciparum and P. vivax, marking an important milestone in advancing accessible solutions for global public health challenges.



BIOLOGICS

Over the past two decades, Zydus has built differentiated capabilities in biologics, establishing one of India's most comprehensive biotech portfolios. The Company's integrated R&D and manufacturing capabilities span the entire biologics value chain, from cell line development and clinical research to manufacturing and commercialisation, enabling the efficient development, scale-up, and consistent delivery of complex biologic therapies. With a portfolio of over 35 molecules, comprising biosimilars and novel biologics, Zydus addresses critical healthcare needs across oncology, autoimmune disorders, nephrology, inflammation, rheumatology, hepatology, and infectious diseases. Through continued innovation, the Company aims to enhance access to high-quality, affordable biologic therapies for patients worldwide.

Zydus is among the leading biologics players in India, with 16 commercialised products, including one novel biologic. The Company continues to expand its presence in emerging markets through strategic collaborations with regional partners.

Here is an overview of key updates and progress made during the year:

INDIA MARKET

- Launched Tishtha™, the world's first biosimilar of Nivolumab, strengthening the Company's capabilities in advanced biologics and immuno-oncology
- Launched Anyra™ (Aflibercept biosimilar), India's first indigenously developed biosimilar for advancing ophthalmic care

- Initiated Phase III clinical trials for the second biosimilar antibody drug conjugate (ADC)
- Initiated Phase I clinical trials for a novel ADC product

EMERGING MARKETS

- Received marketing authorisations for Adalimumab biosimilar from regulatory authorities in Morocco and Paraguay
- Initiated filings across key emerging markets viz. Philippines, Saudi Arabia and Russia

GLOBAL DEVELOPMENT

- Entered the US biosimilars space through an exclusive in-licensing partnership with Formycon AG for FYB206, a Pembrolizumab biosimilar candidate. Completion of clinical development of FYB206 by Formycon marks an important milestone towards USFDA filing
- Acquired commercial rights from Bioeq AG for Nufymco® (Ranibizumab), an interchangeable biosimilar to Lucentis®. The Biologics License Application (BLA) for Nufymco® has received approval from the USFDA



VACCINES

Zydus' vaccine research and development activities are spearheaded by the Vaccine Technology Centre in Ahmedabad. The Centre focusses on developing prophylactic vaccines to address infectious diseases. It is strengthening its capabilities in the space of adjuvant development to enhance immune response, enable dose optimisation, and improve durability of protection.

The Centre possesses strong capabilities across multiple vaccine platforms, including:

- Live and inactivated viral vaccines
- Protein subunit vaccines
- Polysaccharide and polysaccharide-protein conjugate vaccines
- Toxoid vaccines
- Novel adjuvant formulations
- Nucleic acid-based vaccines
- Viral vector-based vaccines

The Company has received marketing authorisations for 16 vaccines in India, covering rabies, measles-containing vaccines, influenza, typhoid, pentavalent, and Hepatitis B vaccines. In addition, several vaccines are progressing through clinical development, including Hepatitis A, Hepatitis E, MMRV, and Bivalent Typhoid and Paratyphoid Conjugate vaccines, alongside multiple pre-clinical programmes.

Here is an overview of key updates and progress made during the year.

- Initiated two clinical trials for Rabies vaccine, evaluating post-exposure prophylaxis in WHO Category II and III animal bite cases and pre-

exposure prophylaxis in healthy participants.

- Completed a non-interference clinical trial between Typhoid Conjugate vaccine and Yellow Fever vaccine.
- Continued Phase IV clinical trials of Typhoid Conjugate vaccine in malnourished children.
- Progressed the MR vaccine non-interference study with Yellow Fever vaccine in Bangladesh.
- Initiated Phase IV clinical trials of MMR vaccine to assess immunogenicity and safety in healthy infants aged 9–12 months.
- Completed Phase II clinical trials for Hepatitis E vaccine.
- Initiated Phase II clinical trials for Bivalent Typhoid Conjugate vaccine.
- Received regulatory approval to initiate Phase I clinical trials for Chikungunya vaccine.

Zydus focusses on advancing preventive healthcare by improving access to essential vaccines across India and global markets. The Company supplies rabies and typhoid polysaccharide vaccines to several state governments in India through public health tenders, supporting large-scale immunisation programmes. During FY2025-26, the Company strengthened its contribution to public healthcare by commencing supplies of the Measles-Rubella (MR) vaccine under the Government of India's Universal Immunisation Programme (UIP).

Beyond India, Zydus expanded its global footprint through institutional partnerships, including an award from Pan American Health Organization

(PAHO) for Rabies vaccine supply and a UNICEF tender for Typhoid Conjugate vaccine, supporting vaccine access across emerging and underserved markets.

The Vaccine Technology Centre collaborates with leading global institutions, research organisations, and funding agencies to accelerate vaccine development. Key collaborations include the Gates Foundation (US), Biotechnology Industry Research Assistance Council (BIRAC), Department of Biotechnology, Government of India, International Centre for Diarrhoeal Disease Research, Bangladesh, and iSERA Biologicals, Pune.

As the vaccine R&D landscape continues to evolve, Zydus aims to boost its capabilities to address emerging healthcare needs. Key trends which will drive the Company's R&D going forward include:

- Addressing rising pandemic threats and climate-driven spread of vector borne diseases
- Leveraging plug-and-play technologies for rapid vaccine development
- Advancing flexible platforms such as DNA, mRNA, and viral vectors for rapid response
- Developing patient-friendly delivery systems with improved stability
- Building combination vaccines for improved protection and simplified immunisation schedules
- Developing new adjuvants for long-lasting immune responses and targeting multiple immune pathways

CLINICAL RESEARCH FUNCTION

The Clinical Research function is a key pillar of Zydus' innovation-led growth strategy, reflecting its commitment to advancing science and improving patient outcomes across global markets. Built through sustained investments in talent, infrastructure, and capabilities, the function brings together a multidisciplinary team of clinical scientists and research professionals with deep expertise across therapeutic areas. The team has developed strong capabilities in designing and executing complex clinical trials across New Chemical Entities (NCEs), biologics, vaccines, and specialty generics. With robust clinical development experience, the function operates with an unwavering focus on scientific excellence, quality, compliance, and patient safety.

Currently, Zydus is conducting 36 clinical trials globally across Phase I to Phase IV stages. During FY2025-26 the Company initiated 33 clinical trials across 719 study sites, enrolling more than 12,800 patients across 15 countries. Additionally, 12 clinical trials were completed during the year.

Zydus remains committed to upholding the highest standards of ethics, transparency, and scientific integrity in clinical research. Guided by its Pledge for Ethical Quality Conduct, the Company ensures strict adherence to Good Clinical Practices (GCP) and focusses on generating reliable, accurate, and well-documented clinical data. Strong governance mechanisms support ethical reporting and accountability while ensuring the rights, safety, and well-being of trial participants.

During FY2025-26, the clinical research team published five research papers in reputed scientific journals, covering



areas such as pharmacokinetics, safety profiles, and novel therapeutic approaches, reflecting the Company's commitment to advancing medical knowledge.

Zydus is increasingly leveraging digitalisation, advanced analytics, and artificial intelligence to enhance efficiency across the clinical research lifecycle. These technologies support informed decision-making in trial design, patient recruitment and study monitoring. AI-driven platforms enable seamless access to insights from previous studies, helping researchers build on institutional knowledge and improve clinical outcomes. The Company's Clinical Trial Management System (CTMS) provides an integrated platform for managing trial-related information, enabling real-time visibility, streamlined workflows,

data integrity, and compliance with regulatory requirements, including the Digital Personal Data Protection Act (DPDP).

During FY2025-26, the Company conducted various in-house training programmes focussed on global regulatory requirements, emerging technologies, and advanced clinical research practices. Additional capability-building initiatives included Good Clinical Practice (GCP) workshops, investigator meetings, and subject expert committee interactions, reinforcing a culture of continuous learning, scientific excellence, and innovation.

GENERIC PRODUCT DEVELOPMENT

The Company's generic product development initiatives are driven by its three state-of-the-art Pharmaceutical Technology Centres (PTCs) in Ahmedabad, which serve as the cornerstone of its innovation-driven development ecosystem. Operating under a unified, patient-centric philosophy, these centres focus on delivering therapeutically meaningful and affordable medicines for key markets, including the US, India and other international markets including the Europe, and emerging markets.

Each centre operates through specialised clusters aligned to specific geographies and regulatory pathways, enabling prudent execution, regulatory agility, and faster development. These centres strengthen the Company's ability to address diverse healthcare requirements while maintaining high standards of quality, compliance, and scientific excellence.

The Company's generic product development strategy is built around three core pillars:

- **Therapeutic Breadth:** The Company's portfolio addresses a broad spectrum of healthcare needs, ranging from high-prevalence diseases impacting large populations to rare and orphan conditions, enabling wider access as well as targeted solutions for underserved patients.
- **Platform Technology Leadership:** Zydus leverages proprietary and advanced drug-delivery platforms, including peptide-based delivery systems, transdermal drug delivery systems (TDS), dry powder inhalers (DPI), depot injectables, and modified-release oral formulations. These capabilities facilitate the development of complex generics by overcoming scientific and

formulation challenges, creating sustainable growth opportunities.

- **Multi-Geography Harmonisation:** Products are developed with a harmonised approach from inception, enabling regulatory submissions across multiple geographies through shared scientific and analytical data packages, thereby optimising development timelines and resource utilisation.

In the US generics market, the Company has strategically transitioned towards complex, limited-competition, and specialty opportunities, including modified-release formulations, complex injectables, and transdermal products. The share of Paragraph IV filings and First-to-File (FTF) opportunities with 180-day exclusivity has increased over the years, reinforcing Zydus' competitive positioning while improving affordability and patient access through timely market entry. During FY2025-26, the Company filed 30 ANDAs and received 26 ANDA approvals, including 6 tentative approvals. Around one-third of total filings represented FTF or NCE-1 opportunities, while approvals included 9 first-cycle approvals, highlighting strong regulatory execution.

In India formulations, Zydus has developed capabilities for successful Day-1 launches, enabling early market entry across key therapies. This is supported by robust in-house R&D, proactive patent monitoring, and advanced development readiness, helping the Company capture early opportunities and establish strong brand presence. During the year, Zydus achieved an important milestone with the launch of three brands of differentiated Semaglutide formulation in March 2026.

Across international markets, the Company leverages harmonised

development strategies to improve efficiency, reduce development timelines, and optimise costs. In FY2025-26, Zydus received its first product approval in China.

Strategic collaborations with academic institutions, consultants, and domain experts play a key role in fostering innovation and product development. These partnerships provide access to advanced research capabilities and specialised expertise, enabling the Company to stay at the forefront of evolving technologies. Through strategic tie-ups with academic institutions, the Company gains early access to innovative research, enhancing product design and therapeutic outcomes. Engagement with specialised consultants and partners further enables the company to leverage deep technical expertise, particularly in the development of complex formulations and adoption of new technologies. Additionally, such collaborations help optimise clinical and regulatory pathways, significantly accelerating development timelines and facilitating faster commercialisation of products.

Operating in an increasingly complex regulatory environment, Zydus follows a proactive and structured approach to ensure compliance, reduce regulatory risks, and secure product approvals efficiently. The Company engages early with global regulatory agencies through scientific advice meetings and pre-submission discussions to align development strategies with evolving expectations. Robust regulatory intelligence systems enable continuous monitoring of global requirements, while the adoption of Quality-by-Design (QbD) principles and a 'first-time-right' approach strengthens process understanding, minimises risks, and improves development efficiency.

SPECIALTY AND RARE DISEASE PORTFOLIO

Zydus has built a differentiated specialty portfolio by leveraging its in-house product development capabilities, licensing, and strategic acquisitions. The Company has adopted a multi-pronged approach encompassing development of specialised 505(b)(2) assets, selective in-licensing opportunities, biosimilar partnerships, and inorganic expansion to accelerate growth and enhance market access. These initiatives reflect the Company's strategic transition from volume-led generics to innovation-driven, high-value specialty segments, enhancing portfolio resilience and long-term value creation.

On an in-house development of 505(b)(2) products, the Company has so far launched 3 products, 1 product is under regulatory review while 18 products are under development.

With respect to in-licensing of 505(b)(2) products, the Company launched its first oncology product BEIZRAY™ during the year. The Company also entered into an exclusive licensing and commercialisation agreement with RK Pharma Inc of the US for a novel sterile injectable 505(b)(2) product in the area of oncology supportive care. New drug application (NDA) of the product is expected to be filed during the current calendar year 2026. Overall, 2 in-licensed 505(b)(2) products are under regulatory review while 6 are under development.

Through the acquisition of LiqMeds' oral liquid portfolio, Zydus has strengthened its ability to address unmet needs among patients who face challenges with conventional

oral solid dosage forms, including paediatric, geriatric, and dysphagic populations. The portfolio enhances treatment convenience, improves adherence, and expands access to differentiated dosage solutions in niche therapeutic segments. During the year, the Company filed one oral liquid product through the 505(b)(2) pathway and received approvals for two products. Cumulatively, oral liquid product filings and approvals stood at 14 and 10, respectively.

Orphan and ultra-rare diseases remain a strategic focus area within the Company's US specialty business through its wholly-owned subsidiary Sentyln Therapeutics Inc. Through targeted acquisitions, Zydus has built a strong portfolio in specialised



therapeutic areas with significant unmet needs and limited treatment options. During the year, the Company received final USFDA approval for its third product in the segment viz. Zycubo® (copper histidinate), the first and only approved therapy for the treatment of ultra-rare Menkes disease. The Company continues to expand access to its rare disease portfolio, including NULIBRY™ (Fosdenopterin) for Injection for Molybdenum Cofactor Deficiency (MoCD) Type A and Zokinvy® (Lonafarnib) for Hutchinson-Gilford Progeria Syndrome (HGPS). Zydus also entered into an agreement with PRG S&T (Korea) to licence the investigational molecule Progerinin (SLC-D011) for HGPS, with full acquisition rights upon milestone achievement. The molecule holds Orphan Drug Designation (ODD) from the USFDA.

During the year, Zydus entered the US biosimilars space through a partnership-led approach, aimed at building a differentiated portfolio. The Company collaborated with Formycon AG for exclusive licensing and supply of FYB206, a biosimilar candidate of Keytruda® (Pembrolizumab), for the US and Canada markets. Completion of clinical development marks an important milestone towards USFDA filing. Zydus also entered into a licensing, supply, and commercialisation agreement with Bioeq AG for NUFYMCO® (Ranibizumab), an interchangeable biosimilar to Lucentis®. The product has received USFDA approval, paving the way for commercial launch.

In May 2026, Zydus signed a definitive agreement to acquire Assertio Holdings, Inc., a US-based pharmaceutical company, for USD 166 million, further strengthening its specialty and oncology presence



in the US market. The portfolio includes ROLVEDON® (eflapegrastim-xnst), a USFDA-approved long-acting G-CSF biologic used for preventing febrile neutropenia in adult cancer patients receiving myelosuppressive chemotherapy. The acquisition will provide Zydus with an established US specialty oncology commercial platform and deeper oncology relationships to accelerate growth.



MEDTECH PORTFOLIO

Following the acquisition of Amplitude Surgical SA, a France-based medical devices company specialising in orthopaedics, Zydus is scaling its Med-Tech platform with a focus on high-growth and underpenetrated segments. During the year, Amplitude Surgical achieved a key milestone with its proprietary robotic surgical system Andy receiving CE marking, validating its compliance with European standards for safety, performance, and quality. Built on Amplitude's proprietary Amplivision navigation platform, Andy integrates advanced navigation capabilities with robotic assistance developed in collaboration with

eCential Robotics. The collaborative robotic system enables precise bone resections, supporting surgeons with greater confidence while setting new standards for robot-assisted orthopaedic procedures across Europe. On the Cardiology front, Zydus entered into a strategic partnership with Braile Biomédica Indústria, Comércio e Representações Ltda. (Braile Biomedica), a Brazil-based cardiovascular device innovator, to exclusively commercialise its Transcatheter Aortic Valve Implantation (TAVI) technology across Europe, India, and select international markets. This marks an important

step in the Company's expansion into the rapidly growing interventional cardiology segment.



CONSUMER WELLNESS PORTFOLIO

Zydus Wellness continues to strengthen its capabilities through a robust, science-led R&D ecosystem that integrates formulation expertise, clinical validation, sensory science, advanced analytics and strong regulatory capabilities. The R&D efforts focus on creating healthier, functional, and sustainable products while balancing nutrition, taste, affordability, and quality. Enhanced use of advanced instrumentation, AI-enabled insights and consumer research frameworks further improves speed-to-market, product efficacy and consistency, while cross-functional collaborations ensure

seamless transition from concept development to commercialisation. During the year, Zydus Wellness accelerated innovation across core and emerging categories, delivering several science-backed launches and portfolio enhancements. The Company expanded the Nutralite portfolio with plant-based spreads, peanut butter, ghee, and HoReCa-focussed offerings, while entering newer segments such as analogue cheese. The Glucon-D franchise was strengthened through enhanced formulations and new offerings focussed on immunity

and sports hydration, incorporating functional ingredients such as electrolytes, vitamins, and minerals. The Company also introduced differentiated wellness solutions, including sugar-free indulgence spreads, low-fat mayonnaise variants, and targeted personal care innovations under the Everyuth portfolio. These initiatives reflect strong formulation capabilities, format innovation, and consumer-centric design, reinforcing Zydus Wellness' ability to drive high-impact innovation while addressing evolving health and wellness needs.

INTELLECTUAL PROPERTY GOVERNANCE

Protection and management of Intellectual Property (IP) is integral to the Company's business strategy. Through stringent policies and governance frameworks, the Company proactively identifies and safeguards IP assets, ensuring resilience against breaches and minimising infringement risks. The Company's Code of Business Conduct and Ethics reinforces this commitment by ensuring all employees are well-informed and aligned with the Company's IP protection standards.

The table below contains the number of patents filed and granted across different areas in FY2025-26 and over the last 5 years:

FY2025-26 (April 2025 - March 2026)	NCE	Biotechnology incl. NBEs	Vaccines Incl. Novel vaccines	NDDS	Medical Technology	Clinical Research	API	Total
Total patents filed	35	35	01	04	01	37	29	142
Total patents granted	07	05	00	01	00	01	05	19
April 2021 – March 2026	NCE	Biotechnology incl. NBEs	Vaccines Incl. Novel vaccines	NDDS	Medical Technology	Clinical Research	API	Total
Total patents filed	62	92	04	30	09	77	98	372
Total patents granted	37	14	01	01	01	05	17	76

INFORMATION SECURITY MANAGEMENT AND PROTECTION

In today's digital era, safeguarding sensitive information and ensuring the integrity of cybersecurity systems continues to be of paramount importance. As a global healthcare provider, the Company routinely handles sensitive research data, intellectual property, patient information, and regulatory compliance requirements. The Company remains committed to protecting such data and maintaining robust systems to defend against potential breaches.

To strengthen digital resilience, the Company continues to operate a comprehensive Information Security Management System Framework to bolster digital security and safeguard the information associated assets. This includes dedicated security committees, clearly-defined policies and procedures, regular audits, governance and compliance reviews to ensure protection of information assets. Oversight of information security risks is provided by the Risk Management Committee at the Board level. At the executive level, the Head of Information Technology and the Head of Cyber Security are responsible for implementing security strategies, ensuring compliance, managing risks, and aligning IT and cybersecurity initiatives with business objectives.



The Company's Information Security and Management Policy defines clear objectives, roles, and responsibilities aimed at ensuring the confidentiality, integrity, and availability of information assets. Information security risks are continuously assessed and monitored in line with the Information Security Risk Management Policy and integrated within the Enterprise Risk Management framework. The Company enforces information security requirements for all third-party entities, including suppliers, vendors, etc. to reduce external risks and safeguard shared systems and data.

A structured and transparent mechanism is in place for reporting and managing cybersecurity incidents. As per the Information Security Incident Management Procedure, employees are required to promptly report any suspicious activity or anomaly to the Chief Information Security Officer (CISO) and the Security Incident Response Team. Multiple reporting channels, including the IT Service Management (ITSM) tool and a central IT helpdesk (ithelpdesk@zyduslife.com), ensure timely escalation and resolution of incidents.

All employees undergo mandatory training on information security and data privacy, supported by regular awareness campaigns, policy sign-offs, and phishing simulation exercises such as Threatcop. These initiatives enhance vigilance and reinforce secure work practices across the organisation. Any breach involving employees is subject to detailed investigation, followed by appropriate corrective and disciplinary actions.

To ensure business continuity and operational resilience, the Company has developed a comprehensive Standard Operating Procedure (SOP) for disaster recovery. Periodic mock drills and annual testing of business continuity plans are conducted to

evaluate preparedness and identify potential vulnerabilities or threats.

Over the last year, the company has deployed security tools for monitoring the external web, including actionable threat feeds, leak alerts and brand monitoring, as well as the internal network through vulnerability scanning and risk scoring. These initiatives have helped improve the company's security posture against both external and internal threats.

The company has also deployed a training module to enhance cybersecurity awareness among employees.

In addition, the company has enabled a 24x7 Security Operations Centre (SOC)

across its IT environment and sites. The company is pursuing ISO 27001 certification as part of its continuous information security improvement programme.

Further, the Company conducts annual third-party cybersecurity assessments, including vulnerability assessments, penetration testing, red team exercises, and security architecture reviews. During the assessments carried out in FY2025-26, no significant observations were reported. Moreover, no information security or data privacy breaches affected the Company's operations, workforce, customers, or clients during the reporting period.





FC



FINANCIAL CAPITAL

Accelerating growth through disciplined financial management

Zydus' financial strategy is guided by its vision of becoming a leading global lifesciences company, empowering patients to live healthier and more fulfilled lives through pathbreaking solutions. The Company follows a disciplined capital allocation approach to strengthen manufacturing and innovation capabilities and pursue inorganic growth opportunities. The Company prioritises investments that enhance long-term value creation while ensuring affordability and accessibility of healthcare solutions.

Zydus continues to invest in differentiated capabilities while maintaining financial resilience through prudent risk management, diversified revenue streams, and a robust balance sheet. By aligning financial strategy with its patient-centric mission, the Company continues to generate sustainable returns for stakeholders while advancing its global growth ambitions.

KEY LINKAGES

MATERIAL TOPICS

- Access to Healthcare
- R&D and Innovation

UN SDGs



KEY HIGHLIGHTS

₹ 2,71,484
million

REVENUE FROM
OPERATIONS

₹ 22,732
million

R&D INVESTMENTS

₹ 84,751
million

EBITDA

₹ 54,564
million

PAT EXCEPTIONAL

21.6%

ROCE

CAPITAL ALLOCATION STRATEGY

The Company's vision of becoming a leading global lifesciences company guides its capital allocation strategy. Zydus follows a disciplined and forward-looking approach, focussed on strengthening its innovation portfolio, building differentiated capabilities, and delivering sustainable shareholder value.

Over the years, the Company has maintained a calibrated mix of organic investments and targeted inorganic expansion to accelerate growth. This balanced approach enables Zydus to strengthen core operations, invest in future growth opportunities, and generate consistent returns for stakeholders.

STRENGTHENING ORGANIC GROWTH PLATFORMS

Zydus consistently deploys capital towards expanding manufacturing capacities, building capabilities in specialised dosage forms, upgrading

facilities in line with global regulatory requirements, and advancing automation and digitalisation initiatives. Investments are also made to strengthen quality and compliance infrastructure, environmental and health and safety systems, and operational maintenance.

Innovation remains a key pillar of the Company's growth strategy. Zydus has built a robust R&D engine spanning APIs, generic formulations, biosimilars, vaccines, specialty products, and novel chemical and biological entities (NCEs/NBEs). Investments are strategically directed towards building differentiated capabilities, accelerating product launches, expanding into new therapies and geographies, and addressing unmet patient needs, including orphan and rare diseases. The Company allocates approximately 8% of its revenue to R&D, balancing near-term business priorities with long-term innovation opportunities.



FORTIFYING CAPABILITIES THROUGH STRATEGIC ACQUISITIONS

Inorganic initiatives continue to play an important role in Zydus' capital allocation philosophy, enabling the Company to acquire new capabilities, enter high-growth segments, and strengthen its global presence.

During FY2025-26, Zydus entered the global Medical Technology (MedTech) space through the acquisition of Amplitude Surgical SA, France, a leading European player in advanced lower-limb orthopaedic technologies. With innovative solutions supported by research capabilities and robotic surgery platforms, the acquisition strengthens the Company's position in specialised healthcare segments.

The Company also expanded into the global biologics CDMO business through the acquisition of two US-based biologics manufacturing

facilities from Agenesis Inc. This strategic investment establishes Zydus' biologics manufacturing presence in the US and creates a sustainable growth platform for the future.

In the Consumer Wellness segment, Zydus completed its first international acquisition by acquiring UK-based Comfort Click Ltd (CCL), strengthening its presence across the UK, EU, and the US markets. CCL's fast-growing digital consumer healthcare platform enhances the Company's presence in the vitamins, minerals, and supplements (VMS) category through e-commerce and direct-to-consumer channels.

To further enhance its US specialty business and diversify its portfolio, the Company has proposed the acquisition of Assertio Holdings. The transaction aims to strengthen commercial capabilities in the branded space and unlock synergies through Assertio's established sales platform.

Overall, on capital allocation front, the Company follows a structured and disciplined framework for evaluating investment proposals, supported by a comprehensive SOP for assessing and monitoring large capital expenditures. For inorganic opportunities, it adopts a conservative valuation approach, combined with rigorous due diligence across all critical aspects of the transaction.

The Company continues to evaluate avenues for shareholder returns, including dividends and buybacks, supported by robust cash generation. This balanced approach ensures that capital is allocated judiciously across growth, innovation and returns, enabling the Company to create long-term stakeholder value while navigating an evolving global healthcare landscape.

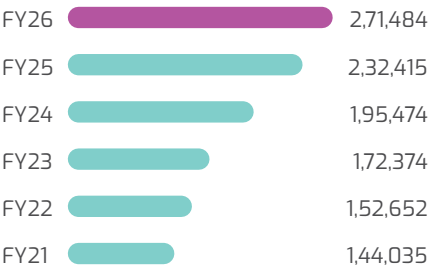


OVERVIEW OF FINANCIAL PERFORMANCE

REVENUE FROM OPERATIONS

Zydus delivered strong revenue growth during the year, supported by sustained momentum in its core and base businesses and contributions from strategic inorganic initiatives. Total income from operations increased by 17% year-on-year to ₹271.5 billion in FY2025-26, compared to ₹232.4 billion in FY2024-25. Over the past five years, Zydus has delivered a CAGR of 14%, reflecting steady growth, consistent execution, and the ability to create sustainable value.

Total Revenue from Operations (₹ mn)

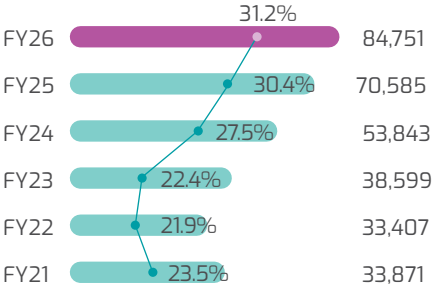


EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)

The Company reported its highest-ever EBITDA and margins during the year, driven by a stronger product mix, sustained traction in the base business, improved cost efficiency with operating leverage materialising, and favourable forex tailwinds. EBITDA grew by 20% to ₹84,751 million from ₹70,585 million in FY2024-25. EBITDA margin stood at 31.2%, an improvement of 80 bps

over FY2024-25. Over the past five years, EBITDA has grown at a CAGR of 20%, reflecting significant operating leverage.

EBITDA (₹ mn) and EBITDA Margin (%)

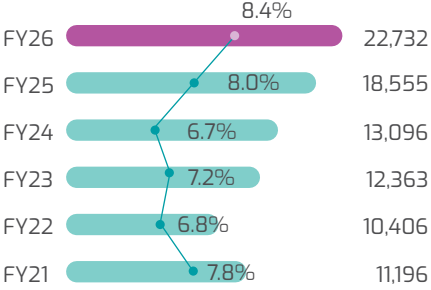


RESEARCH AND DEVELOPMENT (R&D)

Sustained investments in R&D are central to the Company's journey towards becoming a global lifesciences

leader, enabling it to address evolving healthcare needs. Continued focus on innovation strengthens its ability to develop differentiated therapies and expand its impact across geographies. The Company consistently allocates approximately 8% of its revenue to R&D. In FY2025-26, total R&D investments reached ₹22,732 million, accounting for 8.4% of revenues, marking a 23% increase from ₹18,555 million in FY2024-25.

R&D (₹ mn) and R&D to Revenues (%)



PROFIT AFTER TAX

In line with the EBITDA performance, Zydus achieved its highest-ever net profit in FY2025-26. Adjusted for exceptional items and profit/(loss) from discontinued operations, net profit stood at ₹54,564 million, reflecting a 15% increase compared to ₹47,451 million in FY2024-25. Over the past five years, PAT has grown at a CAGR of 18%.

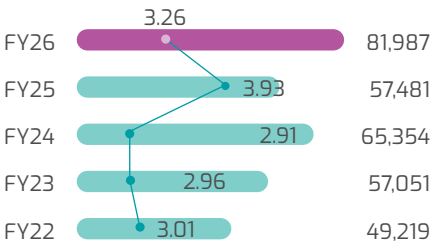
Adjusted Profit after Tax (₹ mn)



WORKING CAPITAL AND CASH CONVERSION CYCLE

Zydus follows a disciplined approach to working capital management, aimed at balancing growth with operational efficiency. The Company aligns working capital deployment with evolving business requirements through effective management of receivables, inventories, and payables. This approach has enabled stronger conversion of invested capital into revenue, supported by improved inventory optimisation, efficient collection processes, and strategic vendor management. Overall, the Company's working capital management reflects a resilient and agile financial strategy that supports sustainable growth and value creation.

Net Working Capital (₹ mn) and Working Capital Turnover Ratio (x)



■ Net Working Capital
— Working Capital Turnover Ratio

Cash Conversion Cycle (No. of days)



LEVERAGE RATIOS

During FY2025-26, the Company pursued several inorganic opportunities. Nevertheless, it maintained healthy Net Debt-to-Equity and Net Debt-to-EBITDA ratios, supported by strong operating cash flows, disciplined capital allocation, and efficient working capital management. This reflects Zydus' ability to pursue long-term growth opportunities while preserving financial strength.

Net Debt to Equity (x)



Net Debt to EBITDA (x)



RETURN RATIOS

Zydus has delivered consistent improvement in its return ratios over the past five years, reflecting strong operational performance, disciplined capital allocation, and efficient utilisation of resources. Sustained expansion in both metrics over the years highlights growth across the businesses coupled with enhanced operating profitability. The Company's healthy return profile underscores its ability to generate sustainable and superior financial returns.

ROCE (%)



ROE (%)



SUSTAINABLE VALUE CREATION

Zydus is committed to creating long-term, sustainable value by integrating Environmental, Social, and Governance (ESG) practices into its capital allocation and business decisions. The Company's continued investments in sustainability initiatives enhance operational resilience, mitigate risks, and support consistent value creation for all stakeholders.

ENVIRONMENTAL RESPONSIBILITY

The Company continues to advance investments in renewable energy, energy efficiency, water stewardship, and sustainable waste management to reduce environmental impact and improve operational efficiencies.

COMMUNITY ENGAGEMENT

Zydus' CSR investments focus on driving meaningful impact across healthcare, education, livelihood enhancement, and community development. These interventions empower communities, strengthen the broader social ecosystem, and reinforce the Company's commitment to inclusive growth.

HEALTH AND SAFETY MANAGEMENT

The Company continues to invest in robust occupational health and safety systems aligned with global standards such as ISO 45001. By embedding safety across operations, Zydus strengthens risk management, ensures business continuity, and fosters a secure work environment.

TAX TRANSPARENCY

The Company maintains the highest standards of tax transparency through responsible governance, ethical practices, and compliance with applicable tax laws. Its tax approach is guided by the principles of integrity, accountability, and sustainable value creation. Aligned with internationally accepted frameworks, including OECD guidelines, Zydus ensures effective compliance with transfer pricing regulations, with related-party transactions conducted at arm's-length and supported by clear economic rationale.

The Company maintains strong internal controls, governance mechanisms, and documentation processes to ensure accurate and transparent reporting. Through proactive engagement with tax authorities and continuous monitoring of evolving regulatory frameworks, Zydus strives to contribute its fair share of taxes responsibly while strengthening stakeholder confidence in its financial and governance practices.





MC

MANUFACTURED CAPITAL

Delivering sustainable healthcare solutions through Manufacturing Excellence

Manufacturing excellence is more than an operational capability at Zydus, it is a philosophy that shapes every aspect of how the Company delivers healthcare solutions. Driven by science, advanced technology, and a strict commitment to patient safety, the Company ensures every product meets the highest standards of quality and reliability. Guided by stringent Good Manufacturing Practices (GMP) and robust quality systems, the Company consistently adheres to the highest global regulatory standards, reinforcing the trust of patients, healthcare professionals, and regulators worldwide.

As Zydus evolves from a capacity-led manufacturing model to a capability-driven ecosystem, it is strengthening its focus on complex generics, specialty products, biologics, and next-generation healthcare solutions. This shift relies on agile, world-class manufacturing and strong regulatory standards to deliver affordable, innovative therapies to patients globally.

KEY LINKAGES

MATERIAL TOPICS

- Product Quality & Safety
- Access to Healthcare
- R&D and Innovation

UN SDGs



KEY HIGHLIGHTS

44

STATE-OF-THE-ART
MANUFACTURING FACILITIES

16

FACILITIES INSPECTED BY
THE USFDA

99.5%+

PRODUCT AVAILABILITY
IN THE US, INDIA
AND INTERNATIONAL
MARKETS (IM) IN
FY2025-26

During FY2025-26, Zydus continued to invest in automation, digitalisation and efficiency enhancement to strengthen operational excellence across its manufacturing operations. By integrating Industry 4.0 technologies, AI-driven analytics and IoT-enabled monitoring systems, the Company is transforming its facilities into smart manufacturing hubs. This digital evolution minimises process variability and optimises resource utilisation across the network.

Alongside technology adoption, Zydus integrates Lean Six Sigma methodologies, sustainability practices and continuous capability-building initiatives to enhance operational agility and resilience. These efforts reinforce the Company's commitment to building future-ready manufacturing capabilities while serving global healthcare needs.

WORLD-CLASS MANUFACTURING CAPABILITIES

Zydus operates a diverse, vertically integrated network of 44 global manufacturing facilities across India, the US, UK, France, Brazil and Myanmar. With 38 of its 44 manufacturing units located in India, the Company leverages scale-driven, cost-efficient operations to enhance global competitiveness, while ensuring high standards of supply reliability and operational excellence. With 16 facilities inspected by the USFDA, Zydus continues to strengthen its presence across regulated markets.

The Company's manufacturing footprint spans small molecules, APIs, biological products, vaccines, consumer wellness, animal healthcare and medical devices. Zydus enforces stringent quality standards and compliance systems across this portfolio to ensure that every product meets international benchmarks for safety and reliability. This robust infrastructure allows the Company to expand access to affordable, high-quality healthcare solutions worldwide.



VERTICAL-WISE BIFURCATION
OF MANUFACTURING SITES

Business Vertical	Number of Manufacturing Sites
Small Molecules	19
API	6
Biological Products	6
Vaccines	6
Consumer Wellness	4
Animal Health	1
Medical Devices	2
Total	44

INSTALLED MANUFACTURING CAPACITY

Dosage Forms	UOM	Capacity
Oral Solids	Mn pills	39,018
Injectable	Mn units	342.9
Liquid Pouch	Mn pouches	72
Topicals	Mn tubes	86.4
Vaccines	Mn doses	82.7
Nasal (including MDI)	Mn units	27.6
Transdermal patches	Mn patches	19.2
API	MT	1,680
Biologics DS	KL	686
Liquid Orals	KL	225
Consumer Wellness	MT	38,112
Medical Devices	000 units	423.6

EXPANDING MANUFACTURING CAPACITIES AND CAPABILITIES

Zydus is strategically enhancing its manufacturing capacities and capabilities across the healthcare value chain, spanning pharmaceuticals, APIs, biotechnology, consumer wellness, and medical devices. These investments are aligned with the Company's vision of creating an integrated healthcare ecosystem that improves access, strengthens affordability, and accelerates innovation-led growth.

STRENGTHENING FORMULATIONS
MANUFACTURING

In formulations, Zydus undertook strategic investments to expand capabilities for the US and international markets. The Company is enhancing Oral Solid Dosage (OSD) capacities at its Ahmedabad SEZ Unit II and Baddi facilities to support growing demand from the US market. Additionally, capacity expansion initiatives at Moraiya and Goa facilities are improving the Company's ability

to address opportunities across international formulation markets.

Ahmedabad SEZ Unit III: Building
Next-Generation Infrastructure

Zydus is redefining pharmaceutical manufacturing through the establishment of its new Ahmedabad SEZ Unit III oral solid dosage facility. Designed as a highly automated 'Lights Out Factory,' the facility integrates robotics, Industry 4.0 technologies,

and AI-enabled analytics to create a near-zero-touch manufacturing environment. This next-generation facility is expected to enhance process consistency, minimise variability, strengthen quality assurance, and set new benchmarks in operational excellence.

Key features of Ahmedabad
SEZ Unit III include

1 Dark Factory Architecture

Deploy maximum automation with minimal human intervention to eliminate operational variability and maximise production precision.

2 Embedded AI Systems

Partner with leading OEMs and AI developers to integrate real-time predictive analytics into critical equipment, ensuring proactive quality control.

3 Dock-to-Dock Automation

Utilise Automated Guided Vehicles (AGVs) and Autonomous Mobile Robots (AMRs) to achieve seamless, contamination-free internal material transfer.

4 Process Analytical
Technology (PAT)

Integrate data-driven, real-time control tools to enhance process understanding, reduce variability, and enable fully predictive manufacturing.

5 Vision-Based Quality Control

Implement high-speed imaging and real-time image analysis to monitor pellet production continuously, ensuring consistent product quality.

ENHANCING API AND SUPPLY
CHAIN CAPABILITIES

In the API business, the Company expanded capacities for key molecules to support growing demand from formulations manufacturing plants. Investments were also directed towards strengthening processing capabilities, production resilience, validation infrastructure, and IT systems, enhancing operational reliability, compliance, and long-term growth.

SCALING BIOLOGICS
MANUFACTURING

Zydus continues to strengthen capabilities in biologics with a commercialised portfolio of 16 biologics products, including one novel biologic. To address rising demand across India and emerging markets, the Company commissioned commercial operations at its new Unit III monoclonal antibody (mAb) drug substance facility in FY2025-26.

More notably, Zydus entered the global biologics CDMO business with the acquisition of Agenesis Inc.'s two US-based biologics manufacturing facilities. This strategic acquisition marks the Company's entry into the rapidly growing global biologics CDMO segment along with customer relationship with Agenesis Inc, establishing a strong US manufacturing presence and creating a sustainable growth driver.

EXPANDING VACCINE
MANUFACTURING
INFRASTRUCTURE

Over the years, Zydus has developed capabilities across multiple vaccine platforms, ensuring access to safe and effective immunisation solutions in India and other emerging markets. The Company currently has two WHO-prequalified vaccines supporting global public health programmes.

During FY2025-26, the Company commenced supply of the Measles Rubella (MR) vaccine under India's Universal Immunisation Programme (UIP), supporting the country's mission

to eliminate measles and rubella. It has also expanded bacterial and recombinant vaccine facilities to address rising demand across global markets.

BUILDING CAPABILITIES IN
MEDTECH PLATFORM

On the MedTech front, Zydus has identified three priority segments to build its global presence, viz. Orthopaedics, Nephrology and Cardiology.

On the Orthopaedics front, the Company completed the acquisition of Amplitude Surgical, a leading orthopaedics player in Europe (France) with a global reach. The acquisition includes a manufacturing facility in Valence, France, capable of producing advanced orthopaedic solutions for hip and knee prostheses.

In Nephrology, the Company is establishing a manufacturing plant for producing high-end dialysers to address the growing burden of chronic kidney disease globally.

AUGMENTING MANUFACTURING FOOTPRINT IN CONSUMER WELLNESS BUSINESS

The Company continued to strengthen its manufacturing footprint in the consumer wellness segment through strategic capacity expansions and technology-led upgrades across key categories. Investments in advanced manufacturing systems enhanced

operational efficiency, optimised supply chains, and improved time-to-market. Capacity additions in high-growth segments were supported by infrastructure upgrades, improved hygiene standards, and sustainable manufacturing practices.

The commissioning of new manufacturing lines and facilities further enhanced production

capabilities, while portfolio expansion and growing export contributions strengthened the overall manufacturing ecosystem. These initiatives position the Company to effectively meet rising demand and support scalable growth in the FMCG and wellness segment.

OPERATIONAL EXCELLENCE

Ensuring uncompromising regulatory compliance, consistent product quality and patient safety is central to our manufacturing strategy, with lean practices and continuous improvement embedded across Zydus' operations. This disciplined approach has enhanced throughput, reduced production downtime and accelerated speed-to-market for critical therapies. By strengthening operational efficiency, the Company enhances supply chain resilience and reinforce the trust of regulators, healthcare professionals and patients worldwide.

Sustaining this competitive advantage in an evolving pharmaceutical landscape requires continued investment in automation, advanced analytics and real-time monitoring systems. These targeted digital initiatives are building future-ready operational capabilities across the Company's manufacturing network. Through these focussed initiatives, the Company is reinforcing its manufacturing capabilities and building a more resilient, efficient and future-ready operating model. Together, these ongoing modernisation efforts enhance long-term cost competitiveness and enable sustained value creation for all our stakeholders.



Key initiatives undertaken during the year include:

- Established a dedicated continuous process validation team to proactively identify and address process variations, contributing to a significant reduction in Out-of-Specification (OOS) events
- Advanced manufacturing capabilities through full-scale continuous blending and compression trials, improving throughput at the OSD-I facility in Ahmedabad SEZ
- Successfully implemented continuous coating processes for low-weight tablets at OSD-II facility, demonstrating precision manufacturing capabilities
- The Company continues to advance the adoption of Process Analytical Technology (PAT) to strengthen process understanding and manufacturing control. Select tools, including Near Infrared (NIR) spectroscopy, have been implemented, while advanced techniques such as Raman spectroscopy for content uniformity, microwave testing for loss on drying and Optical Coherence tomography for real-time coating thickness monitoring are under active evaluation
- Implemented lean laboratory initiatives at USFDA-inspected sites, reducing invalid OOS incidents and cost per sample
- Optimised parenteral operations by reducing aseptic area cleaning duration and streamlining changeover processes

- Increase in batch sizes to maximum operational capacities, enabling better resource utilisation, higher output and improved profitability
- Reduced lyophilisation cycle time leading to higher throughput, improved equipment utilisation and faster product turnaround
- Improved visual inspection and leak testing accuracy, reducing false rejection rates and minimising product wastage
- Reduced downstream processing time by two-thirds at the newly commissioned Biologics Drug Substance Unit III, improving cycle efficiency

- Implementation of automation-led smart laboratory initiatives, which include:

- Automated mobile-phase preparation systems resulting in improved accuracy and reduced solvent wastage
- Robotic sample and standard preparation systems enabling parallel processing and higher throughput
- Fully automated dissolution platforms with robotic handling, integrated analytics and digital audit trails

SUSTAINABLE MANUFACTURING

Sustainable manufacturing is integral to Zydus' long-term vision of delivering healthcare solutions responsibly. The Company embeds sustainability across its manufacturing ecosystem by enhancing resource efficiency, reducing environmental impact, adopting cleaner technologies and strengthening climate resilience.

The Company's approach focusses on optimising energy and water consumption, reducing emissions and waste and advancing circular economy principles. These efforts reinforce operational resilience while strengthening trust among all stakeholders. To further institutionalise responsible manufacturing practices, approximately 80% of the Company's manufacturing sites are certified under ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System).

Key initiatives undertaken include:

- Achieved ISO 50001 (Energy Management System) certification, covering 100% of formulation units and all major API units across the standalone organisation
- Deployed energy monitoring software to replace manual meter readings, enabling real-time data tracking, visualisation and early identification of anomalies
- Adopted advanced energy-efficient technologies, including efficient motors, boilers, BLDC fans, heat pumps and chillers in alignment with the Company's energy management strategy
- Increased the share of renewable energy in the overall energy mix to support greener manufacturing operations
- Implemented process modifications and operational improvements across manufacturing units to optimise energy consumption and reduce greenhouse gas (GHG) emissions
- Continued investments in digital and eco-efficient technologies to enhance sustainable manufacturing performance
- Implemented targeted water conservation initiatives across the global manufacturing footprint to reduce freshwater dependency and advance circular water management
- Deployed advanced wastewater treatment technologies, including Effluent Treatment Plants (ETPs), ultrafiltration systems, multistage reverse osmosis and evaporation plants, enabling treated water reuse within utility operations
- Through the Zydus Watershed Development Project, multiple water harvesting interventions were implemented across the Viramgam and Mandal talukas of Gujarat, enabling 20,06,065 kilolitres of rainwater harvesting and supporting year-round water availability for farmers
- Adopted advanced waste management technologies, including sludge dryers to reduce moisture content in solid waste generated from effluent treatment plants and bale press systems for compacting plastic waste
- Strengthened sustainable disposal practices through environmentally responsible avenues such as co-processing and pre-processing

1,83,000
kilolitres

FRESHWATER SAVED IN
FY2025-26

9,53,161
kilolitres

WASTEWATER RECYCLED IN
FY2025-26

1,303
tonnes

PLASTIC WASTE RECYCLED IN
FY2025-26

PRODUCT QUALITY

Quality is deeply embedded in the Company's operations. Zydus integrates quality excellence across the entire product lifecycle, from research and development to manufacturing and commercialisation, ensuring consistency, integrity, safety and reliability at every stage. All manufacturing facilities comply with current Good Manufacturing Practices (cGMP), reflecting the Company's unwavering focus on regulatory excellence, patient safety and operational resilience.

Driven by a culture of continuous improvement, Zydus continues to strengthen its quality systems, compliance frameworks and operational capabilities. This holistic approach enables the Company to proactively manage risks, exceed quality expectations and consistently deliver safe and effective healthcare solutions to patients.

ROBUST QUALITY CULTURE

At Zydus, quality extends beyond systems and processes; it is a mindset shaped by people, values, and everyday actions. The Company fosters a culture of shared ownership where every employee contributes to strengthening patient safety, customer confidence and regulatory excellence.

Quality accountability is embedded across the organisation, from leadership teams to shop-floor operations. Supported by structured transformation initiatives, the Company continuously enhances compliance, operational resilience and stakeholder trust.

A key pillar of this journey is QUEST (Quality Excellence by Sustainable Transformation), an organisation-wide programme implemented across manufacturing sites. QUEST encourages proactive engagement, accountability and continuous improvement through:

Daily Quality Dialogues

Leadership Gemba Walks

Awareness and Engagement
Campaigns

Recognition and Reward
Initiatives





QUALITY RISK MANAGEMENT (QRM)

Zydus has established a robust Quality Risk Management (QRM) framework to ensure product quality, patient safety and regulatory compliance across the product lifecycle. Aligned with global ICH Q9 guidelines, the framework enables a structured, science-based approach to identifying, assessing, controlling and continuously monitoring quality risks.

QRM principles are embedded across critical operations, including manufacturing, laboratories, packaging, supplier qualification and quality systems, ensuring a consistent risk-based approach. The Company leverages advanced methodologies, such as Failure Modes and Effects Analysis (FMEA), Hazard and Operability Studies (HAZOP), and Hazard Analysis and Critical Control Points (HACCP) to assess risks based on complexity and criticality.

By shifting from reactive issue resolution to proactive risk prevention, Zydus strengthens operational resilience, safeguards supply reliability and consistently delivers safe and high-quality healthcare solutions.

STRUCTURED
MANAGEMENT
REVIEWS FOR QUALITY
ASSESSMENT

Structured management reviews are essential to the Company's quality governance framework, enabling proactive oversight, timely decision-making and continuous improvement. Through a data-driven approach and predictive quality metrics, these reviews help identify emerging risks, implement corrective actions and address potential issues.

The Company follows a multi-tiered management review structure to ensure effective oversight across all levels of the organisation. This framework helps ensure that quality systems remain robust, effective and aligned with evolving regulatory expectations.

Key focus areas include:

- 1
- Trend analysis related to quality parameters
- 2
- Assessment of audits
- 3
- Analysis of customer complaints
- 4
- Measuring performance against benchmarks across quality parameters
- 5
- Evaluation of Corrective and Preventive Actions (CAPA) effectiveness
- 6
- Compliance with regulatory requirements

In addition to formal reviews, the leadership teams at manufacturing sites regularly engage with shop-floor employees to understand operational challenges and drive timely resolution of issues.

REGULATORY
COMPLIANCE

Zydus upholds the highest standards of regulatory compliance across its global operations. The Company's compliance framework is strengthened through robust governance systems, internal audits, continuous capability building, and proactive engagement with regulatory authorities worldwide.

By staying aligned with evolving international regulatory expectations, Zydus ensures operational readiness, manufacturing integrity, and consistent delivery of safe and high-quality healthcare solutions.

As of March 31, 2026, none of the Company's facilities was under regulatory surveillance or subject to warning letters, reflecting the strength of its quality systems and compliance culture. During FY2025-26, the Company's injectable manufacturing facility at Jarod, Gujarat, successfully resolved the warning letter issued by the USFDA, underscoring Zydus' commitment to continuous improvement, regulatory excellence, and operational discipline.

Details of USFDA inspections conducted at different manufacturing sites in the last two years are as follows:

Inspections	FY2024-25	FY2025-26	Target
No. of USFDA audits	06	08	To maintain consistent quality and regulatory compliance, ensuring that none of the manufacturing sites receives an OAI or warning letter from the USFDA.
No. of observations received	12	21	
USFDA Inspection Warning Letters	01	NIL	

Internal Inspections

Inspections	FY2024-25	FY2025-26	Target
Corporate Internal Audit at Zydus manufacturing sites (catering to the US market)	47	33	Zero critical observations
Total supplier quality audits (raw materials and packing materials) for all markets	697	606	Zero overdue

Product recalls summary with the USFDA

Recall Type	FY2024-25	FY2025-26	Target
Class I	0	0	Zero (Class I Recalls)
Class 2/3	25	14	

Class I recall is issued when there is a reasonable probability that the use of or exposure to a violative product will cause serious adverse health consequences or death. Class II recall is issued when use of or exposure to a violative product may cause temporary or medically reversible adverse health consequences, or when the probability of serious adverse health consequences is remote. Class III recall is issued when use of or exposure to a violative product is not likely to cause adverse health consequences.

DRIVING DIGITAL TRANSFORMATION

Digital transformation is vital for maintaining quality, compliance and operational excellence. The Company continues to integrate advanced technologies, big data capabilities and real-time analytics across its operations to enhance process reliability, optimise resource utilisation and strengthen decision-making through a robust data-driven ecosystem. During FY2025-26, Zydus' digitalisation initiatives delivered

measurable improvements in productivity, operational efficiency and cost optimisation while strengthening manufacturing excellence.

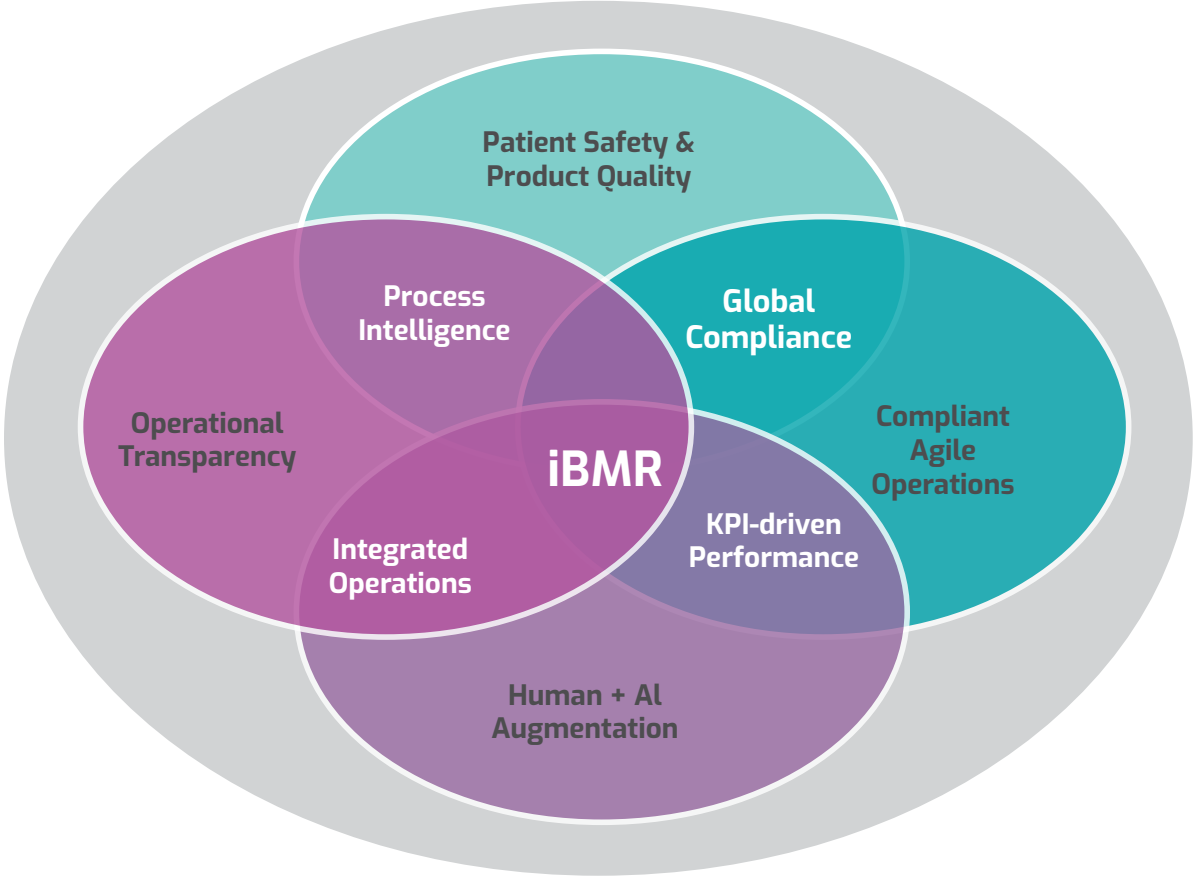
To further enhance quality assurance, the Company has established advanced Digital Quality Control (QC) laboratories across its manufacturing sites. Equipped with technologies such as HPLC, GC, LC-MS/MS, GC-MS, UV, IR and particle size analysers, these laboratories enable comprehensive

testing of in-process, finished and stability samples.

Integrated Laboratory Information Management Systems (LIMS) ensure end-to-end data traceability, efficient resource utilisation and real-time audit readiness. A structured two-tier review mechanism involving QC and QA teams further strengthens data integrity and compliance before batch release.



INTEGRATED iBMR APPROACH – AI EMBEDDED



The Company envisions a future of robust digital manufacturing where AI-driven, seamlessly integrated operations deliver unmatched predictability, compliance and control, ensuring the highest standards of patient-centricity and excellence.

iBMR combined with Enterprise-wide IT architecture can enable:

1 AI-enabled right-first-time manufacturing through system-driven controls

2 Real-time decision-making supported by advanced analytics, actionable insights and continuous process monitoring

3 Enhanced data integrity and compliance and periodic AI-enabled verification mechanisms

4 iBMR provides insights using the Golden Tunnel approach, AI-enabled settings, smart investigation tools and predictive analytics for right-first-time execution

5 Connected digital infrastructure through seamless integration of PLCs, SCADA, LIMS, QMS, EHS, ERP and advanced analytics platforms across the organisation

In addition to the above, the Company undertook several automation and digitalisation initiatives to enhance operational efficiency, improve quality and foster agility to respond to evolving market needs. These initiatives are listed below:



Electronic Data Management Software

The Company implemented advanced electronic data management solutions to eliminate manual documentation and minimise Good Documentation Practice (GDP)-related errors. The platform provides a secure centralised repository for operational data and integrates RFID-based equipment identification. Advanced analytics for alarms and overall equipment effectiveness support compliance, audit readiness and data-driven decision-making.

Real-Time Data Analytics – Tableau

Zydus strengthened its real-time analytics capabilities through Tableau dashboards integrated across multiple systems and manufacturing sites. These dashboards eliminate manual intervention, improve data accuracy

and enable faster insights for informed decision-making.

Paperless Computer System Validation Lifecycle

The Company deployed a paperless Computer System Validation (CSV) framework to digitise the software and hardware validation lifecycle. Covering 19 critical validation documents, the platform enables standardised procedures, automated workflows, improved project tracking, faster approvals and timely document availability. Initially implemented for central validation activities in CY 2024, the initiative expanded to 12 sites during CY 2025.

Paperless Annual Product Quality Review (APQR)

A digital workflow was implemented to automate APQR planning, tracking and execution across products and

sites. The system provides trend dashboards, due-date monitoring and automated reminders, strengthening compliance and operational efficiency.

Paperless Process Validation Lifecycle Management – Validator

The Validator digital platform enables end-to-end management of process validation activities through an integrated paperless ecosystem. Connected with Laboratory Information Management Systems (LIMS), it supports real-time specification access for in-process and finished products and lifecycle validation activities across engineering studies, commercial batches, stability samples and raw material assessments.



Training Management System – ZyTIMS

ZyTIMS provides a structured, transparent and compliance-focussed training ecosystem to ensure timely completion of assigned training to employees, enabling supervisors and management to monitor progress effectively. Key functionalities include category-wise training details, defined training and evaluation completion timelines to ensure smooth operations and regulatory compliance, QMS reference for overdue training and provision of SOP-wise and module-wise overdue analytics.

Robotic Process Automation (RPA)

Zydus expanded automation of repetitive and high-volume processes through Robotic Process Automation (RPA). During CY2025, the Company deployed 1,592 bots, including 481 auto-scheduler flows and 1,111 email-

trigger workflows, improving speed, consistency, productivity, reducing manual effort.

Advanced Energy Monitoring

An advanced energy monitoring system was implemented across sites to automate the collection and analysis of energy consumption data. By integrating IoT-enabled energy meters with cloud-based dashboards, the system enables real-time energy tracking, minimises manual intervention, and enhances energy efficiency monitoring across operations.

Machine Integration Dashboard – Factorian

The DPM-Factorian dashboard enables automated machine data capture and analytics across critical process parameters, alarms and batch information. Key capabilities include

automated alarm reports, real-time monitoring, filtering functionalities and export-ready analytics for enhanced operational visibility and process control.

Data Analytics Factory Dashboard – Tableau

This system enables continuous monitoring and improvement of quality, safety, delivery, engineering processes, financial metrics, productivity and HR performance by tracking key metrics associated with each area. KPIs covered by the Tableau platform span finance, quality and delivery functions and include comparative performance across sites.



COMBATING COUNTERFEIT MEDICINES

Protecting patients from counterfeit or substandard medicines is the Company's topmost priority. As falsified drugs pose severe risks to global healthcare systems, Zydus has adopted a forward-looking, technology-driven approach to strengthen product authenticity and traceability.

The Company's anti-counterfeit framework integrates safeguards such as tamper-evident packaging, distinctive product identifiers and QR codes that enable real-time verification across the supply chain. These measures empower distributors, partners and patients to validate product integrity, reinforcing trust in the Company's products and solutions.

PHARMACOVIGILANCE AND PATIENT SAFETY

Patient safety is central to sustainable healthcare delivery. Zydus has established a robust pharmacovigilance (PV) framework to monitor, evaluate and manage adverse drug reactions across global markets, reinforcing its focus on patient well-being and regulatory compliance.

The Company's PV governance framework includes:

Monthly procedural compliance reviews

Annual KPI monitoring

Quarterly affiliate-level assessments

Periodic independent pharmacovigilance audits

The pharmacovigilance system is aligned with global, regional and national regulations, including Indian CDSCO/IPC guidelines, EU Good Pharmacovigilance Practices (GVP) and USFDA requirements under Title 21 CFR. With a strong presence across regulated and emerging markets, Zydus implements region-specific PV processes to ensure compliance with local regulations, reporting timelines and safety expectations.

To enable efficient adverse event (AE) reporting and patient engagement, Zydus provides multiple reporting channels, including toll-free helplines, dedicated drug safety email IDs, social media platforms and online Adverse Event Reporting Systems (AERS). These channels provide accessible mechanisms for patients and healthcare professionals to report safety concerns. Each adverse event report is evaluated, processed and tracked through a central safety database, ensuring prioritisation of urgent cases and supports timely submission of valid reports to health authorities in prescribed formats and timelines. The Company also operates a dedicated medical information contact centre and maintains a strong global pharmacovigilance

infrastructure aligned with local regulatory expectations across all markets. This enables fulfilment of region-specific pharmacovigilance obligations and strengthens global safety surveillance capabilities.

Zydus also follows a structured, SOP-driven training framework to enhance PV awareness across the organisation. Role-based training programmes, induction sessions, refresher modules and stakeholder awareness initiatives ensure consistent understanding of pharmacovigilance responsibilities.

A well-defined customer query and grievance management process enables prompt acknowledgement, investigation, root-cause analysis and resolution. PV performance is continuously monitored through:

- Timely submission and quality of individual case safety reports (ICSRs)
- On-time submission of periodic safety reports
- Timely exchange of safety data with SDEA and PV partners

Periodic independent audits, gap assessments and CAPA monitoring enhance the robustness of the pharmacovigilance system and ensure alignment with evolving global regulatory requirements.





HC
HUMAN CAPITAL

Building a talented and future-ready workforce

Human capital is the foundation of Zydus' innovation-led growth, operational excellence, and ability to deliver sustainable value. The Company's people are the driving force behind its mission of advancing healthcare outcomes and improving lives. As a science-led, people-centric organisation, the Company is committed to nurturing an inclusive and future-ready workplace where every individual has the opportunity to learn and contribute to organisational goals.

KEY LINKAGES

MATERIAL TOPICS

- Human Capital and Welfare
- Human Rights
- Health and Safety

UN SDGs



KEY HIGHLIGHTS

9%

WOMEN EMPLOYEES IN
TOTAL WORKFORCE

Zero

FATALITIES

GREAT PLACE TO WORK CERTIFICATION

We have been certified as a
Great Place to Work (GPTW) for

5
consecutive years.



Zydus received the **fifth consecutive Great Place to Work® certification**. This reflects its strong culture of trust, collaboration, and empowerment, where people thrive and contribute towards a shared purpose.

AWARDS AND RECOGNITIONS FOR HUMAN CAPITAL MANAGEMENT

Diversity, Equity and Inclusion (DEI) Award 2025
for building an inclusive and equitable workplace

Best Learning & Development Programme Award at the NDTV Futurz HR Excellence Awards 2026
for Women's Initiative for Nurturing Growth and Success (WINGS) programme



GLOBAL WORKFORCE

The Company's global workforce represents the collective expertise, passion, and commitment that powers its journey as a leading lifesciences organisation. Across research and innovation, manufacturing excellence, quality assurance, and enabling functions, the Company's teams work

together to address evolving healthcare needs and deliver solutions that impact patients worldwide.

Operating across diverse geographies and highly regulated markets, Zydus' employees bring together specialised knowledge, scientific capabilities and

global perspectives that strengthen its ability to innovate, scale and deliver with excellence. Their dedication continues to be instrumental in advancing the Company's growth ambitions while upholding the highest standards of quality, compliance and patient focus.

The table below provides details on the Company's global workforce as of March 31, 2026.

Employee category	By Age Group						Total
	<30 years		30-50 years		>50 years		
	Male	Female	Male	Female	Male	Female	
Top Management (All Management Council Members)	2	2	457	43	301	28	833
Senior Management	11	5	948	105	170	17	1,256
Middle Management	361	104	5,584	420	337	49	6,855
Junior Management	5,846	646	7,006	689	423	90	14,700
Associates/Non-Management (Workmen)	2,711	288	2,669	186	385	97	6,336
Contract Employees	0	0	7,625	1,152	0	0	8,777
Disabled Employees	0	0	60	1	0	0	61

The Company's total workforce stood at ~30,000 employees, comprising both permanent employees and workers.



TALENT ATTRACTION AND RETENTION

STRENGTHENING TALENT ACQUISITION

Attracting the right talent is crucial for sustaining Zydus' innovation capabilities and competitiveness. The Company strives to build a strong, diverse and agile talent ecosystem by attracting individuals who bring scientific expertise, entrepreneurial thinking and a shared commitment towards improving healthcare outcomes.

The Company's recruitment philosophy is anchored in fairness, inclusivity and equal opportunity. Through structured hiring practices, campus engagements, institutional partnerships and specialised talent programmes, the Company identifies and nurtures individuals with the potential to

contribute to evolving business priorities.

The 'Institute to Industry' programme strengthens early-career talent pipeline by identifying promising graduates and postgraduates from reputed institutions and enabling their transition into professional roles through structured orientation, functional exposure, mentoring and capability-building interventions. Zydus continues to deepen partnerships with academic institutions and specialised training centres through campus recruitment drives, collaborative programmes and short-term immersion opportunities.

The Company's learning priorities are aligned with the Zydus Neev competency framework, performance management outcomes, and succession planning requirements. This ensures that talent development initiatives support business objectives, organisational culture and future needs.

During the reporting year, Zydus welcomed 8,599 new employees, representing an overall new hire rate of 31%.

The table below provides details of new hires for the reporting year by age & gender:

New Hires and Turnover

*Particulars	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
New Hiring	5,317	462	2,602	136	72	10	8,599
Employee Turnover	2,634	175	2,281	125	59	3	5,277

*India Operations



SUSTAINING TALENT ADVANTAGE

Retaining high-performing and experienced talent is central to preserving institutional knowledge, strengthening operational efficiency and accelerating innovation. In a highly specialised and regulated industry, the Company's ability to engage and retain skilled professionals enables it to maintain the highest quality, compliance and ethical standards.

The Company aims to create a workplace where employees feel valued, inspired and empowered to build meaningful careers. Its retention strategy integrates continuous learning, career development opportunities, diversity and inclusion initiatives, employee volunteering platforms and holistic well-being programmes. The Company adopts progressive HR practices focussed on enhancing employee experience, strengthening engagement and improving business agility.

These initiatives enable the Company to foster a high-performance culture that encourages collaboration, innovation and long-term association with the organisation. The employee turnover rate for the reporting year stood at 18.74%.

KEY FOCUS AREAS

- **Skill Upgradation Trainings**
To continuously enhance employee competencies and ensure future-readiness.
- **SKIP-level meetings**
To strengthen communication, promote transparency, and enable direct interaction between employees and senior leadership.
- **AI diagnostics**
To reduce administrative burden & prepare employees for technological change
- **Zydus Talent Management Programme**
Focus on structured talent development and leadership grooming, helping to align individual growth with organisational goals.
- **Strengthening Quality of Life at Work** and prevention programmes
- **Deployment of a structured talent** assessment process
- **Structured apprenticeship and early-talent strategy**, featuring innovative **Industry 4.0 assignments**,

DIVERSITY, EQUITY AND INCLUSION

The Company remains deeply committed to fostering an inclusive, diverse and equitable workplace where every individual is empowered to reach their potential. The Company believes that diverse perspectives and experiences are essential catalysts for driving innovation, creativity and sustainable global growth.

WOMEN REPRESENTATION AND ENGAGEMENT

Diversity and inclusion are integral to building a progressive, innovative and future-ready organisation. During the reporting year, women comprised 9% of the Company's workforce. Additionally, 33% of the workforce are under 30 years of age, 60% are 30-50 years of age and 6% are over 50 years of age. The Company also has 0.20% of differently abled employees. The Company has set a target to achieve 12% female representation across its global workforce by 2028.

The Company has undertaken several initiatives, specifically for women:

- **"WINGS"**, a flagship initiative to strengthen its diversity, equity and inclusion (DEI) agenda by empowering women professionals to step into larger leadership roles across both field and non-field functions.
- **"The SHE Club"**, which features interactive sessions with accomplished women leaders and public figures.
- **"Women Who Inspire"**, leadership talk series to foster a supportive working environment.
- **"VOICE Global Pulse Surveys"**, to voice their concerns and amplify an inclusive workplace.
- **"Women's Day celebrations"**, to focus on team bonding and engagement.
- **"Bias-Free Hiring"**, diverse interview panels to minimise unconscious bias and promote fair, balanced, and inclusive hiring practices.

The Company promotes initiatives to support women employees through career development opportunities, leadership readiness programmes, networking platforms, mentoring and inclusive workplace practices. These interventions strengthen representation across management roles, technical functions and business-critical positions.

The Company's commitment to inclusion extends to fair and equitable compensation practices, ensuring that compensation decisions are based on objective criteria, including qualifications, experience, responsibilities and performance. Through gender pay assessments and transparent processes, the Company

reinforces fairness, meritocracy and equal opportunity across the organisation.

The table below provides details on the average basic salary and remuneration paid to women and men during FY2025-26:

*Particulars	Male	Female	<30 years	30-50 years	>50 years	Overall
Number of employees left	4,974	303	2,809	2,406	62	5,277
Turnover rate	18.92%	16.14%	29.03%	14.16%	4.16%	18.74%

*India Operations

*Employee Category	UoM	Basic salary of male employee (FY2025-26)	Basic salary of female employee (FY2025-26)	Ratio of basic salary of female to male employee
Top Management	₹	77,52,756	73,99,021	95.44%
Senior Management	₹	16,69,822	13,15,308	78.77%
Middle Management	₹	13,94,656	14,46,740	103.73%
Junior Management	₹	7,34,736	7,49,095	101.95%
Associates/Non-Management	₹	4,36,138	3,95,393	90.66%

*India Operations

DIGITAL HR TRANSFORMATION

Digitalisation is a key enabler in transforming employee experiences and strengthening organisational efficiency. The Company leverages technology-driven platforms to simplify processes, enhance transparency and enable data-driven decision-making across the employee lifecycle.

Key digital platforms include Darwin Box for end-to-end employee lifecycle management, PRIDE (Performance Review and Individual Development Evolution) for performance management, Zylearn for learning and development and Spectra for attendance tracking.

Data analytics is instrumental in shaping business and HR strategies by enabling evidence-based planning and informed decision-making. Through people analytics and advanced reporting tools, the Company delivers actionable insights on workforce trends, productivity, attrition and skill gaps. These insights support strategic workforce planning, helping forecast talent needs, optimise deployment and align capability building with future business requirements.

The Company has also adopted several new HR technology platforms to improve efficiency and service delivery. These include:

- **SAP S/4HANA** have been implemented to enable seamless enterprise-wide data management, integration, and real-time reporting.
- **Power BI** is utilised for advanced analytics and dashboards, supporting data-driven decision-making across HR processes.
- **EASE (Experience, Accuracy, Speed, Engagement) ticketing tool** to centralise, track, and manage employee queries efficiently, replacing manual emails and spreadsheets.
- **Travel Portal and the Learning Management System (LMS)** to improve user experience and ensure updated training and development offerings.
- **Workflow-based data collection tools** have been developed to simplify and standardise data gathering.
- **Leveraging AI** and other technologies to analyse resumes and conduct initial screening that help reduce human biases.



LEARNING AND DEVELOPMENT

Continuous learning is central to strengthening employee capabilities and enabling innovation in a rapidly evolving healthcare landscape. The Company's learning and development initiatives enhance functional expertise, leadership, behavioural competencies and future-ready skills while fostering a culture of continuous growth and adaptability.

Guided by its Talent Vision and aligned with business priorities and the Neev competency framework, Zydus provides diverse learning opportunities through classroom training, digital learning, experiential programmes, leadership interventions and role-specific capability building. During the reporting year, employees participated in extensive programmes covering

technical skills, compliance, leadership, digital capabilities, operational excellence and personal effectiveness, supporting the Company's commitment to building the right talent for future growth. This has resulted in a significant increase in training hours of employees as compared to previous reporting year.

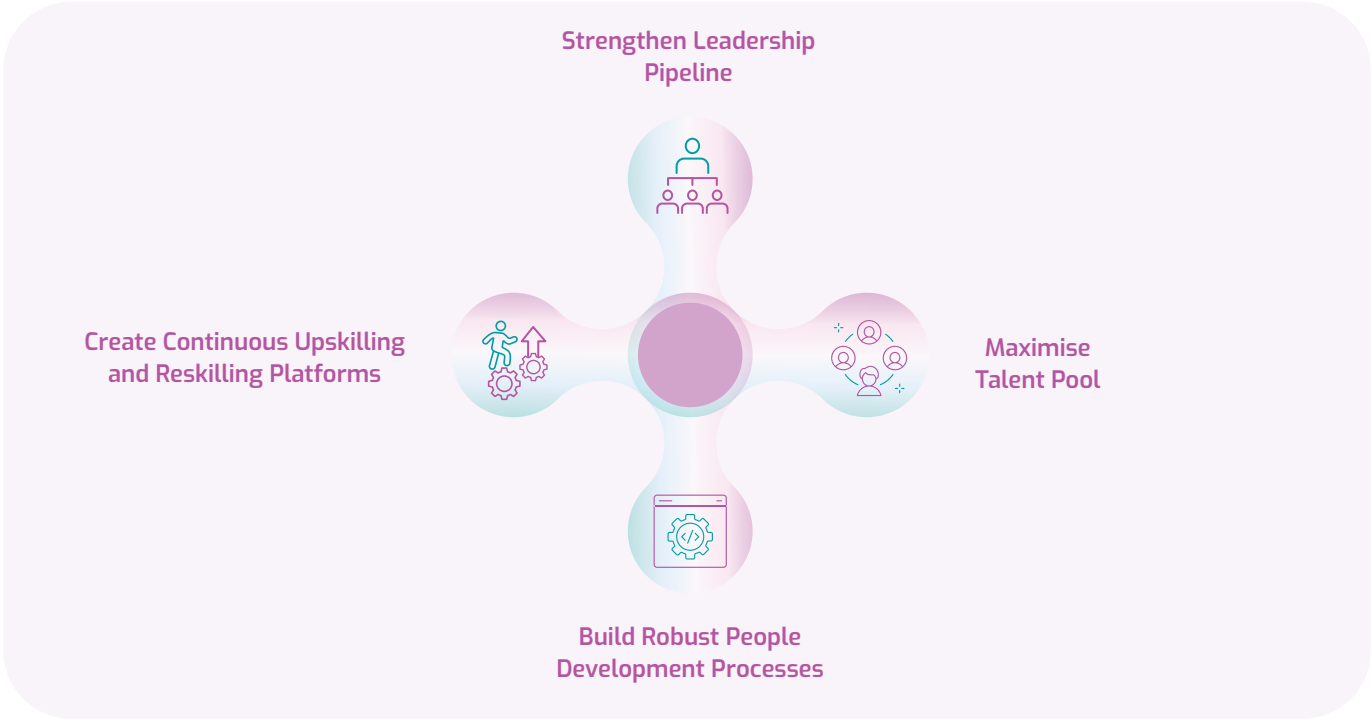
The table provides gender-wise and employee category-wise average training hours.

		Male	Female	Male	Female	TOTAL TRAINING DATA	
Description	UoM	FY2025-26		FY2024-25		FY2025-26	FY2024-25
Senior Management	Total training hours	38,739	2,287	35,235	330	41,026	35,565
	Average	15	33	7	3	15	6
Middle Management	Total training hours	1,94,469	13,419	2,14,164	9,859	2,07,888	2,24,023
	Average	21	18	5	2	21	5
Junior Management	Total training hours	20,92,416	1,02,959	2,76,716	39,898	21,95,376	3,16,614
	Average	32	15	5	6	30	5
General Staff	Total training hours	5,66,098	37,061	3,19,006	25,192	6,03,159	3,44,198
	Average	19	5	6	7	16	6
Total	Total training hours	28,91,723	1,55,727	8,45,121	75,279	30,47,449	9,20,400
	Average	27	11	5	5	25	5

To strengthen organisational capacity, the Company partnered with leading academic institutions, including Ahmedabad University, for the STEER (Strategic Talent Enhancement and Executive Readiness) Management Development Programme, designed to enhance leadership and managerial skills among middle managers.

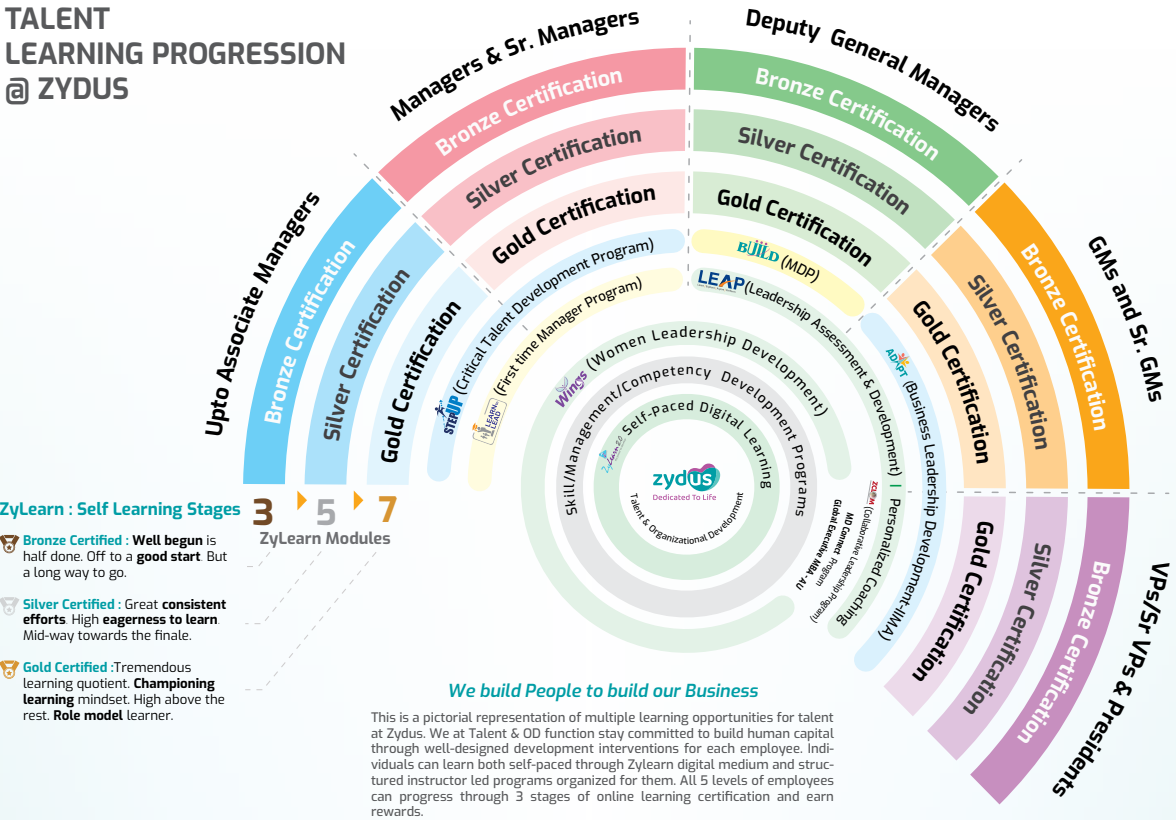


The Company addresses the human capability building challenge through a four-pronged approach as follows:



TALENT & LEARNING PROGRESSION

TALENT
LEARNING PROGRESSION
@ ZYDUS

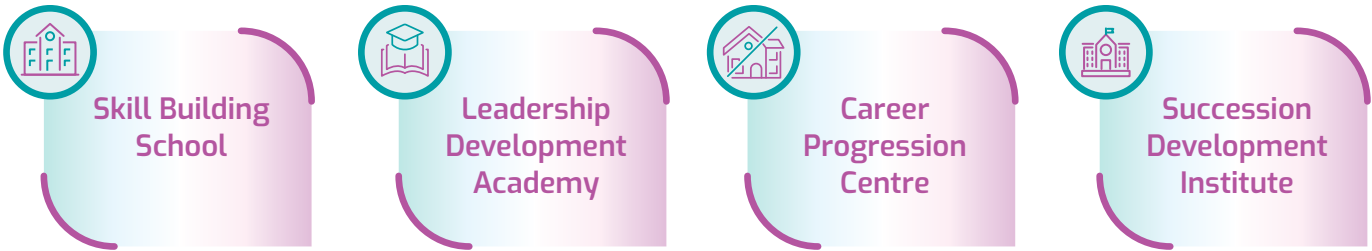


The Company follows an unbiased approach to learning. There are specific designed interventions for all levels of employees. These development opportunities allow individuals to continuously build their capabilities which enables them to progress in their careers. While there are few programmes which can be leveraged by all, customised programmes for levels are designed to suit the role expectations.

At the same time, a lot of onus is also set for self-development, which is catered through digital learning platform ZyLearn 2.0. This enables self-paced learning which is encouraged through progressive certifications. 5 hours of self-paced learning is covered through 15 set of modules which offer Bronze, Silver and Gold certifications. All 219 modules across 5 levels are unique to the levels and addresses relevant

learning areas. ZyLearn 2.0 also is a host to a huge repository of skill development modules which Zydans can avail and get certified anytime.

The Talent Learning progression is a unique way to build learning agility in the system.



LEARNING METHODOLOGIES

1

Coaching & Mentorship

The Company promotes career development through structured programmes focussed on behavioural competencies. Employees undertake business relevant projects that apply these skills in practice, guided by experienced mentors. This integration of mentorship and project work strengthens leadership, collaboration and problem solving abilities, driving both individual growth and organisational goals.

2

Teams & Networks

At Zydus, innovation thrives on collaboration and diversity of thought. To foster this, the Company launched ZYDEA – an idea whose time has come, a strategic platform for cross-functional idea generation. ZYDEA unites employees from R&D, manufacturing, quality, marketing, supply chain and more to co create solutions that address real world challenges. Learning is enriched through engagement with subject matter experts, customers, suppliers and professional communities.



EMPLOYEE DEVELOPMENT PROGRAMMES

LEADERSHIP DEVELOPMENT PROGRAMME

The Company continues to build future-ready leaders through structured development programmes. WINGS empowers women professionals, while STEP UP prepares emerging leaders for greater responsibilities. Complementing these are initiatives

such as ADAPT, BUILD and Learn to Lead, along with business simulations, technical learning led by internal SMEs and targeted programmes for first-time managers, women leaders and critical talent. Virtual learning, executive coaching and assessment-

based development further strengthen leadership capabilities, while training on communication, wellbeing, ethics and compliance reinforces a culture of resilience and integrity.

ADAPT

A 9-month leadership development programme for senior leaders (GM and above), delivered in partnership with IIMA. The programme builds capabilities in digital transformation, analytics, strategic thinking, financial acumen, operations, resilience, and people leadership through case studies, projects, and immersive learning.

BUILD (Management Development Programme)

Developed with Society of Human Resource Management (SHRM) to prepare Deputy General Managers for General Management roles through leadership development, strategic thinking, business simulations, case studies, masterclasses, assessments and certification.

WINGS (Women Development Programme)

A structured programme that empowers women professionals through behavioural mentoring, blended learning, peer interactions, leadership sessions and reflective learning to accelerate personal and professional growth.

Women Who Inspire

An inspirational leadership series featuring accomplished women leaders from diverse industries, sharing their experiences, leadership journeys and insights to encourage learning, confidence and career advancement.

Learn to Lead

A 6-month development programme that helps first-time managers transition into people leadership through theme-based learning, behavioural mentoring, expert coaching, coursework and practical leadership assignments.

Executive Coaching

A structured six-month coaching intervention comprising personalised one-on-one sessions to strengthen leadership effectiveness, accelerate high-potential talent development, and build a future-ready leadership pipeline.



CAREER DEVELOPMENT PROGRAMME

The Company supports career growth through structured, assessment-based and role-linked talent programmes that strengthen internal mobility, leadership readiness, and succession planning. Initiatives such as STEP UP, LEAP and the Zydus Talent Management Programme (ZTMP) provide employees with differentiated development pathways through competency-based assessments, stretch assignments, mentoring, personalised development plans and integrated performance reviews.

ZTMP (Zydus Talent Management Programme): ZTMP is a structured career progression initiative that identifies and develops critical talent across the organisation through a 3-step process every two years – performance ratings, potential assessments and business recommendations.

The Career Progression Centre works towards potential assessment and development of all critical talent to take them to next level. It also aims to support the career aspirations of individuals by providing opportunities through internal job postings and a programme called ZTMP (Zydus Talent Management Programme). The individuals are offered career choices to either progress in their own vertical and function or alternatively choose to take up career opportunities even in other functions. A dedicated talent council plays an important role to evaluate the suitable candidature of identified and applying individuals with respect to the role and its requirement.

SKILL DEVELOPMENT PROGRAMME

Skill Development Programmes aim to acknowledge the ability of the employees and extend them support by serving them with the proper guidance, coaching, opportunities and



encouragement that help them achieve their goals and ambitions.

Zydus drives continuous upskilling and reskilling through Skill Development Programmes, offered via online modules on ZyLearn 2.0 and Virtual Instructor Led Trainings (VILTs) in skill, competency and behavioural areas. Management Development Programmes use experiential learning and business simulations for senior managers, covering themes like coaching, strategic thinking, critical conversations and business acumen, with appraisal-based mandatory sessions. ZyLearn 2.0, the Learning Experience Platform, provides personalised, AI-driven, gamified learning with microlearning options, while recognising learners through rewards such as Gold Champions and Curious Learner certifications. Together, these initiatives foster a culture of continuous learning, career growth and leadership development.

The skill programmes are aligned with the McKinsey Future Skills Framework. The Company has launched the CRAFT model (Cultivating Readiness

and Agility for Future in Talent), emphasising both current and future capabilities. In addition, AI and digital transformation training, robotics (ABB, Fanuc), CNC systems (Heidenhain) and digital maintenance tools (GMAO) has been deployed. Lean and 8D problem-solving programmes support operational excellence and Industry 4.0 readiness.

Further details on the Employment Development Programme can be found on pages 103-108 of the Zydus Lifesciences ESG Report, released in November 2025 and also available on the company's website.

The Company applies the Kirkpatrick model to evaluate training effectiveness across all programmes. Assessments capture participants' learning levels (Level 1) and immediate feedback on content, faculty and impact provides insights into (Level 2). Training needs identified through the PMS are aligned with learning offerings, with managers providing end of year feedback on workplace application (Level 3). Individual performance is tracked during review meetings, linking outcomes to business impact (Level 4).

PERFORMANCE ENHANCEMENT

Zydus follows a structured performance appraisal system anchored in Management by Objectives (MBO). Employees collaborate with managers to define SMART (Specific, Measurable, Achievable, Relevant, and Time-bound) objectives and OKRs (Objectives and Key Results) aligned with organisational priorities at the start of each cycle. Progress is supported through regular check-ins and continuous feedback, fostering transparency, accountability and ownership.

The Company has adopted a multidimensional performance appraisal system that goes beyond the traditional MBO framework. By

integrating 360-degree feedback mechanisms, the Company ensures that individual performance is aligned with business outcomes while nurturing leadership potential and behavioural competencies.

The Company has implemented a structured team-based performance appraisal framework, "ZyScore MyScore and PRIDE," combining individual and team-based evaluations. For senior managers, ZyScore MyScore integrates personal responsibilities with organisational objectives, while PRIDE provides role-specific evaluations for first and second line managers and individual contributors. Employees

access performance data, reviews and development plans via the PMS portal, Zydus PRIDE.

Further, Zydus promotes agile conversations as a structured dialogue framework to strengthen collaboration and shared understanding across teams. By encouraging active listening, thoughtful enquiry and alignment on goals, this approach enables teams to adapt quickly to evolving business needs. The current performance management process of the Company is as follows:

During the reporting year, all eligible employees and workers underwent a performance review. All performance reviews and appraisal processes are attended by HR business partners, ensuring active participation in employee development needs. The appraisal framework has been refined through a structured interview, while differentiated development pathways have been implemented using the 9 Box talent matrix. The PR 30 competency management procedure has also been updated to clarify responsibilities, improve competency evaluation and ensure systematic follow-up of development actions.

Further details on the Performance Appraisal can be found on pages 114-115 of the Zydus Lifesciences ESG Report, released in November 2025 and available on the company's website.



EMPLOYEE ENGAGEMENT

The Company believes that an engaged workforce strengthens collaboration, accelerates innovation and reinforces a culture of ownership and excellence. The Company's engagement approach focusses on fostering meaningful connections, recognising contributions, encouraging open communication and

creating platforms where employees can collaborate beyond their functional roles.

Regular communication forums, employee connect initiatives, celebrations, wellness activities, recognition programmes and

volunteering opportunities enable employees to participate in shaping a vibrant organisational culture. These platforms promote inclusivity, teamwork and alignment with the Company's values and long-term vision.

SOCIAL COHESION AND BELONGING

ANNUAL DAY CELEBRATION

The Company hosts its Annual Day Celebration to commemorate organisational milestones and collective achievements. The event, attended by the Chairman and senior leadership, provides a platform to reflect on progress and recognise employee contributions.

Employees from Zydus units from across diverse geographical locations participate in cultural and recreational activities that foster connections, relieve stress, and enhance wellbeing. In addition, a special family evening brings together employees and their families across business units and hierarchies, strengthening bonds within the larger Zydus Parivaar and cultivating a culture of unity and inclusivity.



ZYDUS CLUBS

The Company has instituted a programme, 'Zydus Clubs,' through which employees are encouraged to engage in and showcase their hobbies and passions such as poetry, singing, photography, sports and fitness, dancing etc., helping manage workplace stress and promote a healthy work-life balance.



CULTURAL PATHWAYS FOR INNER WELLBEING

Zydus acknowledges that cultural pathways are essential for enhancing wellbeing, both in the workplace and at home. Building on this belief, the Company encourages employees to participate in cultural celebration events held across various business units.



FINANCIAL ASSISTANCE AND WELLBEING

- **Zydus Wellbeing:** The Company provides annual health check-ups and subsidised treatments for employees and their families at Zydus Hospitals.
- **24/7 Medical Assistance:** The Company provides comprehensive medical support, including ambulance services and emergency first aid at its manufacturing sites.
- **Medical Insurance:** The Company provides a robust medical insurance policy for on-roll employees and workers, which also extends coverage to their parents. During the reporting year, the Company increased the medical insurance limit, further strengthening the health security for its workforce.
- **Top-Up Options:** The Company provides additional coverage through a top-up medical insurance plan.
- **Health and Safety Compliance:** The Company maintains strict adherence to human rights, safety, health, and hygiene protocols.



FAMILY AND FINANCIAL SUPPORT

- **Financial Support for Families:** In the event of an employee's demise, the deceased's family is provided with financial support as part of Zydus employee well-being policy and initiative "We Care – Well Being Fund". Additionally, low-interest loans for marriage, housing, education, and medical emergencies are offered.
- **Insurance Coverage:** The Company ensures that employees receive comprehensive medical and accident insurance to ensure their well-being.
- **Emergency Wallet Services:** This initiative supports employees by making funds available on an immediate basis in challenging situations.



PHYSICAL VITALITY AND WELLNESS

FOSTERING FITNESS AT WORKPLACE

Being a leading pharmaceutical and wellness Company, Zydus fosters physical wellbeing and fitness by facilitating various fitness workshops like yoga, meditation, fitness runs or walkathon and also has provided gym facilities in some key office locations as well.



ZYDUS "KHEL KA MAHASANGRAM"

The Company promotes year-round sports activities that encourage employee participation in various sports including "Cyclothons", "Table Tennis & Carrom Tournaments", "Tug of War", "Cricket Tournament". These initiatives aim to foster physical well-being, team spirit, and a vibrant workplace culture.



WORKPLACE NUTRITION AND WELLBEING INITIATIVE

The Company recognises that employee well-being is the foundation of a healthy, motivated, and productive workforce. In alignment with the World Health Day 2025, the Company launched the Workplace Nutrition and Well being Initiative, encouraging simple lifestyle choices that support long-term health.

The programme promotes balanced nutrition, physical activity, mental wellness, and mindful habits, such as starting the day with water and lime, incorporating fruits and vegetables into meals, limiting packaged foods, ensuring adequate sleep, and practicing yoga, meditation, or regular walks. Through these initiatives, Zydus fosters holistic health and wellness across its workforce.



MENTAL HEALTH AND WELLNESS

PROMOTING MENTAL HEALTH AT WORKPLACE

Zydus believes that good mental health not only fosters a focussed, efficient, and motivated workforce but also enhances communication, empathy, and collaboration among colleagues, as well as enriching interpersonal relationships beyond the workplace. Reflecting this belief, the Company launched a mental well-being series titled 'Yoga for Life'.



EMPLOYEE RECREATION ZONE

The organisation is committed to providing balanced work environment by fostering opportunities that include indoor games at certain locations and leisure activities that encourage relaxation, social interaction, and overall employee well-being.



MENTAL WELL-BEING CONNECT

The Company has launched Mental Well-being Connect an initiative aimed at fostering a culture of care and resilience. Through this programme, employees gain access to a mental well-being toolkit, the convenience of professional help, quick self-assessments, and a confidential safe space to seek guidance without stigma.

EMPLOYEE RECOGNITION PROGRAMMES

Zydus STARS: The Company conducts an annual employee recognition programme called Zydus STARS (Special Thanks And Recognition System). This special annual event honours the employees who have delivered significant outcomes beyond their conventional responsibilities in the presence of the Company's top management.

Champions of the Month/Quarter: As part of its continuous recognition efforts, the Company recognises its employee as "CHAMPION" on a monthly/quarterly basis in the esteemed presence of their respective business heads. This programme encourages employees to contribute meaningfully to the organisation's broader objectives and targets.

WELLBEING CONNECT SESSION

Priyansi Kanakia is a renowned clinical psychologist, PhD researcher, and author with extensive experience in clinical and organisational mental health. Trained in Clinical Psychology at the University of Mumbai and currently pursuing doctoral research on anxiety, she works with diverse age groups and professional audiences. Known for her engaging, evidence-based approach, she designs and delivers workshops and global training programmes on emotional wellbeing, conflict resolution, and mental health awareness.

Featuring
Ms. Priyansi Kanakia
Clinical psychologist, PhD researcher, and author

Date : 2nd April 2026
Time : 4.30 to 5.30 PM
Venue: Celebrations Hall,
Zydus Corporate Park

zydus
Dedicated To Life



Parental Leave

1 Paid Parental Leave for Primary Caregiver

The Company provides 26 weeks of paid parental leave for the primary caregivers (mothers) as per government norms. However, the employee can further opt for paid leave based on her requirement, as per the Company policy.

2 Paid Parental Leave for Non-Primary Caregiver

The Company provides five days of paid paternity leave for non-primary caregivers (fathers) as per the Company norms.

3 Paid Family or Care Leave (Beyond Parental Leave)

The Company provides approximately 40 days of paid leave annually, in addition to parental leave. These leaves can be utilised at multiple intervals to support the care of both immediate and extended family members.

Further details on the Employment Support Programme can be found on pages 111-114 of the Zydus Lifesciences ESG Report, released in November 2025 and available on the company's website.

Return to work and Retention rates that took parental leave in the reporting year:

100%

RATE OF RETURN OF
MALE EMPLOYEES

100%

RETENTION RATE OF
MALE EMPLOYEES

93%

RATE OF RETURN OF
FEMALE EMPLOYEES

93%

RETENTION RATE OF
FEMALE EMPLOYEES

SUCCESSION PLANNING FOR KEY MANAGERIAL PERSONNEL

Succession planning strategies for critical senior management roles have seen remarkable progress over the reporting year, with the following steps being taken to hire talent at the helm:

Identification of High-Potential Talent: Zydus has implemented a structured talent review process across departments to identify high-potential individuals. This enables relevant and accurate mapping of current capabilities aligned to future leadership needs.

Development Plans and Stretch Assignments: Customised development plans, including cross-functional projects, mentoring and executive coaching, have been established to enhance readiness for leadership roles. Executives are also nominated for comprehensive training programmes at IIM Ahmedabad and global executive MBA programmes at University, US.

Bench Strength Analysis: Regular succession reviews and leadership capability assessments are conducted, enabling Zydus to build ready-now or ready-soon successors for all critical senior roles.

Governance: A dedicated talent council and succession planning framework, overseen by senior HR leaders and the executive team ensures accountability and continuous improvement.

Diversity in Leadership: Zydus is actively building diverse leadership pipelines,

ensuring greater inclusivity across our leadership teams to drive more robust decision-making and innovation. These initiatives have resulted in internal promotions, reduced leadership gaps during transitions, and strengthened stakeholder confidence in leadership continuity. Strategic moves include establishing a dedicated business unit with new leadership and restructuring critical functions to ensure smooth quality transitions.



SUCCESSION STORY

INDIA OPERATIONS

In line with the Company's commitment to robust succession planning and leadership continuity, Zydus Healthcare Ltd. reported the transition of its Chief Financial Officer to Zydus MedTech as CFO. This move underscores the Group's philosophy of talent mobility across subsidiaries and ensures that critical financial leadership roles are entrusted to seasoned professionals with deep organisational knowledge.

This strategic alignment not only strengthens the financial stewardship of Zydus MedTech but also reflects best practices in corporate governance, reassuring stakeholders of the Group's ability to manage leadership transitions seamlessly while supporting long-term growth objectives. It further highlights Zydus' emphasis on providing opportunities to internal talent and fostering talent mobility as a cornerstone of its leadership development philosophy.



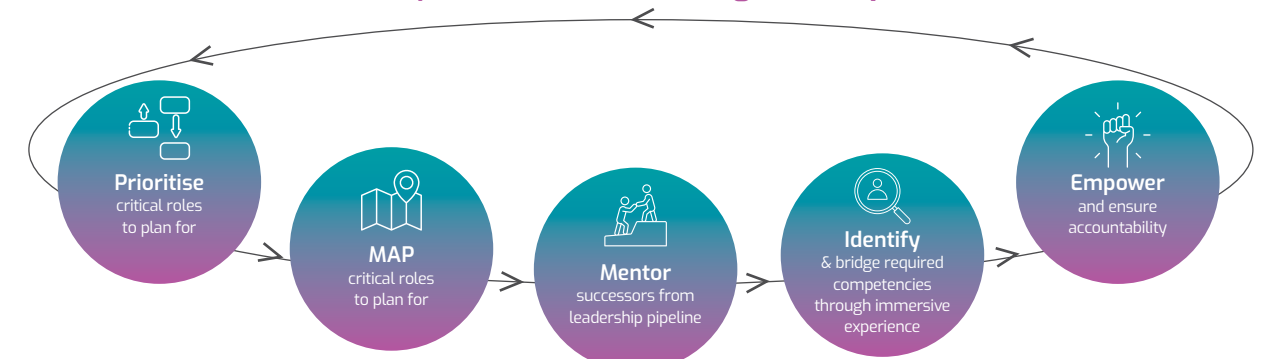
SUCCESSION STORY

FRANCE OPERATIONS

The Company has advanced succession planning by deploying a structured assessment process across management and key expert roles, supported by a dedicated Relève process. Identified successors are offered targeted pathways such as stretch assignments, governance exposure, mentoring, and cross-functional missions.

A notable example of a successful leadership transition supported by this process is the appointment of one of the employees as Head of Supply, following planned retirement of another employee. Over two years, she benefited from a structured development plan that included leadership coaching and job shadowing with retiring employee. Her transition into the role was smooth and ensured full business continuity.

Zydus Succession Planning Roadmap



HUMAN RIGHTS AND COMPLIANCE



HUMAN RIGHTS APPROACH

Zydus is committed to upholding the highest standards of ethical conduct, fairness and respect across its operations. The Company's human rights policy is guided by principles of equality, inclusion, transparency and responsible business practices, and is aligned with global standards.

The Company strives to create a workplace free from discrimination, harassment, and bias, where every individual is treated with dignity and provided with equal growth opportunities. Its policies and practices reinforce fair employment, employee well-being, workplace safety and compliance with applicable labour standards.

HUMAN RIGHTS PRACTICES AND SAFEGUARDS

Equal Opportunity and Non-Discrimination

Zydus is committed to fostering an equal opportunity workplace that is free from bias, discrimination and harassment. The Company is committed to ensuring fair treatment of all employees and applicants,

irrespective of race, colour, gender, age, nationality, religion, sexual orientation, gender identity or expression, marital status, disability or any other status protected by applicable laws.

The Company continuously monitors gender equality indicators and undertakes necessary actions to strengthen inclusivity. Upholding dignity and respect remains central to its commitment to creating a diverse, equitable and empowering workplace.

Health, Safety & Working Conditions

The Company has established a structured Environment, Health, and Safety (EHS) management framework focussed on protecting employee well-being and maintaining safe workplaces. The framework includes regular risk assessments, safety briefings, incident investigation protocols and continuous monitoring mechanisms to identify and mitigate workplace risks.

Freedom of Association, Collective Bargaining and Social Dialogue

Zydus respects employees' right to freedom of association, collective bargaining and open dialogue. The

Company enables employees to participate in representative forums without restriction, reinforcing its commitment to inclusion, fair representation and collaborative workplace practices. In India, 5% of employees and workers are affiliated with unions or employee associations, reflecting the Company's commitment to constructive engagement and social dialogue.

Grievance & Whistleblower Protection

Zydus has established comprehensive grievance mechanisms that enable employees and stakeholders to raise concerns confidentially and without fear of retaliation. Through Zydus Connect 2.0, dedicated grievance channels, POSH representatives, and the Company's Human Rights and Whistleblower Policies, concerns are reviewed objectively, addressed promptly and resolved through appropriate corrective actions. Regular awareness programmes and sensitisation sessions further strengthen employee confidence, transparency and accountability.

Strengthening Awareness and Governance

The Company strengthens its human rights governance through policy awareness, induction training and ongoing sensitisation programmes covering ethical conduct, discrimination, harassment prevention and grievance mechanisms. The Human Rights Policy also extends to suppliers and business partners, reinforcing responsible business practices across the value chain. Regular audits, assessments and site visits help proactively identify and address potential risks while strengthening accountability and compliance.

HUMAN RIGHTS DUE DILIGENCE

Zydus follows a structured human rights due diligence process across its operations, value chain, and business relationships. Assessments cover labour practices, workplace safety, business ethics, environmental responsibility, forced and child labour, discrimination, fair wages and freedom of association. A cross-functional team periodically reviews risks, while supply chain partners are required to confirm compliance with the Company's human rights expectations.

During the reporting year, all operational sites, including joint ventures under management control, and 56% of value chain partners were assessed, with no significant human rights risks identified.

WORKPLACE INTEGRITY AND HARASSMENT CONTROL

The Company maintains zero tolerance towards discrimination, harassment and inappropriate workplace behaviour. The Company's Human Rights and Prevention of Sexual Harassment (POSH) policies apply across the Zydus Group, covering employees, contractual workers and suppliers.

(<https://www.zyduslife.com/public/pdf/Companypolicy/Human-Rights-Policy.pdf>)

Multiple reporting channels, including Zydus Connect 2.0 and whistleblower mechanisms, provide employees with safe and secure platforms to raise concerns. Each reported case is reviewed through a defined investigation process, with appropriate corrective measures implemented based on the nature and severity of the concern.

Robust mechanisms are in place to support employees impacted by human rights violations, POSH issues, and other grievances. These measures include:

1

Confidential reporting channels and structured alert procedures managed by trained representatives.

2

Impartial investigations with strict guarantees of non-retaliation.

3

Protective arrangements such as temporary separation or reassignment of work.

4

Access to occupational health services and psychological support.

5

Updated charters addressing harassment and workplace violence.

6

Collaboration with legal counsel and authorities when required.

LABOUR MANAGEMENT

The Company is committed to protecting labour rights and employee well-being by fostering a workplace built on dignity, fairness, and respect. It complies with applicable regulations and international standards covering occupational health and safety, working conditions, employee development and

workforce representation, supported by strong governance, ethical policies and labour practices.

Through regular engagement with employees, representatives and unions, the Company promotes constructive dialogue, safeguards

employee interests and strengthens workplace trust. It also ensures timely communication and appropriate notice during significant organisational changes in accordance with applicable regulations.

Further details on the Human Rights and Labour Practices can be found on pages 95-97 & 101-102 of the Zydus Lifesciences ESG Report, released in November 2025 and available on the company's website.

OCCUPATIONAL HEALTH AND SAFETY



OHS MANAGEMENT SYSTEM

The Company is dedicated to creating a safe and healthy workplace for employees, contractors, and other individuals. The Company's commitment is embedded in a comprehensive Environment, Health and Safety (EHS) policy (<https://www.zyduslife.com/public/pdf/companypolicy/Environment-Health-and-Safety-Policy.pdf>).

The Company's Occupational Health and Safety (OHS) framework aligns with international standards and regulations, embedding best practices from ISO 14001 and ISO 45001 to maintain the highest levels of safety and compliance.

OHS Culture

The Company is committed to fostering a strong safety culture where occupational health and safety is a shared responsibility across the organisation. Through structured OHS management systems, defined action plans, and employee participation in safety committees, incident reviews and site inspections, the Company continuously strengthens workplace safety and risk management.

OHS Programme

Zydus has established a comprehensive OHS programme focussed on employee well-being and embedding a robust safety culture across operations.

A strong safety culture delivered zero fatalities and zero recordable work-related injuries in FY2025-26.

Incident Reporting and Emergency Preparedness

The Company has implemented a robust EHS incident reporting and investigation framework covering near misses, process safety events, first-aid cases, medical treatment cases, lost-time incidents, occupational illnesses, chemical exposure, and other workplace-related events. Regular emergency drills and evacuation exercises are conducted to enhance preparedness and response capabilities.

Risk and Hazard Assessment

The Company follows a structured approach to identify, assess, and mitigate workplace risks through established methodologies, including:

- **Pre-Start-up Safety Review (PSSR):** Ensures facilities, processes, and equipment are safe before commissioning by verifying controls, procedures, and preparedness.

- **Hazard and Operability Study (HAZOP):** Identifies potential process deviations, operational risks, and improvement opportunities.
- **Hazard Identification and Risk Assessment (HIRA):** Evaluates workplace hazards and prioritises mitigation actions based on severity and likelihood.

Work-related risks are identified through routine assessments, incident learnings, industry practices, organisational changes and audit observations. Risks are addressed using the hierarchy of controls, prioritising elimination, engineering interventions, administrative controls and personal protective equipment (PPE). Findings are used to strengthen preventive actions and continuously improve the OHS management system.

Internal Reviews and External Audits

All workers are covered under the Company's OHS management system, which is periodically reviewed through ISO 45001 internal audits and third-party assessments. Audit outcomes, workplace inspections and non-conformity reviews help enhance safety standards, strengthen corrective actions and maintain secure working environments.

Industrial Hygiene Management

The Company undertakes periodic industrial hygiene monitoring, including personal exposure assessments, containment validation and cross-contamination studies for potent molecules (OEB-5), ensuring continuous improvement in occupational health standards.

Digital Safety Management – Zysafe

All manufacturing facilities leverage the Zysafe safety management platform to digitise and strengthen

EHS processes. The platform includes modules covering EHS scheduling, observations, CAPA management, incident investigation, reporting, work permits, safety passports and knowledge assessments. During the year, new e-learning and Global CAPA modules were introduced, covering behaviour-based safety, electrical safety, emergency preparedness, risk assessment and process safety.

Worker Participation and Healthcare Support

Employees actively contribute to safety improvement through safety committee meetings, hazard reporting, and collaborative discussions on mitigation measures. The Company provides access to Occupational Health Centres (OHCs), on-site medical support, annual health check-ups, medical insurance coverage and extended healthcare benefits for employees and their families.

Training and Awareness

Zydus follows a risk-based approach to OHS training through induction programmes, regulatory refreshers, role-based learning and hazard-specific modules. Safety awareness workshops, preventive activities and first-aid training strengthen employee capabilities and promote a prevention-led safety culture.

Worker Engagement and Reporting

Zydus promotes active worker participation as a core element of its occupational health and safety framework through safety committees, training programmes, incident reviews and workplace inspections. Emergency preparedness is embedded across operations, with health and safety systems independently verified by SGS India Private Limited.

Work-related incidents are investigated through structured root-cause analysis, with corrective and preventive actions implemented using the hierarchy

of controls. Employees can report hazards through multiple confidential channels, including management, employee representatives and whistleblower mechanisms, without fear of retaliation. Insights from incident investigations and worker feedback are used to continuously strengthen risk assessments, preventive measures and the overall OHS management system.

Continuous Improvement

The Company follows a continuous improvement approach to strengthen workplace safety, operational resilience and quality performance. Work-related injuries, illnesses, and incidents are systematically investigated to identify root causes and implement corrective and preventive actions, supported by enhanced risk assessments, employee training, competency verification and improved traceability systems.

Employee feedback, safety committees, operational reporting, audits, and CAPA processes are integral to identifying improvement opportunities and strengthening preventive measures. During the reporting year, audit observations related to training, equipment, risk management and documentation were addressed through targeted improvements to the Quality Management System, risk assessment frameworks, and internal audit processes.

These initiatives reinforced compliance with ISO 45001, ISO 13485, and applicable regulatory requirements, while extending occupational health and safety expectations across the value chain through procurement practices, contractual obligations, and the Supplier Code of Conduct aligned with ILO Conventions.

EHS/OHS Training initiatives and Programmes

Zydus aims to strengthen its safety culture through dedicated EHS/OHS training programmes that enhance employee awareness, capability, and preparedness. During the reporting year, the Company introduced training initiatives addressing key workplace risks, including ergonomic safety, road and fatigue-related risks, emergency response and incident prevention.

The initiatives included safety workshops, awareness quizzes, road-risk management programmes, first-aid training and evacuation preparedness sessions. Additionally, learnings from audits and CAPA processes enabled customised operator training programmes on machining hazards, material traceability, process controls and risk prevention.





NC

NATURAL CAPITAL

Advancing environmental stewardship for a greener future

Responsible environmental stewardship is integral to Zydus' business philosophy. The Company is committed to conserving resources, minimising emissions, reducing waste and strengthening climate resilience through innovative and efficient operations. By integrating environmental considerations into its operations, Zydus aims to contribute to a resilient, low-carbon and more sustainable future.

KEY LINKAGES

MATERIAL TOPICS

- Climate Change (GHG Emissions)
- Water Management
- Waste Management

UN SDGs



NATURAL CAPITAL HIGHLIGHTS

TARGET

45%

REDUCTION IN GHG INTENSITY FROM THE BASELINE YEAR OF FY2021-22 (SCOPE 1 + SCOPE 2)

50%

OF THE ENERGY REQUIREMENT FROM RENEWABLE SOURCES

CARBON NEUTRALITY IN OPERATIONS (SCOPE 1 + SCOPE 2)

NET WATER NEUTRALITY

INCREASE WASTE DISPOSAL VIA CO-PROCESSING BY 40% FOR INDIA OPERATIONS

PROGRESS

37%

REDUCTION IN GHG INTENSITY ACHIEVED W.R.T BASELINE OF FY2021-22

36%

RENEWABLE ENERGY IN TOTAL ENERGY MIX

36%

RENEWABLE ENERGY IN TOTAL ENERGY MIX

68%

REUSE OF TREATED WATER WITHIN OPERATIONS

28%

WASTE DISPOSAL VIA CO-PROCESSING

ACHIEVEMENT

82%

82% OF THE GHG INTENSITY TARGET IS ACHIEVED BY FY2025-26

72%

OF THE RENEWABLE ENERGY TARGET ACHIEVED BY FY2025-26

14%

INCREASE IN RE (MN GJ) CONSUMPTION OVER THREE YEARS

30 Lakh KL

WATER RECHARGE POTENTIAL STRUCTURES CREATED

70%

OF THE TARGET IS ACHIEVED BY FY2025-26

The Natural Capital highlights pertains to India operations.

APPROACH TO ENVIRONMENTAL CONSERVATION

As a global lifesciences company, Zydus remains committed to conserving natural resources, reducing environmental impact and strengthening climate resilience. The Company focusses on efficient resource utilisation, energy optimisation, emissions reduction and sustainable practices across the value chain. Through innovation and continuous

improvement, Zydus strives to create long-term value for the environment, communities and stakeholders.

Zydus manages its environmental dependencies and impacts through globally recognised frameworks, including the GRI (Global Reporting Initiative) Standards, ISO 14001 (Environmental Management System),

ISO 45001 (Occupational Health and Safety Management System), ISO 50001 (Energy Management System), Taskforce on Climate-related Financial Disclosures (TCFD) and emerging standards like the Taskforce on Nature-related Financial Disclosures (TNFD).



KEY FOCUS AREAS



Climate Change
Advancing climate resilience and reducing carbon footprint



Energy and Emissions
Prioritising efficient energy use and clean energy transitions



Water Stewardship
Conserving and managing water responsibly



Waste Management
Minimising, recycling and innovating for circularity



Biodiversity Preservation
Protecting ecosystems and nurturing natural habitats

GOVERNANCE POLICIES

The **Energy Conservation Policy** outlines the Company's approach to optimising energy efficiency across all operations, including offices, manufacturing facilities and R&D centres. It ensures compliance with applicable regulations, establishment of energy management frameworks and adoption of energy-efficient technologies. Additionally, the policy advocates for investments in renewable energy sources and encourages regular employee participation in sustainability initiatives.

🔗 **Link for the policy:**

<https://www.zyduslife.com/public/pdf/companypolicy/Policy-for-Energy-Conservation-and-its-related-disclosures.pdf>

The Company's corporate **EHS (Environment, Health & Safety) Policy** strengthens its commitment to environmental stewardship. It provides a systematic framework for managing environmental impact across all operations, encompassing products, logistics, waste management and entire network of suppliers and contractors.

🔗 **Link for the policy:**

<https://www.zyduslife.com/public/pdf/companypolicy/Environment-Health-and-Safety-Policy.pdf>

Zydus integrates sustainability into its governance framework, ensuring that environmental priorities and considerations are embedded into strategic decision-making:

Strategic Alignment: Sustainability criteria are embedded into key business decisions, including mergers, acquisitions and due diligence processes.

Value Creation: Resource conservation and environmental footprint minimisation drive long-term value for both people and the planet.



EHS GOVERNANCE

Zydus' Environment, Health & Safety (EHS) governance framework enables the integration of environmental responsibility, regulatory compliance and operational excellence across the organisation.

The EHS function is responsible for:

Ensuring compliance with applicable regulations and international standards, including ISO 14001 and ISO 45001

Implementing key environmental conservation and sustainability initiatives

Monitoring environmental performance and driving improvement actions

Strengthening risk identification, mitigation and preparedness measures

Promoting a culture of safety, accountability and environmental stewardship across operations

Through this integrated role, the EHS function ensures that the Company not only meets regulatory requirements but also advances its commitment to sustainable growth and long-term environmental responsibility.

CLIMATE CHANGE

Zydus recognises climate change as a critical global challenge and continues to strengthen its climate resilience framework. The Company has aligned its climate-related disclosures with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, integrating climate considerations across governance, strategy, risk management and performance metrics.

Zydus conducted a comprehensive climate risk assessment using the Climate Impact Explorer by Climate Analytics, evaluating IPCC scenarios (RCP 2.6, 4.5, 6.0, and 8.5) to assess physical risks, such as rising temperatures, rainfall shifts, flood likelihood and sea level projections for 2020–2080. In addition, transition risks were analysed using Network for Greening the Financial System (NGFS) scenarios to identify climate-related risks and opportunities.

These assessments have strengthened the Company's ability to anticipate future climate challenges, develop mitigation strategies and advance its decarbonisation roadmap. Going forward, Zydus will continue to update climate risk assessments with a stronger focus on site-level evaluations and location-specific risks, reinforcing its commitment to transparency, resilience and sustainable growth.

Further details on the **Climate Risk Assessment** can be found on pages 72–76 of the Zydus Lifesciences ESG Report released in November 2025 and available on the company's website.

RENEWABLE ENERGY TRANSITION

Zydus aims to advance its climate action roadmap by increasing the adoption of renewable energy and reducing dependence on fossil fuels. As part of this commitment, the Company has entered into an open-access power purchase agreement to procure 45 MW of hybrid renewable energy, combining solar and wind power from a third-party provider. This initiative supports Zydus' ambition to achieve Net Carbon Neutrality by 2035 and to reduce Scope 1 and Scope 2 greenhouse gas emissions by 45% by FY2029-30 from the FY2021-22 baseline. These targets are aligned with the Government of India's Intended Nationally Determined Contributions (INDC).

During FY2025-26, the Company significantly strengthened its renewable energy portfolio, increasing renewable power procurement share by 77%, with renewable electricity purchases growing from 4,300 MWh to over 76,000 MWh over the last three years. The Company also accelerated its transition from coal to biomass briquettes for steam generation, with biomass fuel consumption increasing from 66,000 metric tonnes to 72,000 metric tonnes over the past three years. This shift has positioned biomass as the primary fuel source for boiler operations, reducing reliance on fossil fuels. Additionally, renewable energy generated by in-house solar installations stood at 3,700 MWh, strengthening Zydus' clean energy portfolio and supporting its transition towards sustainable operations.

Reduction in GHG Emissions

The total GHG emissions reduced in FY2025-26 stood at 1,40,665 tCO₂e as per the following:

Initiatives	GHG Emission Reduction (tCO ₂ e) : FY2024-25	GHG Emission Reduction (tCO ₂ e) : FY2025-26
Purchase of renewable energy	60,873	53,948
Generation of onsite solar energy	508	2,604
Process improvement/modification	1,048	1,288
New technology adoption	687	4,120
Utilisation of Biomass fuel	75,370	78,705

ENERGY MANAGEMENT

Zydus strengthens energy management practices through systematic monitoring, efficiency initiatives and adoption of cleaner energy alternatives. The Company conducts regular internal energy audits through certified energy auditors accredited by the Bureau of Energy Efficiency (BEE), Government of India, complemented by independent third-party audits every three years in line with regulatory requirements.

The Company's Energy Excellence Team identifies energy optimisation opportunities through detailed site-level assessments. Energy

performance indicators, including energy consumption per unit of production and cost savings, are tracked monthly and reviewed by senior leadership to support informed decision-making. Structured fortnightly reviews involving the Energy Excellence Team, Site Engineering Heads and Site Engineers ensure continuous monitoring of energy targets, implementation of efficiency projects and optimisation of resources.

Zydus' energy strategy focusses on reducing conventional fuel dependency while transitioning to sustainable

alternatives. The Company's energy mix includes fuels such as LDO, HSD, coal, furnace oil, biomass and natural gas alongside electricity sourced through the grid, open-access renewable power agreements and on-site solar installations. Nearly 80% of Zydus' sites are certified under ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System).

Total Energy Consumption

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Total Electricity Consumption	GJ	10,76,227	12,69,506	13,59,824
Total Fuel Consumption	GJ	18,07,138	19,00,646	19,49,180
Total Energy Consumption	GJ	28,83,364	31,70,152	33,09,004
Energy Intensity	GJ/Revenue in Million Rupee	14.75	13.64	12.19

Total Energy Consumption - Non-Renewable

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Total Electricity Consumption	GJ	9,19,313	9,62,568	10,70,724
Total Fuel Consumption	GJ	7,53,281	7,97,843	8,58,532
Total Energy Consumption	GJ	16,72,594	17,60,411	19,29,256

Total Energy Consumption - Renewable

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Total Electricity Consumption	GJ	1,56,914	3,06,939	2,89,100
Total Fuel Consumption	GJ	10,53,857	11,02,803	10,90,648
Total Energy Consumption	GJ	12,10,771	14,09,742	13,79,748

GJ : Gigajoule

Particulars		FY2023-24	FY2024-25	FY2025-26
Share of renewable energy in the total energy consumption	%GJ	42%	44%	42%

The temporary dip in renewable energy share was due to a short disruption in RE procurement services, which resumed in April, reaffirming the Company's long-term sustainability commitment.

Energy Conservation Initiatives

Zydus has undertaken significant energy conservation initiatives anchored in its twin pillars of process modification and adoption of new technologies. These measures have enhanced operational efficiency and reinforced the Company's progress towards its climate change mitigation goals. Its commitment to operational excellence has resulted in significant energy savings.

Key initiatives include replacing inefficient chillers with high-efficiency models, installing Variable Frequency Drives (VFDs) for AHUs and cooling tower fans, optimising compressed air pressure, implementing Energy Conservation (EC) fans, installing heat pumps and motion sensors and refining compressed air dryer dew points.

During FY2025-26, actual energy consumption stood at 33.09 lakh GJ against the energy consumption target of 35.18 lakh GJ, resulting in annual energy savings of more than 2 lakh GJ.



IMPACT STORY

Enhancing Energy Efficiency through Heat Pump Installation

Objective

Zydus undertook an energy optimisation initiative at its hormone manufacturing plant of Goa site to replace conventional steam-based hot water generation with an advanced heat pump system. The initiative aimed to improve energy efficiency, reduce utility consumption and enhance operational efficiency of the pharmaceutical formulation unit.

Solution

To improve energy performance and optimise resource utilisation, the Company implemented the following measures:

- Installed an advanced heat pump system to recover and reuse waste heat for hot water generation
- Enabled heat recovery from the chilled water return line, reducing dependency on conventional steam systems

- Utilised recovered heat to reduce chiller power consumption and improve system efficiency
- Adopted high Coefficient of Performance (COP) technology to optimise electricity consumption
- Implemented ISO 50001 Energy Management System requirements to strengthen energy governance and efficiency practices
- Selected eco-friendly technology solutions aligned with the Company's Energy Policy

IMPACT

- Achieved energy savings of 3,75,000 kWh annually
- Reduced approximately 266 tCO₂e of emissions

EMISSIONS MANAGEMENT

Zydus' commitment to reducing greenhouse gas (GHG) emissions is a key pillar of its decarbonisation strategy. The Company focusses on improving energy efficiency, increasing renewable energy adoption, transitioning to cleaner fuels and strengthening sustainable practices across its value chain.

Zydus actively monitors and manages Scope 1 emissions arising from operational fuel consumption and refrigerant usage, along with Scope 2

emissions associated with purchased energy and its related consumption. These efforts are supported by targeted initiatives to enhance operational efficiency and accelerate the transition towards low-carbon operations.

To strengthen value chain accountability, the Company has expanded its emissions assessment across 9 of the 15 Scope 3 categories in alignment with the GHG Protocol and remains committed to evaluating additional relevant categories going

forward. Scope 3 assessments cover key areas including purchased goods and services, capital goods, business travel, employee commuting, upstream transportation and distribution, waste generated in operations, downstream leased assets and investments. These evaluations leverage globally accepted methodologies, including spend-based, waste-specific, distance-based and fuel-based approaches.

GHG Emissions

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Total Scope 1 Emissions	tCO ₂ e	65,459	56,459	67,528*
Total Scope 2 Emissions	tCO ₂ e	1,92,010	2,05,172	2,22,209**
***Total Scope 3 Emissions	tCO ₂ e	51,363	13,00,997	13,10,180
GHG Intensity (Scope 1 + Scope 2)	tCO ₂ e/Revenue in Million Rupee	1.32	1.13	1.07

* The increase in absolute Scope 1 emissions is attributable to the addition of new production lines.
** The increase in Scope 2 emissions was due to a temporary dip in the renewable energy share caused by a short disruption in RE procurement services, which resumed in April 2026, reaffirming the Company's long-term sustainability commitment.
***The increase in Scope 3 emissions for FY2025-26 and FY2024-25 compared to FY2023-24 was due to the expanded scope of reporting, which included a greater number of GHG emission categories.

Scope 3 Category	Emissions in the reporting year FY2025-26 (metric tonnes CO ₂ e)	Emissions calculation methodology and exclusions
Purchased goods and services (Category 1)	4,77,577	USEPA EEIO factors, CEDA
Capital goods (Category 2)	12,007	USEPA EEIO factors
Upstream transportation and distribution (Category 4)	7,33,859	USEPA EEIO factors, CEDA
Waste generated in operations (Category 5)	74	DEFRA UK
Business travel (Category 6)	33,456	ICAO
Employee commuting (Category 7)	15,699	DEFRA UK, USEPA EEIO factors
Downstream Transport (Category 9)	25,319	DEFRA UK
Downstream Leased Assets (Category 13)	1,165	CEA
Investments (Category 15)	11,022	CEA, USEPA EEIO factors
Total Emissions	13,10,180	

Biogenic Emissions

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
*Biogenic Emissions	tCO ₂ e	69,127	74,533	78,704

*Biogenic emissions reporting has been revised to include all Zydus Group entities;
The increase in biogenic consumption reflects higher biomass fuel consumption due to expansion of existing manufacturing facilities.

AIR EMISSIONS

Zydus has implemented robust air emission management systems to ensure compliance with environmental standards and strengthen sustainability performance. Online Continuous Emission Monitoring Systems (OCEMS) have been installed across manufacturing locations, enabling accurate, real-time tracking of air emissions.

To minimise pollutants, advanced technologies such as electrostatic precipitators (ESP), scrubbers, bag filters and cyclone separators are deployed, ensuring effective control of emissions at source. These measures are complemented by regular monitoring and verification through approved laboratories, reinforcing transparency and accountability.

These initiatives reflect the Company's commitment to reducing environmental impact, safeguarding air quality and advancing its broader sustainability goals.

Atmospheric Emissions

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
NOx	MT	29.05	29.36	29.52
SOx	MT	47.15	46.43	47.89
Particulate matter (PM)	MT	42.46	44.19	44.63

WATER MANAGEMENT

Water is vital for ecosystems and human activity and in pharmaceuticals, it supports drug synthesis, cleaning and cooling. At Zydus, water conservation is integral to resource efficiency and cost management. The Company employs audits, leakage control and idea-generation initiatives to optimise water usage and conservation.

Zydus aims for water neutrality through advanced treatment technologies and innovative management practices. A cross-functional team, supported by EHS, CSR and external partners, drives this effort. Regular training and awareness programmes further embed best practices, ensuring responsible water usage across operations.

NET WATER NEUTRALITY COMMITMENT

The Company recognises water management as a core ESG priority, focussing on reducing freshwater use, improving water intensity and maximising recycling and reuse. Risk assessments across key sites guide interventions, especially in water-stressed regions.

A water neutrality project with a third-party partner spans 11 villages, targeting net neutrality by FY2026-27 (baseline FY2021-22), with over 19 lakh kilolitres harvested annually and 30 lakh kilolitres potential created during the year



Using the WWF Water Risk Filter Tool, risks were assessed across manufacturing sites and nearby villages, leading to measures such as farm ponds, pond restoration, percolation tanks, gabions, check dam repairs and recharge shafts.

Stakeholder engagement includes awareness sessions on conservation and sustainable agriculture. Internally, a Zero Liquid Discharge (ZLD) approach is adopted, with one facility achieving full ZLD. Treated water is reused for horticulture and non-essential

operations, reinforcing a circular model. These efforts align with India's National Water Mission, emphasising conservation, waste minimisation and equitable distribution.

STRENGTHENING ESG OWNERSHIP THROUGH INCENTIVES AND RECOGNITION

Zydus integrates ESG priorities into employee performance management to strengthen ownership and accelerate progress towards sustainability goals. Employees involved in ESG initiatives and committees have relevant ESG-linked Key Performance Indicators (KPIs) embedded within their Key Result Areas (KRAs), influencing performance evaluations and rewards.

Performance-linked Green Incentives

Climate-related goals and targets, such as reduction in energy consumption and GHG emissions, are integrated into employees' and Business Heads KRAs. The employees' incentives are provided through bonuses, increments and promotions.

Energy Efficiency Awards

The annual Zydus Energy Excellence Awards recognise manufacturing sites demonstrating outstanding energy performance. Facilities are evaluated based on actual power consumption across large (>10 GWh) and small (<10 GWh) categories, encouraging continuous improvement and operational efficiency.

Employee Recognition Programmes

Through initiatives such as Zydus STARS, employees contributing beyond their defined roles, including ESG-focused initiatives, are recognised by senior leadership and rewarded with monetary incentives. The Champion of the Month programme further acknowledges employees driving sustainability improvements.

Sustainability Certifications

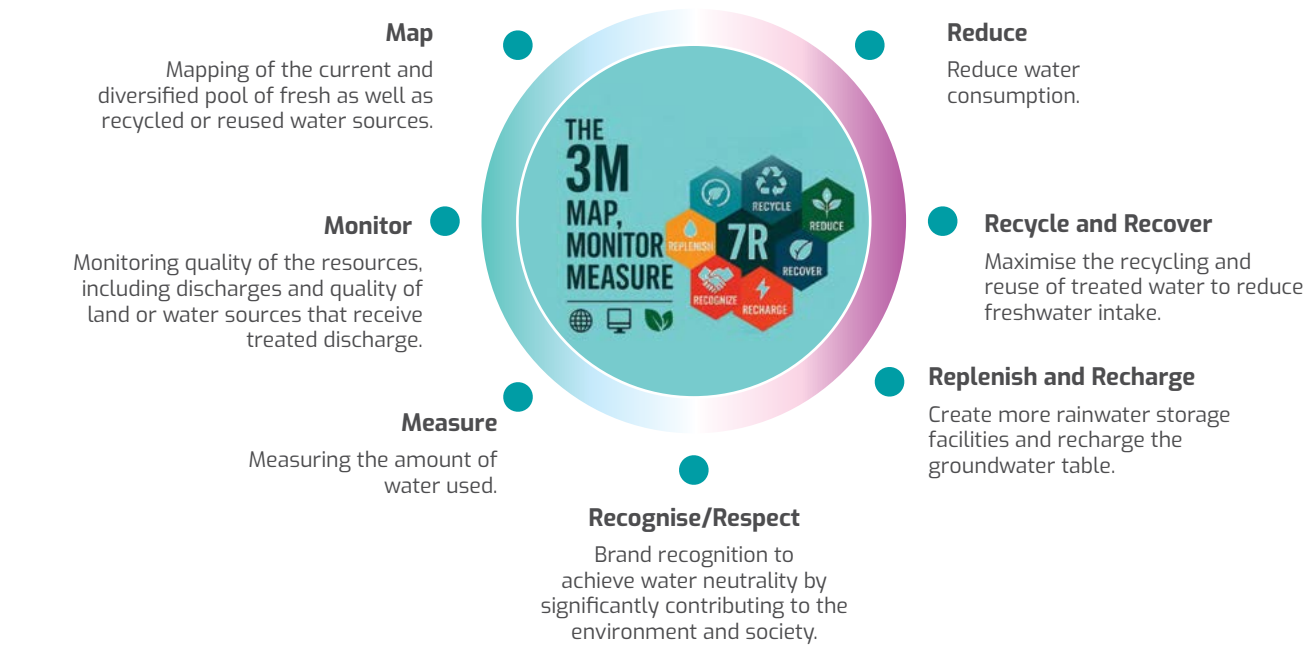
Employees are encouraged to pursue certifications (CII, GRI, ISO 14001/50001/45001, BRSR, EHS) to strengthen capabilities and advance the Company's ESG journey.

Awareness and Engagement Activities

World Environment Day and Environment Month celebrations promote employee awareness on climate action and waste management through interactive initiatives such as quizzes, slogan campaigns and competitions.

Idea Generation (SLIM Portal)

Through the Strategic Lean Integrated Manufacturing (SLIM) portal, employees submit innovative energy and water conservation ideas. Over 1,400 employees have been recognised during the year for their contributions towards sustainability initiatives.



Water Consumption

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Surface water	KL	5,49,629	5,28,792	8,08,203
Groundwater	KL	9,42,714	10,92,466	8,29,140
Third-party water	KL	8,36,580	8,66,349	9,20,379
Total Water Consumption	KL	23,28,923	24,87,608	25,57,722
Water Intensity	KL/Revenue in Million Rupees	11.91	10.70	9.42

Water Consumption from Water-Stressed Areas

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
*Total Water Consumption	KL	6,60,552	6,70,147	6,81,959
Water Intensity	KL/Revenue in Million Rupees	3.38	2.88	2.51

* The water consumption data has been revised to include all Zydus Group entities, with corresponding changes made to previous years' figures.



Further information on Climate Climate-Related Incentives can be found in the Zydus Lifesciences ESG Report, published in November 2025, available on the company's website.

NEARING ZERO LIQUID DISCHARGE

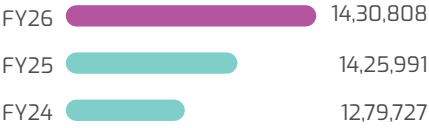
Zero Liquid Discharge (ZLD) systems have been installed across the Company's manufacturing sites for wastewater treatment. A comprehensive multi-stage treatment process is utilised, beginning with primary and secondary treatment, followed by advanced tertiary technologies like Ultrafiltration (UF) and Reverse Osmosis (RO). For streams with high Total Dissolved Solids (TDS), specialised equipment including Multi-Effect Evaporators (MEE), Mechanical Vapour Recompessors (MVR) and Agitated Thin Film Dryers (ATFD) are deployed.

During the reporting year, 68% of the treated water was recycled and repurposed for horticulture, toilet flushing, cooling towers and various other utility operations.

Water Recycled (KL)



Water Discharge (KL)



RAINWATER HARVESTING

Zydus has undertaken extensive water recharge initiatives across Ahmedabad, Gujarat, where most facilities are located. To strengthen groundwater replenishment and ensure sustainable availability, the Company has built diverse rainwater harvesting structures, including community ponds, creek deepening and widening, farm ponds, submerged borewells and injection borewells. These systems enhance natural recharge, raise water table levels, and support long-term water security for operations and surrounding communities.

During the reporting year, a recharge potential of 30 lakh kilolitres was created through these structures, surpassing the target of 19 lakh kilolitres. This reflects Zydus' commitment to responsible water stewardship and environmental sustainability.

The project aims to boost groundwater, improve local aquifer recharge potential and enhance soil fertility. Water availability is ensured for cultivation through rainwater harvesting and storage in farm ponds, drains and

community ponds. These efforts will make several hundred hectares of land cultivable, strengthening the livelihoods of local villagers and communities.



COMMITMENT TO WATER QUALITY AND REGULATORY COMPLIANCE

The Company has established a robust water management framework to ensure consistent water quality, regulatory compliance and optimal resource utilisation. It monitors effluent parameters regularly through in-house testing and verification by accredited third-party laboratories, ensuring transparency and accuracy. At

its API units, continuous online effluent monitoring systems are installed under the oversight of the Central and State Pollution Control Boards (CPCB and SPCB).

Zydus is also dedicated to enhancing water stewardship through continuous feedback, technological upgrades and

strategic resource allocation. Water consumption and reuse targets are periodically tracked and reviewed by the EHS Forum, enabling timely interventions and strategic planning to meet sustainability goals.

WASTE MANAGEMENT

Zydus has established a comprehensive waste management strategy focussed on minimising waste generation, reducing landfill dependency and promoting responsible resource utilisation. The Company follows structured processes, supported by regular audits, defined targets and

action plans to drive continuous improvement. Through investments in innovative technologies, process optimisation and sustainable practices, Zydus aims to minimise its environmental footprint while strengthening operational efficiency.

Regular employee training and awareness initiatives further embed responsible waste management practices across manufacturing sites, reinforcing a culture of environmental stewardship.



Waste Generated

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Total Waste Generated	MT	28,603	32,105	34,531
Plastic waste	MT	2,855	3,133	2,813
Bio-medical waste	MT	487	455	489
E-waste	MT	32	49	77
Construction and demolition waste	MT	-	45	35
Battery waste	MT	23	23	61
Other hazardous waste	MT	17,085	18,714	18,728
Other non-hazardous waste	MT	8,121	9,685	12,329

NEARING ZERO WASTE TO LANDFILL

Zydus' waste management strategy is guided by the 5R principles, 'Refuse, Reduce, Reuse, Recycle, and Recover,' with the long-term objective of achieving zero waste to landfill. The Company's formulation manufacturing sites have consistently maintained 'Zero Waste' to 'Landfill' status over the past two years.

The Company ensures responsible disposal of hazardous waste through authorised vendors and approved methods, including incineration, co-processing and secured landfill. Other waste streams, including e-waste, battery waste and biomedical waste, are managed through registered recyclers and authorised disposal channels. Additionally, 100% of non-hazardous waste is routed through authorised recyclers.

In line with Extended Producer Responsibility (EPR) requirements, Zydus ensures collection and recycling or energy recovery of applicable plastic waste through authorised partners and has achieved 100% compliance

with EPR targets. The Company also identifies opportunities to reduce solvent dependency during product development and scale-up processes.

To further validate its progress, Zydus is undergoing 'Waste Diversion' from 'Landfill Certification' and 'Verification' for its operational sites by Bureau Veritas Certification, an independent accredited

body, as part of the FY2025-26 assessment. The certification, expected by Q2 FY2026-27, will reinforce the Company's commitment to responsible waste management, circularity and environmental stewardship.



Total Waste Diverted from Disposal

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Total Waste Recycled	MT	18,027	21,107	24,001

Water Consumption

Particulars	U.O.M	FY2023-24	FY2024-25	FY2025-26
Total Waste Disposed	MT	9,405	10,927	9,581
Incineration	MT	1,159	1,075	665
Landfilling	MT	3,756	3,860	3,589
Co-processing	MT	3,355	3,927	1,710
Pre-processing	MT	1,135	2,064	3,616

PRODUCT STEWARDSHIP

Zydus aims to reduce the environmental impact of its operations across the value chain. The Company collaborates with suppliers and partners to promote responsible sourcing, resource efficiency and environmental stewardship. During FY2025-26, 56% of suppliers aligned with globally recognised sustainability frameworks, including ISO 14001, ISO 50001 and ISO 45001, with continued efforts to enhance supplier participation through engagement and awareness initiatives.

Sustainability is embedded across manufacturing operations through increased adoption of renewable energy, biomass-based fuel systems, emission-control technologies and process optimisation initiatives. The Company continues to improve energy efficiency through measures such as condensate recovery, replacement of electrical heaters with hot water coils, deployment of Variable Frequency Drives (VFDs), enhanced heat pump utilisation and high-efficiency chillers. In sustainable packaging, Zydus

reduced/avoided paper consumption by more than 60 MT across multiple product packaging applications. Preventive maintenance programmes further enhance operational reliability, improve productivity, optimise energy consumption and reduce environmental impact.

🔗 For more details, refer to page 90 of the ESG Report published in November 2025 and available on the company's website.

LIFECYCLE ASSESSMENT

Lifecycle Assessment of Mesalamine API & DR Tablets

Zydus has conducted a comprehensive cradle-to-gate Lifecycle Assessment (LCA) to evaluate the environmental footprint of Mesalamine API and its delayed-release (DR) tablets (500 mg, 800 mg, and 1200 mg), used in the treatment of inflammatory bowel diseases. Conducted in accordance with ISO 14040:2006 and ISO 14044:2006 standards, the assessment covered key stages, including raw material

extraction, API synthesis, tablet formulation, resource consumption and waste management. The study establishes a baseline environmental profile, enabling the identification of key impact areas and opportunities to enhance resource efficiency.

Insights from the assessment will support process optimisation, improved solvent recovery and adoption of green chemistry principles. This initiative reinforces Zydus' commitment to responsible manufacturing, data-driven sustainability practices and reducing the environmental footprint of healthcare solutions.

For further details on the Lifecycle Assessment (LCA) of Mesalamine API and Delayed-Release Tablets, please refer to pages 90–92 of the ESG Report published in November 2025, available on the company's website.

BIODIVERSITY PRESERVATION

Zydus integrates biodiversity conservation into its sustainability approach, focussed on protecting natural ecosystems and enhancing green cover within and around its facilities. Through initiatives such as tree plantation and habitat protection, the Company supports the preservation of flora, fauna and local biodiversity while ensuring compliance with environmental regulations.

The Company adopts sustainable technologies and practices to minimise environmental impact, optimise resource consumption and improve

environmental performance. Zydus also engages with vendors, contractors and partners to encourage responsible practices across raw material usage, logistics and recycling processes.

Aligned with its No-Deforestation commitment, Zydus ensures that its operations do not contribute to forest degradation. The Company focusses on reducing paper consumption, adopting sustainable packaging alternatives, promoting reuse and recycling and supporting responsible sourcing practices.



BIODIVERSITY RISK ASSESSMENT

Zydus conducted a comprehensive biodiversity risk assessment of its Indian operations to evaluate nature-related risks, impacts and dependencies. The assessment was carried out using the WWF Biodiversity Risk Filter (BRF), a tool aligned with the Taskforce on Nature-related Financial Disclosures (TNFD) framework.

The assessment enabled site-level evaluation of biodiversity health, considering key parameters such as ecosystem diversity, species abundance and ecosystem services. Through the BRF framework, the Company assessed biodiversity-related physical and reputational risks, identifying potential impacts and dependencies relevant to its operations and the pharmaceutical value chain.

The methodology followed three structured steps:

- 1 Inform** – Understanding biodiversity and its relevance to business.
- 2 Explore** – Visualising biodiversity risks using geospatial data.
- 3 Assess** – Evaluating biodiversity-related risks across operations and supply chains.

For further details on the Biodiversity Risk Assessment, please refer to Pages 82–87 of the ESG Report published in November 2025 and available at the company's website.

BIODIVERSITY COMMITMENT

Zydus recognises that biodiversity conservation is essential to planetary health, ecosystem resilience and sustainable business growth. It acknowledges its dependence on natural ecosystems and remains committed to minimising environmental impact while protecting biodiversity.

The Company supports the principles of the UN Convention on Biological Diversity (CBD) and aligns with the global vision of the Kunming-Montreal Global Biodiversity Framework (GBF) – “Living in Harmony with Nature by 2050.” In line with this vision, Zydus adopts the mitigation hierarchy approach to avoid, minimise, reduce and restore impacts on ecosystems.

Aligned with the GBF's 2030 mission, the Company continues to advance initiatives that address biodiversity loss, promote ecosystem restoration, encourage sustainable resource use and support responsible value-chain practices. Through these efforts, Zydus aims to achieve a Net Positive Impact (NPI) on biodiversity and has set a goal to create a positive biodiversity impact across all operational sites by 2040, reinforcing its commitment to building a planet-positive future.

The Company aims to implement key actions as part of its biodiversity commitment:

- Encourage tree plantation within and around the facilities, ensuring the preservation of flora, fauna and bird habitat in and around the facilities
- Comply with all applicable legal/regulatory and other biodiversity requirements

- Promote the use of environmentally sustainable technologies/practices and adoption of innovative practices for pollution abatement and continual improvement in environmental performance
- Select, purchase and use appropriate fuel energy, energy-efficient equipment, services and eco-friendly technologies to minimise traditional fossil fuel use
- Reduce toxicity in the products and improve the percentage of co-processing and pre-processing of wastes
- Build awareness among its vendors, contractors and service providers to minimise the utilisation of natural resources in raw materials, logistics and recycling materials
- Conduct biodiversity risk assessments and develop biodiversity management plans for ecologically sensitive site locations through the integration of the mitigation hierarchy to avoid, limit or reduce impacts on nature and restore, wherever necessary
- Engage with subject matter experts, local communities and stakeholders and participate in relevant governmental and industry platforms to support collaborative efforts in biodiversity conservation

NO-DEFORESTATION COMMITMENT

Zydus recognises the critical role of forests in preserving biodiversity, regulating climate and supporting ecosystem resilience. The Company's No-Deforestation commitment, covering 100% of its operations and supply chain, reflects its focus on protecting natural ecosystems, promoting responsible resource use and integrating sustainable practices into business operations.

A. Scope of Commitment

This commitment applies to:

1

All raw materials sourced directly or indirectly, including plant-based ingredients, paper and packaging.

2

All suppliers, subcontractors and third-party partners.

3

All geographies where it operates or source materials.

B. Core Principles

The No-Deforestation Commitment reaffirms its pledge to conduct business activities without contributing to deforestation. The Company has implemented several initiatives to prevent deforestation in its operations:

1

Reducing Paper Consumption: The Company is exploring the feasibility of utilising alternative materials and sustainable packaging practices to mitigate the demand for virgin forest resources.

2

Encouraging Reuse and Recycling: The Company prioritises the reuse and recycling of its packaging material, reducing the need for virgin paper.

3

Compliance with Regulatory Requirements: The Company adheres to all applicable regulatory requirements related to forest conservation and replacement afforestation.





RC

RELATIONSHIP CAPITAL

Building

trusted partnerships for shared value

Relationship capital is anchored in trust, transparency, collaboration, and shared value creation. In an increasingly interconnected and evolving healthcare landscape, the Company recognises that meaningful stakeholder relationships are critical to advancing outcomes and driving sustainable growth. Through open dialogue, deeper engagement, and collaborative partnerships, the Company strives to create enduring value across the broader healthcare ecosystem.

KEY LINKAGES

MATERIAL TOPICS

- Sustainable Supply Chain
- Customer Welfare and Safety
- Access to Healthcare

UN SDGs



KEY HIGHLIGHTS

56%

OF SIGNIFICANT
SUPPLIERS ASSESSED
ON ESG PARAMETERS

Zero

ADVERTISING
COMPLAINTS

61%

OF MATERIALS SOURCED
FROM LOCAL SUPPLIERS

>5.2 Mn

DIGITAL REACH : HEALTH
OUTREACH PROGRAMS

SUPPLY CHAIN AND RESPONSIBLE SOURCING

Responsible supply chain practices are crucial for sustained business growth. Zydus continues to strengthen its supply chain by integrating technology, data-driven insights, and sustainability principles to enhance visibility, improve decision-making, and reinforce resilience across the value chain.

Ethical business practices, regulatory compliance, and environmental and social responsibility guide the Company's responsible sourcing approach. These principles are embedded within the Supplier Code of Conduct, which establishes minimum standards related to business ethics, labour practices, human rights, environmental stewardship, data privacy, and process safety. Compliance with these standards is mandatory for all suppliers, fostering accountability and responsible business practices throughout the value chain.



SUPPLIER SUSTAINABILITY AND COMPLIANCE

The Company has deployed a structured mechanism to track and evaluate supplier compliance with essential sustainability and ESG standards. Key focus areas include:



REGULAR ASSESSMENTS

Systematic evaluations of supply chain partners and inventory are conducted in line with organisational guidelines.



PERFORMANCE EVALUATION

Suppliers are assessed through a structured performance review process to ensure alignment with the Zydus Supplier Code of Conduct.



SUPPLIER DIVERSIFICATION

The Company actively maintains a diversified supplier base for critical products and services to strengthen business continuity and mitigate supply risks.



ANNUAL ESG ASSESSMENTS

Suppliers undergo annual evaluations against defined ESG criteria to ensure continued compliance and accountability.



COMMITMENT TO ESG STANDARDS

Vendors are required to adhere to the Zydus Supplier Code of Conduct and commit to ESG requirements before commencing business relationships.



STATUTORY COMPLIANCE VERIFICATION

A robust framework is in place to verify compliance with applicable statutory requirements, ensuring transparency and accountability.



VENDOR AUDITS

Periodic audits of new and existing suppliers are conducted based on quality standards, ESG requirements, internal policies, and applicable regulatory guidelines.



RISK MANAGEMENT

The Central Procurement Committee proactively identifies and prioritises key supply chain risks and implements mitigation strategies.



AWARENESS AND CAPABILITY BUILDING

The Company regularly engages suppliers to strengthen awareness on ESG expectations, covering areas such as anti-bribery, fair trade practices, diversity and inclusion, data privacy, worker health and safety, resource conservation, climate action, and waste and emissions management.

SUPPLIER SCREENING & ASSESSMENT

Zydus follows a structured supplier screening and assessment framework to strengthen responsible sourcing, enhance supply chain resilience, in line with its sustainability commitments. Suppliers are evaluated on business relevance, regulatory compliance, sustainability performance, and adherence to the Supplier Code of Conduct, with critical suppliers identified by spend and strategic importance.

Critical suppliers undergo annual desk-based and on-site assessments to evaluate compliance with regulatory, operational, and ESG requirements, including business ethics, human rights,

labour practices, and environmental standards. The Company also supports supplier capability building through ESG training, awareness programmes,

and corrective action plans, driving continuous improvement and long-term alignment with responsible business practices.

Parameter	Coverage in FY2025-26
Number of Tier 1 Suppliers	244
Total number of Significant Tier 1 Suppliers	104
% of total spend on Significant Tier 1 Suppliers	48%
Total number of significant non-Tier 1 suppliers	70
Total number of significant suppliers (Tier 1 and non-Tier 1)	174

Note:

- Tier 1 suppliers are direct providers delivering goods or services straight to Zydus, including suppliers of Active Pharmaceutical Ingredients (API), excipients, and primary packaging materials
- Significant suppliers are those that represent a higher risk based on spend volume, identified through spend analysis, and those that are non-substitutable

SUPPLIER CAPABILITY BUILDING

Zydus actively engages with suppliers to strengthen their capabilities. Through regular awareness sessions, educational webinars, and training programmes, the Company enhances supplier awareness on environmental stewardship, ethical conduct, safety, and regulatory compliance.

Key focus areas include:

- Safety training and contractor safety management
- Good Manufacturing Practices (GMP) compliance
- ISO certification awareness (ISO 14001, ISO 50001, ISO 45001)
- ESG awareness and sustainability initiatives
- Digital procurement platforms and process automation
- Technology integration and partnership development
- Social responsibility and workforce welfare practices

The Company further promotes sustainable sourcing by partnering with suppliers that adhere to recognised environmental, energy, and occupational health and safety standards. During the year, 56% of inputs were sourced from suppliers with established ESG practices. The Company also strengthened local sourcing, with 61% of procurement spend directed to local suppliers and 15% of input materials sourced from MSMEs, supporting resilient supply chains and local economic development.

SUPPLY CHAIN DIGITAL TRANSFORMATION AND OPERATIONAL EXCELLENCE

During FY2025-26, Zydus advanced its supply chain transformation through digital initiatives to improve planning, procurement, logistics, inventory visibility, and decision-making across the value chain. Advanced analytics, Predictive Demand Analytics, the Bids Tracker, and ZyDASH strengthened demand forecasting, inventory deployment, and distribution planning, while digital solutions improved export-import governance, operational efficiency and compliance.

Strategic supplier collaboration, proactive risk management, and improved monitoring of critical materials ensure business continuity and responsiveness. Going forward, Zydus will continue to leverage advanced analytics, automation, AI-enabled decision support, and integrated digital platforms to build a more agile, resilient, and future-ready supply chain.

CUSTOMER ENGAGEMENT

Zydus regularly engages with customers to foster enduring relationships and unlock opportunities for collaboration and growth. Through continuous engagement, the Company drives greater trust, deepens partnerships, and responds effectively to changing customer needs.

Grievance Resolution Process

1 Upon receipt of a customer grievance, the issue is promptly acknowledged and logged in the Product Complaint Tracker for further monitoring.

3 A detailed response addressing the customer's concerns is provided upon conclusion of the investigation.

2 An investigation is initiated to identify the root cause, with a commitment to completion within 45 working days.

CUSTOMER RELATIONSHIP MANAGEMENT

Zydus has established well-defined systems to manage customer queries, grievances, medical information requests, and adverse event reporting. Complaints received through multiple channels are promptly acknowledged, investigated, and resolved through a structured process supported by root-cause analysis and corrective and preventive actions (CAPAs). Dedicated customer care and pharmacovigilance teams strengthen responsiveness, transparency, and the Company's commitment to delivering safe, high-quality healthcare solutions.

During FY2025-26, a total of 1,480 customer complaints were received, and all had been resolved by the end of the reporting year.



PROMOTING ETHICAL MARKETING AND RESPONSIBLE PRODUCT USE

Zydus is committed to responsible and ethical marketing practices that place patient welfare, scientific integrity, and regulatory compliance at the forefront.

All promotional materials and product communications undergo rigorous medical, legal, and regulatory review before dissemination, ensuring that information provided to healthcare professionals and other stakeholders is accurate, balanced, evidence-based, and compliant with applicable regulations.

The Company adheres to established industry codes and internal policies governing marketing practices while continuously strengthening employee awareness through regular training and compliance programmes.

Regular training on Drugs Price Control Order (DPCO) and Uniform Code for Pharmaceutical Marketing Practices (UCPMP) guidelines, scientific review of promotional materials, and a dedicated HCP Engagement Policy ensure responsible communication and regulatory compliance. The Company also undertakes targeted initiatives across therapeutic areas

to promote the appropriate use of its products, supported by scientific evidence, clinical studies, and expert engagement. Educational programmes, digital certification initiatives, and focussed interactions with healthcare professionals help strengthen disease awareness, product safety, immunisation practices, and patient outcomes.

In its consumer wellness business, the Company maintains stringent standards for product safety, quality, and labelling, ensuring compliance with applicable regulations. Products undergo rigorous pre-clinical and clinical evaluation in line with Indian and global guidelines, while nutrition-led innovation focusses on addressing evolving consumer needs through scientifically validated, safe, and responsible healthcare solutions.

With zero

advertising complaints, Zydus enables informed consumer choices through diverse media channels and offers free product trials.

Zydus is committed to advancing its therapies with integrity, ensuring all promotions are aligned with approved indications and supported by scientific evidence. Key therapies such as Saroglitazar, Nucoxia, and Imeglimin are promoted through evidence-based communication, supported by clinical studies and inclusion in leading clinical guidelines and consensus recommendations.



CUSTOMER SAFETY, AWARENESS, AND SATISFACTION

Zydus ensures customer safety and satisfaction through responsible communication, product transparency, and robust quality practices. Comprehensive information on products, research, and therapeutic areas is made accessible through multiple platforms, enabling customers and healthcare professionals to make informed decisions.

To further safeguard patients, the Company has established a dedicated Brand Protection Team that conducts market surveillance and works closely with regulatory authorities and law enforcement agencies to identify and address counterfeit products. Continuous improvement initiatives, including product authenticity

verification mechanisms, further strengthen patient safety and product integrity.

Within its consumer wellness business, Zydus reinforces product quality and safety through certified manufacturing facilities that operate in accordance with internationally recognised standards, including FSSC 22000 and ISO management systems.

Through regular advisory boards and customer engagement initiatives, Zydus gathers valuable insights on products, evolving requirements, and service expectations. These insights support continuous improvement and help strengthen product development and customer experience, reinforcing the Company's customer-centric philosophy.

Zero

Product Recall Incidents and Zero Cases of Non-Compliance Related to Product Information, Labelling, or Marketing in the Consumer Wellness Business.

PATIENTS AND PUBLIC HEALTH

Millions of people worldwide face barriers in accessing quality medical treatment. Recognising the disparities in global healthcare access, Zydus focusses on expanding the reach of critical therapies and improving healthcare outcomes across diverse patient populations. With a strong emphasis on underserved and vulnerable communities, particularly across Latin America, Asia Pacific, and Africa, the Company aims to bridge healthcare gaps and strengthen equitable access to healthcare resources.



ENHANCING ACCESS TO MEDICINES

Zydus continues to improve access to quality healthcare solutions by addressing challenges related to availability, affordability, awareness, and timely diagnosis across key therapeutic areas:



Respiratory Health

Zydus Lifesciences, in collaboration with AeroDel Technology Innovations, launched PEPAIR™, India's first affordable, drug-free handheld Oscillating Positive Expiratory Pressure (OPEP) device. Designed with a patented 3-resistance system, PEPAIR™ supports effective mucous clearance and improved breathing for patients with COPD, asthma, and bronchiectasis.

By addressing the affordability gap in airway clearance solutions and building on Zydus' strong respiratory portfolio, this initiative reinforces the Group's commitment to enhancing access and advancing everyday care for millions living with chronic respiratory conditions in India.

1 Gastroenterology and Hepatology

Conducts CMEs, scientific forums, and disease awareness initiatives to improve early diagnosis and treatment.

Supports screening programmes for conditions such as MASLD and viral hepatitis.

Collaborates with medical institutions, advocacy groups, and healthcare experts to strengthen disease awareness and improve long-term patient outcomes.

Continuous training to empower field teams to advocate for evidence-based therapies.

2 Vaccines and Immunisation

Introduced TwinRab™, India's first indigenous monoclonal antibody cocktail, providing a scalable and effective alternative for rabies passive immunisation.

Expanded access through inclusion in state essential drug lists and broader regional recommendations.

Strengthened awareness through initiatives such as VIRAM ("Full Stop in Rabies"), supporting India's vision of eliminating dog-mediated human rabies deaths by 2030.

3 Nephrology

Collaborates with organisations such as Neodocs to provide free serum creatinine, Hb, and Urine Albumin-to-Creatinine Ratio (UACR) testing and the Kidney Warrior Foundation (KWF) to enhance awareness and patient support.

Supports access to life-saving therapies through Zydus Rx4U, enabling access to medicines not locally available.

Provides diagnostic support like TDM and subsidised/free medicines for eligible transplant and CKD patients.

STRATEGIC PARTNERSHIPS AND COLLABORATIONS

Sentynl Therapeutics

Achieved a major milestone with the U.S. FDA approval of ZYCUBO® (copper histidinate), the first and only approved therapy for Menkes disease in the U.S., reinforcing Zydus' commitment to addressing unmet needs in rare diseases.

Braile Biomedica (Brazil)

Partnered through Zydus MedTech to commercialise next-generation Transcatheter Aortic Valve Implantation (TAVI) technology across India, Europe, and other international markets, expanding access to minimally invasive cardiac therapies.

Vaxxicare Initiative

Strengthened adult vaccination coverage across 250+ hospitals through Hospital and Adult Vaccination Executives (HAEs) and the Lifecourse Vaccination Continuum (LCVAC) programme.

Innovation Partnerships

Continued collaborations with seed companies and technology partners to accelerate the development of novel therapeutics and healthcare solutions.

PRG S&T (South Korea)

Entered into a licensing agreement for Progerinin (SLC-D011), an orphan-designated therapy for Hutchinson-Gilford Progeria Syndrome (HGPS), further strengthening the rare disease pipeline.

Myriad Genetics

Collaborated to introduce globally validated diagnostic platforms, including MyRisk®, MyChoice® HRD Plus, and Prolaris®, supporting precision oncology and personalised cancer care.

Formycon AG

Licensed and secured commercialisation rights for FYB206, a biosimilar of Keytruda® (Pembrolizumab), in the U.S. and Canada, strengthening the oncology portfolio.

Feldan Therapeutics

Through Zynext Ventures, partnered with the clinical-stage biotechnology company to advance intracellular drug delivery technologies with applications in oncology and respiratory diseases.

Rare Disease Nephrology

Continued to advance therapies for IgA Nephropathy and complement-mediated disorders through a combination of in-licensing opportunities and internal development programmes.

Advanced Therapeutics

Expanded capabilities in immunotherapies, antibody-drug conjugates (ADCs), and advanced diagnostics through strategic partnerships focussed on innovation and patient outcomes.

Licensing and Supply

Entered into licensing and supply agreements with Torrent Pharmaceuticals and Lupin Ltd. for the co-marketing of Semaglutide Injection, expanding access to advanced GLP-1 therapies for diabetes and chronic weight management.

Licensing and Commercialisation

Signed an exclusive licensing and commercialisation agreement with RK Pharma Inc. for a novel sterile injectable supportive care product, further strengthening the U.S. oncology portfolio.



GOVERNMENT AND OTHER STRATEGIC COLLABORATIONS

Zydus actively collaborates with governments, medical bodies, and international organisations to strengthen healthcare access and support broader public health priorities.

Key collaborations include:

- Partnering with Indian National Association for the Study of the Liver (INASL) and Indian Society of Gastroenterology (ISG) to support treatment guidelines, policy development, and clinical insights in areas such as Metabolic dysfunction-associated steatotic liver disease (MASLD), Inflammatory Bowel Disease (IBD) and viral hepatitis, including contributions towards inclusion of MASLD under the National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Disease and Stroke (NPCDCS) framework
- Working with the Universal Immunisation Programme (UIP) and global organisations to improve vaccine access, including support for TwinRab and national rabies elimination efforts
- Supporting the WHO's Viral Hepatitis Elimination by 2030 agenda through participation in global platforms such as the Coalition for Global Hepatitis Elimination and the Global NASH Council
- Serving as a key supply partner under Mission Indradhanush, supporting measles-rubella immunisation initiatives and strengthening public health delivery
- Collaborating with the Indian Society of Nephrology and the International Society of Nephrology to launch the 'Life ka Filter' digital campaign for early chronic kidney disease (CKD) detection
- Strengthening international healthcare reach through participation in GAVI-UNICEF vaccine procurement programmes and PAHO collaborations

COLLABORATION WITH HEALTHCARE PROFESSIONALS

The Company's collaboration with healthcare professionals and health-tech partners enables digital innovation for better patient engagement, clinical outcomes, and healthcare delivery. These partnerships enhance patient support while enabling more personalised and data-driven care models. To support patients with MASLD, a partnership with TatvaCare has been established to roll out a dedicated Patient Support Programme. In the nephrology space, Zydus is leveraging digital platforms such as:

Zydoogle

AI-driven internal platform enabling advanced customer profiling, segmentation, and hyper-personalised scientific engagement.

Evaluus by TatvaCare

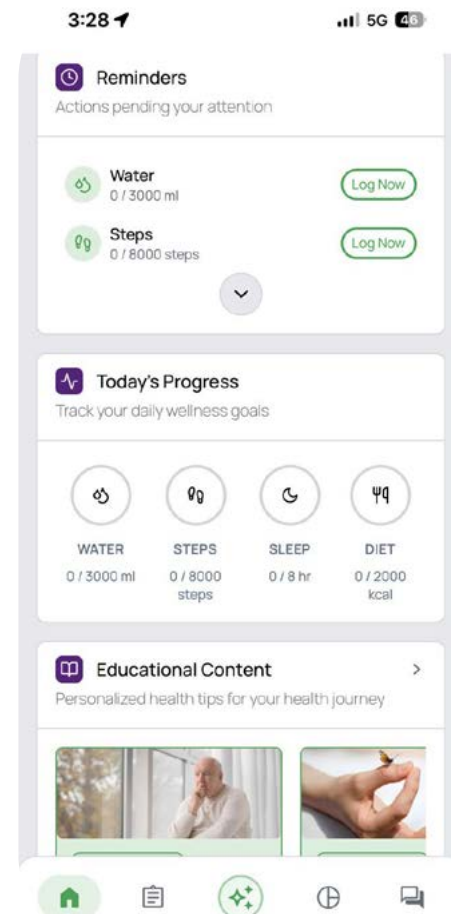
Structured and anonymised data capture platform supporting real-world evidence generation, post-marketing surveillance, and evidence-based decision-making.

Awarathon

AI-enabled simulation platform designed to strengthen field force capabilities through continuous learning and role-based skill development.

Integrated Digital Care Ecosystem

Collaboration with TatvaCare through the GoodFlip application to provide AI-powered report analysis, personalised lifestyle recommendations, diagnostic support, and integrated health records for seamless remote disease management.



Zydus aims to improve patient care and outcomes through digital health collaborations, scientific engagement, and technology-driven innovation. In partnership with TatvaCare™, the Company expanded its digital health portfolio with Diasens™ and GlucoLive™, AI-powered continuous glucose monitoring solutions integrated with the GoodFlip™ app, enabling real-time monitoring, analytics, personalised coaching, and improved diabetes management.

The Company also advanced evidence-based clinical practice through large-scale scientific initiatives. IMEGLYN Voice of Powerhouse, dissemination of the RSSDI guidelines and PRISM study, the "Fatty Liver is the New Diabetes" campaign, and HRIDAY SAMVAD collectively engaged over 45,000 healthcare professionals, strengthening clinical knowledge and promoting responsible therapy adoption across diabetes, hepatometabolic care, and hypertension.

Beyond pharmaceuticals, the Company deepened collaborations with healthcare professionals through global scientific forums and MedTech education programmes across cardiology, neurology, psychiatry, and orthopaedics. The partnership with Ecential Robotics advanced robotic-assisted orthopaedic surgery, reinforcing the Company's commitment to technology-led innovation and improved patient outcomes.

RESEARCH AND DEVELOPMENT INITIATIVES FOR AFFORDABLE HEALTHCARE

Zydus focusses on advancing healthcare accessibility through research and development initiatives aimed at delivering innovative, affordable, and patient-centric therapies.

Our key initiatives include:

LiqMed

Development of affordable liquid oral formulations in the UK to address the unmet needs of geriatric and paediatric patients with dysphagia.

Pioneering Generics

Accelerating the launch of cost-effective generic medicines, including Apixaban and Mesalamine, to improve access across global markets.

Ujvira

World's first biosimilar of Kadcyra® for breast cancer treatment, benefiting over 4,000 patients annually.

Vivitra

Continued leadership in trastuzumab biosimilars for HER2+ breast cancer management.

Tishtha

Launch of the world's first biosimilar of nivolumab, strengthening presence in immuno-oncology.

Anyra

India's first indigenously developed aflibercept, improving treatment accessibility for retinal disorders including Polypoidal Choroidal Vasculopathy (PCV), Choroidal Neovascular Membrane (CNVM), and Diabetic Macular Edema (DME).

Expanded oncology portfolio through Sigrima, Bryxta, lbyra, and Nuparp, improving breast, ovarian, and colorectal cancer care treatment.

Oxemia® (Desidustat)

India's first oral therapy for CKD-related anaemia, benefiting over 100,000+ patients by providing a cost-effective alternative without cold-chain requirements. Focussed on advancing this therapy for inclusion in government programmes and expansion into new indications, including post-transplant anaemia, Pure Red Cell Aplasia (PRCA), and beta-thalassaemia.



OUTREACH AND AWARENESS PROGRAMMES FOR PATIENTS AND HEALTHCARE PROFESSIONALS

Zydus advances public health through disease awareness, patient education, and engagement with healthcare professionals across key therapeutic areas, including diabetes, hypertension, liver care, nephrology, oncology, cardiology, gastrointestinal disorders, and inflammatory diseases. Through health screening camps, educational webinars, digital awareness initiatives, and community outreach programmes, the Company promotes early diagnosis,

preventive healthcare, and improved patient outcomes.

The Company also collaborates with health-tech organisations and healthcare professionals to support post-marketing safety studies, observational research, communication effectiveness, and patient access initiatives. During the year, Zydus published eight real-world evidence studies on indigenous vaccines in

collaboration with over 1,000 healthcare professionals across India. It also continued the 'Life ka Filter' campaign in partnership with the Indian Society of Nephrology to promote kidney health and strengthened medical education and clinical research in orthopaedics, including robotic-assisted surgery.

KEY PATIENT AWARENESS PROGRAMMES

ONCOLOGY

- **Easiest Examination 2.0:** Breast self-examination awareness campaign with the message "Do Haath, Teen Minute, Ek Aasan Sa Exam". Podcasts featuring healthcare professionals and cancer survivors
- **Anaya App:** Dedicated patient support platform with care navigators
- **Zydus Pinkathon:** Partnership with India's largest women-centric awareness run across eight cities to promote breast cancer awareness
- Expanded access to oncology therapies through the launches of Tukavo, Pegstim, Nykron, and supportive care portfolio expansion



ZYDUS PINKATHON

As Title Partner of Pinkathon, India's largest women's run, Zydus launched the Zydus Pinkathon initiative across six cities during FY2025-26, beginning with the landmark 10th Mumbai edition. Through the "Easiest Exam" campaign, the initiative encourages women to adopt regular breast self-examinations while combining fitness events, expert podcasts, and oncologist interactions to dispel myths and promote early detection. The campaign reached 30,000+ women, underscoring Zydus' commitment to breast cancer screening and preventive healthcare.



ANAYA CANCER CARE

Zydus collaborated with a leading technology company to design the Anaya Cancer Care Application, India's first 360° care ecosystem exclusively for cancer patients. Built on the daily efforts of over 50 Anaya care specialists and fulfilment partners, the platform extends support beyond medicine to address complete patient well being. By 2025, Anaya empowered more than 6,000 patients, transforming HER2+ cancer care into a compassionate and reliable journey that benefits patients, doctors, and the wider healthcare system. Within its first year, the application supported over 7,000 breast cancer patients through dedicated Care Navigators, delivering personalised, holistic assistance across treatment stages and ensuring comfort, clarity, and dignity throughout the care continuum.

Zydus became the first Indian pharmaceutical company to establish a dedicated Diagnostics Division, reinforcing its commitment to precision oncology and patient centricity. Through collaborations with CanAssist (OncoStem) and Guardant, the diagnostics portfolio has impacted the lives of nearly 13,000 patients, underscoring Zydus's leadership in advancing personalised cancer care.



LIVER CARE

- Conducted awareness initiatives on fatty liver disease, viral hepatitis, and healthy liver practices
- Screening programmes including Fibro Liver Scans, viral hepatitis testing, and Bone Mineral Density camps
- Digital patient engagement through NASH24X7, Exemptia Care IBD, and Liver Care Partnership platforms

19,700+

Liver screening camps conducted

1,90,000+

Individuals screened for MASLD

3,000+

Awareness and Counselling Programmes Conducted



Liver Forever

Under the Liver Ki Suno campaign, Zydus launched Liver Forever to improve awareness, early screening, diagnosis, and long-term management of fatty liver disease among people living with diabetes. In collaboration with leading cardiologists and endocrinologists, the initiative promotes proactive liver health assessment through Diabetes Liver Clinics, non-invasive FibroScan screening, regional-language awareness programmes, and digital patient engagement via LiverForever.org and the MyTatva app.

Key Outcomes

~11,000

Diabetes Liver Clinics established across India

1M+

patients reached through the clinic network, engaging

20,000+

physicians

5.2M+

digital reach,

1M+ video views, and

2.3M+ engagements

1.8 lakh+

patients enrolled under the Lipaglyn Patient Support Programme, with FibroScan, FIB-4 screening, and risk stratification

KEY PATIENT AWARENESS PROGRAMMES

NEPHROLOGY

- Continued the 'Life ka Filter' campaign with the Indian Society of Nephrology (ISN) through expert podcasts, multilingual educational content, community screening, and counselling programmes
- Strengthened patient engagement through dedicated digital support platforms and diagnostic initiatives
- Expanded transplant care with the launch of Anvimo (letermovir) for CMV prophylaxis following bone marrow transplantation and collaborated with leading centres to generate real-world clinical evidence

The Company partnered with China Medical System Holdings (CMS) to secure exclusive rights for Desidustat in China, following successful Phase III trials and approval by the NMPA. Addressing the unmet needs of over 120 million CKD patients, this oral HIF-PHI therapy improves compliance and outcomes, underscoring Zydus' commitment to advancing therapies for complex chronic conditions and expanding its global innovation footprint.



Zydus strengthened its leadership in nephrology through strategic collaborations and advancements in specialised care. In partnership with the George Institute for Global Health-India and the Indian Society of Nephrology, the Company co-developed South Asia's first consensus document on the use of Hypoxia-inducible factor-Prolyl Hydroxylase Inhibitors (HIF-PHIs) for anaemia management in CKD patients. The initiative brought together leading nephrologists across India, Bangladesh, Bhutan, Nepal, Pakistan, and Sri Lanka to promote standardised and evidence-based clinical practices.

Further, the Company achieved key milestones with the CE marking of its robotic platform and the first clinical enrolments for TRAX CR Knee in Australia, highlighting continued progress in specialised care, medical technologies, and global expansion.

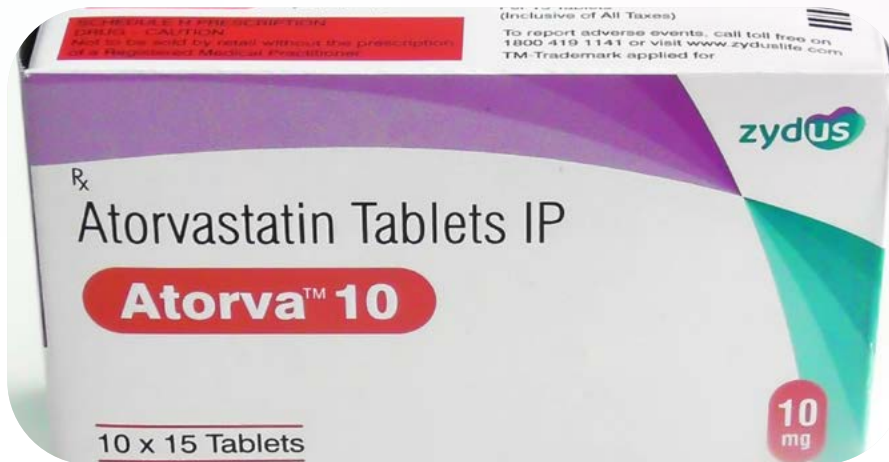
INTEGRATED TRANSPLANT CARE

- Programmes on organ donation awareness, CKD management, and transplant rehabilitation
- Launch of Diasens for continuous glucose monitoring and remote patient management
- Introduction of Organ Perfusion Solutions (OPS) supporting integrated transplant care



DIABETES AND CARDIOVASCULAR CARE

- Zycare**
AI-enabled lifestyle modification programme integrating nutrition, exercise, meditation, and personalised support for patients with diabetes and cardiovascular conditions.
- HeartWise @18**
Through Atorva, Zydus launched HeartWise @18, a national preventive health initiative to promote early lipid screening and cardiovascular risk awareness among young adults (18–29 years), encouraging preventive heart care from an early age.



Key Initiatives

- Multi-channel awareness campaign on early lipid risk
- Nationwide lipid screening for young adults
- Digital, social media, and influencer-led outreach
- Marathon organised with the Cardiological Society of India at CSICON 2025

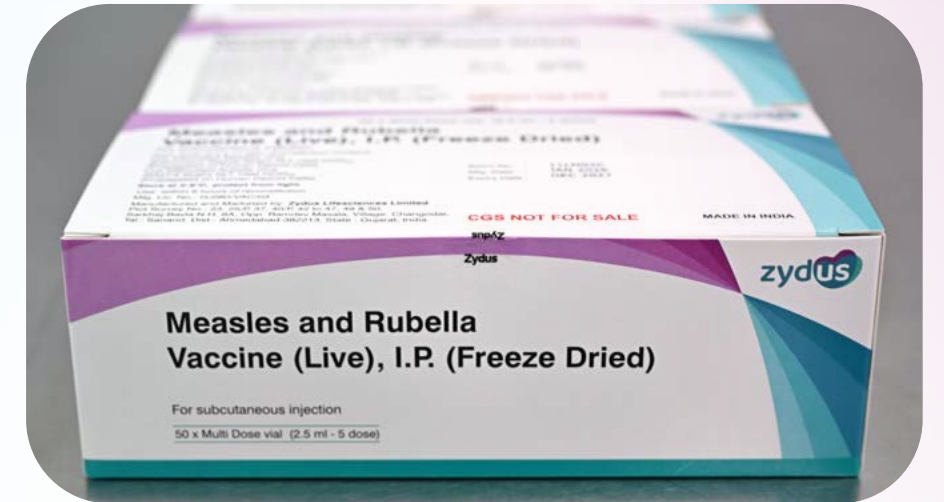
Key Outcomes

48,000+
young adults
screened

- Generated real-world evidence on early-onset dyslipidemia in Indian youth
- Reinforced the importance of early lipid screening and preventive cardiovascular care

IMMUNISATION

- Conducted India Flu Protection Campaign, featuring the slogan "Flu Vaccine Liya Kya?" to educate, engage, and encourage influenza vaccination across diverse population segments
- Vaccine awareness through digital campaigns, microsites, social media outreach, blogs, flyers, cut-outs, and in-clinic engagement initiatives
- Participation in World Immunisation Week to reinforce grassroots awareness
- Launched VaxiFlu™, India's first trivalent influenza vaccine aligned with the WHO-recommended 2025–26 Northern Hemisphere strains. Through partnerships with healthcare professionals and hospitals, the Company expanded influenza vaccination across age groups, enabling more than 1.5 million individuals to receive the flu vaccine and advancing preventive healthcare in India



The campaign participated in CNN Network18 panel discussions, significantly enhancing outreach and credibility. It also received recognition from the Asia Book of Records for achieving the highest Influenza vaccinations during World Immunisation week, along with Gold at the India Marketing Awards (Radio category) and the 2026 Consumer Friendly Brand Award for Excellence in Social Media Engagement.

EPILEPSY

- Reducing Stigma through Awareness (Know More Epilepsy): Dedicated digital platform designed to improve awareness, strengthen patient engagement, and reduce social stigma associated with epilepsy.





SC
SOCIAL CAPITAL

Enabling inclusive progress for communities

Social Capital is inspired by the visionary ideals of the Founder Chairman and strengthened by a rich legacy of innovation, education, healthcare, environment, and community engagement. Through the Company's Corporate Social Responsibility (CSR) initiatives, Zydus fosters healthier communities by addressing unmet needs across healthcare, skill development, education, and environmental sustainability. These efforts reflect the Company's commitment to creating positive social impact while contributing to the achievement of the United Nations Sustainable Development Goals (SDGs).

KEY LINKAGES

MATERIAL TOPICS

- Community Engagement

UN SDGs



KEY HIGHLIGHTS

4,65,523

DIRECT IMPACT
BENEFICIARIES

24,64,424

INDIRECT IMPACT
BENEFICIARIES

101 million

TOTAL CSR EXPENDITURE

8,662

HOURS OF EMPLOYEE
VOLUNTEERING

12,744

TOTAL EMPLOYEE
VOLUNTEERS

CSR MISSION

Zydus' CSR policy embodies the Company's commitment to building resilient communities and advancing global health. Anchored in Schedule VII of the Companies Act, 2013, and guided by the CSR and ESG Committees of the Board, the policy establishes a clear strategic framework for selecting, implementing, and monitoring initiatives. This ensures that every effort aligns with the Company's mission of nurturing healthier communities worldwide.

The Company's CSR vision comes to life through the Zydus Srishti Programme, structured around five strategic pillars that serve as the foundation of the flagship initiatives. These programmes are designed to deliver measurable societal impact and are closely aligned with the 17 United Nations Sustainable Development Goals (SDGs). Together, these efforts reflect the Company's dedication to responsible growth, sustainable progress, and meaningful community engagement.

Zydus implements community initiatives directly or through esteemed registered trusts, including the Ramanbhai Foundation, the Zydus Foundation, and other recognised NGOs. This collaborative approach ensures that CSR programmes at the Company are executed with credibility, transparency, and measurable impact, while leveraging trusted partnerships to extend its reach and strengthen community outcomes.



KEY STRATEGIC PILLARS



SWASTHYA

Transform healthcare, ensuring access to quality services and promoting well-being.



SHIKSHA

Drive excellence in education, providing equitable access and nurturing future leaders.



SHODH

Promote research and innovation, catalysing breakthroughs to address societal challenges.



SAATH

Fosters community initiatives that contribute to environmental sustainability & awareness initiatives.



SAKSHAM

Enhances skills for better livelihoods.

COMMUNITY INITIATIVES

Zydus Medical College and Hospital, Dahod (Gujarat)

Safe Motherhood and Child Survival

Blood Donation Drive

IPA -Ramanbhai Patel Scholarship Programme

Education support for specially-abled students

School Redevelopment Programme

Zydus Innovation Programme (Swargorohan Technology for Sustainability)

STEM Programme

Green Gujarat initiatives

Zydus Watershed Project in Gujarat & Maharashtra

Zydus GMC Lake Garden: Transformation of Urban Spaces

Skill Development for specially-abled students

Skill Development for underprivileged women/girls in Gujarat

Platform for grassroots-level organisations



Zydus Medical College and Hospital: Transforming Rural Health Landscape

Zydus Medical College and Hospital (ZMCH), Dahod, continues to stand as a transformative healthcare institution in one of Gujarat's aspirational districts. Established under a Public-Private Partnership model, the hospital was envisioned to address critical healthcare gaps in tribal and underserved regions. Over the years, it has evolved into the only tertiary care referral centre in the region, serving patients not only from Eastern Gujarat but also from neighbouring districts of Rajasthan and Madhya Pradesh. For many families, ZMCH represents the first point of access to advanced, affordable, and life-saving medical care.

Designed as a comprehensive multi-specialty institution, the hospital today operates with a capacity of 1,034 beds and is equipped with advanced diagnostic facilities, including state-of-the-art imaging and scanning technologies. Patients often travel long distances to avail specialised consultations, high-end diagnostic services, and complex surgical interventions that were previously inaccessible within the region. The hospital's infrastructure, combined with round-the-clock emergency preparedness, ensures uninterrupted medical services. Residential facilities provided to doctors within the campus further strengthen the 24x7 emergency response capability and continuity of care.

Particulars	U.O.M	FY2025-26	Since FY 2017 to date
OPDs conducted	No's	4,29,789	27,93,374
IPDs attended		48,288	3,06,520
X-rays conducted		2,02,053	9,06,405
USG tests conducted		48,366	2,36,667
Surgeries conducted		51,852	2,00,989
Microbiology tests conducted		3,05,778	14,13,209
Biochemistry tests conducted		21,13,608	81,96,916
Pathology tests conducted		21,64,521	1,09,43,236

Supported by a dedicated team of 434 specialised and MBBS doctors, 601 nurses, and 194 paramedics, the hospital continues to strengthen tertiary healthcare delivery in a region where advanced medical services were once scarce.



Patient feedback reflects consistently high satisfaction across all service areas.

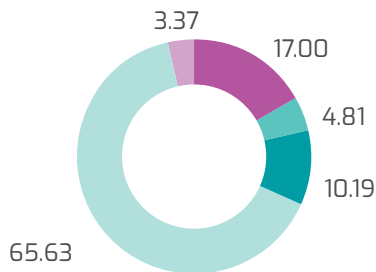
Nearly all patients (99%) confirmed that care is provided free of cost, ensuring full financial accessibility. Treatment effectiveness and medicine availability were rated very good by 84% of respondents. Quality of care emerged as a key strength, with 99% praising doctors for their competence and empathy, and 93% commending nurses for compassionate, respectful care. Emergency services were also well-received, with 92% reporting easy access to ambulances. Importantly, 99% of patients identified ZMCH as their preferred healthcare facility, highlighting strong trust and patient confidence.



CSR EXPENDITURE

(in million)

₹ 101 Mn



- Swasthya
- Shiksha
- Shodh
- Saath
- Saksham

STORIES OF HOPE

SURGICAL MANAGEMENT OF CERVICAL SPINE DISLOCATION



Narsaben Nakunbhai Mavi, a 40-year-old woman, was admitted with an inability to walk for several days. She was diagnosed with anterior atlantoaxial dislocation, a serious spinal condition affecting mobility. She received treatment under the Orthopaedics and Neurosurgery services, which specialise in managing skeletal and neurological disorders. Following surgical intervention and stabilisation, her condition improved, and she regained physical stability. Her recovery demonstrates the availability of advanced spinal care services in the region.

Beyond service delivery, ZMCH also contributes significantly to capacity building in healthcare education. Over 800 medical students graduate annually from the institution, reinforcing the region's healthcare workforce. As part of their academic

curriculum, students are assigned to underprivileged families, whom they follow and support throughout their course duration. This structured community engagement model not only enhances practical learning but also leads to measurable improvements in household-level health awareness, preventive practices, and early intervention outcomes.

Through its integrated model of service, education, and community outreach, Zydus Medical College and Hospital has become more than a healthcare facility – it is a regional health ecosystem. By combining infrastructure strength, medical expertise, academic excellence, and social responsibility, ZMCH continues to reduce healthcare inequities, reduce out-of-pocket expenses and advance the vision of equitable, accessible, and sustainable healthcare for all.

IMPACT

- Improved access to free, high-quality tertiary healthcare for underserved populations
- Reduced out-of-pocket medical expenditure, preventing financial distress
- Reduced reliance on distress financing (loans, asset sales)
- Reduced dependence on distant hospitals and private providers
- Strengthened continuum of care (consultation, diagnostics, treatment, follow-up)
- Achieved high patient trust and satisfaction
- Improved health-seeking behaviour, with reduced delays in accessing care
- Contributed to improved health outcomes and overall quality of life

SAFE MOTHERHOOD AND CHILD SURVIVAL PROJECT

Improving maternal and newborn health remains a critical priority under the Swasthya pillar, particularly for vulnerable urban populations where access to quality care can be fragmented. In addition, maternal health outcomes in urban slum settings remain shaped by longstanding inequities in access to quality healthcare, essential infrastructure and social support systems.

During the year, Zydus strengthened its Maternal and Newborn Health (MNH) initiative in Mumbai, reaching over 11,705 direct beneficiaries from underserved communities. The programme was designed to address systemic gaps within the public healthcare ecosystem and ensure that expectant mothers receive timely, continuous,

and informed care throughout their pregnancy journey.

A core focus of the initiative was early identification and risk screening. Through structured outreach and community-based engagement, high-risk pregnancies were identified at an early stage, enabling timely medical referrals and intervention. By promoting regular Antenatal Care (ANC) and Postnatal Care (PNC) visits, the programme improved continuity of care and ensured that mothers remained connected to healthcare services before, during, and after childbirth. This sustained follow-up contributed to improved pregnancy outcomes and reduced health complications for both mother and child.

The initiative also strengthened awareness at the community level regarding newborn care practices, nutrition, immunisation schedules and hygiene. In addition, the programme facilitated access to government social protection schemes, such as PMMVY, JSY and ICDS. By supporting beneficiaries in documentation, enrolment, and follow-up processes, the initiative ensured that eligible families could access financial assistance and nutritional benefits intended for maternal and child welfare. This convergence with public schemes not only reduced economic burden but also strengthened the overall healthcare safety net for urban poor households.





STORIES OF HOPE

MATERNAL AND NEWBORN HEALTH CARE BY AROGYA SAKHI

Neha, a 22-year-old resident of the Mandala slum area of Mumbai, faced her first pregnancy amidst financial hardship, living with her husband and in-laws in a rented home. When she confided in the Arogya Sakhi during a home visit, the Sakhi immediately mobilised support to safeguard Neha's health and wellbeing. She facilitated hospital registrations, accompanied Neha for essential antenatal care, and ensured access to iron, calcium, and nutritional supplements when low weight and anaemia were detected.

Beyond healthcare, the Sakhi guided Neha through critical documentation, enabling her to benefit from government schemes, such as Pradhan Mantri Matru Vandana Yojana (PMMVY) and later Janani Suraksha Yojana (JSY). On December 22, 2025, Neha delivered a healthy baby girl via caesarean section, and both mother and child are now thriving.

This case highlights how timely, compassionate, and systematic interventions by the Arogya Sakhi not only ensured a safe delivery but also empowered Neha to overcome socio-economic barriers and access vital entitlements.

IMPACT

2,438

PREGNANT WOMEN REGISTERED

402

HIGH-RISK PREGNANCIES IDENTIFIED AND SUPPORTED

98.67%

INSTITUTIONAL DELIVERIES

89%

MOTHERS COMPLETED 4 ANC CHECK-UPS



83%

NEWBORNS BORN WITH NORMAL BIRTH WEIGHT (≥ 2.5 KG)

99.13%

LIVE BIRTH RATE

67,684

HOUSEHOLD VISITS FOR EARLY IDENTIFICATION AND FOLLOW-UP

SANITATION FACILITY IN RURAL SCHOOLS OF MAHARASHTRA

At Shirpur, Maharashtra, separate toilet blocks were constructed for boys and girls across five school blocks, significantly improving access to safe, clean and hygienic sanitation facilities. This intervention addressed a critical infrastructure gap, creating a more supportive and inclusive school environment for students.

Improved sanitation plays a vital role in safeguarding student health, enhancing comfort, and reducing health related absenteeism. Students have reported substantial improvements in sanitation infrastructure and maintenance across schools.



IMPACT

100%

OF STUDENT RESPONDENTS REPORTED BETTER TOILET FACILITIES

91.3%

OF STUDENT RESPONDENTS REPORTED CLEANER TOILET SPACES, REFLECTING IMPROVED HYGIENE STANDARDS

98%

OF STUDENT RESPONDENTS REPORTED FEELING COMFORTABLE USING THE TOILETS

80.7%

OF STUDENT RESPONDENTS REPORTED ADEQUATE AVAILABILITY OF WATER IN THE TOILETS

84%

OF STUDENT RESPONDENTS CONFIRMED THAT TOILET DOOR LOCKS ARE ALWAYS FUNCTIONAL

92.7%

OF STUDENT RESPONDENTS REPORTED AN OVERALL IMPROVEMENT IN TOILET MAINTENANCE

BLOOD DONATION DRIVE: TESTAMENT TO COLLECTIVE COMPASSION

The Blood Donation Programme, under the Swasthya pillar of Zydus Srishti, exemplified the organisation's collective compassion and responsibility. Under this programme, Zydans across multiple locations in Gujarat supported life-saving efforts, resulting in the collection of 1,375 blood units that were distributed to partner hospitals for emergency and critical care needs. By strengthening regional blood bank reserves, the initiative ensured timely support for patients undergoing surgeries, trauma care, and other urgent medical treatments.

Beyond its immediate impact, the initiative reinforced a culture of solidarity, with employees, many as

repeat donors, voluntarily participating to extend their commitment to public health beyond professional responsibilities. Further, awareness campaigns and sensitisation sessions educated employees on the importance of voluntary blood donation in aiding accident victims, chronic illness patients, maternal care cases, and surgical interventions, while also highlighting personal health benefits, such as improved cardiovascular monitoring and stimulation of new blood cell production. The programme stood as a powerful testament to Zydus' ethos of compassion, community action, and sustained contribution to public health.





IPA – RAMANBHAI PATEL SCHOLARSHIP PROGRAMME

Under the Shiksha pillar, Zydus continued its commitment to strengthening access to higher education through the IPA Scholarship programme. During the year, the scholarship supported 100 pharmacy students from economically disadvantaged backgrounds, enabling them to pursue professional education without financial disruption. The initiative reflects the Company's belief that quality education is fundamental to building a resilient and future-ready healthcare ecosystem.

The students were identified in collaboration with the Indian Pharmaceutical Association (IPA), ensuring a transparent and merit-based selection process. Beneficiaries represented 27 academic institutions across 18 states, reflecting the national footprint of the programme and its inclusive outreach. By extending support across diverse geographies, the scholarship not only addresses financial barriers but also promotes equal opportunity in professional education.



REDEVELOPMENT OF RURAL SECONDARY AND HIGHER SECONDARY SCHOOL, CHANGODAR

Zydus has embarked on a transformative initiative to redevelop a rural Secondary and Higher Secondary School in Changodar, located on the outskirts of Ahmedabad, with the objective of improving access to quality education for underprivileged students. The project focusses on reconstructing deteriorated infrastructure and creating a more engaging learning environment.

As part of this initiative, enhanced facilities, including the development of a dedicated play area, have been introduced to support students' physical well-being alongside academic growth. The upgraded infrastructure and improved amenities have received a strong positive response from students, reflecting meaningful impact across multiple dimensions:

IMPACT

96%

of student respondents reported enhanced classroom conditions, including improvements in seating, lighting, and ventilation

100%

of student respondents reported cleaner classrooms and school premises

98%

of student respondents indicated enhanced sanitation facilities

100%

of student respondents reported improved security measures, including boundary walls and controlled access

100%

of student respondents reported the complete elimination of waterlogging issues on the premises

100%

of student respondents confirmed access to quality sports kits

INCLUSIVE EDUCATION SUPPORT FOR SPECIAL STUDENTS

Recognising that quality education must extend beyond foundational learning, the initiative supported higher secondary education by appointing specialised teachers in Sociology, Gujarati, and Sanskrit. This intervention ensured that students at advanced academic levels received subject-specific guidance, enabling them to pursue structured curricula with confidence and continuity.

During the reporting year, structured interventions were implemented for students, creating an enabling and supportive learning environment tailored to their individual needs. The initiative reflects the belief that quality education must be accessible, adaptive, and empowering for every learner.

Beyond academics, the programme emphasised the importance of physical development and overall well-being. Dedicated sports teachers were appointed to conduct regular games, physical training sessions, and yoga classes, encouraging students to build discipline, fitness, and teamwork. The initiative also facilitated student participation in competitive sporting platforms, including enrolment in district and state-level tournaments.

During the reporting year, 192 students participated in District, State, and National level sporting events – All Gujarat Sports Council for the Deaf, the Ahmedabad Municipal Corporation, All India Sports Council for the Deaf (Khel Maha Kumbh), and All India National Deaf Sub Junior and Junior Championships- Chandigarh.

IMPACT

53

STUDENTS ACHIEVED OUTSTANDING SUCCESS ACROSS VARIOUS LEVELS OF COMPETITIONS, SECURING

16

GOLD MEDALS

14

SILVER MEDALS

23

BRONZE MEDALS



BUILDING CONFIDENCE THROUGH LANGUAGE AND SOFT SKILLS

Janavi Gokhale, a Class 11 student, has been actively participating in the learning programme, where she is developing a strong foundation in English language skills. She finds the Subject-Verb-Object (SVO) structure engaging, as it helps her understand sentence construction and the correct usage of pronouns such as 'it' for objects and 'he' or 'she' for individuals.

The programme also focusses on personal skill development, emphasising the importance of discipline, punctuality, healthy routines, and positive behaviour. Janavi appreciates the holistic learning experience, which combines academic concepts with life skills. The inclusion of short breaks and interactive educational games enhances engagement, making the sessions enjoyable and interesting.





ZYDUS INNOVATION PROGRAMME

Zydus remains deeply committed to fostering grassroots innovations that combine social sensitivity with environmental responsibility. A notable example is Swargorohan, the winner of the Zydus Innovation Programme 2024-25, which has been successfully implemented across five villages in Gujarat.

Rooted in the principles of sustainability and community welfare, Swargorohan introduces an environmentally

responsible cremation system that addresses both ecological concerns and the financial burden associated with traditional practices. By significantly reducing 85% firewood consumption, the solution minimises environmental impact while easing the economic strain on underprivileged families during difficult times.

Conventional cremation methods often involve high costs due to extensive firewood usage. Swargorohan offers a

more efficient alternative by lowering wood requirements, thereby reducing expenses and enabling a more dignified and accessible process. This initiative reflects Zydus' commitment to purpose-led innovation, demonstrating how thoughtful, community-focussed solutions can drive meaningful impact.



SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS (STEM) PROGRAMME



Zydus collaborated for the Initiative for Research and Innovation in STEM National Fair (Cohort 1), in partnership with EXSTEMPLAR Education Linkers Foundation, to encourage students from diverse backgrounds across 36 States and Union Territories of India to submit research-driven, innovative project ideas aligned with the UN SDGs.

The programme was designed for students in Grades 9-12, fostering a strong research mindset while enabling participation from Government, Semi-Government, Rural, Urban, and Semi-Urban schools. Through structured mentorship and expert guidance, students were supported in transforming their ideas into impactful, solution-oriented projects.

The programme reaffirmed Zydus' commitment to nurturing inquiry-led learning, strengthening educator mentorship capacity, aligning industry with school-level research, and cultivating globally competent, sustainability-oriented young innovators prepared to contribute meaningfully to national and international scientific advancement.

The initiative resulted in the recognition of exceptional talent, with the top 15 projects receiving Gold Awards and 10 projects being honoured with Silver Awards. Notably, 10 students earned the prestigious opportunity to represent India at the Global ISEF – International Science and Engineering Fair in Phoenix, 2026, where they will showcase their innovations on a global stage. This collaboration not only expanded access to research opportunities for young minds but also reinforced Zydus' commitment to nurturing scientific curiosity, fostering innovation, and building global competitiveness among India's next generation of problem-solvers.

IMPACT

- A total of 77 students presented 59 projects spanning 16 states and 23 cities, representing 21 subject categories from secondary schools across India
- The National IRIS Science Fair in New Delhi featured 41 individual projects and 18 team projects, reflecting a diverse range of innovative ideas
- Top Focus Areas: Biomedical Engineering, Energy: Sustainable Materials & Design, and Robotics and Intelligent Machines
- Participation included 55 private schools, 3 government schools, and 1 semi-government school
- IB schools led with 39% (30 schools), followed by CBSE schools at 22.1% (17 schools), showcasing strong engagement from diverse educational boards



WATERSHED PROJECT: PROMOTING WATER SUSTAINABILITY IN GUJARAT AND MAHARASHTRA



Water security lies at the heart of sustainable rural development, and the Zydus Watershed Programme continues to play a transformative role in addressing groundwater depletion and climate vulnerability in water-stressed regions.

Implemented across 22 villages in the Mandal and Viramgam blocks of Gujarat and the Shirpur block of Maharashtra, the programme is designed to strengthen long-term water resilience through scientifically planned watershed interventions and community participation. During

FY2025-26, the initiative advanced critical infrastructure development through canal widening, construction of check dams, farm ponds, recharge shafts and recharged bandharas (Check Dam).

Beyond infrastructure development, the project emphasises community engagement and capacity building, empowering residents with sustainable water management practices through implementing partners, including Action for Food Production (AFPRO) in Gujarat and Mukesh Patel Charitable Trust in Maharashtra.

IMPACT

- Over a period of two years, 156 water harvesting structures covering 6,076.7 hectares have been successfully established which collectively possess a groundwater recharge capacity of 28,47,169.5 m³, resulting in 2.84 million kilolitres of water recharged contributing to improved rainwater capture, soil moisture retention and more efficient farming practices.
- Benefited over 10,000 direct farmers and 25,000+ individuals indirectly, strengthening water security and supporting climate-resilient agriculture.
- Improved water availability has reduced dependence on erratic monsoons and deep borewells, enabling greater cropping stability and diversification.
- Enabled increased cropping cycles and reduced input costs related to water extraction.
- Strengthened agricultural productivity, supporting income stability and economic resilience for rural households.



Shirpur

- Significant shift in cropping patterns, with increased area under Zaid crops and expansion in single and triple cropping

- Cultivated area expanded within one year:

Kharif
from 15.38 to 16.49 sq. km (+7.2%)

Rabi
from 12.35 to 12.62 sq. km (+2.1%)

Zaid
from 4.71 to 5.48 sq. km (+16.5%)

- Higher growth in Zaid cropping, dependent on assured irrigation, indicates improved groundwater availability during post-monsoon and summer periods
- Significant increase in carbon stock, with total carbon sequestered rising by 91.8% and areas with carbon stock increasing by 87.3%

- Over a period of two years, 19 Recharged bandharas were created resulting into total Surface storage created in the intervention area due to the project is 4,48,720 m³
- The contribution of intervention stored water to ground water recharge is 8,97,440 m³

Viramgam & Mandal

- Improvement in cropping intensity, with increased cultivation across seasons and higher adoption of multi-cropping practices

Viramgam

- Strong rise in Rabi and Zaid cropping ((Kharif: 14.4%, Rabi: 86.3%, Zaid: 292.2%) indicates enhanced irrigation beyond the monsoon season
- Over the two years, 136 water harvesting structures were created resulting in total surface storage of 2,89,606.75 m³

- The contribution of intervention stored water to ground water recharge through 136 water harvesting structures is 19,49,729.5 m³

Mandal

- Growth in Zaid cropping (Kharif: 22.6%, Rabi: 66.4%, Zaid: 191.5%) reflects improved groundwater availability and irrigation support

- Increased carbon stock across intervention areas:

28.3%
Total carbon sequestered

31.0%
Area under carbon stock

- Significant reduction in soil salinity (22-98%) across Viramgam and Mandal, improving soil health and agricultural productivity.

The programme remains firmly aligned with its long-term vision. By 2027, over 247 water harvesting structures are projected to be constructed, collectively delivering a groundwater recharge potential of 3.24 million kilolitres. The initiative is expected to benefit more than 8,000 rural families, reinforcing water security as a foundation for sustainable agriculture and climate resilience.



STORIES OF HOPE

STRENGTHENING LIVELIHOODS THROUGH WATER SECURITY

Shri Babubhai Motibhai Prajapati, a rain fed farmer from Vinzuvada village, Mandal block, owns 6.28 acres of agricultural land. Before intervention, the absence of irrigation infrastructure left his farming entirely dependent on erratic rainfall, resulting in frequent crop stress, uncertain yields, and unstable incomes.

Under the Zydus Watershed Programme, a farm pond (28 × 19 × 4 metres) was constructed on his land to harvest rainwater and provide protective irrigation. Access

to assured water during critical crop stages significantly improved soil moisture, crop management, and productivity. Chickpea yield increased by nearly 50%, rising from 3,960 kg to 5,940 kg, while annual income grew from ₹1.99 lakh to ₹3.12 lakh. Beyond income enhancement, the intervention reduced climate vulnerability, improved livelihood stability, and generated year round employment for 3–4 agricultural labourers. Shri Babubhai's journey demonstrates how targeted water infrastructure can drive resilient agriculture and sustainable rural livelihoods.



TRANSFORMING AGRICULTURE THROUGH WATER STEWARDSHIP

Mr. Vijay Santosh Bagul, Deputy Chairman and Panchayat Samiti Member from Shirpur, Maharashtra, highlighted the transformative impact of the Zydus Watershed Programme on local agriculture. Prior to the intervention, limited water availability posed a significant challenge, with farmers largely dependent on erratic rainfall. Even in areas with borewells, inadequate water levels restricted irrigation, leaving large portions of farmland uncultivated or inconsistently farmed, thereby increasing uncertainty and risk.

With the construction of Bandharas (check dams), the region has witnessed a significant improvement in water availability. These structures have enabled effective water storage and groundwater recharge, ensuring a more reliable and sustained water supply for agricultural use. As a result, farmers are now able to irrigate a larger portion of their land, bringing previously uncultivated fields into regular use. This has enhanced cropping consistency, improved farm planning, and strengthened overall agricultural productivity, allowing farmers to operate with greater confidence and stability.

ZYDUS GMC GARDEN: TRANSFORMING URBAN SPACES FOR BETTER HEALTH AND ENVIRONMENT

In collaboration with the Gandhinagar Municipal Corporation (GMC), Zydus undertook the comprehensive redevelopment of a public space into an inclusive green garden and lake ecosystem, reaffirming its commitment to sustainable urban development and community well-being.

Under this partnership, the Zydus Foundation has undertaken the redevelopment and maintenance of the garden, transforming it into a vibrant, eco-friendly, and inclusive public space integrating environmental stewardship with community wellness.



A key highlight of the project is the development of the region's first dedicated cycling track within a public park, promoting active lifestyle and encouraging reduced reliance on motorised transport for local recreation and short commutes.

Designed to serve diverse age groups and interests, the garden features

thoughtfully curated amenities, including a yoga deck, maze garden, lily pond, butterfly garden, outdoor gym, dog park, and a dedicated children's play area. Together, these elements create a multifunctional public ecosystem that supports physical activity, mental well-being, social interaction, and environmental awareness.

SEED BALL CAMPAIGN 3.0

In response to India's growing deforestation challenges and declining tree cover, Zydus advanced its flagship Seed Ball Campaign 3.0, delivering tangible action toward large scale ecological restoration. The initiative expanded reforestation efforts across 17 strategically identified sites, including a major seed dispersal drive in Gandhinagar in collaboration with the Gandhinagar Forest Department.

During the reporting year, approximately 1.75 lakh seed balls were dispersed, significantly enhancing the potential for native vegetation growth and long-term green cover regeneration.



By strengthening local biodiversity, sequestering carbon, and restoring degraded landscapes, the campaign contributed directly to climate resilience and ecological balance. The sustained scale and continuity of the initiative reflect Zydus' commitment to environmental stewardship while fostering community participation.

To recognise and encourage internal sustainability leadership, Green Awards

were conferred on plant sites that demonstrated exceptional commitment by creating the highest number of seed balls. This recognition not only celebrated measurable environmental contributions but also fostered healthy competition and employee engagement across locations, reinforcing a culture of ownership, innovation, and collective responsibility toward ecological restoration.



SKILL DEVELOPMENT PROGRAMME

Zydus strengthened women's economic empowerment through targeted skill development initiatives. In Ahmedabad, 140 women received hands-on training in bakery and sweets production, complemented by business inputs such as pricing, quality control, customer engagement, and digital marketing to support sustainable income generation.

Additionally, the Company extended its livelihood programmes to Dabhasa,

Umraya, and Masar blocks in Vadodara, State of Gujarat, benefiting 250 women through vocational training in soap making, candle making, herbal colour preparation, and beauty parlour services. The programme combined technical training with guidance on hygiene, packaging, cost management, and market linkages, enabling participants to build viable home-based enterprises and enhance financial independence.



FROM ASPIRATION TO EMPOWERMENT

Alams Vaghela, a 21-year-old from Chekla village in Sanand Taluka, embodies the spirit of determination and hope. Born into an underprivileged family of five, Alams witnessed her parents' continuous efforts to provide a better life for the family. Her father, a plumber, worked tirelessly to make ends meet, while her mother managed the household with quiet strength.

As the eldest daughter, Alams took on the responsibility of caring for her younger siblings, balancing her college studies with household duties, a testament to her maturity and dedication. Driven by a deep desire to

support her family financially, Alams began searching for opportunities that could empower her.

Her journey took a transformative turn when she discovered a bakery training programme organized by Zydus. The idea of learning to make bakery products sparked a vision in her heart. She saw the potential to start a small bakery business within her community. Throughout the training, Alams demonstrated enthusiasm for preparing items like ice cream and other baked goods. The programme offered more than just culinary skills; it introduced her to customer interaction



and marketing strategies, equipping her with the tools to dream bigger. Alams expresses heartfelt gratitude to Zydus for the opportunity that has opened new doors in her life.

SKILL DEVELOPMENT FOR SPECIALLY-ABLED INDIVIDUALS

Zydus affirmed its commitment to inclusive development by extending vocational training opportunities to specially-abled individuals. During the year, 60 participants underwent structured sewing and stitching training programmes designed to enhance both skill proficiency and self-reliance.

The initiative focussed not only on technical learning but also on building confidence and independence among participants. The curriculum provided hands-on instruction in garment

construction and handcrafted textile products, enabling students to create items such as cushion covers, tablecloths, shirts, and pants.

Beyond basic stitching techniques, participants gained knowledge in fabric selection, pattern cutting, finishing standards, and product presentation. This comprehensive approach ensured that the products met market expectations in terms of quality and usability.



JYOTI UTSAV - NGO MELA 3.0

Jyoti Utsav was celebrated as a meaningful blend of festivity and social impact and offered a platform to showcase work and promote meaningful collaborations with like-minded partners.



SAATHI - EMPLOYEE VOLUNTEERING

Zydus promotes employee participation in volunteering initiatives as an integral element of its CSR strategy. Employee contributions to volunteering are systematically recognised and celebrated across multiple platforms, complemented by formal recognition and reward mechanisms. Launched

with an initial cohort of 200 volunteers, the programme has witnessed remarkable growth and engages over 12,500 employees in community development initiatives.

The pillar encompasses a diverse range of activities, including health awareness

initiatives, environmental and green programmes, happiness and well-being sessions for vulnerable communities, cleanliness and sanitation drives, sustainability-focussed campaigns, and other community service efforts.

SAVE THE BIRD CAMPAIGN 3.0



Supported the Save the Bird Campaign by distributing clay pots and grains to help birds stay hydrated and showcase Zydus' Commitment to avian conservation.

STATIONARY DRIVE 2.0



Supported more than 300 rural students with stationary kits, enabling better student participation in education.

KHUSHI BAZAAR 2.0



Supported slum communities by donating 800 clothes and waste clothes recycled into blankets and toys.

ECO-FRIENDLY GANESHA MAKING



Celebrated sustainability and inclusion by creating an Eco-Friendly Ganesha with natural clay and sculpting eco-friendly idols, by specially-abled students jointly with employees, encouraging environmentally conscious practices during the festive season.

SMALL ACT, BIG IMPACT CAMPAIGN



Encouraged environmental responsibility across the organisation, with over 8,000 Zydans pledging their commitment to sustainability. The initiative promoted eco-friendly commuting, use of reusable alternatives, the 10-Litre Water Challenge, green knowledge sharing, waste segregation, plantation drives, and community clean-up activities.

CAREER COUNSELLING SESSION BY WOMEN EMPLOYEES



As part of the CSR-led #GiveToGain Women's Day initiative, career counselling sessions were held at rural schools, providing them with direct exposure to real world career pathways and role models.

DIWALI CELEBRATION WITH SPECIALLY-ABLED



Celebrated the festival of Diwali with students from a deaf and mute school, creating a joyful and inclusive atmosphere.

● OUR BOARD OF DIRECTORS

Guiding our vision



Pankaj R. Patel
Non-Executive
Chairman

Pankaj Patel is a distinguished business leader and globally recognised healthcare industry veteran with over three decades of leadership experience. He has played a pivotal role in building Zydus Lifesciences Limited into a discovery-driven global lifesciences company with operations across more than 90 countries. He brings deep expertise across pharmaceuticals, research, manufacturing, business strategy and corporate leadership.

Beyond corporate leadership, he has made significant contributions to public policy, healthcare and institution building. He has served on the Central Board of the Reserve Bank of India and has held leadership positions across several prominent national institutions, educational bodies and charitable organisations.

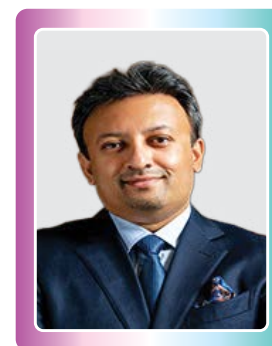
KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Pharmaceuticals, Research & Innovation, Manufacturing, Business Strategy, Corporate Leadership

- **Industry Experience:** Over 30 years of board and leadership experience in the lifesciences sector
- **Research & Innovation:** Published more than 100 peer-reviewed research papers and co-inventor on more than 64 patents
- **Global Leadership:** Led a global lifesciences business with operations in over 90 countries
- **Honours & Recognition:** Conferred the Padma Bhushan and recipient of several distinguished industry awards
- **Education:** M. Pharm

BOARD COMMITTEES:

- **Chairman:** Corporate Social Responsibility and Environment, Social and Governance Committee, Risk Management Committee, Share Transfer Committee, Finance and Administration Committee
- **Member:** Stakeholders' / Investors' Relationship Committee



Sharvil P. Patel
Managing Director

Dr. Sharvil Patel is a distinguished business leader and healthcare industry executive with nearly three decades of leadership experience. He serves as the Managing Director of Zydus Lifesciences Limited and has played an important role in advancing the company's innovation-led growth, global expansion and research-driven strategy. He brings deep expertise across pharmaceuticals, research, manufacturing, business strategy and management.

With academic training in chemical and pharmaceutical sciences and a doctorate focussed on breast cancer research, Dr. Patel combines scientific depth with business leadership. He has also contributed to the broader healthcare ecosystem through leadership roles across industry bodies and institutions, including as President of the Indian Pharmaceutical Alliance and Honorary Consul of Belgium.

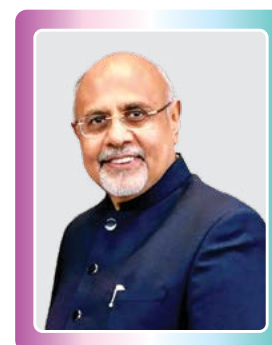
KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Pharmaceuticals, Research & Innovation, Manufacturing, Business Strategy, Corporate Leadership

- **Industry Experience:** Nearly 30 years of leadership experience in the lifesciences sector
- **Research & Innovation:** Strong focus on research-led innovation, specialty therapies and global expansion
- **Industry Leadership:** President, Indian Pharmaceutical Alliance; Honorary Consul of Belgium
- **Honours & Recognition:** Recipient of several distinguished industry recognitions, including Businessperson of the Year 2025 by BioSpectrum Excellence Awards
- **Education:** Bachelor's degree in Chemical and Pharmaceutical Sciences; Doctorate in Philosophy (Breast Cancer Research)

BOARD COMMITTEES:

- **Member:** Stakeholders' / Investors' Relationship Committee, Corporate Social Responsibility and Environment, Social and Governance Committee, Risk Management Committee, Share Transfer Committee, Finance and Administration Committee



Mukesh M. Patel
Non-Executive Director

Mukesh Patel is a distinguished legal professional and internationally recognised tax expert with nearly five decades of experience. An eminent advocate, he has made significant contributions to taxation, public policy, and taxpayer and investor education, through his extensive work across legal practice, academia and media.

Renowned for his thought leadership, he has authored thousands of columns, delivered numerous television programmes, and published multiple books on taxation and investment planning. His expertise has also been recognised by the Government of India through his involvement in key committees on tax reforms and policy simplification. He is the Honorary Consul of Japan in Ahmedabad for Gujarat.

KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Taxation, Legal Advisory, Public Policy
- **Industry Experience:** 50 years in legal and tax advisory
- **Honours & Recognition:** Recipient of prestigious national and international awards, including the Order of the Rising Sun from the Emperor of Japan and the President of India's Red Cross Gold Medal
- **Education:** Commerce and Law Graduate

BOARD COMMITTEES:

- **Chairman:** Stakeholders' / Investors' Relationship Committee
- **Member:** Risk Management Committee, Share Transfer Committee



Ganesh N. Nayak
Director

Ganesh Nayak is a seasoned industry leader with over four decades of experience in the pharmaceutical sector. As Director of the Zydus Group, he has played a pivotal role in driving the Company's growth, expansion, and global positioning, including leading key joint ventures and strategic alliances.

Having been associated with the Group since 1977, he brings deep institutional knowledge and strong leadership across business strategy, sales and marketing, and mergers and acquisitions. His strategic vision and execution capabilities have significantly contributed to the Company's sustained growth and market leadership

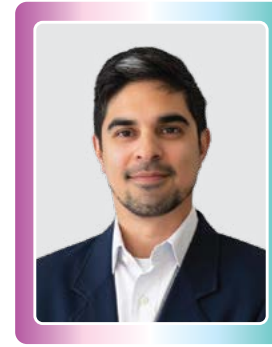
KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Pharmaceuticals, Sales & Marketing, Business Strategy, M&A

- **Industry Experience:** Over 48 years in the pharmaceutical industry
- **Leadership:** Director, Zydus Group; leads JVs and global alliances
- **Strategic Contribution:** Instrumental in expansion initiatives and key transactions
- **Education:** B.Sc., MBA (Newport University); General Management Programme (Harvard Business School)

BOARD COMMITTEES:

- **Member:** Finance and Administration Committee



Akhil Monappa
Independent Director

Akhil Monappa brings a strong blend of global investment insight and technology-led operating experience to the Board. With a career spanning leading sustainability-focussed investment firms and early-stage technology ventures, he offers deep expertise in strategy, governance, and capital allocation.

Currently serving as Co-Portfolio Manager at Resolution Investors LLP, he has previously held investment roles at Generation Investment Management and Atlas Venture, where he worked closely with global technology companies and their boards. His early career experience in the U.S. technology sector further strengthens his operational perspective.

KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Finance, Technology, Investment Strategy
- **Industry Experience:** Global technology investing, sustainability-focussed funds, early-stage ventures
- **Board & Governance:** Active involvement in audit, risk management, and nomination committees
- **Global Exposure:** Extensive experience across the U.S. and U.K. markets
- **Education:** MBA & MPA-ID (Harvard University); BSc in Electrical Engineering (Georgia Tech)

BOARD COMMITTEES:

- **Chairman:** Audit Committee
- **Member:** Risk Management Committee, Nomination & Remuneration Committee



Bhadresh K. Shah
Independent Director

Bhadresh Shah is an accomplished industrialist and entrepreneur with deep expertise in manufacturing, business strategy, and global operations. As the Founder of AIA Engineering Limited, he has been instrumental in building a globally recognised brand known for its strong focus on quality, innovation, and operational excellence.

With a solid technical foundation and decades of leadership experience, he brings valuable insights into production, process optimisation, new product development, and adherence to international manufacturing standards. His strategic approach to business and governance strengthens the Board's oversight across operational and growth dimensions.

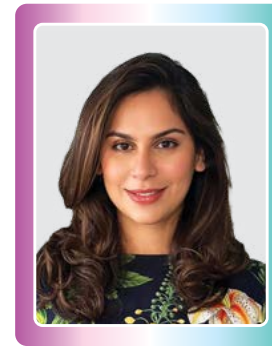
KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Manufacturing, Business Strategy, Operations, Management

- **Industry Experience:** Global manufacturing, product development, quality systems
- **Business Leadership:** Founder & Managing Director, AIA Engineering Limited
- **Board & Governance:** Active leadership across audit, nomination, and risk committees
- **Education:** B.Tech (Metallurgy), IIT Kanpur

BOARD COMMITTEES:

- **Chairman:** Nomination & Remuneration Committee
- **Member:** Audit Committee, Stakeholders' / Investors' Relationship Committee, Risk Management Committee



Upasana Kamineni Konidela
Independent Woman Director

Upasana Kamineni Konidela is a dynamic business leader and philanthropist with a strong focus on healthcare, wellness, and sustainable social impact. As a third-generation entrepreneur from the Apollo Hospitals family, she brings a unique blend of business acumen and purpose-driven leadership to the Board.

She plays a key role in advancing integrated healthcare, preventive wellness, and community development through her leadership across multiple healthcare and wellness platforms. Her work reflects a deep commitment to leveraging technology, innovation, and social responsibility to create long-term value and impact.

KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Healthcare, CSR & ESG, HR, Digital & Wellness Platforms
- **Industry Experience:** Healthcare management, preventive wellness, community development

- **Leadership:** Managing Director – Lifetime Wellness Rx International Ltd. & Family Health Plan Insurance TPA Ltd.
- **Social Impact:** Active leadership in philanthropy through Apollo Foundation; focus on rural, tribal, and urban healthcare
- **Recognition:** Recipient of Femina Healthcare Award (2017); Forbes "Tycoons of Tomorrow" (2018); Dadasaheb Phalke Excellence Award (2019); GQ Heroes (2021)
- **Education:** Degree in International Business (Regents University, London); Executive Education (Harvard Business School)

BOARD COMMITTEES:

- **Member:** Corporate Social Responsibility and ESG Committee, Nomination & Remuneration Committee



Shelina Parikh
Independent Woman
Director

Shelina Parikh is a distinguished business leader with extensive experience in business management, strategic transformation and corporate governance. She serves as Joint Managing Director of the TechNova Group, where she has played a key role in strengthening strategic operations, driving innovation-led growth and advancing the group's market leadership across global imaging and specialty chemicals businesses.

She brings deep expertise in business transformation, leadership development and CSR. In addition to her corporate leadership, she is actively engaged with global business and academic institutions, including Young Presidents Organisation, Entrepreneurs Organisation and Harvard Business School's global alumni network.

KEY HIGHLIGHTS & EXPERTISE:

- **Core Expertise:** Business Strategy, Management, Corporate Governance, Philanthropic work with TechNova Foundation

- **Industry Experience:** Extensive leadership experience across industrial products, imaging solutions and specialty chemicals
- **Business Leadership:** Joint Managing Director, TechNova Group, on the Board of Tube Investments of India Limited
- **Strategic Focus:** Business transformation, innovation, digitisation and leadership development
- **Global Engagement:** Member of Young Presidents Organisation and founding member of Entrepreneurs Organisation in India
- **Education:** B.A. from Brown University; MBA from Harvard Business School

BOARD COMMITTEES:

- **Member:** Audit Committee, Corporate Social Responsibility and Environment, Social and Governance Committee



Kulin S. Lalbhai
Independent Director

Mr. Kulin S. Lalbhai holds a Bachelor's degree in Electrical Engineering from Stanford University and an MBA from Harvard Business School. He is the Vice Chairman of Arvind Limited and Chairman of Arvind SmartSpaces Limited, with extensive experience in corporate strategy, consumer businesses, retail, digital transformation, and real estate. Prior to joining the Arvind Group, he worked with McKinsey & Company..

KEY EXPERTISE:

- Corporate strategy and business transformation
- Consumer, retail and digital businesses
- Real estate and textile industry
- Corporate governance

INDUSTRY LEADERSHIP:

- **Chairman:** CII National Committee on Textiles & Apparel
- **Chairman:** CII Gujarat State Council (2024-25)
- **Vice Chairman:** Retailers Association of India

BOARD COMMITTEES:

- **Member:** Audit Committee, Nomination & Remuneration Committee, Risk Management Committee

● AWARDS & RECOGNITIONS

Milestones of Excellence



CII National Award for Environment Best Practices 2025 - Life Cycle Assessment



Vatavruksha Award in the Large Cap Companies category at the Green Awards, instituted by the Sustainability Standards Board of the Institute of Cost Accountants of India (ICMAI), under the Ministry of Corporate Affairs



India CSR Award for Excellence in Water Conservation Initiative under Large Corporate Category on Nov 21, 2025



CSR award for the commendable work done under Healthcare Sector on August 6, 2025



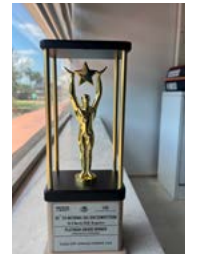
Excellence in Use of Technology at 6th Edition of the Economic Times RE-Pharma Awards 2026



Platinum Award in Breakthrough Kaizen Category at 55th CII National Kaizen Competition



Platinum Award in Restorative Kaizen Category at 55th CII National Kaizen Competition



Platinum Award in Innovative Kaizen Category at 55th CII National Kaizen Competition



Platinum Award in Renovative Kaizen Category at 55th CII National Kaizen Competition



Gold Award in Innovative Kaizen Category at 55th CII National Kaizen Competition



Goa Plant won Gold Award in Restorative Kaizen Category at 55th CII National Kaizen Competition



Recognised as among India's top 100 companies in the first-ever DEI rankings audited by EY



Best Learning & Development Programme Award at the NDTV Futurz HR Excellence Awards 2026 which honours the WINGS programme.



Recognised for highest corporate NPS subscriber registrations in Gujarat by Pension Fund Regulatory and Development Authority and Protean eGov Technologies Limited.



Four awards at afaqs! Digies 2026 for driving impactful public health awareness across diverse media platforms.



Flu Vaccine campaign won Gold for the Best Use of Radio at the Indian Marketing Awards, e4m health & wellness marketing awards for Best Seasonal or Topical Wellness campaign for Easiest Exam, Gold Award at the India Digital Awards (IDA) 2026 in the Best Podcast category.

Statutory Reports

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Most Consumer Friendly Brand Awards 2026, in the categories of Excellence in Brand Storytelling and Excellence in Social Media Engagement.



Four prestigious honours at the Impact Digital Influencer Awards 2026.



Financial Express Pharma Summit & Awards 2026, with Atorva, Lipaglyn, Nucoxia, and the #LiverKiSuno campaign being recognised across categories.



Won Brand Wagon Ace Awards in Excellence in Thought Leadership for Lipaglyn.



Brand Manthan-Brand Excellence Awards in the clinical impact award category for Atorva-Heartwise @ 18, in the Best Chronic Brand category for Lipaglyn and Strategic Innovation Award category for Imelgyn.



Won MOBEXXX Mobile Advertising Summit & Awards for #LiverKiSuno in the category Excellence in Influencer Campaign.



Won India & Asia Book of Records in the category of National Award for Mobility Awareness initiative.



Asia Book of Records for Highest number of diabetes liver clinic camps in a month & Unique IVF support initiative.

Management Discussion & Analysis



ECONOMY OVERVIEW

Global Economy

The global economy remained resilient in 2025 despite trade tensions, tariff-related disruptions and policy uncertainty. This performance has exceeded earlier expectations and reflects, in part, the presence of temporary supportive factors during the past year. Notably, the stockpiling of traded goods by businesses provided a short-term boost to activity, while relatively accommodative financial conditions supported by expectations of further monetary easing also helped sustain economic momentum.

Global GDP growth remained largely stable at 2.7% in 2025, as compared to 2.8% in 2024, reflecting mixed performance across regions. Among advanced economies, the United States recorded growth of 2.1%, while GDP in the Euro area grew by 1.4% and in Japan by 1.3%, benefiting from stronger domestic demand, improved exports and economic recovery. Growth in advanced economies in 2025 remained resilient

despite trade tensions and policy uncertainty, supported by lower-than-expected tariff disruption, trade diversion and mitigation strategies, as well as strong US investment in AI-related equipment and infrastructure. Emerging markets and developing economies continued to grow faster than advanced economies, at 4.2% in 2025, compared with 4.3% in 2024. Looking ahead, global growth is expected to moderate slightly to 2.6% in 2026, then grow at 2.7% in 2027. Global growth is expected to ease to 2.6% in 2026 due to delayed effects of higher trade barriers, weak global trade and policy uncertainty weighing on manufacturing and consumption, partly offset by easier financial conditions and fiscal support. It is then projected to recover slightly to 2.7% in 2027 as trade normalises, uncertainty fades and domestic demand strengthens, though the outlook remains subdued with downside risks from trade tensions and financial volatility.

Source: World Bank, January 2026 Report

Indian Economy

India remained one of the fastest-growing major economies globally during FY2025-26. The country's real GDP is estimated to have grown at 7.6%, up from 7.1% in FY2024-25, driven by strong performance across the services and industrial sectors and resilient domestic consumption. India's external sector also remained resilient, with total merchandise and services exports increasing by 4.2% to USD 860.1 billion during FY2025-26. While global trade uncertainties and higher tariffs in some key markets affected export growth and manufacturing activity, government measures to simplify tax and compliance processes helped support economic activity. The Reserve Bank of India supported economic growth by easing monetary policy by reducing the repo rate during the year. Alongside this, sustained

domestic demand, higher investment activity and ongoing structural reforms are expected to keep the overall growth outlook resilient. At the same time, external factors such as geopolitical developments and volatility in crude oil prices could lead to near-term inflationary pressures. However, the impact is expected to remain manageable, supported by stable domestic conditions and policy measures. In addition, progress on trade negotiations with key partners, including the United States, along with rising employment opportunities and continued investments in emerging sectors, is expected to further support India's long-term economic growth.

Source: Press Information Bureau (PIB) Article, RBI Report

INDUSTRY OVERVIEW

Global Pharmaceutical Industry

The global pharmaceutical industry reached approximately USD 1.67 trillion in 2025, reflecting a growth of around 10% from USD 1.52 trillion in 2024. Growth remained steady compared with the 9% increase recorded in 2024. Growth during the year was driven primarily by established medicines but also complemented by a continued flow of innovation.

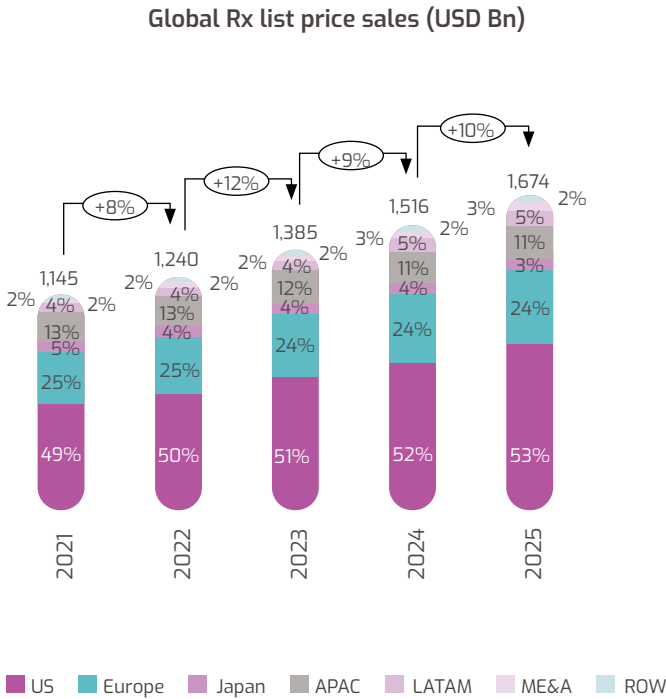
Therapy-wise, Oncology continued to dominate the market with sales of USD 288 billion in 2025 and registered the highest increase of USD 34.3 billion during the year. Immunology and Diabetes, with sales of USD 225 billion and USD 207 billion, respectively, contributed USD 24.3 billion and USD 21.5 billion in incremental revenue, respectively. Obesity emerged as one of the fastest-growing segments, adding USD 30.8 billion in sales, highlighting the growing demand for weight-management therapies. Together, these leading therapy areas accounted for a significant share of global pharmaceutical spending, indicating an increasing concentration of market growth in specialised and chronic disease treatments.

The United States remained the largest pharmaceutical market, accounting for 53% of global sales in 2025, up from 52% in 2024. Europe maintained a stable share of

24%, while Japan's contribution declined slightly to 3% from 4%. Emerging regions, including Latin America, Asia Pacific (APAC) and the Middle East & Africa, continued to contribute to market expansion, although their overall shares remained relatively stable.



Global Pharmaceutical Market by Region and Therapies



Notes: *Obesity therapy area calculated using Forecase Link data; sales and growth shown at Constant Exchange Rates (CER) and using price sales; COVID-19 vaccines & treatments excluded

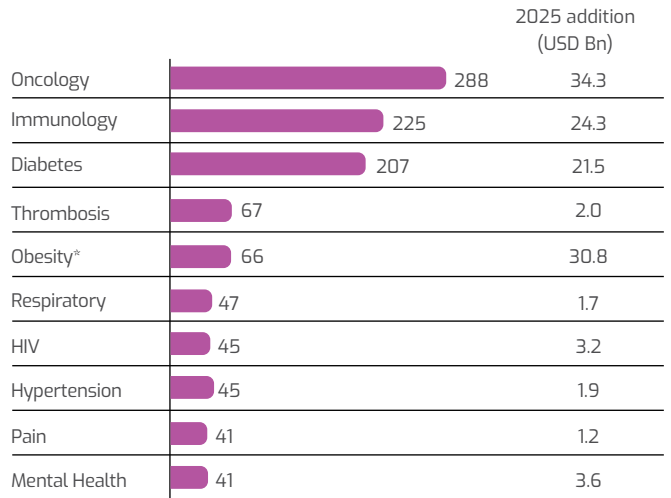
Source: IQVIA March 2026 Report

Looking ahead, developed economies are expected to remain the main drivers of global market growth, supported by the continued adoption of new therapies and higher use of existing branded medicines, though this may be partly offset by ongoing patent expiries. However, generic medicines and biosimilars are likely to remain largely unaffected, helping ensure continued access to affordable treatments.

Source: IQVIA March 2026 Report



Therapy-wise list price sales in 2025 (USD Bn)



Global Specialty Pharmaceuticals Industry

The specialty pharmaceuticals market includes advanced treatments such as biologics, orphan drugs, gene therapies and precision medicines for complex conditions like cancer, autoimmune diseases, central nervous system etc. Growth is driven by the rising burden of chronic illnesses, increasing use of targeted therapies and continued innovation in advanced treatments. The market was valued at around USD 311.7 billion in 2024 and is expected to reach USD 519.8 billion by 2035, growing at a CAGR of 4.8%.

Global Specialty Pharmaceuticals Market Size (USD billion)



North America's specialty pharmaceuticals market is expected to maintain its leading position, growing from USD 140.3 bn to USD 284.0 billion by 2035. Europe is projected to expand from USD 70.0 billion to USD 115.0 billion over the same period, while the Asia-Pacific region is anticipated to increase from USD 40.7 billion to USD 76.0 billion, supported by rising healthcare investments and improved access to advanced therapies. Meanwhile, South America and the Middle East & Africa are also poised for steady growth, with market sizes expected to reach USD 26.0 billion and USD 19.0 billion, respectively, by 2035.

Source: Market Research Future Industry Report

Global Biopharmaceuticals Market

The global biopharmaceutical market was valued at approximately USD 537.5 billion in 2025 and is projected to reach nearly USD 1.98 trillion by 2035, growing at a CAGR of 13.95%. Demand for biologics, biosimilars, vaccines and targeted therapies remains strong. This is being driven by the increasing prevalence of chronic diseases and rising healthcare expenditure across markets. At the same time, advancements in biotechnology, precision medicine and AI-driven drug development are further supporting industry growth and enabling more effective and targeted treatment options.

Source: Market Research Future Industry Report, Precedence Research Article



Global Bio-CDMO Market

The global biologics CDMO market is experiencing strong growth, driven by rising demand for biologics, biosimilars, vaccines and other advanced therapies. The bio-CDMO market was valued at USD 23.1 billion in 2025 and is projected to reach USD 55.1 billion by 2035, growing at a CAGR of 9.1% during 2025-2035. Growth is being driven by rising outsourcing by biopharmaceutical companies, expanding biologics pipelines, increasing prevalence of chronic diseases and growing adoption of advanced manufacturing technologies. While North America remains the largest market, Asia-Pacific is emerging as the fastest-growing region due to its expanding biopharmaceutical manufacturing capabilities and cost advantages.

Source: Precedence Research Article



Global Generics Market

The global generic drugs market was valued at approximately USD 468.08 billion in 2025 and is projected to reach around USD 762.48 billion by 2035, with a CAGR of about 5% during the forecast period. North America holds the largest share of the market due to strong regulatory support and high generic medicine penetration, while Asia-Pacific is expected to witness rapid growth driven by expanding pharmaceutical manufacturing and rising healthcare demand. Additionally, oral generics continue to hold a dominant position in the market, while injectables are expected to witness the fastest growth. Retail and hospital pharmacy channels remain key contributors to product distribution. These will be further supported by continuous product development and wider therapeutic applications, driving sustained market growth over the coming years.

Source: PREDENCE Research Article

Indian Pharmaceutical Industry

The Indian pharmaceutical industry has become a vital part of the global healthcare ecosystem by providing affordable medicines and vaccines to millions of people worldwide. Over the years, the country has earned a reputation as the "Pharmacy of the World" due to its strong manufacturing base, cost-efficient production, skilled workforce, sustained thrust on quality and growing focus on innovation.

India is the third-largest producer of pharmaceuticals by volume and supplies around 20% of the world's generic medicines. In 2025, the Indian pharmaceutical market, including exports, was valued at USD 68.38 billion. Supported by rising healthcare awareness, increasing access to medical services and growing demand for treatments, the Indian pharmaceuticals industry is expected to reach around USD 174.67 billion by 2034. The industry is backed by more than 3,000 pharmaceutical companies and over 10,500 manufacturing facilities, including the largest number of USFDA-approved plants outside the United States.

Indian Pharmaceuticals Market Size (in USD Billion)



Source: IMARC Group report

The Indian pharmaceutical market recorded broad-based growth across key therapy areas in FY 2025-26, with total revenues rising to ₹ 2,565 billion from ₹ 2,334 billion in the previous year, reflecting a growth of 9.9%. Cardiac remained the largest therapy segment at ₹ 343.62 billion, followed by anti-infectives at ₹ 264.83 billion, gastrointestinal at ₹ 266.94 billion and anti-diabetics at ₹ 232.51 billion. All these segments recorded steady growth, supported by the rising prevalence of chronic diseases.

Therapeutic Area	FY2025-26 (₹ Bn)	FY2024-25	Therapy Contribution	YoY Growth
Cardiac	344	301	13.4%	14.3%
Gastro-Intestinal	267	251	10.4%	6.5%
Anti-Infectives	265	253	10.3%	4.8%
Anti-Diabetic	233	207	9.1%	12.2%
Respiratory	206	184	8.0%	11.8%
Vitamins/Minerals/Nutrients	201	183	7.8%	9.9%
Pain/Analgesics	200	186	7.8%	7.9%
Derma	174	163	6.8%	6.8%
Neuro/CNS	156	141	6.1%	10.6%
Gynaecology	123	113	4.8%	8.8%
Others	396	353	15.4%	12.4%
Total	2,565	2,334	100.0%	9.9%

India's pharmaceutical exports continue to grow steadily, increasing from USD 30.47 billion in FY25 to USD 31.12 billion in FY26. The contribution of drugs and pharmaceuticals to the country's merchandise exports has also strengthened significantly over the past decade, reflecting the sector's increasing importance to India's economy and global trade.

Government support continues to play an important role in the industry's development. Higher healthcare spending and initiatives such as Ayushman Bharat and the National Health Mission are helping improve healthcare access, infrastructure, research and overall healthcare delivery across the country.

A large number of pharmaceutical products are expected to face patent expirations in the coming years, opening up opportunities for generic medicines. The availability of lower-cost generics is likely to make treatments more affordable and easier to access, while also increasing market competition. For example, in March 2026, the patent for semaglutide, a GLP-1 receptor agonist, expired in India, leading several companies to launch generic versions. These affordable alternatives are expected to improve access to treatment for patients with Type-2 diabetes and obesity. Overall, around 15 blockbuster drugs, valued at about USD 112 billion globally, are expected to go off-patent between 2023 and 2029, creating strong opportunities for generic pharmaceutical companies.

In addition, the Jan Aushadhi scheme is helping improve access to affordable medicines by increasing the availability of low-cost generic drugs, especially in rural and semi-urban areas.

Source: IMARC Group Report, PIB Article, IBEF February 2026 Report, PharmaBiz Article

The industry is also embracing digital transformation through the use of artificial intelligence, data analytics, e-pharmacies and telemedicine. These technologies are helping improve drug development, supply chain efficiency and healthcare access, particularly in underserved regions. With increasing investments in complex generics, biosimilars and specialty therapies, India is further strengthening its position as a global pharmaceutical hub. By combining innovation, affordability and scale, the industry is well-placed to support future healthcare needs in India and around the world.

Medical Technology (MedTech) Market

The MedTech industry includes products such as diagnostic equipment, surgical instruments, implantable devices, patient monitoring systems and digital health technologies and plays a key role in improving healthcare outcomes and efficiency. The global MedTech market is projected to grow at a 7% CAGR until 2031, driven by rising volumes of surgical and interventional procedures, an ageing population, increasing prevalence of chronic and degenerative diseases and the expansion of minimally invasive and image-guided procedure.



In India, the MedTech industry is a rapidly emerging sector undergoing a structural transformation, driven by increasing policy support, cost competitiveness and innovation-led growth. Historically accounting for a limited share of global manufacturing and heavily dependent on imports, the sector is now witnessing a gradual shift towards domestic production and greater self-reliance. The Indian MedTech market, valued at approximately USD 16 billion in 2025, reflects this evolving landscape and is beginning to scale meaningfully. While manufacturing has largely been concentrated in low-technology products, there is growing recognition of the need to expand into high-value segments. With continued focus on strengthening the domestic ecosystem, fostering innovation and enhancing capabilities in advanced technologies, the industry is projected to nearly double to around USD 30 billion by FY30, driven by an accelerating shift towards domestic manufacturing, reduced import dependency and a strengthening position in the global MedTech landscape.

Source: MedTech Insights Article, IQVIA February 2026 Report

Indian Over-The-Counter (OTC) Consumer Health Products Market

The Indian Fast-Moving Consumer Goods (FMCG) sector remained resilient in FY2025-26 despite fluctuating demand, shifting consumer preferences and pressure from commodity price movements. The sector continued to benefit from strong long-term drivers such as rising incomes, favourable demographics, increasing urbanisation, wider digital adoption and better access to organised retail. Rural markets remained relatively stronger for most of the year, while urban demand gradually improved in the second half as inflation eased and consumer sentiment strengthened. Tier II and Tier III cities also played an important role in driving growth, supported by better distribution reach and rising aspirations.

Commodity prices showed mixed trends during the year. Higher input costs in categories such as edible oils and cocoa led to inflationary pressure in the first half, which supported price-led growth across several FMCG segments.

In the second half, commodity prices softened, which helped improve affordability and supported a gradual recovery in demand. Even so, consumers remained cautious in their spending and preferred affordable packs and value-oriented products, while premium products continued to grow in urban markets. Weather-related disruptions also affected seasonal categories, although core product portfolios remained stable.

Channel trends continued to evolve during the year, with strong growth in quick commerce, e-commerce and modern trade as consumers increasingly shifted towards convenient, digital shopping options. The implementation of GST 2.0 caused temporary disruptions due to inventory adjustments in trade channels, but the impact normalised over time as supply chains stabilised. Overall, the sector remains well-placed for long-term growth, supported by strong structural drivers, even as short-term risks from commodity volatility, weather conditions and global uncertainties persist.

Source: Industry Reports

COMPANY OVERVIEW

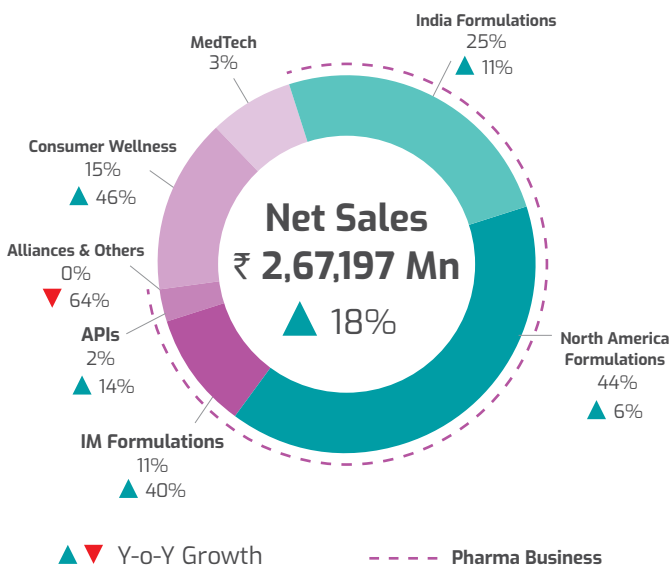
Zydus Lifesciences Limited (hereafter referred to as 'Zydus' or 'the Company') is an innovative global life sciences Company with an overarching purpose to empower people with the freedom to live healthier, more fulfilling lives. With a legacy spanning over seven decades, the Group is engaged in the discovery, development, manufacturing and commercialisation of healthcare therapies across the entire value chain. Its approach is anchored in addressing the evolving needs of patients across the continuum of care, from prevention and diagnosis to treatment and wellness. It leverages science-led innovation, strong R&D capabilities and a deep understanding of patient journeys.

The Company has built a diversified portfolio spanning human formulations (including generics and branded generics), specialty products, biologics and biosimilars, vaccines, novel chemical entities (NCEs) and therapies for orphan and rare diseases. In addition, it has a strong presence in active pharmaceutical ingredients (APIs), medical devices, animal health and consumer wellness products, enabling a comprehensive play across healthcare segments. This breadth of offerings is supported by a robust innovation ecosystem, with over 1,500 researchers working across 10 R&D centres, focussing on next-generation therapies and differentiated technologies.

The Company operates across three business segments: pharmaceuticals, consumer wellness and med-tech. It operates as a fully integrated global healthcare provider with a strong presence in key markets worldwide. The Group

has established an extensive manufacturing network with 44 facilities worldwide, including sites across India and in international locations such as the US, the UK, France, Brazil and Myanmar. Backed by its vertically integrated operations, diversified business model and increasing focus on specialty and innovation-led growth, the Company continues to strengthen its position as a global, patient-centric life-sciences leader.

Business segment-wise revenue break-up for FY2025-26 is given below:



PHARMA BUSINESS

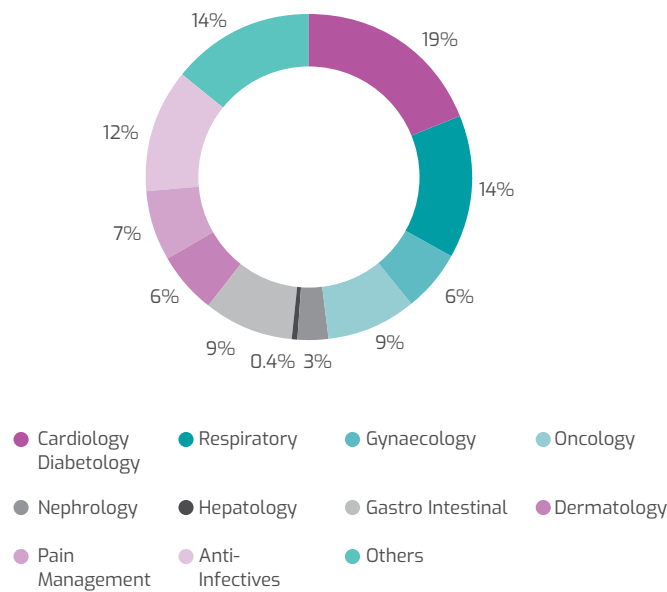
The Company's Pharma Business comprises India Formulations business, North America Formulations, International Markets Formulations, API and Alliances & other segments.

India Formulations

The Company's formulations business in India continues to serve as a pillar of its overall growth strategy, underpinning sustained performance and reinforcing its leadership across key therapeutic areas. Over the years, the Company has established a strong position across the focussed therapies through levers such as a robust product portfolio, science-led brand-building initiatives, geographic expansion and a robust innovation pipeline to fulfil different unmet healthcare needs of patients. The business was the second-largest contributor to overall revenues during the year, accounting for 25% of total business.

During FY2025-26, the business sustained the strong growth momentum and continued to outpace the Indian Pharmaceutical Market (IPM). This performance was primarily driven by the chronic portfolio, which outpaced IPM growth. Its share of the overall business rose to 46.3% (Source: IQVIA MAT March 2026), up 7.4 percentage points over the last four years. The Company outperformed the market in Cardiology, Respiratory and Oncology segments.

Therapy-wise Revenue Break-Up in FY2025-26 (in %)



(Source: IQVIA MAT Report, March 2026)

Brand Building initiatives

Building bigger brands with strong brand equity to ensure sustainable market leadership has remained a key strategic priority for the Company. This focus on building scale along with quality has resulted in a visible strengthening of the brand pyramid over the years. The table given below showcases the success of the Company's brand-building initiatives over the years, driven by sustained investments, sharper positioning and disciplined lifecycle management.



Brand Value	MAT March 2026	MAT March 2022
₹ 250-500 mn	35	29
₹ 500 - 1000 mn	24	17
₹ > 1000 mn	10	7

The Company has identified a set of "growth booster brands" that exhibit high market attractiveness and strong fundamentals. These brands are expected to deliver market-beating growth and, in turn, accelerate value creation. Targeted execution, differentiated promotional strategies and enhanced customer engagement are expected to further strengthen these brands' market share within their respective therapy areas.

A sharper reorientation towards science led marketing remains a central theme for the business. The Company significantly strengthened its engagement with key opinion leaders and medical communities through Continuing Medical Education (CME) programs, clinical studies, publications and real-world evidence initiatives and partnerships with national

and regional medical associations. This approach has helped enhance scientific credibility, strengthen brand trust and reinforce the Company's positioning as a partner in advancing standards of care.

Ongoing brand-building initiatives are expected to further improve both the scale and resilience of the portfolio in the coming years.

Leadership In Super Specialty Therapies

The Company holds a leadership position in Oncology and is among the top three players in Nephrology. Its Oncology portfolio includes therapies for breast, haematology, ovarian and colorectal cancers; supportive care; and immuno-oncology therapies. During the year, the Company further strengthened its HER2+ breast cancer franchise through three biosimilars viz. Vivitra™ (Trastuzumab), Ujvira™ (Trastuzumab emtansine) and Sigrima™ (Pertuzumab). The Company launched Tishtha™, the world's first nivolumab biosimilar during the year, marking its entry into the rapidly expanding immuno-oncology segment. The Company's supportive care portfolio also demonstrated strong momentum with legacy brands like Pegstim® and new launches like Nykron™ for the management of chemotherapy-induced nausea and vomiting, delivering robust revenue during the year.

In the Nephrology segment, the Company has strengthened its leadership position in the ESA (Erythropoietin-Stimulating Agent, medicines that help the body produce red blood cells) and HIF-PHI (Hypoxia-Inducible Factor Prolyl Hydroxylase Inhibitor, a class of oral drugs used to treat anaemia by stimulating the body's natural erythropoietin production) segments. Growth during the year in the segment was supported by the strong adoption of oral therapies, establishing the New Chemical Entity Oxemia™ (desidustat), as a preferred therapy in this treatment area.

The transplant portfolio also gained market share during the year, reflecting strategic focus and accelerated uptake. Going forward, growth will be driven by the scale-up of Oxemia™ brand, the expansion of the rare disease portfolio, the augmentation of the transplant franchise and the building of integrated, patient-centric care models that combine pharmaceuticals, devices, diagnostics and digital platforms.

GLP-1 Updates

The Company launched three Semaglutide brands in the fast-growing GLP-1 market by introducing an innovative delivery pen device, which improved patient convenience and adherence. The products have received encouraging initial responses and are expected to support the chronic portfolio.

In line with its patient-centric philosophy of expanding access across the healthcare continuum, the Company has

also adopted a collaborative commercialisation strategy by out-licensing its GLP 1 assets to leading players Torrent Pharmaceuticals Limited and Lupin Limited. These strategic partnerships are aimed at significantly enhancing market reach by leveraging the partners' strong distribution networks and therapeutic presence to ensure wider and faster access to these therapies across geographies.

Embracing Digitalisation

The Company continued to strengthen its technology-driven field force capabilities, focussing on improving customer engagement and execution consistency. AI-enabled platforms are helping medical representatives gain deeper customer insights, plan more effective interactions and deliver more relevant scientific information by understanding prescriber behaviour, therapy opportunities and engagement history. Managers are also supported through structured feedback and coaching tools, enabling better team development and capability building.

The Company further expanded its digital engagement ecosystem to meet the evolving preferences of healthcare professionals through initiatives such as scientific podcasts, simulation-based learning workshops and AI-enabled therapy-focussed educational content. These initiatives complement traditional engagement channels and enable consistent,



scalable and meaningful scientific communication. Beyond medicines, the Company strengthened patient support initiatives by launching its cancer care application, Anaya, which has supported over 7,000 breast cancer patients through personalised guidance and care navigation. In Nephrology, the Company continued to build an integrated digital ecosystem focussed on patient awareness, physician engagement, data insights and remote care support.

Disease Management and Patient Support Programs

The Company continued to roll out innovative and differentiated disease management and patient support programmes aimed at improving diagnosis, treatment adherence and patient outcomes. In Oncology, the Company achieved a significant milestone by becoming the first Indian pharmaceutical player to establish a dedicated diagnostics division, underscoring its commitment to precision oncology and patient centricity. Collaborations with OncoStem Diagnostics Pvt. Ltd. for CanAssist Breast and with Guardant Health for Guardant360, precision oncology diagnostic tests, have positively impacted around 13,000 patients to date. The Company also introduced diagnostic support services, such as fibroscans, spirometry and nebulisation, across select therapies. The Company also implemented structured patient support programmes in priority disease areas, including liver care, COPD and obesity management, further strengthening its integrated approach to healthcare delivery.

Leveraging the Innovation Portfolio

The Company continued to broaden its innovation-led portfolio across NCEs, biosimilars, vaccines and complex generics to address unmet healthcare needs and drive sustainable growth.

The Company's first NCE, Saroglitazar Magnesium, marketed under two brands Lipaglyn® and Bilypsa®, is approved in India for Diabetic Dyslipidemia, Hypertriglyceridemia, Metabolic Dysfunction-Associated Fatty Liver Disease (MAFLD) and Metabolic Dysfunction-Associated Steatohepatitis (MASH). Lipaglyn®, the Company's largest brand, reported a 22% increase in patient base during FY2025-26 and became the Company's first brand to cross ₹ 3,000 million in sales (Source: IQVIA MAT March 2026). Bilypsa®, following its inclusion in guidelines for MAFLD and MASH issued by the Indian National Association for the Study of Liver (INASL) in 2023, has experienced a rapid surge in market share and further consolidated its position in the Gastroenterology and Hepatology therapeutic areas. The brand crossed ₹ 1,000 million in revenues (Source: IQVIA MAT March 2026) and registered a 21% increase in patient base, with cumulative patients treated exceeding 1.5 million. Combined secondary sales of the Saroglitazar franchise grew 40% to ₹ 4,417

million during FY2025-26, delivering a strong CAGR of 51% over the last four years (Source: IQVIA MAT March 2026). To expand market reach, the Company also entered into semi-exclusive co-marketing agreements with Lupin Limited and Torrent Pharmaceuticals Limited for Saroglitazar Magnesium in India during the financial year 2023-24. Lupin and Torrent Pharma market the drug under the brand names LINVAS® and VORXAR®, respectively. Secondary sales for both brands crossed ₹ 500 million during the year, showcasing the drug's potential. Combined secondary sales across all Saroglitazar brands (Zydus' brands and partners' brands put together) crossed ₹ 5,500 million during the year (Source: IQVIA MAT March 2026).

The Company's second NCE, Oxemia™ (Desidustat), indicated for Chronic Kidney Disease (CKD)-induced anaemia, continued to expand across dialysis and non-dialysis segments and has touched over 1 lakh patient lives since launch. As an oral alternative to Erythropoietin-Stimulating Agents (ESAs), Oxemia™ improves convenience, reduces cold-chain dependence and enables cost-effective treatment. The Company also partnered with Sun Pharmaceutical Industries Limited to expand patient access through co-marketing arrangements for the Indian market.

In biologics, the Company has built one of India's most diversified biosimilar portfolios, with 15 launches to date across various therapies. During the year, it launched Tishtha™, the world's first biosimilar of Nivolumab, reinforcing the company's growing capability in advanced biologics and Immuno-Oncology. The brand was launched at a substantially lower price than the innovator drug to improve affordability and reduce the overall treatment burden for patients. The Company also launched Anyra™, India's first indigenously developed biosimilar of Aflibercept. The brand will enhance access to patients with retinal diseases and improve long-term vision gain.

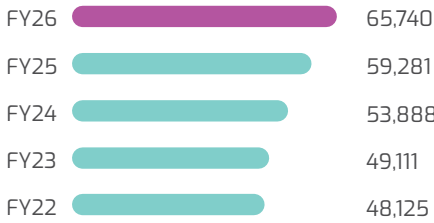
The Company's vaccines business achieved an important milestone during the year by commencing the supply of Measles and Rubella vaccine to the Government of India's Universal Immunisation Programme (UIP), playing a strategic role in advancing national public health priorities. Adult vaccination will be one of the focussed areas going forward. The Company has identified hospitals as a strategic growth vertical, with an emphasis on the vaccination of high-risk adult populations, thereby reinforcing its commitment to advancing protection against vaccine-preventable diseases.

During the year, the Company launched a flu protection initiative, "Flu Vaccine Liya Kya?", through digital, print, radio and in-clinic campaigns to promote influenza prevention.

Further, the Company continued its public health initiative VIRAM – “Full Stop in Rabies” in collaboration with healthcare organisations and the Integrated Health & Wellbeing (IHW) Council. The initiative aims to eliminate human deaths from dog-mediated rabies in India by 2030 through awareness, prevention and scientific capacity building.

Overall, the Company's India formulations business revenue grew by 11%, to ₹ 65,740 million in FY2025-26 from ₹ 59,281 million in FY2024-25.

India Formulations Business Revenues Over the Last 5 years (₹ mn)



North America Formulations Business

North America Formulations remained the Company's largest business during FY2025-26, contributing 44% of total sales. The business comprises a strong generics portfolio and a growing presence in specialty and rare diseases in the US and recently commenced operations in the Canadian generics market. In addition to the above, the Company embarked upon its journey in the biosimilars space and attained a critical milestone by licensing two large molecules during the year. Acquisition of Agenus Inc.'s two US-based biologics manufacturing facilities during the year marked the entry into the biologics Contract Development and Manufacturing Organisation (CDMO) space.

Generics Business

The Company has strengthened its position in the US generics market, moving from fifth to third by prescription volume over the last four years. This progress reflects the success of its strategic investments and continued focus on improving patient access across a wide range of therapies. During FY2025-26, the Company's total prescriptions (TRx) grew by 7% compared to the previous year. The Company markets 266 products, with a leadership position in approximately 22% of product families and ranking among the top three players in nearly 55% of product families. Its sustained performance in

the generics segment is supported by a diversified portfolio developed through in-house development and strategic partnerships, along with strong product quality, customer service and a resilient supply chain that enables consistent availability and long-term growth.

During the year, the Company launched 19 new generic products in the US market and received 26 new product approvals, including 6 tentative approvals, taking the cumulative approvals to 435. It also filed 30 Abbreviated New Drug Applications (ANDAs) with the United States Food and Drug Administration (USFDA), increasing the total number of ANDA filings to 508. During the year, the Company entered into a settlement agreement with an innovator Company related to its product Mirabegron ER tablets. As part of the agreement, the Company paid USD 120 million, along with per-unit royalties on Mirabegron sales until September 2027, bringing all related litigation to an end and allowing the Company to continue selling generic Mirabegron in the US.

The Company continues to strengthen its presence in complex generics, which remains a key growth area due to the specialised scientific and regulatory expertise required for development. The Company has invested in in-house R&D capabilities and complemented these efforts through partnerships and in-licensing opportunities to accelerate product development, optimise investments and manage risks. This integrated approach has helped expand its pipeline and enhance its competitive position in the complex generics segment.

The Company also commenced commercial operations in Canada during the year and launched three products. As of March 31, 2026, it had received five Abbreviated New Drug Submission (ANDS) approvals, including one tentative approval from Health Canada, while cumulative ANDS filings stood at 26.

Specialty Business

The Company has been expanding its presence in the specialty segment by building a differentiated portfolio through the 505(b)(2) regulatory pathway. Through this approach, the Company aims to develop patient-focussed solutions that improve treatment adherence and address unmet healthcare needs. Zydus continues to focus on identifying innovative solutions that create meaningful value for patients.

The portfolio has been strengthened through in-house development capabilities, partnerships and pipeline of LiqMeds, which specialises in oral liquid formulations for paediatric and geriatric patients.

The Company has launched 3 products from its in-house 505(b)(2) pipeline viz. Sitagliptin tablets, Sitagliptin and Metformin Immediate Release (IR) tablets and Sitagliptin and Metformin Extended Release (ER) tablets under the brands Zituvio™, Zituvimet™ and Zituvimet™ XR. Sitagliptin tablets ranked among the Company's top 10 marketed products during the year (Source: IQVIA SMART March 2026).

It also launched Beizray™, an Albumin Solubilised Docetaxel Injection and the Company's first oncology product under the 505(b)(2) pathway, introduced through a partnership-led arrangement. The formulation does not contain synthetic excipients such as Polysorbate-80 and Sulfobutyl Ether Cyclodextrin, thereby helping reduce associated adverse events.

The Company entered into an exclusive licensing and commercialisation agreement with RK Pharma Inc for a novel sterile injectable oncology supportive care product, with an expected New Drug Application (NDA) filing during calendar year 2026. Overall, 24 products are currently under development under the 505(b)(2) route (both in-house development and partnerships).

From the LiqMeds portfolio, the Company has so far filed 14 products, received USFDA approval for 10 products and launched 7 of them.

Orphan and Rare Disease Business

Orphan and ultra-rare diseases constitute a niche, focussed area of the Company's US business. The Company has built its presence in this segment through an inorganic route and currently has three commercialised products in this space, namely Nulibry®, Zokinvy® and Zycubo®.

Both Nulibry® and Zokinvy® have approvals in multiple geographies in addition to the USFDA approval. Nulibry® is approved by EMA, MHRA and the regulatory authority in Israel for the treatment of Molybdenum Cofactor Deficiency (MoCD) Type A, an ultra-rare disease. Zokinvy® is approved in the EU, UK, Japan and Israel for Hutchinson-Gilford Progeria Syndrome (HGPS), a group of ultra-rare, fatal genetic premature ageing disorders. Access to these therapies in other regions is provided through managed access programmes.

During the year, the Company received final USFDA approval for Zycubo® (Copper Histidine), making it the first and only



approved therapy for Menkes disease, an ultra-rare condition. Zycubo® will also be made available outside the US through managed access programmes.

The Company entered into an agreement with PRG S&T, a South Korea-based Company specialising in the development of therapies for rare genetic diseases, to licence its investigational molecule, Progerinin (SLC-D011), for the treatment of HGPS. Upon meeting certain milestones, the Company will obtain full rights to this drug candidate, which has an orphan drug designation from the USFDA and represents a potential second therapy for HGPS.

Biosimilar Foray

The Company commenced its journey in the US biosimilars space during the year through licensing partnerships for two large molecules. The Company partnered with Formycon AG to exclusively licence and commercialise FYB206, a biosimilar of Keytruda® (Pembrolizumab), in the US and Canada. Formycon AG will develop, manufacture and supply the product, while the Company will commercialise it in the licensed territories. FYB206 successfully completed clinical development during the year, marking a major step towards the USFDA filing.

The Company also partnered with Bioeq AG for NUFYMCO®, an interchangeable biosimilar of Lucentis® (Ranibizumab) for the US market. The Biologics License Application (BLA) for NUFYMCO® received approval from the USFDA during the year.

Bio CDMO Initiative

In line with its vision of going beyond the pill to create a deeper impact on patients' lives, the Company has entered the global biologics CDMO business by acquiring two US-based biologics manufacturing facilities from Agenesis Inc. This acquisition marks the Company's strategic investment in the US-based manufacturing for biologics, thereby adding a sustainable growth driver for the group.

The CDMO business will operate as an independent entity and will manage the acquired manufacturing capabilities. The facilities come with an experienced professional team with strong capabilities and requisite industry expertise to deliver high-quality biologics development and manufacturing services to global biotech and pharmaceutical companies.

As part of the transaction, the Company will act as the exclusive contract manufacturer for Agenesis and will provide clinical and commercial supply of two Phase III-ready immuno-oncology products, Botensilimab (BOT) and Balstilimab (BAL). The Company will also have the first right of negotiation to manufacture any future pipeline products developed by Agenesis.

Animal Health Business

The Company completed its third year in the US animal healthcare business during FY2025-26. During the year, it received approvals for 2 Abbreviated New Animal Drug Applications (ANADAs) and launched 4 new products. Cumulative ANADA approvals and product launches stood at 11 and 10, respectively. The Company undertook several initiatives to expand channels, improve product placements, strengthen stakeholder relationships and build demand-generation capabilities to strengthen the business.

Overall, the Company's North America formulations business recorded revenue growth of approximately 6%, rising to ₹ 1,16,820 million in FY2025-26 from ₹ 1,10,500 million in FY2024-25.

North America Formulations Sales (₹ Mn)



Looking ahead, the Company is well-positioned to sustain its US growth trajectory by capitalising on its established generics portfolio, expanding its specialty footprint and strengthening its presence in the paediatric rare disease segment. In addition, the emerging biologics and CDMO business provide new avenues for diversification and long-term value creation, supporting the Company's commitment to sustainable growth. These strategic pillars, supported by enduring customer relationships, robust manufacturing capabilities, an agile supply chain and disciplined cost management, are expected to drive sustainable value creation and long-term shareholder returns.

International Markets (IM) Formulations Business

International Markets formulations business continues to play an increasingly important role in the Company's pharmaceutical business, emerging as another strong pillar of growth alongside the US and India businesses. Over the past several years, the business has consistently delivered robust double-digit revenue growth, leading to a sustained increase in operating margin.

On the IM front, the Company has a diversified presence across Emerging Markets and Europe through direct operations and

strategic partnerships. Emerging Markets cover Asia Pacific, the Middle East, Africa and Latin America, while in Europe, the Company operates directly in France, Spain and the UK, with other markets served through a business-to-business (B2B) model.

Across Emerging Markets, the Company primarily operates in branded generics, with a strong focus on Cardiovascular System (CVS), Central Nervous System (CNS) and Pain Management therapies, while expanding and strengthening its presence in adjacent therapies of Diabetology and Metabolic Disorders. The Company is also building its Critical Care and Oncology portfolio to enhance participation in institutional channels. The Company works closely with leading medical professionals and Key Opinion Leaders (KOLs) to advance clinical engagement and improve patient outcomes. Over time, it has strengthened its engagement model through multiple research-oriented and educational initiatives, fostering deep and enduring relationships with stakeholders across the healthcare value chain. The marketing approach has progressively transitioned from a brand-centric focus to a holistic, disease-led framework that actively involves all participants across the healthcare ecosystem. This evolution has been instrumental in building a strong and sustainable brand franchise, reflected in a portfolio of 51 brands within the Million Dollar Club (MDC), including 17 new entrants added over the past four years.

In the Asia Pacific, the Company benefited from improving healthcare access, growing needs of the ageing population and stable demand for chronic therapies. Growth in the Philippines was supported by the Universal Health Care (UHC) Act, while Myanmar saw increased demand driven by lifestyle-related disorders and greater private-sector participation. In Sri Lanka, strong distributor partnerships and demand for affordable generics supported growth, with the Company retaining leadership in the participating market with a 19% market share.

The Africa region witnessed encouraging growth supported by rising healthcare investments and improved access to essential medicines. In South Africa, market growth was aided by the rollout of the National Health Insurance (NHI) framework, better public procurement and faster regulatory approvals. The Company reported modest growth in South Africa during the year due to competitive pressure and evolving market dynamics. The Company remains focussed on strengthening its presence in Central Nervous System (CNS) and Cardiovascular System (CVS) therapies, while expanding its participation in public procurement channels.

In Latin America, the Company reported strong, high-double-digit growth in Mexico, driven by public procurement programs and portfolio expansion into adjacent therapies. In Brazil, the branded generics business delivered healthy double-digit growth, supported by rising chronic disease burden, government support and growing demand for affordable therapies.

European operations also delivered positive growth, with France and Spain reporting strong double-digit performance. France benefited from the strong performance of key products and a strategic shift toward wholesalers and organised buyer groups, while Spain continued to outperform the market, driven by a strong pharmacy presence. In the B2B segment, the Company continued to scale operations in existing markets while entering new geographies through partnership-led models.

In the UK, the Company achieved rapid scale-up during its first full year of operations through strong product uptake and in-licensed launches focussed on limited-competition products. Going forward, the Company plans to expand through niche and specialised formulations. The Company's business in the UK will be further strengthened by LiqMeds, its specialty oral liquid formulations platform catering to geriatric and paediatric patients, supported by strong R&D capabilities and a differentiated pipeline.

Overall, the Company's IM formulations business delivered strong 40% growth, reaching ₹ 30,700 million in FY2025-26, supported by robust demand across multiple geographies and consistent execution across markets. The business accounted for 11% of total revenues during the year.

IM Formulations Sales (₹ Mn)





Joint Ventures

Zydus Takeda Healthcare Pvt. Ltd.

Zydus Takeda Healthcare Pvt. Ltd. is a 50:50 joint venture (JV) between the Company and Takeda Pharmaceuticals. The JV operates a manufacturing facility in India for intermediates and Active Pharmaceutical Ingredients (APIs), serving Europe and Japan and complying with national and international Good Manufacturing Practice (GMP) standards. The facility manufactures APIs across therapeutic categories, including antiseptic, analgesic/anti-inflammatory and antihypertensive therapies, which are supplied exclusively to the JV partner for its generics portfolio.

During the year, the facility successfully completed surveillance audits for the International Organisation for Standardisation (ISO) 45001 and ISO 14001, as well as three customer audits. The JV also implemented multiple efficiency improvement initiatives to enhance yields, reduce operating costs and shorten processing time. As part of its digital initiatives, 38 OpsTrakker eForms were rolled out by December 2025, improving process standardisation and compliance, enhancing traceability and reducing paperwork.

Zydus Hospira Oncology Pvt. Ltd.

Zydus Hospira Oncology Pvt. Ltd. is a 50:50 contract manufacturing JV between the Company and Hospira, now part of Pfizer. The JV manufactures oncology injectable products and supplies them to the JV partners for their respective markets. The JV has an annual manufacturing capacity of up to 7 million vials.

During the year, the JV strengthened its presence through its first product supplies to China and expanded its portfolio

in India with the launch of three molecules. The JV facility successfully completed the Taiwan FDA (TFDA) regulatory inspection and Pfizer's EHS L-2 audit with no critical or major observations.

Sterling Biotech Limited

Protein is emerging as an increasingly important nutritional and functional ingredient across food, health and wellness applications. At the same time, the need for reliable, scalable and sustainable sources of high-quality protein is becoming more critical for ensuring long-term supply resilience. Precision fermentation offers one such opportunity, enabling the production of animal-free dairy proteins with applications across high-protein nutrition, lactose-free dairy, sports nutrition and other functional food segments.

With this strategic context, the Company entered the precision fermentation space through a 50:50 joint venture with Perfect Day Inc. The joint venture, Sterling Biotech Ltd., is progressing with the development of its new animal-free protein manufacturing facility in Gujarat. The facility is being set up to manufacture precision-fermented dairy proteins for global markets. Operations are expected to commence in the second half of CY 2026, followed by a phased ramp-up in 2027.

The JV also has an established operating base as one of India's leading gelatin players, with a strong presence in pharmaceutical-grade gelatin and Di-Calcium Phosphate from its facilities in Gujarat. The gelatin business caters to pharmaceutical, nutraceutical, food and technical applications, and supplies to customers across more than 15 countries.

CONSUMER WELLNESS

Zydus Wellness Limited (a subsidiary of the Company) is a leading Indian consumer wellness company focussed on building purpose-led, science-backed brands that address evolving consumer needs across health, nutrition and personal care. The business combines strong category leadership in India with an expanding international footprint, supported by a portfolio of trusted brands and a growing digital-first presence globally.

In India, the Company operates across three key segments viz. Seasonal, Skin & Healthcare and Food & Nutrition products, with a portfolio of category defining brands such as Glucon D, Complian, Sugar Free, Nycil, Everyuth, Nutralite and RiteBite Max Protein. These brands enjoy leadership positions in their respective categories and are underpinned by continuous innovation and strong consumer connections. The business is supported by a robust and deeply embedded distribution network. It has a direct reach of ~0.7 million outlets, with an overall presence in approximately 2.8 million retail stores across the country. This reach is enabled through a network of over 1,950 distributors and a field force of ~2,700 "feet-on-street" representatives, ensuring strong availability and market execution. Through its wide portfolio and distribution strength, the Company nourishes, nurtures and energises over 70 million families in India.

The acquisition of Comfort Click Limited during the year marks a key milestone in the Company's strategic evolution. The acquisition expands the Company's global presence in the fast-growing digital vitamins, minerals and supplements (VMS) segment, strengthens the capabilities in personalised wellness and reinforces the focus on innovation-led, consumer-centric solutions. With its digital-first model and strong brands, Comfort Click Limited positions the Company well to scale sustainable wellness offerings globally and advance the shift toward preventive healthcare.

Overall, the business delivered 46% growth during the year driven primarily by the acquisition of Comfort Click Limited. In terms of geographic performance, the international business (including the CCL business) delivered like-for-like growth of 29.5%, while the domestic business grew by 2.4%. Within the domestic business, seasonal brands declined by 18.8%, primarily due to early and prolonged rainfall, whereas skin and hair care brands grew by 21.9% and food and nutrition brands grew by 15.5%. Domestic business continued to witness a steady shift towards organised channels, with saliency improving to 30% in FY2025-26 from 24% in FY2024-25, driven by premiumisation and strong growth in modern trade and e-commerce channels.



Key Business Strategies

A. Strengthening Core Brands in domestic market

The Company strengthened its core franchises through purposeful innovation, sharper consumer segmentation, agile media planning and channel-led retail execution. It enhanced capabilities in data-driven demand forecasting, micro-market prioritisation and analytics-based go-to-market (GTM) optimisation to improve responsiveness. The Company continued to drive growth across both existing and new products through integrated multi-channel advertising, in-store activations, strategic pricing, consumer engagement programs, expanded distribution, improved retail execution, better shelf visibility and stronger trade partnerships, enabling faster penetration across channels, particularly in modern trade, e-commerce and quick commerce.

B. Expanding the Wellness Portfolio through Acquisitions and VMS Scale-Ups

FY2025-26 marked a milestone year in the Company's growth journey, with acquisitions playing a transformative role in strengthening its international presence and diversifying its wellness portfolio. Acquisition of Comfort Click Limited expanded the global footprint across the UK, Europe and the US, while strengthening the presence in the fast-growing VMS segment across adult, paediatric and animal health categories. Anchored in a digital-first, D2C-led model, the platform enhanced the e-commerce capabilities and widened consumer access. Its strong portfolio of brands viz. WeightWorld, Maxmedix and Animigo have enabled the Company to scale across new markets and channels. Continued expansion and partnerships have further reinforced the Company's role in preventive healthcare and strengthened our position in international wellness markets.

C. Strengthening Global Presence Across Key International Markets

The Company continued to expand its international presence across SAARC, the Middle East & Africa (MEA), Southeast Asia (SEA) and the Indian Subcontinent Cluster (ISC) through geographic expansion and new product launches aligned to regional needs. RiteBite Max Protein expanded into 9 international markets in its first year of acquisition, deepening its global reach. Complian, Sugar Free, RiteBite Max Protein and Nycil remained key contributors supported by strong brand equity and wider distribution.

The acquisition of Comfort Click further strengthened the Company's international diversification strategy by enabling entry into the United Kingdom (UK), the European Union (EU) and the United States of America (USA) and participation in the global digital Vitamins, Minerals & Supplements (VMS) ecosystem.

D. Initiatives To Drive Scale

Supported by strong R&D capabilities, the Company remained focussed on expanding its consumer base and improving profitability through new product development and extensions in response to evolving consumer preferences. The Company has optimised brand communication through refreshed narratives and improved media strategies to achieve greater precision in consumer connection. The Company has transitioned from a distribution-led model to establishing direct relationships with modern trade and e-commerce partners, driving supply chain efficiencies, improved product availability, reduced lead times and margin expansion. This strategic shift, coupled with a sharper focus on organised trade and channel-specific offerings, has strengthened organised trade saliency to 30% in FY2025-26 (17% e-commerce, 13% modern trade), with quick commerce emerging as a key growth driver within e-commerce.

E. Accelerating Digital Transformation and Advanced Analytics Adoption

The Company accelerated its digital transformation to improve customer engagement, enhance operational efficiency and enable sharper, data-driven decision-making. Targeted investments in advanced analytics and AI-enabled platforms have delivered measurable benefits, including more effective media spend optimisation, improved demand forecasting, deepened consumer engagements and streamlined inventory management. It supported its Direct-to-Consumer (D2C) presence through brand-owned platforms and marketplace integrations, enhancing reach and consumer data ownership. The Company remains committed to sustained investments in digitalisation, automation and real-time capabilities to support scalable, future-ready growth.

Overall, the Company's Consumer Wellness business recorded revenue growth of 46%, rising to ₹ 39,134 million in FY2025-26 from ₹ 26,810 million in FY2024-25. The business accounted for 15% of total revenues during the year.

Consumer Wellness Sales (₹ Mn)



MEDTECH BUSINESS

In FY2025-26, the Company continued to develop its MedTech business as a focussed extension of its healthcare portfolio, with an emphasis on Orthopaedics, Cardiology and Nephrology. The year reflected consolidation and capability-building through platform strengthening, expanded access to technology and improved operational integration to support medical device commercialisation across selected markets. Overall, the Company's Med-Tech business recorded revenues of ₹ 7,823 million in FY2025-26 accounting for 3% of total revenues.

During the year, the Company completed the acquisition of Amplitude Surgical, a France-based Orthopaedics MedTech Company, in line with its strategy to build a differentiated and globally competitive MedTech portfolio. The acquisition strengthens the Company's presence in the high-growth Orthopaedics segment and provides access to developed markets in Europe, enhancing its geographic diversification and long-term growth prospects. Amplitude operates in the orthopaedic implants and surgical technologies space, focussing on lower-limb solutions, including knee and hip implants, as well as associated procedural innovations. The Company has a strong presence across France and other European markets, supported by a well-established distribution network. It operates a manufacturing facility in France and is backed by a skilled workforce with deep domain expertise in orthopaedics, R&D and precision engineering. Going forward, the Company aims to leverage Amplitude's

capabilities to scale up its global MedTech footprint, drive portfolio expansion and enhance market penetration across key geographies, supported by synergies in innovation, manufacturing and commercialisation.

During the year, Amplitude also received CE (Conformité Européenne) mark approval for its "Andy" robotic surgical solution, consolidating its advanced technology portfolio in regulated European markets.

In Cardiology, the Company expanded through portfolio growth and partnerships, increasing its presence in interventional cardiology with products such as stents and related devices. It also entered into a partnership with Braile Biomedica for Transcatheter Aortic Valve Implantation (TAVI) technology, enabling access to advanced cardiovascular devices across select markets, including Europe and India, in line with its focus on higher-technology solutions.

In Nephrology, the Company is establishing a facility in India to manufacture high-end dialyser membranes to support patients with chronic kidney disease.

Overall, FY2025-26 was a year of structured progression in the MedTech space, marked by the consolidation of core platforms, the enhancement of technology capabilities, selective investments and the strengthening of commercial integration.

FINANCIAL OVERVIEW

In FY2025-26, Zydus delivered strong financial performance with healthy double-digit growth, driven by sustained growth across its core and base businesses and supported by strategic inorganic initiatives. Revenue from operations increased to ₹ 271.5 billion from ₹ 232.4 billion in FY2024-25, registering a year-on-year growth of 17%. Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) grew by 20% to ₹ 84.8 billion from ₹ 70.6 billion in the previous year, supported by an improved product mix, operating leverage

benefits and favourable forex tailwinds, with EBITDA margin improving by 80 basis points to 31.2%. Profit after tax (PAT), adjusted for exceptional items, rose by 15% to ₹ 54.6 billion from ₹ 47.5 billion, reflecting sustained profitability and value creation. The Company continued to strengthen its innovation focus, with R&D investments increasing to ₹ 22.7 billion, accounting for 8.4% of revenues, up from ₹ 18.6 billion in FY2024-25, underscoring its commitment to long-term, innovation-led growth.

Key Change in Significant Financial Ratios

Ratios	FY2025-26	FY2024-25	% YoY Change	Reason for change (in case the change is 25% more)
Current Ratio (x)	1.27	1.89	-32.8%	Due to increase in current liabilities on account of increase in borrowings
Inventory Turnover (x)	5.58	6.11	-8.7%	
Trade Receivables Turnover (x)	5.62	4.85	15.9%	
Trade Payables Turnover (x)	10.43	10.24	1.9%	
Debt-to-Equity Ratio (x)	0.43	0.13	230.8%	Due to increase in borrowings
Debt Service Coverage Ratio (x)	1.00	2.20	-54.5%	Due to increase in borrowings
Net Profit Margin (%)	18.6%	19.5%	-4.6%	
Return on Equity (%)	21.4%	21.7%	-1.4%	
Return on Capital Employed (%)	21.6%	24.7%	-12.6%	



RISK MANAGEMENT

Zydus follows a structured risk management approach to identify, assess and manage risks across its operations. The Risk Management Committee, supported by the Chief Risk Officer and business teams, oversees the risk framework and ensures that risks are regularly monitored, evaluated and addressed through appropriate mitigation measures. The Company's risk management process includes identifying key risks, assessing their potential impact, implementing response strategies and continuously reviewing controls to strengthen business resilience. Key risks, including regulatory changes, competition and pricing pressures, geopolitical uncertainties, litigation, product approval delays, foreign exchange fluctuations, cybersecurity threats, supply chain disruptions

and project execution challenges, are actively managed. This is done through strong compliance frameworks, robust operational controls, adoption of advanced technology, financial risk safeguards and proactive planning across business functions. The Company also focusses on emerging risks, including digital transformation challenges, data privacy requirements and evolving stakeholder expectations, by continuously enhancing its capabilities and strengthening its systems to support sustainable growth.

Please refer to page no. 30 for more details about our Risk Management framework

INTERNAL CONTROL AND AUDIT

The Company has established a robust internal control framework to ensure efficient operations, safeguard assets, maintain reliable financial reporting and ensure compliance with applicable laws and regulations. The Company conducts regular enterprise-wide assessments to identify and evaluate emerging and existing risks across its operations. Zydus has also implemented internal controls across various operational areas to support the overall risk management process. The Company has established an Internal Financial Control (IFC) framework in accordance with the requirements

of the Companies Act, 2013, to ensure effective oversight of financial reporting processes. Zydus maintains a well-defined internal audit mechanism that independently reviews the adequacy and effectiveness of these controls. The Company ensures that the Audit Committee regularly evaluates the internal auditors' findings and recommendations and advises management on strengthening the internal control environment. Zydus continuously reviews and enhances these systems and processes to maintain a strong, transparent and reliable internal control framework across the organisation.

CAUTIONARY STATEMENT

The Management Discussion and Analysis may include certain statements regarding the Company's objectives, plans, projections, estimates and expectations that may be considered forward-looking statements under applicable laws and regulations. These statements are based on informed judgements and assumptions. However, actual results may differ materially from those expressed or implied due to various risks and uncertainties. Such factors

include political, technological and economic conditions that affect demand, supply and price levels in both domestic and international markets. They also include changes in government regulations, policies and tax laws. In addition, the availability and pricing of key components, competitive pressures, foreign exchange fluctuations and other related factors may also influence the Company's actual performance and outcomes.

Board's Report

Your directors are pleased to present the Thirty First Annual Report and the Audited Financial Statements of Zydus Lifesciences Limited ("the **Company**") for the Financial Year ended on March 31, 2026.

Financial highlights:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under section 133 of The Companies Act, 2013 ("the **Act**"), read with rule 7 of The Companies (Accounts) Rules, 2014 ("the **Accounts Rules**").

Pursuant to and in compliance with the provisions of section 134(3) read with rule 8 of the Accounts Rules, the standalone and consolidated financial performance of the Company for the Financial Year ended on March 31, 2026, is summarized below:

₹ in million

Particulars	Standalone		Consolidated	
	For the year ended on March 31, 2026	For the year ended on March 31, 2025	For the year ended on March 31, 2026	For the year ended on March 31, 2025
Revenue from Operations and Other Income	131,515	158,125	276,579	235,110
Profit before Interest, Depreciation, Amortisation and Impairment Expenses & Tax (" PBIDT ")	55,929	84,325	89,846	73,280
Less: Finance Cost	4,829	4,639	4,389	1,659
Less: Depreciation, Amortisation and Impairment Expenses	5,612	5,239	14,080	9,158
Profit Before Tax and Exceptional Items				
Less: Exceptional Items	1,669	-	5,166	2,196
Profit Before Tax ("PBT")	43,819	74,447	66,211	60,267
Less: Tax Expenses	8,221	16,698	15,947	14,119
Profit After Tax ("PAT")	35,598	57,749	50,264	46,148
Add: Share of Profit of Joint Ventures (Net of Tax)	-	-	971	578
Profit for the year	35,598	57,749	51,235	46,726
Attributable to:				
Owners of the Parent	35,598	57,749	50,400	45,255
Non-Controlling Interests	-	-	835	1,471
Other Comprehensive Income (Loss) (Net of Tax)	287	64	(7,748)	(1,000)
Total comprehensive income	35,885	57,813	43,487	45,726
Attributable to:				
Owners of the Parent	35,885	57,813	42,673	44,257
Non-Controlling Interests	-	-	814	1,469
Opening balance in Retained Earnings	187,942	133,476	245,616	203,690
Amount available for appropriation	223,439	190,961	295,948	248,635
Dividend	11,069	3,019	11,069	3,019
Closing Balance in Retained Earnings	212,370	187,942	284,879	245,616
Earnings Per Share (" EPS ") (Face Value of shares of ₹ 1/- each)	35.38	57.39	50.09	44.97

Note: Previous year's figures have been re-grouped / re-arranged wherever necessary.

The Company proposes to retain an amount of ₹ 212,370 million (Rupees Two Hundred Twelve Thousand Three Hundred Seventy Million only) in the Statement of Profit and Loss.

The Company's principal sources of liquidity are the cash flow generated from business operations, cash and cash equivalents and liquid investments. The Company maintains sufficient liquidity to meet its fund requirements.

The Company has robust processes and systems, which facilitate continuous monitoring and control over its business operations, including working capital requirements.

Share capital:

As at March 31, 2026, the authorized, issued, subscribed and paid-up share capital of the Company was as under:

A. Authorized share capital:

₹ 1,725 million (Rupees One Thousand Seven Hundred Twenty Five only) divided into 1,725 million (one thousand seven hundred twenty five) equity shares of ₹ 1/- (Rupee One only) each.

B. Issued, subscribed and paid-up share capital:

₹ 1,006.23 (Rupees One Thousand Six Million Two Hundred Thirty Thousand only) divided into 1,006,233,990 (one thousand six million two hundred thirty three thousand nine hundred ninety) equity shares of ₹ 1/- (Rupee One only) each fully paid-up.

Dividend:

Your directors have recommended a final dividend of ₹ 1/- (Rupee One only) (i.e. 100%) per equity share of ₹ 1/- (Rupee One only) each for the Financial Year ended on March 31, 2026. The final dividend, if declared by the members at the ensuing annual general meeting ("AGM"), will result into cash outflow of ₹ 1,006 million (Rupees One Thousand Six Million only) (considering pre-buyback number of equity shares) and will be paid to those members, whose names stand registered in the Register of Members on Friday, July 24, 2026, i.e. the record date. In respect of shares held in demat mode, it will be paid to the members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited, as beneficial owners. The Dividend Payout Ratio (including proposed dividend and buyback) for the Financial Year ended on March 31, 2026, is 23.82% of the consolidated profits.

As per the provisions of the Income-Tax Act, 2025, dividends paid or distributed by the Company shall be taxable in the hands of the members. Accordingly, the Company makes the payment of the dividend from time to time after deduction of tax at source.

Pursuant to and in compliance with the provisions of regulation 43A of The Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**"), the Company has formulated Dividend Distribution Policy, which is approved by the Board of Directors ("the **Board**") and is uploaded on Company's website and the weblink of the same is provided in a separate section of Corporate Governance Report on Page No. 252, which forms a part of this Integrated Annual Report.

The Dividend Distribution Policy sets out the parameters to be considered by the Board in determining the quantum of the dividend and / or the utilization of the retained profits earned by the Company.

Buyback of equity shares:

The Board at its meeting held on May 19, 2026, passed a resolution to buyback 9,565,217 (nine million five hundred sixty five thousand two hundred seventeen) equity shares of ₹ 1/- (Rupee One only) each fully paid-up at a price of ₹ 1,150 (Rupees One Thousand One Hundred Fifty only) aggregating to ₹ 11,000 million (Rupees Eleven Thousand Million only), excluding the transaction costs relating to the buyback, from the members of the Company on proportionate basis under the tender offer route in accordance with the provisions of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and the Act and Rules framed thereunder. Said buyback is within the powers of the Board.

Buyback exercise will be undertaken as per the statutory provisions.

Secretarial standards ("SS"):

The Company is in compliance with SS on Meetings of Board of Directors and General Meetings issued by The Institute of Company Secretaries of India ("the **ICSI**").

Management discussion and analysis ("MDA"):

Pursuant to and in compliance with the provisions of regulation 34(2)(e) read with Part B of Schedule V of the Listing Regulations, MDA for the Financial Year ended on March 31, 2026, is presented in a separate section which forms a part of this Integrated Annual Report.

Consolidated financial statements:

Pursuant to and in compliance with the provisions of Ind AS-110 on Consolidation of Financial Statements read with Ind AS-28 on Accounting for Investments in Associates and Joint Ventures and as prescribed under the provisions of the Act read with Schedule III of the Act and Rules framed thereunder and the Listing Regulations, the Audited Consolidated Financial Statements are provided in the Integrated Annual Report, which show the financial resources, assets, liabilities, income, profits and other details of the Company, its associate companies and its subsidiary companies after elimination of minority interest, as a single entity.

Subsidiary and joint venture companies:

The Company has total 75 (seventy five) subsidiary companies, of that 55 (fifty five) are step down subsidiary companies and 4 (four) joint venture companies as at March 31, 2026. In terms of rule 8(5) of the Accounts Rules, during the Financial Year ended on March 31, 2026, there has been no material change in the nature of business of the Company, subsidiary and joint venture companies. There is 1 (one) partnership firm in the group, in which 2 (two) wholly owned subsidiary companies of the Company are the partners. More details are provided in the Audited Standalone Financial Statements. During the Financial Year ended on March 31, 2026, the Board reviewed the performance / affairs of the subsidiary companies.

Pursuant to and in compliance with the provisions of section 134(3) of the Act, read with rule 8(5) of the Accounts Rules, the details of changes in subsidiary and associate companies are as under:

1. Zydus MedTech (France) SAS:

- 1.1 Zydus MedTech (France) SAS ("**Zydus MedTech France**"), a step down wholly owned subsidiary of the Company acquired 85.6% of the share capital and voting rights ("**Block Acquisition**") of Amplitude Surgical SA, France ("**Amplitude**"), along with its wholly owned subsidiaries on July 29, 2025.

Later on, Zydus MedTech France acquired the balance 14.4% share capital and voting rights of Amplitude on October 24, 2025, through mandatory tender offer and squeeze-out. In view of the same, Zydus MedTech France holds 100% share capital and voting rights of Amplitude and hence, Amplitude became the wholly owned subsidiary of Zydus MedTech France. The transaction was consummated on October 24, 2025.

Through the acquisition, Zydus forayed into Medtech space. The acquisition acts as a platform to execute Zydus MedTech strategy in Orthopaedics segment with advanced surgical products e.g. Andy-Surgical Robot.

- 1.2 In order to rationalize the non-operating subsidiary companies of Amplitude, following step down subsidiaries of Amplitude have been dissolved without liquidation:
 - i. Auroralux S.A.S., Luxembourg, effective December 31, 2025.
 - ii. Ampliman 2, France, effective January 9, 2026.
 - iii. Ampliman 1, France, effective January 16, 2026.

2. Zylidac Bio LLC:

Zylidac Bio LLC, which was incorporated on July 11, 2025, as a wholly owned step down subsidiary of Zydus Pharmaceuticals USA Inc., USA, ("**ZPUI**") which in turn is a wholly owned subsidiary of the Company, acquired 2 (two) U.S. based biologics manufacturing facilities of Agenesis West LLC, and Agenesis Inc., USA (collectively referred to as "**Agenesis**") one in Emeryville, CA and another in Berkeley, CA ("**the Assets**").

This acquisition of the Assets provides Zydus an entry into the global biologics contract development and manufacturing organization ("**CDMO**") business and will provide immediate access to advanced biologics manufacturing capabilities in California, a leading global biotechnology hub. This strategic move enables Zydus to leverage its foray into biosimilar in regulated markets, supply chain dynamics and a favorable geopolitical environment to expand its reach in the U.S. and globally.

The above transaction for the acquisition of the Assets was consummated on January 15, 2026.

3. Zydus Foundation:

Pursuant to preferential issue and allotment of 450,000 (Four Hundred Fifty Thousand) equity shares of ₹ 10/- (Rupees Ten only) each fully paid-up of Zydus Foundation to Ramanbhai Foundation, a public charitable trust, on November 19, 2025, Zydus Foundation, which is a CSR arm for Zydus Group of entities, has ceased to be the wholly owned subsidiary of the Company effective November 19, 2025. The Company holds 50,000 (Fifty Thousand) equity shares of Zydus Foundation.

4. Naturell India (Private) Limited:

As a part of simplification of corporate structure, synergetic savings and efficiencies due to larger scale of operations of Zydus Wellness Limited ("**ZWL**"), a subsidiary of the Company, ZWL applied for the voluntary liquidation of Naturell India (Private) Limited, ("**NIPL**"). The liquidator of NIPL has distributed the entire business undertaking on a going concern basis to its parent entity ZWL effective September 20, 2025. As on March 31, 2026, the application of dissolution is under process with Hon'ble National Company Law Tribunal, Ahmedabad Bench.

5. Alidac UK Limited:

Alidac UK Limited, which was incorporated in United Kingdom as a wholly owned subsidiary of ZWL on August 5, 2025, acquired Comfort Click Limited ("**CCL**") in United Kingdom, along with its wholly owned

subsidiaries. The acquisition is part of ZWL's strategy to enter into the Vitamins, Minerals and Supplements ("VMS") segment and aligns with the strategic vision of expanding its international footprint and building its presence in digital health and personalised wellness.

6. Liva Investment Limited:

Liva Investment Limited, a wholly owned subsidiary of ZWL, was dissolved effective August 20, 2025.

7. Torrent Urja:

7.1 The Company entered into Share Subscription and Shareholders' Agreement ("SSSA") on May 28, 2025, to subscribe 26.20% shares of Torrent Urja 26 Private Limited ("Torrent Urja 26").

7.2 The Company and its various subsidiaries also entered into SSSAs on May 28, 2025, to subscribe 22.06% shares of Torrent Urja 25 Private Limited ("Torrent Urja 25").

The above investment is in line with the Company's ESG commitment of carbon neutrality through renewable power sources. Torrent Urja 26 and Torrent Urja 25 have become associate companies of the Company.

Pursuant to the provisions of section 136 of the Act, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not attached with the Balance Sheet of the Company. The Company will make available free of cost the Audited Financial Statements of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Financial Statements of the subsidiary companies will also be kept open for inspection. Pursuant to and in compliance with the provisions of sections 129, 134 and 136 of the Act and Rules framed thereunder and regulation 33 of the Listing Regulations, the Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies.

Pursuant to and in compliance with the provisions of section 129(3) of the Act and rules 5 and 8(1) of the Accounts Rules, a statement containing the salient features of the financial statements of its subsidiary and the joint venture companies is attached to the Audited Financial Statements in prescribed Form No. AOC-1. The statement also provides details of the performance and the financial position of the subsidiary and the joint venture companies. The consolidated financial statements presented in this Integrated Annual Report include financial results of the subsidiary and the joint venture companies. Copies of the financial statements of the subsidiary companies is available on the website of the Company in the investor zone and can be accessed by using the link www.zyduslife.com. Pursuant to and in compliance with the provisions of regulation 46(2)(h) of the Listing

Regulations, the policy relating to material subsidiaries, prepared in compliance with regulation 16(1)(c) of the Listing Regulations, is uploaded on Company's website and the weblink of the same is provided in a separate section of Corporate Governance Report on Page No. 253, which forms a part of this Integrated Annual Report.

Material subsidiary companies:

As per the Company's policy to determine material subsidiary companies, read with the provisions of the Act and the Listing Regulations, Zydus Healthcare Limited ("ZHL"), ZWL and Zydus Pharmaceuticals USA Inc., USA ("ZPUI") are the material subsidiary companies of the Company, the details of which are provided in the Corporate Governance Report, which forms a part of this Integrated Annual Report.

Nomination of independent directors ("IDs") on the board of material subsidiary companies:

Pursuant to and in compliance with the provisions of regulation 24(1) of the Listing Regulations, Mr. Bhadresh K. Shah, ID, is nominated on the Board of ZHL and ZPUI. The Company is not required to nominate ID on the Board of ZWL.

Funding support to subsidiary companies:

Your Company funds its subsidiary companies, from time to time, in the ordinary course of business and as per their funding requirements, through equity / preference shares, loan and / or other means for their business purposes.

Integrated annual report:

The Company believes in value creation and Integrated Annual Report is an effective tool to explore value creation by focusing on the Company's strategy, performance and governance based on various forms of capital i.e. financial capital, human capital, manufacturing capital, social capital, intellectual capital and natural capital. The Integrated Annual Report contains financial and non-financial information about the Company and helps various stakeholders to get a better understanding of the current position and long-term perspective of the Company which will enable them to take informed decisions. The Integrated Annual Report focuses on driving authentic, comprehensive and meaningful information covering all aspects of the Company's performance.

Corporate governance report:

Pursuant to and in compliance with the provisions of regulation 34(3) read with Part C of Schedule V of the Listing Regulations, a report on Corporate Governance forms a part of this Integrated Annual Report. Pursuant to and in compliance with the provisions of Part E of Schedule V of the Listing Regulations, a certificate confirming compliance

with the conditions of corporate governance issued by SPANJ & Associates, Practicing Company Secretaries, is annexed to the Corporate Governance Report.

Insurance:

The Company's manufacturing facilities, properties, equipment and stocks are adequately insured against all major risks including loss on account of business interruption caused due to property damage. The Company has appropriate liability insurance covers particularly for product liability, clinical trials and cyber liability. Pursuant to and in compliance with provisions of regulation 25(10) of the Listing Regulations, the Company has taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

Public deposits:

The Company has neither accepted nor renewed any deposits from its members or public as per the provisions of sections 73 and 74 of the Act read with Rules framed thereunder and as such, no amount on account of principal or interest on deposits was outstanding as on the date of the balance sheet.

Cost accounts and records:

Pursuant to and in compliance with the provisions of section 148(1) of the Act and Rules framed thereunder, the Company has maintained the cost accounts and records.

Particulars of loans, guarantees and investments:

Pursuant to and in compliance with the provisions of section 134(3)(g) of the Act, details of loans, guarantees and investments covered under section 186(4) of the Act are given in the notes to the Audited Standalone Financial Statements, which forms a part of this Integrated Annual Report.

Frauds:

During the Financial Year ended on March 31, 2026, the statutory auditors, the cost auditors and the secretarial auditors have not reported to the Audit Committee, under section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

Related party transactions:

All contracts / arrangements / transactions entered into by the Company during the Financial Year ended on March 31, 2026, with related parties were in the ordinary course of business, on an arm's length basis, in accordance with the policy on related party transactions and had no conflict with the interest of the Company. All related party transactions are placed before the Audit Committee on a quarterly basis for review and approval.

Pursuant to and in compliance with the provisions of section 134(3)(h) of the Act read with rule 8(2) of the Account Rules, and the Listing Regulations, disclosure of particulars of material transactions with ZPUI entered into by the Company is annexed to this report as **Annexure-"A"**, which is in the prescribed Form No. AOC-2. Disclosures on related party transactions as per Ind-AS 24 are set out in Note No. 41 of the Audited Standalone Financial Statements and Note No. 47 of the Audited Consolidated Financial Statements.

As a part of the Company's annual planning process, before the beginning of a financial year, details of all the transactions proposed to be executed with related parties, including the estimated amounts of transactions to be executed and other relevant details, are approved by the Audit Committee and the Board.

Further approval is sought during the year for any new transaction / modification to the previously approved limits / terms of contracts with the related parties. This is followed by a quarterly review of the related party transactions by the Audit Committee.

Pursuant to and in compliance with the provisions of regulation 46(2)(g) of the Listing Regulations, the weblink to view the policy on materiality of related party transactions and dealing with related party transactions is provided in a separate section of Corporate Governance Report on Page No. 253, which forms a part of this Integrated Annual Report.

Pursuant to and in compliance with the provisions of regulation 23(9) of the Listing Regulations, the Company has filed the related party transactions with the stock exchanges on the date of disclosing the standalone and consolidated financial results.

Directors and key managerial personnel:

As at March 31, 2026, your Company's Board is comprised of 9 (nine) Directors who have considerable experience in their respective fields, the details of which are provided in the below table:

Sr. No.	Category of directors	Number of directors	% age
1.	Independent directors	5	56
1a.	Woman independent directors (out of 1 above)	2	22
2.	Executive directors	2	22
3.	Non-executive directors	2	22
4.	Total (1+2+3)	9	100

Other statutory details are provided in the Corporate Governance Report, which forms a part of this Integrated Annual Report.

i. Appointment / cessation of IDs:

Based on the recommendation of the Nomination and Remuneration Committee ("the **NRC**"), the Board at its meeting held on May 19, 2026, approved the appointment of Mr. Kulin S. Lalbhai (DIN: 05206878) as an ID for the term of 5 (five) years effective May 19, 2026, subject to approval of the members by way of special resolution at the Thirty First AGM scheduled to be held on August 11, 2026.

Based on the experience, expertise (including proficiency) and integrity of Mr. Kulin S. Lalbhai, the Board formed an opinion that the said appointment is in the best interest of the Company.

Consequent upon completion of the tenure, Mr. Apurva S. Diwanji (DIN: 00032072) ceased to be Director as well as ID of the Company effective May 12, 2026. The directors placed on record its sincere appreciation for the valuable contributions made by him during the tenure as an ID of the Company.

ii. Re-appointment of director:

Mr. Ganesh N. Nayak (DIN: 00017481) has already attained age of 70 (seventy) years and based on the recommendation of the NRC and the Board, the members at the Thirtieth AGM held on August 12, 2025, passed the special resolution to re-appoint him as the Director in employment of the Company, for a further period of 5 (five) years i.e. from July 12, 2025 to July 11, 2030.

iii. Retirement by rotation:

Pursuant to and in compliance with the provisions of section 152(6) of the Act and in terms of article 66 of the Articles of Association of the Company, Mr. Pankaj R. Patel, (DIN: 00131852) and Mr. Mukesh M. Patel (DIN: 00053892), non-executive directors, will retire by rotation at the ensuing AGM and being eligible,

offered themselves for re-appointment. The Board recommends their re-appointment.

iv. Declaration of independence:

Pursuant to and in compliance with the provisions of section 134(3)(d) of the Act, the Company has received declaration of independence as stipulated under sections 149(6) and 149(7) of the Act and regulations 16(1)(b) and 25(8) of the Listing Regulations from IDs confirming that they are not disqualified for continuing as an ID. There has been no change in the circumstances affecting their status as an ID of the Company.

All IDs have complied with the code prescribed under Schedule IV of the Act.

As per the declarations received, all the directors of the Company, who are required to get registered, have registered themselves with The Indian Institute of Corporate Affairs. Further, they have qualified the online proficiency self-assessment test or are exempted from passing the test as required in terms of section 150 of the Act read with rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014.

The Board has taken on record the declaration and confirmation submitted by the IDs after undertaking due assessment of the veracity of the same.

v. Profile of directors seeking appointment / re-appointment:

Pursuant to and in compliance with the provisions of regulation 36(3) of the Listing Regulations and standard 1.2.5 of SS on General Meetings, particulars of the directors seeking appointment / re-appointment at the ensuing AGM are annexed to the notice convening Thirty First AGM.

During the Financial Year ended on March 31, 2026, no director of the Company has resigned.

vi. Key managerial personnel ("KMP"):

In compliance with the provisions of sections 2(51) and 203 of the Act, the following are the KMP of the Company as on March 31, 2026 (which also includes details of changes during the year):

1. Dr. Sharvil P. Patel, Managing Director
2. Mr. Ganesh N. Nayak, Director (upto July 12, 2025)
3. Mr. Nitin D. Parekh, Chief Financial Officer (ceased effective August 31, 2025, upon superannuation)
4. Mr. Tushar D. Shroff, Chief Financial Officer (appointed effective September 1, 2025) and
5. Mr. Dhaval N. Soni, Company Secretary.

During the Financial Year ended on March 31, 2026, no KMP of the Company has resigned.

vii. Board evaluation:

Pursuant to and in compliance with the provisions of the Act read with Rules framed thereunder and as provided in Schedule IV of the Act and regulation 17(10) of the Listing Regulations, the NRC and the Board have carried out an annual evaluation of its own performance, the directors individually as well as its committees. Pursuant to and in compliance with the provisions of section 134(3)(p) of the Act read with rule 8(4) of the Account Rules, the manner in which the evaluation was carried out is provided in the Corporate Governance Report, which forms a part of this Integrated Annual Report.

In a separate meeting of IDs, the performance of the non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The NRC and the Board evaluated the performance of the (i) committees constituted by the Board and (ii) individual directors taking into consideration various aspects. While evaluating, following parameters were taken into consideration:

1. **Committees constituted by the Board:** Contribution of the committee in development of corporate strategy, proper formation of the committee, updates on the latest regulatory developments, and allocation of sufficient time for discussion at committee meetings.
2. **Individual directors:** Attendance at different meetings, preparedness to devote sufficient time for the meetings, relationship with the Chairman, other Board members, KMP and Senior Management, updating knowledge with latest

developments in regulatory and market conditions, and expressing views on specialized agenda items.

The functioning of the Board, the committees constituted by the Board and performance of individual directors was found satisfactory.

viii. Nomination and remuneration policy:

Pursuant to and in compliance with the provisions of section 178(3) of the Act and regulation 19(4) read with Part D of Schedule II of the Listing Regulations, the Board has on the recommendation of the NRC, framed a policy on selection and appointment of directors, senior management and their remuneration. As per section 178(4) of the Act, the Nomination and Remuneration Policy and weblink of the same is provided in a separate section of Corporate Governance Report on Page No. 253, which forms a part of this Integrated Annual Report.

ix. Pecuniary relationships or transactions:

During the Financial Year ended on March 31, 2026, except those disclosed in the Audited Financial Statements, the non-executive directors of the Company had no pecuniary relationships or transactions with the Company.

x. Non-disqualification:

None of the directors are disqualified from being appointed as directors as specified under section 164(1) and 164(2) of the Act read with rule 14(1) of The Companies (Appointment and Qualifications of Directors) Rules, 2014 or are debarred or disqualified by the Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other such statutory authority.

xi. Remuneration to directors, KMP and senior management:

Remuneration paid to the directors, KMP and senior management is in accordance with the NRC Policy. More details are provided in the Corporate Governance Report which forms a part of this Integrated Annual Report.

Dr. Sharvil P. Patel, Managing Director, has not received any remuneration or commission from any of the subsidiary companies. He has received an aggregate sitting fees of ₹ 1 million (Rupees One Million only) for attending the Board and committee meetings of ZWL and ZHL.

Mr. Ganesh N. Nayak, Director in employment of the Company, has not received any remuneration or commission from any of the subsidiary companies. He has received sitting fees of ₹ 1 million (Rupees One Million only) towards sitting fees for attending the Board and committee meetings of ZWL.

Further, the Company does not have a holding company, hence, the circumstance of any remuneration or commission from a holding company does not arise.

Credit rating:

The details of credit ratings obtained during the Financial Year ended on March 31, 2026, are provided in below table (no change compared to last year):

Sr. No.	Facility / Instrument	Amount (₹ in million)	Ratings
1.	Various Bank Facilities	47,240	Long term rating CRISIL AAA/Stable (Reaffirmed) Short term rating CRISIL A1+ (Reaffirmed)
2.	Commercial Papers (CPs) *	2,000	CRISIL A1+ (Reaffirmed)
3.	Non-Convertible Debentures (NCDs) *	500	CRISIL AAA/Stable (Reaffirmed)
4.		750	CRISIL AAA/Stable (Reaffirmed)

* No CPs / NCDs were issued during the Financial Year ended on March 31, 2026.

Insider trading regulations:

The Company has adopted the code for insider trading as per The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**Insider Trading Regulations**"). Other details on Insider Trading Regulations are provided in the Corporate Governance Report, which forms a part of this Integrated Annual Report.

Directors' responsibility statement:

In terms of section 134(3)(c) and 134(5) of the Act and to the best of their knowledge and belief, and according to the information and explanations provided to them, your directors hereby make the following statements:

- that in preparation of the Financial Statements, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any,
- that such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2026, and of the profit of the Company for the year ended on that date,
- that proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities,
- that the annual financial statements have been prepared on a going concern basis,

- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively, and
- that the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Transfer of shares and dividend to Investor Education and Protection Fund ("IEPF"):

Pursuant to and in compliance with the provisions of sections 124 and 125 of the Act and Rules framed thereunder, the Company transfers the unclaimed dividend and equity shares to IEPF, whose dividend has remained unclaimed for a continuous period of 7 (seven) years.

As at March 31, 2026, (i) 1,725,923 (one million seven hundred twenty five thousand nine hundred twenty three) equity shares are lying with IEPF and (ii) there are no amounts due and outstanding to be credited to IEPF.

Board meetings:

Pursuant to and in compliance with provisions of section 134(3)(b) of the Act, the details of the number of Board meetings held during the Financial Year ended on March 31, 2026, are provided below:

Sr. No.	Date of Board meeting
1.	May 20, 2025
2.	August 12, 2025
3.	November 6, 2025
4.	February 9, 2026

Pursuant to and in compliance with provisions of section 173(1) of the Act, the time gap between any 2 (two) Board meetings was not more than 120 (one hundred twenty) days.

In compliance with the provisions of sections 175 and 179 of the Act, the Board approved 5 (five) resolutions by circulation, vide resolutions dated April 30, 2025, June 16, 2025, June 27, 2025, September 5, 2025, and March 10, 2026. Other information with regard to the Board meetings is given in the Corporate Governance Report, which forms a part of this Integrated Annual Report.

Committees:

As at March 31, 2026, the Company has 7 (seven) committees namely Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility and Environment Social and Governance Committee, Stakeholders' / Investors' Relationship Committee, Share Transfer Committee and Finance and Administration Committee.

The Board has accepted the recommendations of all the committees constituted by the Board.

A detailed note on the composition of the Board and its committees, governance of committees including its terms of reference, number of committee meetings held during the Financial Year ended on March 31, 2026, and attendance of the members, is provided in the Corporate Governance Report, which forms a part of this Integrated Annual Report. The composition and terms of reference of all the committees of the Board are in line with the provisions of the Act and the Listing Regulations.

Corporate governance:

The Company has complied with the corporate governance requirements under the Act and as stipulated under the Listing Regulations. A separate section on detailed report on the corporate governance practices followed by the Company under the Listing Regulations, along with a certificate from SPANJ & Associates, Practicing Company Secretaries, confirming the compliance, forms a part of this Integrated Annual Report.

Auditors and their reports:

i. Statutory auditors and audit report:

Deloitte Haskins & Sells LLP, Chartered Accountants ("Deloitte"), were appointed as the statutory auditors of the Company for a period of 5 (five) consecutive years from the conclusion of Twenty Second AGM till the conclusion of Twenty Seventh AGM.

Based on the recommendation of the Audit Committee and the Board, members at their Twenty Seventh AGM passed the resolution to re-appoint Deloitte as the statutory auditors of the Company for a further period of 5 (five) consecutive years from the conclusion of Twenty Seventh AGM till the conclusion of Thirty Second

AGM in the calendar year 2027, with an authority to the Audit Committee and the Board to decide the remuneration payable to them.

Deloitte has issued an unmodified opinion on the financial statements for the Financial Year ended on March 31, 2026, and the same forms a part of this Integrated Annual Report.

The Board has duly reviewed the statutory auditors' report and the observations and comments, appearing in the report, are self-explanatory and do not call for any further explanation / clarification by the Board as provided under section 134(3)(f) of the Act.

ii. Cost auditors and audit report:

Pursuant to the provisions of section 148(3) of the Act and rules 3 and 4 of The Companies (Cost Records and Audit) Rules, 2014, ("the **Cost Rules**") the cost audit records maintained by the Company in respect of drugs and pharmaceuticals are required to be audited. The Board had, on the recommendation of the Audit Committee, appointed R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010) to audit the cost records of the Company for the Financial Year ending on March 31, 2027, on a remuneration of ₹ 1 million (Rupees One Million only) plus applicable Goods and Services Tax and out of pocket expenses at actuals. Pursuant to the provisions of section 148 of the Act and rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors is required to be placed before the members in a general meeting for ratification. Accordingly, a resolution seeking ratification by members for the remuneration payable to R. Nanabhoy & Co. is included at Item No. 6 of the Notice convening Thirty First AGM.

R. Nanabhoy & Co. holds a valid certificate of practice. They have confirmed that they are not disqualified under section 141 read with sections 139 and 148 of the Act and their appointment meets the requirements as prescribed under section 141(3) of the Act. They have also confirmed that they are independent of the management, and no orders or proceedings are pending against them relating to professional conduct before The Institute of Cost Accountants of India or any other competent court / authority.

The cost audit report for the Financial Year ended on March 31, 2025, which was filed on September 3, 2025, did not contain any qualification, reservation, or adverse remark. The cost audit report for the Financial Year ended on March 31, 2026, will be filed within the prescribed timelines.

iii. Secretarial auditors and audit report:

Pursuant to and in compliance with the provisions of regulation 24A(1) of the Listing Regulations and section 204 of the Act read with Rules framed thereunder, based on the recommendation of the Audit Committee and the Board, SPANJ & Associates, Practicing Company Secretaries were appointed as the secretarial auditors of the Company for the first term of 5 (five) consecutive years at the Thirtieth AGM held on August 12, 2025, to undertake the secretarial audit of the Company.

SPANJ & Associates have provided the secretarial audit report ("**SAR**") for the Financial Year ended on March 31, 2026, which is annexed herewith as **Annexure-"B"**. The Board has duly reviewed the SAR and response to 1 (one) observation and comment, appearing in the SAR is as under:

Prior intimation of Board meeting for fund-raise:

Based on the interpretation and as advised by the legal counsels managing the offer for fund-raise, the prior intimation of the Board meeting considering the proposal for fund-raise which was held on Thursday, November 6, 2025, was given to the stock exchanges 1 (one) working day in advance i.e. on Monday, November 3, 2025 (instead of 2 (two) working days), which resulted into technical error, as there was a trading holiday on Wednesday, November 5, 2025, on account of Prakash Gurupurb Sri Guru Nayak Dev Jayanti in Mumbai, while it was a working day in Ahmedabad, where the registered office of the Company is situated.

The Company received notices from BSE and NSE, both dated December 15, 2025, imposing a fine of ₹ 10,000/- (Rupees Ten Thousand only) each for the aforesaid non-compliance and in compliance with the said notices, the Company paid the fine together with GST on December 19, 2025.

As per the said notices, the Board at its meeting held on Monday, February 9, 2026, noted that this technical non-compliance occurred with no intention of deviating from the regulatory framework. The Board also noted that the Company has always endeavored to comply with the applicable rules and regulations in its true letter and spirit and has already undertaken necessary steps to strengthen its processes to avoid such technical non-compliances. The outcome of the Board meeting (discussing about the said technical non-compliance) was disclosed to the stock exchanges on the same day i.e. on Monday, February 9, 2026.

Pursuant to and in compliance with the provisions of regulation 24A(1) of the Listing Regulations, the SAR of ZHL, unlisted material subsidiary company incorporated in India is annexed herewith as **Annexure-"B1"**. The SAR of ZHL was issued by SPANJ & Associates (also the secretarial auditors of the Company) and does not contain any adverse remark or qualifications.

ZWL being a listed and material subsidiary of the Company is not required to annex the SAR with the Boards' Report of the Company.

iv. Annual secretarial compliance report:

Pursuant to and in compliance with the provisions of regulation 24A(2) of the Listing Regulations, SPANJ & Associates, Practicing Company Secretaries and the secretarial auditors, have issued annual secretarial compliance report for the Financial Year ended March 31, 2026. Said report was presented at the Board meeting held on May 19, 2026. The Company will submit the said report to the stock exchanges within the prescribed time frame. The annual secretarial compliance report contained 1 (one) remark pertaining to technical non-compliance of prior intimation of Board meeting, as enumerated in para iii above.

v. Internal audit:

Based on the recommendation of the Audit Committee, the Board at its meeting held on May 19, 2026, re-appointed Ernst & Young LLP as the internal auditors to carry out internal audit for the Financial Year ending on March 31, 2027.

Moreover, the in-house management audit team carries out the internal audit of the operations of the Company and the local chartered accountant firms carry out regular audit of consignment and forwarding agents ("**CFA**") of the Company.

Other details are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

Awards and recognitions:

Details of awards and recognitions are provided separately in this Integrated Annual Report.

Business responsibility and sustainability report ("BRSR**"):**

Pursuant to and in compliance with the provisions of regulation 34(2)(f) of the Listing Regulations, a separate section on BRSR (prepared on consolidated basis) forms a part of this Integrated Annual Report.

Corporate social responsibility ("CSR") and environment social and governance ("ESG") committee:

The details of statutory obligation, amount set-off, net amount to be contributed, actual amount utilized towards CSR activities and unutilized amount transferred to 'Zydus Lifesciences Limited Unspent CSR Account 2025-26' are provided in below table:

Sr. No.	Particulars	Amount (₹ in million)
i.	2 (two) percent of average net profit of the Company as per section 135(5) of the Act	835
ii.	Amount set-off for the Financial Year	287
iii.	Amount to be spent for the Financial Year [(i)-(ii)]	548
iii. a	actual amount utilized during the Financial Year	101
iii. b	unutilized amount transferred to Unspent CSR Account 2025-26	447

Note 1: An amount of ₹ 447 million, though contributed to the implementing agency, but remained unutilized as at March 31, 2026, and hence the implementing agency transferred the funds to "Zydus Lifesciences Limited Unspent Corporate Social Responsibility Account 2025-26" on April 27, 2026.

Note 2: An amount of ₹ 0.51 million, though contributed to the vendor, but remained unutilized as at March 31, 2026, and hence was transferred to "Zydus Lifesciences Limited Unspent Corporate Social Responsibility Account 2025-26" on April 22, 2026.

Note 3: Total amount of ₹ 447.51 million (₹ 447 million + ₹ 0.51 million) was transferred to "Zydus Lifesciences Limited Unspent Corporate Social Responsibility Account 2025-26".

The CSR and ESG Committee confirmed that the implementation and monitoring of the CSR Policy was done in compliance with the CSR objectives and policy of the Company.

Pursuant to and in compliance with the provisions of section 135(1) of the Act, the Board has constituted a CSR and ESG Committee. Pursuant to and in compliance with the provisions of section 135(3)(a) read with section 134(3)(o) of the Act, the Company has formulated a CSR Policy, which is placed on the Company's website. The details of the CSR and ESG Committee constitution, CSR activities and other details, as required under section 135 of the Act and The Companies (Corporate Social Responsibility Policy) Rules, 2014 ("the **CSR Rules**"), are given in the CSR Report at **Annexure-"C"**.

A synopsis of the report of the independent agency for the CSR Project, to which impact assessment is applicable in terms of the provisions of section 135 of the Act read with Rules framed thereunder, is provided in the CSR Report.

Risk management:

Pursuant to and in compliance with the provisions of section 134(3)(n) of the Act and regulation 21 of the Listing Regulations, the Company has constituted a Risk Management Committee ("the **RMC**"). The details of the RMC and its terms of reference are set out in the Corporate Governance Report, which forms a part of this Integrated Annual Report.

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and take advance actions to prevent or mitigate them. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks. The Company has framed a Risk Management Policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policy and procedure.

During the Financial Year ended on March 31, 2026, the Company reviewed its Risk Management Policy, and no revision was considered necessary to the said policy.

Discussion on risks and concerns is covered in the MDA, which forms a part of this Integrated Annual Report.

Internal control system and its adequacy:

Pursuant to and in compliance with the provisions of section 134(5)(e) of the Act read with rule 8(5) of the Account Rules, the Company has designed and implemented a process driven framework for Internal Financial Controls ("**IFC**"). For the Financial Year ended on March 31, 2026, the Board is of the opinion that the Company has sound IFC commensurate with the size, scale and complexity of its business operations. The IFC operates effectively, and no material weakness

exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved internal controls whenever the effect of such gaps would have a material effect on the Company's operations.

The Company has a well-placed, proper and adequate IFC system, which ensures:

- Orderly and efficient conduct of its business,
- Safeguarding of its assets,
- Prevention and detection of fraud and errors,
- Accuracy and completeness of the accounting records, and
- Timely preparation of reliable financial information.

The Board reviews the effectiveness of controls documented as a part of IFC framework and takes necessary corrective and preventive actions wherever weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and the information technology environment.

Based on this evaluation, no significant events had come to notice during the Financial Year ended on March 31, 2026, that have materially affected or are reasonably likely to materially affect our IFC. The management has also come to a conclusion that the IFC and other financial reporting was effective during the Financial Year ended on March 31, 2026, and is adequate considering the business operations of the Company. The statutory auditors of the Company have audited the IFC with reference to financial reporting and their audit report is annexed as an annexure to the Independent Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements.

Managing risks of fraud, corruption and unethical business practices:

i. Vigil mechanism / whistle blower policy:

The Company has built a reputation for doing business with honesty and integrity and it has zero tolerance for any type of unethical behavior or wrongdoing. The Company has in place a stringent vigil system to report unethical behavior in order to promote professionalism, fairness, dignity and ethical behavior in its employees.

Pursuant to and in compliance with the provisions of section 177(9) and (10) of the Act, rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and regulation 22 of the Listing Regulations, the Company has established a robust vigil mechanism and framed Whistle Blower Policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy and

Insider Trading Regulations. The Whistle Blower Policy, which is applicable to all the stakeholders, is uploaded on Company's website and the weblink of the same is provided in a separate section of Corporate Governance Report on Page No. 253, which forms a part of this Integrated Annual Report.

Pursuant to and in compliance with the provisions of regulation 18(3) read with clause 18 of Part C of Schedule II of the Listing Regulations, the Audit Committee reviews the functioning of the vigil mechanism / Whistle Blower Policy. No person was denied access to the chairman of the Audit Committee. 1 (one) complaint was received under the whistle blower mechanism during the Financial Year ended on March 31, 2026, which was adequately addressed.

ii. Zydus business conduct policy:

The Company has framed "Zydus Business Conduct Policy" ("**Business Conduct Policy**") and is monitored by the President-Group Human Resources and Corporate Communication. Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Business Conduct Policy. The objective of the Business Conduct Policy is to conduct the business in an honest, transparent and ethical manner. The Business Conduct Policy provides for anti-bribery and avoidance of other corrupt practices by the employees of the Company.

Disclosure as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. In terms of section 134(3) of the Act read with rule 8(5) of the Accounts Rules, the Company has constituted an Internal Complaints Committee as required under the said act.

The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment.

The Company periodically conducts sessions for employees across the Company to build awareness about the policy and the provisions of the said act.

Complaints of sexual harassment received by the Company are investigated in accordance with the procedures prescribed and adequate steps are taken to resolve them. During the Financial Year ended on March 31, 2026, 1 (one) complaint was received and the same was resolved within 90 (ninety) days. No complaint was pending to be resolved as at March 31, 2026.

Annual return:

Pursuant to and in compliance with the provisions of section 92(3) read with section 134(3)(a) of the Act, Annual Return for the Financial Year ended on March 31, 2026, in prescribed Form No. MGT-7 is available on the website of the Company at www.zyduslife.com. The Annual Return will be filed with the Registrar of Companies within prescribed time frame.

Particulars of employees:

The information required under section 197(12) of the Act and rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure-"D"**.

Energy conservation, technology absorption, foreign exchange earnings and outgo:

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134(3)(m) of the Act read with rule 8(3) of the Accounts Rules, is provided in **Annexure-"E"**.

General disclosures:

During the Financial Year ended on March 31, 2026, the Company has not-

- (i) issued any shares, warrants, debentures, bonds or any other convertible or non-convertible securities,
- (ii) issued any shares with differential voting rights,
- (iii) issued any sweat equity shares, and
- (iv) made any changes in voting rights.

In terms of section 134(3) of the Act read with rule 8(5) of the Accounts Rules, for the Financial Year ended on March 31, 2026:

- (i) there were no proceedings initiated / pending against the Company under the Insolvency and Bankruptcy

Code, 2016 which can materially impact the business of the Company,

- (ii) there were no instances where the Company required the valuation for a one-time settlement or while taking the loan from the Banks or Financial institutions, and
- (iii) no significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in the future.

The equity shares of the Company were not suspended for trading during the Financial Year ended on March 31, 2026.

Disclosure pertaining to explanation for any deviation or variation in connection with certain terms of public issue, right issue, preferential issue, etc. is not applicable to the Company.

There were no revisions of the financial statements and the Board's Report during the Financial Year ended on March 31, 2026.

The Company has complied with the applicable provisions of The Maternity Benefit Act, 1961.

In terms of section 134(3)(l) of the Act, apart from what is mentioned in this report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of this report.

Acknowledgment:

Your Directors thank the medical fraternity and patients for their patronage to the Company's products. Your Directors also place on record their sincere appreciation for the continued co-operation and support extended to the Company by various banks, employees, vendors, investors, business associates, Stock Exchanges, financial institutions, Government of India, State Governments and various departments and agencies for their support and co-operation.

Your Directors appreciate and value the contribution made by every member of the Zydus group.

On behalf of the Board of Directors

Pankaj R. Patel
Chairman
DIN: 00131852

Place : Ahmedabad
Date : May 19, 2026

ANNEXURE-"A"

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of The Companies Act, 2013 and rule 8(2) of The Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Act, including certain arm's length transactions under third proviso thereto.

A. Details of contracts or arrangements or transactions not on an arm's length basis:

There were no contracts or arrangements or transactions entered into with related parties during the Financial Year ended on March 31, 2026, which were not on an arm's length basis.

B. Details of material contracts or arrangements or transactions on an arm's length basis:

Sr. No.	Name of the related party and nature of relationship	Nature of contract / arrangement or transaction	Duration of contract / arrangement or transaction	Salient terms of the contract / arrangement or transaction, including value, if any.	Date of approval by the Board of Directors	Amount paid as advance, if any.
1.	Zydus Pharmaceuticals USA Inc., USA (a wholly owned subsidiary company)	Supply and Distribution Agreement	On-going	Pricing of supply of products based on relevant guidelines of transfer pricing During the Financial Year ended on March 31, 2026, the aggregate value of transactions is ₹ 56,731 million.	February 5, 2025	Nil

On behalf of the Board of Directors

Place : Ahmedabad
Date : May 19, 2026

Pankaj R. Patel
Chairman
DIN: 00131852

Annexure-"B"

Secretarial Audit Report of Zydus Lifesciences Limited (Form MR-3)

For the Financial Year ended on March 31, 2026

(Pursuant to section 204(1) of The Companies Act, 2013 and rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members
ZYDUS LIFESCIENCES LIMITED
(CIN: L24230GJ1995PLC025878)
'Zydus Corporate Park', Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej-Gandhinagar Highway,
Ahmedabad-382481

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ZYDUS LIFESCIENCES LIMITED** (hereinafter called "the **Company**"). The Secretarial Audit was conducted in a manner that provided 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, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2026 has 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, 2026, according to the provisions of:

- (i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (d), (e), (g) and (h) of para (v) mentioned hereinabove during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and the SEBI (Listing

Obligations & Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**").

- VI. We further report that having regard to the compliance management system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof made available to us on test-check basis, the Company has compliance management system for the sector specific laws applicable specifically to the Company.

During the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, mentioned hereinabove subject to our observations and there is adequate compliance management system for the purpose of other sector specific laws. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws applicable to the Company. It is observed that notices both dated December 15, 2025, were issued by BSE Limited ("**BSE**") & National Stock Exchange of India Limited ("**NSE**") (BSE and NSE are collectively referred to as the "Stock Exchanges") for delay in giving prior intimation about the meeting of the Board of Directors held on November 6, 2025 under regulation 29(2)/29(3) of the Listing Regulations, and had imposed a fine of ₹ 10,000/- + GST each. The Company provided clarifications to the Stock Exchanges that, the said technical non-compliance of regulation 29 of the Listing Regulations was due to inadvertence and misconception about trading holiday on account of Prakash Gurpurab Sri Guru Nanak Dev Jayanti, with no intent of deviation from the regulatory framework. However, the Company paid the fine as imposed by the Stock Exchanges.

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. During the year under review, following changes occurred in the Board of Directors of the Company:

- Mr. Ganesh N. Nayak (DIN: 00017481) was re-appointed as a Director in employment of the Company for a further period of 5 (five) years with effect from July 12, 2025, upto July 11, 2030, and the same was ratified by passing Special Resolution in Annual General Meeting of the members of the Company held on August 12, 2025;
- Mr. Nitin D. Parekh ceased to be Chief Financial Officer ("**CFO**") of the Company upon superannuation with effect from August 31, 2025;
- Mr. Tushar D. Shroff was appointed as the CFO with effect from September 1, 2025.

Adequate notices were given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through while the dissenting members' views were captured and recorded as part of the minutes, wherever required.

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 sector specific laws, rules, regulations and guidelines.

We further report that during the audit period of the Company, there were following events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. Zydus MedTech (France) SAS:

- 1.1 Zydus MedTech (France) SAS ("**Zydus MedTech France**"), a step down wholly owned subsidiary of the Company acquired 85.6% of the share capital and voting rights ("**Block Acquisition**") of Amplitude Surgical SA, France ("**Amplitude**"), along with its wholly owned subsidiaries on July 29, 2025.

Later on, Zydus MedTech France acquired the balance 14.4% share capital and voting rights of Amplitude on October 24, 2025, through mandatory tender offer and squeeze-out. In view of the same, Zydus MedTech France holds 100% share capital and voting rights of Amplitude and hence, Amplitude became the wholly owned subsidiary of Zydus MedTech France. The transaction is considered as consummated on October 24, 2025.

- 1.2 In order to rationalize the non-operating subsidiary companies of Amplitude, following step down subsidiaries of Amplitude have been dissolved without liquidation:

- iv. Auroralux S.A.S., Luxembourg, effective December 31, 2025.
- v. Ampliman 2, France, effective January 9, 2026.
- vi. Ampliman 1, France, effective January 16, 2026.

2. Zylidac Bio LLC:

Zylidac Bio LLC, which was incorporated on July 11, 2025, as a wholly owned step down subsidiary of Zydus

Pharmaceuticals USA Inc., USA, ("ZPUI") which in turn is a wholly owned subsidiary of the Company acquired two U.S. based biologics manufacturing facilities of Agenesis West LLC, and Agenesis Inc., USA (collectively referred to as "Agenesis") one in Emeryville, CA and another in Berkeley, CA ("the Assets").

The above transaction, for the acquisition of the Assets, was consummated on January 15, 2026.

3. Zydus Foundation:

Pursuant to preferential issue and allotment of 450,000 (Four Hundred Fifty Thousand) equity shares of ₹ 10/- (Rupees Ten only) each fully paid-up of Zydus Foundation to Ramanbhai Foundation, a public charitable trust, on November 19, 2025, Zydus Foundation, which is a CSR arm for Zydus Group of entities, has ceased to be the wholly owned subsidiary of the Company effective November 19, 2025. The Company holds 50,000 (Fifty Thousand) equity shares of Zydus Foundation.

4. Naturell India (Private) Limited:

As a part of simplification of corporate structure, synergetic savings and efficiencies due to larger scale of operations of Zydus Wellness Limited ("ZWL"), a subsidiary of the Company, ZWL applied for the voluntary liquidation of Naturell India (Private) Limited, ("NIPL"). The liquidator of NIPL has distributed the entire business undertaking on a going concern basis to its parent entity ZWL effective September 20, 2025. As on

March 31, 2026, the application of dissolution is under process with Hon'ble National Company Law Tribunal, Ahmedabad Bench.

5. Alidac UK Limited:

Alidac UK Limited, which was incorporated in United Kingdom as a wholly owned subsidiary of ZWL on August 5, 2025, acquired Comfort Click Limited ("CCL") in United Kingdom, along with its wholly owned subsidiaries.

6. Liva Investment Limited:

Liva Investment Limited, a wholly owned subsidiary of ZWL was dissolved with effect from August 20, 2025.

7. Torrent Urja:

7.1 The Company entered into Share Subscription and Shareholders' Agreement ("SSSA") on May 28, 2025, to subscribe 26.20% shares of Torrent Urja 26 Private Limited.

7.2 The Company and its various subsidiaries also entered into SSSAs on May 28, 2025, to subscribe 22.06% shares of Torrent Urja 25 Private Limited.

8. Shareholders of the Company by way of postal ballot on December 12, 2025, passed enabling special resolution to raise funds upto an amount not exceeding ₹ 50,000 million in one or more tranches by way of issuance of securities.

Sign: _____
ASHISH C DOSHI, PARTNER
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No.: F3544
COP No.: 2356
P R Certi No.: 6467/2025
UDIN: F003544H000399874

Place : Ahmedabad
Date : May 19, 2026

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

Annexure-A

To,
The Members
ZYDUS LIFESCIENCES LIMITED
(CIN: L24230GJ1995PLC025878)
'Zydus Corporate Park', Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej-Gandhinagar Highway,
Ahmedabad-382481

Sir/Ma'am,

Sub.: Secretarial Audit Report for the Financial Year ended on March 31, 2026

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 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained 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 of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sign: _____

ASHISH C DOSHI, PARTNER

SPANJ & ASSOCIATES

Company Secretaries

ACS/FCS No.: F3544

COP No.: 2356

P R Certi No.: 6467/2025

UDIN: F003544H000399874

Place : Ahmedabad

Date : May 19, 2026

Annexure-"B1"

Secretarial Audit Report of Zydus Healthcare Limited (Form MR-3)

For the Financial Year ended on March 31, 2026

(Pursuant to section 204(1) of The Companies Act, 2013 and rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
ZYDUS HEALTHCARE LIMITED
"Zydus Corporate Park", Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway,
Ahmedabad-382481

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zydus Healthcare Limited** (hereinafter called "the **Company**"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives in electronic form and on physical verification of records during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2026 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 as per Annexure I for the financial year ended on March 31, 2026 according to the provisions of:

- i) The Companies Act, 2013 (Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) as amended from time to time:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; and
 - i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

However, it is reported that there were no instances requiring compliance with the provisions of the laws indicated at para (v) mentioned hereinabove during the period under review as said regulations were not applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India from time to time; and
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

However, it was noted that since securities of the Company are not listed on any recognized stock exchanges, clauses of listing agreement and rules of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 were not applicable except the regulations applicable to material subsidiary of a listed entity.

- vi) We further report that having regard to the compliance management system prevailing in the Company in relation to other applicable sector specific laws, we have relied on the confirmations of compliances placed before the board which were made available to us for our verification and were considered as assurance for existence of proper compliance management system.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other applicable laws mentioned hereinabove. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under laws and regulations applicable to the Company.

We report that the Board of Directors of the Company is duly constituted with proper balance of the Executive Directors and the Non-executive Directors (Independent and Non-independent). The changes in the composition of the Board and the KMP that took place during the period under review were carried out in compliance with the provisions of the Act. During the year under review, following changes occurred in the composition of the Board:

- Ms. Swati Rohan Dalal (DIN: 01513751) was appointed as an Additional Director of the Company effective June 16, 2025. Further she was also appointed as Managing Director of the Company in the capacity of Key Managerial Personnel (KMP) for a period of five (5) years effective June 16, 2025, to June 15, 2030;
- Ordinary Resolutions were passed at Annual General Meeting held on August 4, 2025, for regularization of appointment of Mr. Bhadresh K. Shah (DIN: 00058177) and Ms. Dharmishtaben N. Raval (DIN: 02792246)

as an Independent Director and Non-Executive Non-Independent Woman Director of the Company respectively;

- Mr. Vijay Bhalerao (DIN: 10941925) was re-appointed as the Whole Time Director of the Company effective February 11, 2026, till February 29, 2027. He continues to be the KMP of the Company.
- Mr. Tushar Dhansukh Shroff (DIN: 08234045) was appointed as an Additional Director of the Company effective September 1, 2025;
- Mr. Nitinkumar Dalsukhray Parekh (DIN: 00155570) ceased to be the Director of the Company effective August 31, 2025;
- Mr. Arvind Bothra resigned as the Chief Financial Officer and KMP of the Company with effect from the close of business hours of February 2, 2026;
- Mr. Jigar Suresh Thakkar was appointed as the Chief Financial Officer and KMP of the Company effective February 3, 2026.

Adequate notices are given to all the Directors to schedule the Board and the other Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting Members' views are captured and recorded as part of the minutes, wherever required.

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 the applicable laws, rules, regulations and guidelines.

We further report that during the audit period of the Company, there were following events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Signature:

Name of practicing CS: Ashish C. Doshi, Partner
SPANJ & ASSOCIATES

Company Secretaries

ACS/FCS No.: F3544

C P No: 2356

PR No.: 6467/2025

UDIN: F003544H000380580

Place : Ahmedabad
Date : May 15, 2026

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

Annexure-I

To,
The Members
ZYDUS HEALTHCARE LIMITED
"Zydus Corporate Park", Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway,
Ahmedabad-382481

Dear Sir,

Sub.: Secretarial Audit Report for the Financial Year ended on March 31, 2026

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 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The verification of the correctness and appropriateness of financial records and Books of accounts of the Company was falling within the purview of statutory auditors and therefore, we have relied on the audit carried out by them.
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 of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature:
Name of practicing CS: Ashish C. Doshi, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No.: F3544
C P No: 2356
PR No.: 6467/2025
UDIN: F003544H000380580

Place : Ahmedabad
Date : May 15, 2026

Annual Report on Corporate Social Responsibility ("CSR") activities

1. Brief outline on CSR Policy of the Company:

Pursuant to and in compliance with the provisions of section 135(4)(a) of the Act and rule 6 of the CSR Rules, the Company has framed a CSR Policy. The Company has outlined the following thrust areas in the CSR Policy:

- i) Healthcare / Medical Facility
- ii) Skill Development / Empowerment
- iii) Community Development
- iv) Education / Knowledge Enhancement
- v) Infrastructure Development
- vi) Environment Protection
- vii) Others as may be decided

The Board, on the recommendation of the CSR and ESG Committee, approved the CSR spending, apart from others, for providing support in key areas like (a) healthcare, (b) education, (c) skill development, (d) research and innovation and (e) environment sustainability.

The brief details of the CSR activities carried out under the above key areas are as under:

₹ in million

Sr. No.	CSR Area	Activity	Amount contributed
a.	Healthcare		
i.	Zydus Foundation	The Company contributed funds to establish a world-class, research-intensive 'Zydus Lifesciences University' (" University ") in Gujarat. The University aims to transform the State into global hub for biomedical innovation, translational research, and advance talent development. Zydus Foundation seeks the support of the Government of Gujarat to create a model institution aligned with the Hon'ble Prime Minister's vision of "Atmanirbhar Bharat", "Viksit Bharat 2047" and Gujarat's leadership in pharmaceuticals and biotechnology.	447 (Refer Note 1)
ii.	Zydus GMC (Gandhinagar Municipal Corporation) Garden	The Company is retransforming urban spaces and creating a cycling garden with various environment and health interventions through Zydus Foundation, an implementing agency.	15
iii.	Safe Mother and Child Survival Project	The Company is strengthening safe mother and child health survival in slum areas of Mumbai, Maharashtra.	2
	Total a (i + ii + iii)		464
b.	Education		
i.	Educational Scholarships	The Company provided scholarships to 100 meritorious and financially needy pharmacy and tribal students. The Company provided scholarships to rural medical and engineering students of Maharashtra.	3

₹ in million

Sr. No.	CSR Area	Activity	Amount contributed
ii.	Education and Skill Development Programs to specially abled students	The Company provided remedial education, specialized teaching and sport teacher support, disability-related teacher training, and skill development programs to promote academic progress and economic independence for students with special needs.	2
iii.	Education Infrastructure	The Company created a training hall for Gujarat Police to impart regular training to the Police Force.	
Total b (i + ii + iii)			5
c. Skill Development Program			
i.	Skill Development Programs for specially abled	The Company conducted vocational skill-based development programs creating opportunities for empowerment and enabling them to become self-reliant and supported for market linkages to the underprivileged women in Gujarat and NGOs / artisans.	3
Total c			3
d. Research and innovation			
i.	Grass-root innovation program	The Company conducted grass-root innovation program to support innovators from Gujarat and supported for Swargarohan technology in five villages of Gujarat.	4
ii.	STEM Program	The Company carried out Pan India STEM Program to foster scientific curiosity, innovation among young minds and create next generation of thinkers and problem solvers.	6
Total d (i + ii)			10
e. Environment sustainability			
i.	Zydus watershed Projects in Gujarat and Maharashtra	The Company created 55 water harvesting structures in water stressed villages of Gujarat and Maharashtra to improve water availability & sustainability through ground water recharge.	63 (Refer Note 2)
ii.	Green Gujarat initiative	The Company launched Green Gujarat initiative 3.0 wherein more than 7,500 employees / students participated to create 1.77 lacs tree native seed balls and dispersed through drones in the forest of Gandhinagar to increase green cover. The Company carried out tree plantations at various sites. The Company carried out employee voluntary programs sync with UN Sustainable development Goals and engaged employees in community service programs and philanthropic activities.	3
Total e (i + ii)			66
Grand Total (a + b + c + d + e)			548

Note 1: An amount of ₹ 447 million, though contributed to the implementing agency, but remained unutilized as at March 31, 2026, and hence the implementing agency transferred the funds to "Zydus Lifesciences Limited Unspent Corporate Social Responsibility Account 2025-26" on April 27, 2026.

Note 2: An amount of ₹ 0.51 million, though contributed to the vendor, but remained unutilized as at March 31, 2026, and hence the vendor transferred the funds to "Zydus Lifesciences Limited Unspent Corporate Social Responsibility Account 2025-26" on April 22, 2026.

Note 3: Total amount of ₹ 447.51 million (₹ 447 million + ₹ 0.51 million) was transferred to "Zydus Lifesciences Limited Unspent Corporate Social Responsibility Account 2025-26".

2. Composition of the CSR and ESG Committee:

Sr. No.	Name of the director	Designation / nature of directorship	Number of CSR and ESG Committee meetings	
			Held	Attended
1.	Mr. Pankaj R. Patel	Chairman of the CSR and ESG Committee and non-executive Chairman of the Board	2	2
2.	Dr. Sharvil P. Patel	Member of the CSR and ESG Committee and Managing Director		2
3.	Ms. Upasana K. Konidela	Member of the CSR and ESG Committee and independent woman director		1
4.	Ms. Shelina P. Parikh	Member of the CSR and ESG Committee and independent woman director		2

3. Provide the web-link where composition of the CSR and ESG committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of the CSR and ESG Committee:

<https://www.zyduslife.com/compcommittee.html>

CSR Policy:

<https://www.zyduslife.com/public/pdf/companypolicy/Corporate-Social-Responsibility-Policy.pdf>

CSR Projects approved by the Board:

<https://zyduslife.com/public/pdf/financial/CSR-Projects-2026-2027.pdf>

4. Executive summary along with web-links of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Soulace, an independent agency, has carried out the impact assessment of various CSR Projects undertaken by the Company (directly or through implementing agency) wherever applicable in compliance with provisions of rule 8(3) of the CSR Rules. Said report is available on the website of the Company, the weblink of which is <https://www.zyduslife.com/public/pdf/csr/Annexure-C-IA-1.pdf> and <https://www.zyduslife.com/public/pdf/csr/Annexure-C-IA-2.pdf>.

The executive summary of the impact assessment of CSR projects is attached as **Annexure-C1**.

5. (a) Average net profit of the Company as per section 135(5):

₹ 41,750 million (Rupees Forty One Thousand Seven Hundred Fifty Million only)

(b) Two percent of average net profit of the Company as per section 135(5):

₹ 835 million (Rupees Eight Hundred Thirty Five Million only)

(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:

₹ 287 million (Rupees Two Hundred Eighty Seven Million only)

(e) Total CSR obligation for the financial year (b+c-d):

₹ 548 million (Rupees Five Hundred Forty Eight Million only)

6. (a) Amount spent on CSR Projects (both Ongoing project and other than Ongoing project):

₹ 101 million (Rupees One Hundred One Million only).

(b) Amount spent in administration overheads:

Nil

(c) Amount spent on impact assessment, if applicable:

₹ 1 million (Rupees One Million only)

(d) Total amount spent for the Financial Year (a+b+c):

₹ 101 million (Rupees One Hundred One Million only) (which does not include amount spent towards impact assessment)

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

₹ in million

Total Amount Spent for the Financial Year	Amount unspent				
	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
101	0.51	April 22, 2026		N.A.	
	447.00	April 27, 2026			

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

₹ in million

Sr. No.	Particulars	Amount
i.	Two percent of average net profit of the Company as per section 135(5)	835
ii.	Amount set-off for the Financial Year	287
iii.	Amount to be spent for the Financial Year [(i)-(ii)]	548
iv.	Total amount spent for the Financial Year	101
v.	Excess amount spent for the Financial Year [(iv)-(iii)]	Nil
vi.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
vii.	Amount available for set off in succeeding financial years [(iv)-(v)]	Nil

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6)	Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount spent in the Financial Year	Amount transferred to a Fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
								N.A.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☒ Yes ☐ No

If yes, enter the number of capital assets created / acquired: 5

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 asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity / authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Cremation Machine	382220	February 11, 2026	0.06	Not Applicable	Modasar Crematorium	Modasar Crematorium Gram Panchayat, Tal. Sanand, Ahmedabad
2		382210	February 17, 2026	0.06	Not Applicable	Sanathal Crematorium	Sanathal, Tal. Sanand, Ahmedabad
3		391510	March 18, 2026	0.06	Not Applicable	Jarod Crematorium	Jarod Gram Panchayat, Tal. Waghodia, Vadodara
4		382213	February 28, 2026	0.06	Not Applicable	Moraiya Crematorium	Moraiya Gram Panchayat, Tal. Sanand, Ahmedabad
5		382220	March 15, 2026	0.06	Not Applicable	Moksh Mandir Crematorium	Moksh Mandir, Shri Nandpark society, Bavla Gram Panchayat Ahmedabad

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office / Municipal Corporation / Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135:

Out of the total obligation of ₹ 548 million, the Company has spent ₹ 101 million on various CSR projects. Balance amount of ₹ 447 million, though contributed, but remained unutilized as at March 31, 2026, and hence was transferred to "Zydus Lifesciences Limited Unspent Corporate Social Responsibility Account 2025-26". The details of amount which remained unspent for the ongoing projects are as under:

- University:** The Company contributed ₹ 447 million to Zydus Foundation, to establish a world-class, research-intensive 'Zydus Lifesciences University' ("**University**") in Gujarat. The University aims to transform the State into global hub for biomedical innovation, translational research, and advance talent development. Zydus Foundation seeks the support of the Government of Gujarat to create a model institution aligned with the Hon'ble Prime Minister's vision of "Atmanirbhar Bharat", "Viksit Bharat 2047" and Gujarat's leadership in pharmaceuticals and biotechnology. The selection of land for establishment of the University is underway.
- Watershed Program:** The Company contributed an amount of ₹ 63 million for the watershed program in Gujarat and Maharashtra, out of which a very minimal amount of ₹ 0.51 million remained unutilized as at March 31, 2026. The said unspent amount will be spent during the Financial Year ending on March 31, 2027.

Place : Ahmedabad
Date : May 19, 2026

Pankaj R. Patel
Chairman of the Board and the CSR & ESG Committee
DIN: 00131852

Sharvil P. Patel
Managing Director
DIN: 00131995

Executive summary of impact assessment report of the applicable CSR projects:

In terms of the CSR Rules, as the Company's average CSR obligation was more than ₹ 100 million (Rupees One Hundred Million only) in the 3 (three) immediately preceding financial years, the Company has undertaken impact assessment, through Soulace, an independent agency, for the CSR projects having outlays of ₹ 10 million (Rupees Ten Million only) or more.

Following is the summary of impact assessment report of eligible CSR Projects:

1. **Project Name:** Zydus Medical College and Hospital ("ZMCH")

Beneficiaries: Tribal and underserved populations

Location: Dahod, Gujarat

Implemented: through Zydus Foundation, implementing agency

Zydus Foundation, the CSR arm of Zydus Group, in collaboration with the Gujarat Government, established ZMCH in Dahod in 2017. ZMCH continues to play a critical role in improving access to quality healthcare for tribal and underserved populations across Eastern Gujarat and neighbouring regions. By providing comprehensive tertiary healthcare services, advanced diagnostics, and specialised treatment facilities free of cost, the project has significantly reduced the burden of travel and out-of-pocket medical expenses for beneficiaries. The intervention has contributed to improved health outcomes, increased trust in public healthcare systems, and strengthened community well-being through a combination of curative services, preventive care, and medical outreach.

Key Findings:

1. 99% of patient respondents confirmed that medical care is provided free of cost, ensuring complete financial accessibility.
2. 84% of patient respondents rated treatment effectiveness as very good, reflecting positive health outcomes.
3. 84% of patient respondents rated the availability of medicines as very good, indicating reliable access to prescribed drugs.

4. 99% of patient respondents reported that doctors were attentive, empathetic, and clinically competent, indicating strong service quality.
5. 93% of patient respondents reported that nurses were respectful, compassionate, and clinically competent, highlighting high-quality patient care.
6. 92% of patient respondents reported ease of access to ambulance services, indicating effective emergency service availability.
7. 99% of patient respondents reported ZMCH as their most preferred healthcare centre, reflecting very high trust in the institution.

Key Impacts:

1. Significantly improved access to free, high-quality tertiary healthcare for underserved populations.
2. Reduced out-of-pocket medical expenditure, preventing financial distress.
3. Reduced reliance on distress financing (loans, asset sales).
4. Reduced dependence on distant hospitals and private providers.
5. Strengthened continuum of care (consultation, diagnostics, treatment, follow-up).
6. Achieved high patient trust and satisfaction.
7. Improved health-seeking behaviour, with reduced delays in accessing care.
8. Contributed to improved health outcomes and overall quality of life.

2. **Project Name:** Revival of a school at Changodar

Beneficiaries: 400+ students in financial year 2025-26

Location: Changodar, Ahmedabad

Implemented: directly by the Company

The revival of B.G. Chavda Secondary and Higher Secondary School, Changodar, has transformed a previously deteriorated and unsafe learning environment into a secure, functional, and student-friendly educational space. The intervention

addressed critical infrastructure challenges, ensuring uninterrupted academic activities and improving overall safety for students and staff. Further, the integration of sports facilities has promoted holistic development by encouraging physical activity, teamwork, and student engagement. The project has contributed to improved attendance, enhanced learning experiences, and a more positive school environment.

Key Findings:

1. 96% of student respondents reported enhanced classroom conditions, including improved seating, lighting, and ventilation.
2. 100% of student respondents reported cleaner classrooms, premises, improved security (boundary walls and controlled access), access to quality sports kits and complete elimination of waterlogging issues.
3. 98% of student respondents reported enhanced sanitation facilities.

Key Impacts:

1. Transformed the school into a secure and conducive learning environment.
2. Improved student attendance and engagement.
3. Enabled access to clean facilities, drinking water, and learning resources.
4. Promoted physical fitness and overall health among students through sports intervention.
5. Attracted greater enrolment due to improved facilities.
6. Enhanced overall school environment comparable to private institutions.

3. **Project Name:** Construction of sanitation facilities in various schools

Beneficiaries: students in the schools

Location: Shirpur, Maharashtra

Implemented: through Zydus Foundation, implementing agency

The School Sanitation Infrastructure project has significantly enhanced sanitation, hygiene, and dignity for students by addressing critical gaps in school sanitation infrastructure across residential and non-residential government school settings. The provision of clean, safe, and private toilet facilities, along with support systems for menstrual hygiene management, has enhanced comfort and reduced barriers to regular school attendance, particularly for girls. By ensuring well-designed, hygienic, and accessible facilities for

both boys and girls, the project has addressed issues of inadequate infrastructure, poor maintenance, and a lack of water supply. The availability of separate and well-maintained toilets has ensured privacy, safety, and comfort for all students, creating a more inclusive environment. The intervention has led to better attendance, increased student confidence, and the adoption of healthier hygiene practices, thereby supporting educational continuity, enhancing student participation, and improving overall well-being, while also contributing to a cleaner, more conducive learning environment.

Key Findings:

1. 100% of student respondents reported that toilets were adequate after the intervention, indicating that the facilities met student needs.
2. 91% of student respondents reported cleaner toilet spaces.
3. 98% of student respondents reported feeling comfortable using toilets.
4. 75% of student respondents reported significant improvement in access to toilets during school hours.
5. 81% of student respondents reported that water is always available in toilets, ensuring consistent usability of sanitation facilities.
6. 84% of student respondents reported that toilet door locks are always functional.
7. 93% of student respondents reported overall improvement in toilet maintenance.

Key Impacts:

1. Ensured privacy and safety for both boys and girls.
2. Supported menstrual hygiene management and better sanitation practices.
3. Increased regular usage of sanitation facilities among students.
4. Reduced absenteeism linked to inadequate sanitation facilities.
5. Reduced health risks related to poor sanitation and infections.
6. Improved daily comfort in bathing and sanitation routines.
7. Encouraged open discussions around menstrual health and hygiene.
8. Promoted hygiene awareness and behavioural change among students.

4. Project Name: Zydus Watershed Project

Beneficiaries: farmers and households, women and community members

Location: Shirpur, Dhule, Maharashtra and Viramgam and Mandal, Gujarat

Implemented: through Zydus Foundation, implementing agency

In 2024-25, the Company's CSR Initiative implemented a watershed programme in Viramgam (Gujarat) and in Shirpur (Maharashtra) to improve water availability and support rain-fed agriculture in drought-prone regions. In Viramgam, the project covered 11 villages, while in Shirpur, the project covered 2 villages, focusing on groundwater recharge and irrigation access. The programme adopted a multi-component watershed approach, including the restoration of water bodies, farm ponds, recharge structures, and Bandhara-based interventions, supported by community participation.

Before the intervention, limited irrigation access and high dependence on monsoon rainfall constrained agricultural productivity. Post-intervention, improved water availability enabled multi-season cultivation and crop diversification, with ~50% increase in crop yield and income gains exceeding ₹ 1 lakh annually. These outcomes are supported by hydrological assessments, indicating ~3.48 lakh cubic metres of groundwater recharge through watershed interventions in Viramgam. In Shirpur, the assessment indicates an overall groundwater recharge potential of ~14.09 lakh cubic metres, primarily driven by rainfall and supported by Bandhara-based interventions, along with improvements in seasonal water availability.

Key Findings:

A. Shirpur Dhule Bhandhara intervention

1. Seasonal drying of wells reduced from 96% to 28%, with water availability (>5 months) increasing from 8% to 100%
2. Irrigation access increased from 20% to 100% during crop growth stages, 92% reported the ability to cultivate multiple seasons.
3. Shift from 100% rainfed to 100% irrigated/commercial cropping.
4. Cropping intensity increased from 0% to 88%, cultivating more than two crops.
5. Fallow land reduced from 96% to 12%, with 88% reporting no fallow land.
6. Crop water stress reduced from 100% to 0%, with yields increasing from 0% to 100%

7. Respondents earning >₹5 lakh increased from 8% to 76%, while <₹2 lakh declined from 64% to 12%

B. Viramgam Ahmedabad Watershed intervention

1. 98% of ground water levels increased by more than 5 feet.
2. 98% of the time, water availability in wells extended by more than 3 months.
3. 95% of water structures retain water for more than 6 months.
4. 98% of farms receive direct irrigation from structures.
5. 100% of respondents reported an increase in crop yields of the fodder cultivation increase was more.
6. 95% of the yield increase mainly falls in the range of 25%-50%.
7. 90% of agricultural efforts have shifted to multi-season cropping.
8. 100% of respondents reported an increase in agricultural income.
9. 58% of the costs were reduced due to irrigation-related improvements.
10. 93% of the fodder cultivation increase was more than 50%.
11. 95% of respondents reported milk yield increase by over 30%, reflecting significant impact.
12. 98% of crops survive better during dry spells.
13. 97% of water is available during irregular rainfall.
14. 98% of the soil moisture improved.
15. 98% of the maintenance systems are in place.
16. 92% of Panchayat involvement was reported.

Key Impacts:

A. Shirpur Dhule Bhandhara intervention

1. 96% reported increased water levels, 80% reported longer summer water availability, and 76% reported revival of previously dry wells.
2. 88% reported reduced rainfall dependence and irrigation at critical stages.
3. 96% adopted high-value crops, 92% shifted to irrigated crops, and 88% introduced new crops.

4. 92% reported multi-season cultivation, and 64% reported improved irrigation scheduling.
5. 100% cultivated additional seasons, 92% increased cultivated area, and 88% brought fallow land under cultivation.
6. 96% reported increased yields, 92% reported higher production, and 80% reported improved crop quality.
7. 100% reported improved financial security, 92% improved financial stability, and 76% reported reduced household debt.

B. Viramgam Ahmedabad Watershed intervention

1. 98% of respondents reported improved groundwater availability.
2. 98% of the reports indicated an extended duration of water availability.
3. 95% of reports indicate sustained surface water availability.
4. 98% of respondents reported improved irrigation access.
5. 100% increase in agricultural productivity reported.

6. 95% of the majority reported a yield increase of 25%-50%.
7. 90% increase in cropping intensity reported.
8. 100% increase in agricultural income reported.
9. 58% reduction in irrigation costs reported.
10. 93% of increased fodder availability reported.
11. 95% of improved livestock productivity reported.
12. 98% of crops reportedly showed improved survival during dry conditions.
13. 97% of water availability is reported during rainfall variability.
14. 98% of improved soil moisture conditions have been reported.
15. 93% of the maintenance was reported as community-led.
16. 92% of institutional support was reported through Panchayat.

Annexure-“D”

Particulars of remuneration as per section 197(12) of The Companies Act, 2013 read with rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

a. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the director	Ratio of each director to the median remuneration of the employee
Mr. Pankaj R. Patel	—
Dr. Sharvil P. Patel	685.23
Mr. Ganesh N. Nayak	70.05
Mr. Bhadresh K. Shah	5.02
Mr. Apurva S. Diwanji	5.02
Ms. Shelina P. Parikh	5.02
Mr. Akhil A. Monappa	5.02
Ms. Upasana K. Konidela	5.02
Mr. Mukesh M. Patel	5.02

b. The percentage increase in remuneration of each director, the Chief Financial Officer and the Company Secretary in the financial year:

Name of the director, the Chief Financial Officer and the Company Secretary	% increase in the remuneration in the financial year
Mr. Pankaj R. Patel	—
Dr. Sharvil P. Patel	25.00
Mr. Ganesh N. Nayak	(69.33)
Mr. Bhadresh K. Shah	0.00
Mr. Apurva S. Diwanji	0.00
Ms. Shelina P. Parikh	0.00
Mr. Akhil A. Monappa	0.00
Ms. Upasana K. Konidela	0.00
Mr. Mukesh M. Patel	0.00
Mr. Nitin D. Parekh * Chief Financial Officer	N.A.
Mr. Tushar D. Shroff ** Chief Financial Officer	N.A.
Mr. Dhaval N. Soni Company Secretary	22.77

* Ceased to be the Chief Financial Officer effective August 31, 2025.

** Appointed as the Chief Financial Officer effective September 1, 2025.

- c. The percentage increase in the median remuneration of employees for the Financial Year ended on March 31, 2026, was 7.01%.
- d. There were 29,980 (twenty nine thousand nine hundred eighty) permanent employees (on consolidated basis) on the rolls of the Company as on March 31, 2026.
- e. The PAT for the Financial Year ended on March 31, 2026, increased by 11.37% and the average increase in remuneration of employees was 11.49%. After excluding the items of exceptional nature, the PAT for the Financial Year ended on March 31, 2026, increased by 17.10%.
- f. The remuneration of Key Managerial Personnel, viz. (1) the Managing Director and (2) the Company Secretary increased by 25.00% and 22.77% respectively. Due to changes in the Chief Financial Officer during the Financial Year ended on March 31, 2026, the increase in their remuneration is not applicable.
- g. The average annual increase in the salaries of the employees other than managerial personnel was 11.49%, whereas the weighted average increase in the managerial remuneration (which includes only Managing Director and the Company Secretary) was 23.94% for the Financial Year ended on March 31, 2026. The increase in remuneration was on the recommendation of the NRC considering the performance of the managerial personnel and the Company.
- h. The members at the AGM of the Company held on August 11, 2021, approved the payment of commission to the non-executive directors within the ceiling of 1% of the net profits of the Company, subject to maximum of ₹ 40 million (Rupees Forty Million only) in aggregate, computed as per the provisions of section 198 of the Act. This resolution is valid for a period of 5 (five) years i.e. Financial Year starting from April 1, 2021, and ending on March 31, 2026. The performance of the Company in terms of sales and profitability are the key parameters, apart from the size of the Company and contributions of the directors at the Board and committee meetings.

The Company is seeking approval of the members at the ensuing AGM to pass enabling resolution for payment of commission to non-executive directors for a period of 5 (five) years i.e. Financial Year starting from April 1, 2026 and ending on March 31, 2031, within the ceiling of 1% (one percent) of the net profits of the Company, subject to maximum of ₹ 40 million (Rupees Forty Million only) in aggregate, as computed under the applicable provisions of the Act.

- i. The Company affirms that remuneration is as per the Nomination and Remuneration Policy of the Company. There is no employee drawing remuneration in excess of the remuneration of the Managing Director.
- j. The statement containing particulars of employees as required under section 197(12) of the Act read with rules 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure which forms a part of this Integrated Annual Report. Pursuant to the provisions of section 136 of the Act, the said annexure is open for electronic inspection. The Integrated Annual Report is being sent to the members excluding the aforesaid separate annexure. Any member interested in obtaining a copy of the same may write to the Company Secretary.

On behalf of the Board of Directors

Place : Ahmedabad
Date : May 19, 2026

Pankaj R. Patel
Chairman
DIN: 00131852

Annexure-“E”

Information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to section 134(1)(m) of The Companies Act, 2013 read with rule 8(2) of The Companies (Accounts) Rules, 2014.

The Company is making continuous efforts to conserve energy by adopting innovative measures to reduce wastage and optimize consumption. Amongst others, below are some of the specific steps taken by the Company towards conservation of energy at its various locations.

A. Energy conservation measures and technology absorption measures and benefits derived:

Sr. No.	Measures	Investments (in Million)	Annual Energy Saving		Monetary Savings (in Million)
			Electrical Energy (MWh)	Fuel Energy (Ton)	
A	Energy saving by improvement/modification:				
1	Utilisation of aerosol duct sealing technology to prevent cool air leakage and reduce air handling unit (AHU) energy consumption	2.6	20.8		0.2
2	Optimisation of energy consumption by improved the monitoring system for AHU	9.9	229.0	—	1.7
3	Reduction in energy consumption of AHU units by installation of inline dust collector	3.1	271.0	—	2.0
4	Reduction in compressed energy by reducing its operating pressure.	0.9	139.9	—	1.0
5	Reduction in fuel consumption by installation of Remote Radiator Coil Cooler for 2000 KVA DG Set	3.27	79.0	20.0	2.4
6	Reduction in reactive power by installation of Automatic Power Factor Control (APFC) panel across 1000 TR chiller	1.9	40.0		0.3
7	Reduction in energy consumption by installation in heat pump in hormone plant	7.2	375.0	—	7.7
8	Reduction in energy consumption removing three no's 3TR ductable air conditioning unit and catering the cooling requirement by AHU only.	0	25.3	—	0.3
9	Energy savings by reducing the set value of the air compressor to optimise the compressed air supply	0	1.3	—	0
10	Reduction in energy consumption by installation of VFD in RO-I High Pressure Pump	0	0.9	—	0
11	Optimising the energy consumption by improving the load per decontamination cycle of vertical autoclave	0	3.0	—	0
12	Optimising the energy consumption by revising the load pattern in depyrogenating oven	0	24.9	—	0
13	Reduction in raw water pump consumption by use of RFU (Ready for Use) Rubber Stopper in Injection area	0	2.9	—	0

Sr. No.	Measures	Investments (in Million)	Annual Energy Saving		Monetary Savings (in Million)
			Electrical Energy (MWh)	Fuel Energy (Ton)	
14	Reduction in reactive installation power by installation of power factor correction units.	0.1	0.1	—	0.6
15	Reduction in energy consumption by implementation of auto-modulating control valve in AHU Treated Fresh Air (TFA) unit chilled water coil manifold				
16	Optimising the lighting operations in office areas, meeting rooms, change rooms, and washrooms to achieve energy reduction				
17	Reduction in energy consumption by optimising the duct collector operation				
18	Stoppage of idle and unused multiple ventilation units to reduce energy consumption	8.8	525.0	—	3.7
19	Installation of heat pump in place of hot water generator in SEZ: II to reduce the energy consumption				
20	Continuous monitoring and optimising the relative humidity of multiple function areas to reduce energy consumption				
21	Reduction in cooling energy consumption by shutting down idle zones of manufacturing and packaging areas				
22	Optimising operation schedule of chillers to reduce the energy consumption				
Total (A)		37.8	1738.1	20.0	19.9
B. New technology adoption					
1	Installation of new boiler with improved energy efficiency to reduce fuel consumption	261.0	—	684.0	5.7
2	Installation of new energy-efficient air compressor to optimise the compressed air consumption	38.0	500.0	—	4.0
3	Installation of energy-efficient chiller in place of old chiller to reduce the energy consumption of chilling system	22.0	207.0	—	1.5
4	Reduction in energy consumption by replacement of dehumidifier rotor with efficient P-95 rotor	3.9	—	157.0	1.2
5	Reduction in energy consumption by replacement of brine chillers with energy-efficient chillers	10.0	138.3	—	1.3
6	Reducing energy consumption by replacing pulley-based blowers with direct plug-in blowers.	2.4	163.0	—	1.2
7	Reduction in boiler fuel consumption by installation of heat pump across it to cater the boiler temperature requirements	2.3	—	900.0	6.7
8	Reduction in boiler fuel by installing flash jet pump across it	1.5		6.0	0
9	Optimising energy consumption of cooling tower conventional fan & motor with Permanent magnet Motor with aerodynamic fan blade design.	0.5	40.4	—	0.4
10	Reduction in reactive power by installation of 1000 KVAR real-time power factor correction (RTPFC) panel in place of previous 400 KVAR conventional power factor correction (PFC) panel.	2.1	0	—	0.6

Sr. No.	Measures	Investments (in Million)	Annual Energy Saving		Monetary Savings (in Million)
			Electrical Energy (MWh)	Fuel Energy (Ton)	
11	Reduction in energy consumption by installation of 22 no's of brushless direct current (BLDC) fans in place of conventional ceiling fans across various manufacturing offices.	0	0	—	0
12	Reduction in energy consumption by installation of brushless direct current (BLDC) fans in place of conventional ceiling fan across canteen area.	0	2.2	—	0
Total (B)		343.6	1051.0	1741.0	22.7
Total C (A+B)		382.6	2753.2	1761.0	42.6

B. Steps taken by the Company for utilizing alternative sources of energy:

The Company has taken various steps for utilizing alternative sources of energy. Amongst others, below are some of the specific steps taken:

- Usage of biomass fuel ~ 2,500 MT as a primary fuel for the boiler operations to generate steam.
- In-house generation of ~3000 MWh solar energy as an alternate source of grid power.
- Purchase of ~51,000 MWh renewable hybrid electrical energy to reduce the environmental impact of operations.

C. Details of technology imported (during the last 3 years reckoned from the beginning of the financial year):

During the last 3 (three) years, the Company has imported technology as per the details provided in below table:

Sr. No.	Technology Imported	Year of import	Status
1	Fette F30i	2023-2024	Absorbed
2	Replaced Electromagnetic (EC) fan motor with induction motor	2023-2024	Absorbed
3	GEA Compression inline Blender	2024-2025	Absorbed
4	Robotic Air Handling Unit (AHU) Cleaner	2024-2025	Absorbed
5	Vacuum de-aerator (125 ltrs.) for shampoo products	2024-2025	Absorbed
6	Tumble dryer	2024-2025	Absorbed

- D. The Company has made a capital investment of ₹ 383 million (Rupees Three Hundred Eighty Three Million only) on energy conservation equipments.

E. Expenditure incurred on research and development:

The Company has incurred expenditure including capital expenditure of ₹ 13,838 million (Rupees Thirteen Thousand Eight Hundred Thirty Eight Million only) towards research and development on a standalone basis.

F. Foreign exchange earnings and outgo:

During the Financial Year ended on March 31, 2026, the foreign exchange earned in terms of actual inflows was ₹ 103,153 million (Rupees One Lac Three Thousand One Hundred Fifty Three Million only), whereas the foreign exchange in terms of actual outflows was ₹ 28,848 million (Rupees Twenty Eight Thousand Eight Hundred Forty Eight Million only).

On behalf of the Board of Directors

Pankaj R. Patel
Chairman
DIN: 00131852

Place : Ahmedabad
Date : May 19, 2026

Corporate Governance Report

Company's philosophy on corporate governance:

Zydus Lifesciences Limited ("the **Company**") ensures good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. We have, therefore, designed our systems and action plans to enhance performance and stakeholders' value in the long run. To create a culture of good governance, your Company has adopted practices that comprises performance accountability, effective management control, constitution of Board committees as a part of the internal control system, fair representation of professionally qualified, non-executive and independent directors on the Board of Directors ("the **Board**"), adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues. The compliance report on corporate governance herein signifies compliance of all mandatory requirements of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("the **Listing Regulations**").

Transparency

We believe that transparency is important for healthy and self-sustaining growth. It also promotes deep and long-standing trust amongst our stakeholders. We endeavour to demonstrate highest levels of transparency.

Fairness

We practice fair play and integrity in our transactions with all stakeholders. We conduct ourselves in an equitable manner.

Accountability

We believe that accountability is about holding ourselves responsible for what we do. By means of openness and transparency, we consider ourselves accountable to the entire universe of stakeholders including our patients, healthcare professionals, customers and channel partners, employees, investors and members, communities, business associates, government and regulators and suppliers.

Leadership:

The Company is committed to maintain a dynamic and diverse board that combines expertise, independence, and deep sector knowledge to drive excellence and sustainable growth.

Empowerment:

We believe that empowering leaders and employees is key to driving high performance and nurturing leadership at Zydus. Our leadership essentials-centered on people, performance, and well-being-are deeply rooted in our principles, providing a unified framework for leadership development across the organization.

Sustainability:

We believe sustainability means managing financial, social, and environmental responsibilities while ensuring business continuity. We are committed to driving economic growth, minimizing our ecological footprint, and enhancing our positive social impact.

1. Governance structure:

The governance structure of the Company comprises the Board and the committees of the Board at the top level and the internal governance structure at the operational level. The responsibility of the Board is to determine the overall corporate objectives and give direction and freedom to the management to achieve those objectives within a given framework. The Board is responsible for formulating long-term strategic plan and strategy and monitor its implementation, monitor the effectiveness of the Company's corporate governance practices and exercise effective control of the functioning of the Company to ensure fulfilment of stakeholders' expectations and long-term value creation. The organizational governance structure enables an environment for value creation through sustainable and profitable growth.

The governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility.

The primary role of the Board is to protect interest and enhance the value for all the stakeholders. It conducts overall strategic supervision and control by setting policies, reporting mechanism and accountability and decision-making process to be followed. The Board committees oversee specialized areas of operations and provide recommendations based on expertise. The management implements the policies and procedures and manages day-to-day operations. The Board takes

an active part in the deliberations of the Board meetings and provides guidance and advice to the management on various aspects of business.

The Chairman and the Managing Director are in overall control and responsible for the overall working of the Company. They give strategic directions, lay down the policy guidelines and ensure the implementation of the decisions of the Board and its committees. The Managing Director is responsible for leading and directing the Company's overall operations. The Managing Director reports to the Board.

The governance system encourages entrepreneurship, risk taking and growth orientation with an objective to lead full accountability enabled by appropriate empowerment.

2. Board of Directors:

The Board has the ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Managing Director is looking after the day-to-day business affairs of the Company. The Board reviews the overall business operations at least once in a quarter

based on updates on the Company's performance provided by the Managing Director, the Chief Financial Officer and other senior executives of the Company.

The Board serves as the highest governing authority, responsible for providing strategic oversight, monitoring management performance, and ensuring sound corporate governance. To support informed decision-making, the Board has full access to all relevant information and personnel across the Company and its subsidiary companies.

A. Composition of the Board:

The composition of the Board is in compliance with the provisions of regulation 17(1) of the Listing Regulations and sections 149 and 152 of The Companies Act, 2013 ("the Act"). The Board is headed by non-executive non-independent chairman, Mr. Pankaj R. Patel, who is also the promoter director. Pursuant to and in compliance with the provisions of regulation 17(1)(c) of the Listing Regulations, as at March 31, 2026, your Company's Board is comprised of 9 (nine) directors who have considerable experience in their respective fields, the details of which are provided in below table:

Sr. No.	Category of directors	Number of directors	%
1.	Independent directors ("IDs") (Refer Note)	5	55
a.	Woman IDs (out of 1 above)	2	22
2.	Executive directors	2	22
3.	Non-executive directors	2	22
4.	Total (1+2+3)	9	100

Note:

Mr. Apurva S. Diwanji ceased to be the ID and director effective May 12, 2026, upon completion of his tenure. Mr. Kulin S. Lalbhai was appointed as an additional ID effective May 19, 2026, for the term of 5 (five) years, subject to the approval of the shareholders at the ensuing Annual General Meeting by way of Special Resolution.

As required under the provisions of section 149(1) of the Act and Rules framed thereunder and regulation 17 of the Listing Regulations, the constitution of Board meets with the requirements stated therein. Non-executive directors including IDs have expert knowledge in the fields of finance, taxation, legal, IT, HR, CSR & ESG, business and management and industry. Thus, the Board represents a judicious mix of entrepreneurs and professionals, who bring the benefits of their knowledge, expertise and competence and enable the Board to discharge its responsibilities and provide effective leadership to the business. The tenure of IDs is within the limits prescribed under the Act and the

Listing Regulations. Pursuant to and in compliance with the provisions of regulation 46(2)(ab) of the Listing Regulations, profile of all the directors is available on the website of the Company. The weblink of the same is provided separately under this report on page No. 253.

All the directors on the Board of the Company comply with the provisions of:

- regulation 17(1D) of the Listing Regulations, with respect to their appointment by the shareholders at a general meeting and
- regulation 17A of the Listing Regulations, with respect to the maximum number of directorships.

Various details of the Board and its committees, as on March 31, 2026, are provided in the below table:

Board Composition	
Board size	9
Non-independent directors	4
Independent directors	5
Gender diversity	
Women	22.22%
Men	77.78%
Average age	59.56 years
Average board tenure	13.64 years
Average tenure-independent directors	5.15 years
Number of Board meetings	4
Board attendance %	86.11%
Number of committee meetings	53
Committee attendance %	95.72%
Age diversity	
30-39	11.11%
40-49	22.22%
50-59	22.22%
60-69	—
70-79	44.44%
Board Chairperson	Non-Executive Director
Separate role of Chairperson & MD	Yes
Board evaluation	Annual
Board re-election	
Independent directors	Fixed term of 5 years (upto 2 terms)
Executive and non-executive directors	Annual retirement by rotation (1/3 rd of 2/3 rd)

Audit Committee Independence	
Independent directors	100%

Nomination and Remuneration Committee ("NRC") Independence	
Independent directors	100%

IDs are non-executive directors as defined under regulation 16(1)(b) of the Listing Regulations read with section 149(6) of the Act and Rules framed thereunder. Pursuant to and in compliance with the provisions of regulation 25(8) of the Listing Regulations, the IDs have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impact or impair their ability to discharge their duties. Pursuant to and in compliance with the provisions of regulation 25(9) of the Listing Regulations, the Board has verified the veracity of

disclosures received from IDs and confirmed that they meet the criteria of independence as prescribed under regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. The IDs have confirmed that they have registered themselves with ID's Database maintained by The Indian Institute of Corporate Affairs. None of the IDs of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them, is not applicable.

There were no conflicts of interest of IDs with the Company.

None of the ID-

- is employed by the Company in an executive capacity in the last 5 (five) years,

- ii. is a family member of an individual who is or during the last 3 (three) years was employed by the Company or any subsidiary company as an executive officer,
- iii. is an advisor or consultant to the Company or a member of the Company's senior management,
- iv. is affiliated with a significant customer or supplier of the Company,
- v. has any personal service contract with the Company or a member of the Company's senior management,
- vi. is affiliated with a not-for-profit entity that receives significant contributions from the Company,
- vii. is a partner or employee of the Company's statutory auditors during the past 3 (three) years,
- viii. accepts or have a family member who accepts any payments from the Company or any subsidiary company and

- ix. has any other conflict of interest that the Board itself determines to mean that he / she cannot be considered independent.

The Company shall always maintain a minimum of 50% IDs on the Board.

Dr. Sharvil P. Patel, Managing Director, is an ID of Gujarat Mineral Development Corporation Limited.

Mr. Pankaj R. Patel, Non-Executive Chairman, is father of Dr. Sharvil P. Patel, Managing Director. Except this, none of the directors are relatives of any other directors.

The Board has identified the below-mentioned core skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

Knowledge and / or expertise in one or more of areas like pharmaceuticals (including medical, pharmacology and research), manufacturing, accounts, finance, taxation, banking, Human Resources ("HR"), Information Technology ("IT"), marketing, law, business and management.

The above core skills / expertise / competencies identified by the Company are also actually available with the Board as below:

Sr. No.	Name of the Director	Knowledge and expertise in							
		Pharmaceuticals	Manufacturing, marketing, business and management	Law	Finance	IT	HR	CSR	Tax
1.	Mr. Pankaj R. Patel	✓	✓	x	x	x	x	✓	x
2.	Mr. Bhadresh K. Shah	x	✓	x	x	x	x	x	x
3.	Mr. Apurva S. Diwanji	x	x	✓	x	x	x	x	x
4.	Ms. Shelina P. Parikh	x	✓	x	x	x	x	✓	x
5.	Mr. Akhil A. Monappa	x	✓	x	✓	✓	x	x	x
6.	Ms. Upasana K. Konidela	x	x	x	x	✓	✓	✓	x
7.	Mr. Mukesh M. Patel	x	x	x	x	x	x	x	✓
8.	Dr. Sharvil P. Patel	✓	✓	x	x	x	x	✓	x
9.	Mr. Ganesh N. Nayak	✓	✓	x	x	x	x	x	x

Mr. Pankaj R. Patel, Non-Executive Chairman, Dr. Sharvil P. Patel, Managing Director, and Mr. Ganesh N. Nayak, Director have experience and expertise in the field of pharmaceuticals which is the core business of the Company.

The eligibility of a person to be appointed as a director of the Company is dependent on possession of the requisite skills / expertise / competencies, as identified by the Board.

B. Board meetings / directors' particulars:

The Board meetings are scheduled well in advance, in consultation with the directors, to facilitate them to plan their schedule and to ensure meaningful

participation in the meetings. The annual calendar of the Board and committee meetings is circulated to the directors. Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from this, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. The physical meetings are usually held in Ahmedabad, where the Registered Office of the Company is situated. The Chief Financial Officer and the Company Secretary, in consultation with the Chairman and the Managing Director, prepare detailed agenda for the meetings. The agendas (with detailed rationale and draft resolutions, wherever applicable) are circulated to the directors in advance. Directors are also free to bring up any other

matter for discussion at the Board meetings with the permission of the Chairman. Any other business which may come up after circulation of agenda papers is placed before the Board by way of the table agenda. In case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted under the law, which is ratified in the subsequent Board meeting. During the Financial Year ended on March 31, 2026, the Board approved 5 (five) resolutions by circulation, vide resolutions dated April 30, 2025, June 16, 2025, June 27, 2025, September 5, 2025, and March 10, 2026.

Pursuant to and in compliance with the provisions of regulation 17(2) of the Listing Regulations and section 173(1) of the Act, the Board meets at least once in each quarter and the gap between any 2 (two) Board meetings was not more than 120 (one hundred twenty) days. During the Financial Year ended on March 31, 2026, 4 (four) Board meetings were held on May 20, 2025, August 12, 2025, November 6, 2025, and February 9, 2026. All the 4 (four) meetings were held physically. The necessary quorum was present throughout in all the Board meetings.

Board meeting wise attendance

May 20, 2025	August 12, 2025	November 6, 2025	February 9, 2026	Average
88.89	100.00	88.89	66.67	86.11

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly / half yearly / yearly, unaudited / audited financial results, unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure and ensures compliance with applicable laws and regulations. The MD and the CFO make quarterly presentations to the Board which covers the business and financial aspects respectively. The Board monitors the overall performance of the Company and reviews the performance of its subsidiary and joint venture companies. The agenda for the Board meeting covers items set out as guidelines in regulation 17 of the Listing Regulations to the extent the same are applicable and relevant. All agenda items are supported by relevant information, documents and / or presentations to enable the Board to take informed decisions.

Moreover, certain urgent matters are also being taken up at a Board meeting which are held at a shorter notice. With the unanimous consent of the Board, unpublished price sensitive information is circulated to the directors at a shorter notice.

The Company Secretary is responsible for convening the Board and committee meetings and preparation of respective agenda papers. The Company Secretary attends all the meetings of the Board and its committees and ensures an appropriate recording of the minutes of the meetings.

The draft minutes of all the meetings approved by the Chairman is circulated to all the directors within 15 (fifteen) days after the conclusion of the meetings. Comments, if any, received from the directors are incorporated in the minutes, in consultation with the Chairman. The minutes of all the meetings signed by the respective Chairmen are also circulated to all the directors / members within 15 (fifteen) days from the date of signing. Decisions taken at Board / committee meetings are communicated to the concerned departments promptly for actions and an action taken report on the status of the decisions taken at the Board / committee meetings is placed, for the information, to the Board / committee members. The minutes of (i) all committee meetings of the Company and (ii) Board meetings of all Indian subsidiary companies of the Company are placed in the next Board meeting for noting.

The Board has complete access to the information within the Company, which inter-alia includes-

1. Corporate strategy and business updates on a regular basis,
2. Annual revenue and capital expenditure plans / budgets,
3. Quarterly / yearly standalone and consolidated financial results and statements and performance of subsidiary companies,
4. All borrowings, investments, loans and guarantees,
5. Minutes of the meetings of the Board, committees of the Board and minutes of the Board meetings of Indian subsidiary companies and resolutions passed by way of circulation,
6. Corporate restructuring matters like merger, amalgamation, de-merger, acquisition (including shares and intellectual properties, joint venture, investment and disinvestment,
7. Details of any collaboration agreements,
8. Sale of investment, subsidiaries or assets, which are material in nature,
9. Quarterly report on any fatal or serious accidents or dangerous occurrences and material effluent or pollution problems,

10. Significant labour problems, if any, and proposed corrective actions,
11. Any significant development on human resources / industrial relationship front,
12. Regulatory inspections,
13. Forex strategy on quarterly basis,
14. Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold, if any,
15. Any issue, which involves possible public, or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company,
16. Compliance or non-compliance of any regulatory, statutory nature or listing requirements and matters related to investors' service such as non-payment of dividend, delay in transfer of shares, etc.,
17. Show cause, demand, prosecution, penalty or legal notices, if any, which are material in nature,
18. Notice of disclosure of interest from directors and KMP,
19. Quarterly compliance certificates,
20. Significant transactions by subsidiary companies,
21. CSR related matters,
22. Appointment and remuneration of directors, KMP and senior management,
23. Performance evaluation of the Board, committees and individual directors,
24. Any issue which involves possible public or product liability claims of substantial nature, and
25. Insider Trading related matters and Code of Conduct prepared therein.

IDs play an important role in the deliberations in Board meetings and bring with them rich expertise in the field of industry, marketing, accountancy, finance, law, taxation, IT, HR, CSR and ESG and other areas.

For the appointment of a director, the following process is followed by the Company:

1. The selection process is delegated by the Board to the NRC. The NRC comprises of IDs.
2. The NRC, based on the parameters defined in the NRC Policy, recommends the appointment of a director to the Board.
3. Based on the recommendation of the NRC, the Board reviews the proposal and if approved, the appointment is subject to the approval of members within 3 (three) months or next general meeting, whichever is earlier.
4. Based on the recommendation of the Board, the proposal is made to the members at a general meeting for their approval.

While constituting the committee of directors, the requirements of regulation 26(1) of the Listing Regulations, that a director shall not be a member of more than 10 (ten) committees and chairman of not more than 5 (five) committees have been ensured and complied with. Pursuant to and in compliance with the provisions of regulation 17A(1) of the Listing Regulations, none of the directors of the Company serve as an ID in more than 7 (seven) listed companies. None of the directors of the Company hold directorships in more than 20 (twenty) companies, including 10 (ten) public companies. All the directors of the Company except the IDs are liable to retire by rotation. During the year under review, none of the IDs of the Company had resigned before the expiry of their respective tenure(s). Mr. Apurva S. Diwanji ceased to be the ID and director effective May 12, 2026, upon completion of his tenure.

The following table gives the name of the director, category and position, original date of appointment, tenure, attendance of the director at the Board meetings, whether they have attended the last AGM, chairmanship / membership in Board committees of public companies (including the Company) and number of directorships held in Indian public limited companies (including the Company) as at March 31, 2026.

Name of the director and DIN	Category and position	Age and original date of appointment	Tenure	No. of Board meetings held during the year	No. of Board meetings attended	% of attendance	Whether attended last AGM	Member (Chairman) of the Board committees	No. of directorships held
Mr. Pankaj R. Patel (DIN-00131852)	Non-Executive Non-Independent Chairman	73 years May 15, 1995	30 years 10 months	4	4	100	Yes	4 (2)	5
Mr. Bhadresh K. Shah (DIN-00058177)	Non-Executive and Independent Director	74 years December 6, 2018	7 years 3 months		3	75	No	4	4
Mr. Apurva S. Diwanji (DIN-00032072)	Non-Executive and Independent Director	57 years May 13, 2016	9 years 10 months		4	100	Yes	5	4
Ms. Shelina P. Parikh (DIN-00468199)	Non-Executive and Independent Director	57 years May 17, 2024	1 year 10 months		3	75	Yes	2	2
Mr. Akhil A. Monappa (DIN-09784366)	Non-Executive and Independent Director	47 years November 29, 2022	3 years 4 months		4	100	Yes	2 (1)	2
Ms. Upasana K. Konidela (DIN-02781278)	Non-Executive and Independent Director	39 years November 29, 2022	3 years 4 months		1	25	Yes	0	8
Mr. Mukesh M. Patel (DIN-00053892)	Non-Executive Non-Independent Director	72 years August 1, 1997	28 years 8 months		4	100	Yes	5 (4)	6
Dr. Sharvil P. Patel (DIN-00131995)	Managing Director	47 years August 1, 1997	28 years 8 months		4	100	Yes	3 (1)	7
Mr. Ganesh N. Nayak (DIN-00017481)	Director	70 years July 12, 2017	8 years 8 months		4	100	Yes	2 (1)	3

Notes:

- Figures in () indicate the number of Board committees of which a director is a chairman.
- Board Committee means Audit Committee and Stakeholders' / Investors' Relationship Committee.
- Ms. Upasana K. Konidela could not attend 2 (two) meetings due to maternity.

The following table gives the names of the listed companies where the directors of the Company are directors and the category of their respective directorships as at March 31, 2026:

Sr. No.	Name of the director of the Company	Name of the listed companies in which the director of the Company is a director	Category of directorship in the listed companies
1.	Mr. Pankaj R. Patel	Bayer CropScience Limited	Independent Director
2.	Mr. Bhadresh K. Shah	AIA Engineering Limited Welcast Steels Limited	Managing Director Non-Executive and Non-Independent Director
3.	Mr. Apurva S. Diwanji	Torrent Power Limited	Independent Director
4.	Ms. Shelina P. Parikh	Tube Investments of India Limited	Independent Director
5.	Mr. Akhil A. Monappa	Zydus Wellness Limited	Independent Director
6.	Ms. Upasana K. Konidela	None	N.A.
7.	Mr. Mukesh M. Patel	Force Motors Limited	Independent Director
8.	Dr. Sharvil P. Patel	Zydus Wellness Limited Gujarat Mineral Development Corporation Limited	Non-Executive and Non-Independent Director Independent Director
9.	Mr. Ganesh N. Nayak	Zydus Wellness Limited	Non-Executive and Non-Independent Director

C. Familiarization Programme:

At the time of an appointment of an ID, a formal letter of appointment is given to him / her, which *inter-alia* explains the roles, functions, duties, and responsibilities expected from him / her as a director of the Company. All our directors are aware and also updated, whenever required, of their roles, responsibilities, liabilities, and obligations under the provisions of Schedule IV of the Act and Rules framed thereunder and regulation 25 of the Listing Regulations. The draft letter of appointment of an ID is available on the website of the Company.

A presentation on the familiarization programme made to the IDs of the Company is posted on the website of the Company. The weblink of the same is provided separately under this report on page No. 252.

Quarterly updates, strategic updates including press releases submitted to the stock exchanges are shared with the directors to keep them updated of the material developments relating to the Company.

Pursuant to and in compliance with the provisions of regulation 25(7) of the Listing Regulations, the Company regularly familiarizes the IDs by way of quarterly business presentations.

D. Evaluation:

During the year under review, the Nomination and Remuneration Committee ("the **NRC**") / the Board have carried out evaluation of the performance of following:

1. Board as a whole,
2. Committees of the Board,

3. Directors and
4. Chairman.

Evaluation sheets for evaluation of above were circulated to all the directors and the filled in evaluation sheets of all the directors were submitted to the Chairman of the Board.

The Board has evaluated the composition of the Board, its committees, experience and expertise, performance of specific duties and obligations, governance matters, etc. with an aim to improve their effectiveness.

Performance evaluation of individual directors and the Board Chairman was also carried out in terms of their respective attendance at Board / committee meetings, contributions at the meetings, circulation of sufficient documents and information to the directors, timely availability of the agenda, etc. Directors were satisfied with the evaluation on different criteria.

Performance evaluation of IDs was also carried out which included, preparedness and information about the Board / committee meetings, attendance at different meetings, preparedness to devote sufficient time for meetings, relationship with the Chairman, other board members, KMP and senior management, updating knowledge with latest developments in regulatory and market conditions, expressing views on specialized agenda items and the statutory requirement being the fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management. The directors who were subject to evaluation did not participate in the proceedings of the meeting.

3. Committees of the Board:

To ensure effective governance and compliance with statutory obligations, 7 (seven) specialized committees are constituted. Each committee operates under a clearly defined terms of reference outlining its roles and responsibilities. These committees focus on specific areas of governance, either making final decisions or providing informed recommendations to the Board, thereby enhancing oversight and strategic direction.

The chairperson of the respective committees briefs the Board about the summary of the discussions held at the Committee meetings and the recommendations of the Committee members. The terms of reference of the committees are in line with the applicable provisions of the Listing Regulations, the Act and the Rules framed thereunder.

The Board currently has the following committees:

- A. Audit Committee,
- B. Nomination and Remuneration Committee,
- C. Corporate Social Responsibility and Environment Social and Governance Committee,
- D. Risk Management Committee,
- E. Stakeholders' / Investors' Relationship Committee,
- F. Share Transfer Committee, and
- G. Finance and Administration Committee.

The terms of reference of the Board committees are determined by the Board from time to time. The Board is responsible for constituting, assigning, and co-opting the members of the committees. The meetings of the Board committees are convened by the chairman of the respective committee pursuant to and in compliance with the provisions of the Act and the Listing Regulations.

The committees operate under the direct supervision of the Board. Normally, the committee meetings are held prior to the Board meeting and the chairman of the respective committee reports to the Board about the deliberations and decisions taken by the committees.

A. Audit Committee:

Pursuant to and in compliance with the provisions of section 177(1) of the Act and regulation 18(1) of the Listing Regulations, the Company has constituted the Audit Committee. The terms of reference for the Audit Committee are specified in Para A of Part C of Schedule II of the Listing Regulations which are mentioned here under:

I. Terms of Reference:

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient, and credible,
2. Recommendation for appointment (including re-appointment), removal, remuneration and terms of appointment of statutory, internal (chief internal auditor) and cost auditors after due consideration of their independence and effectiveness,
3. Review with the management the quarterly / half yearly / yearly, unaudited / audited financial results / statements and limited review reports / audit reports of the statutory auditors before recommending for approval by the Board with particular reference to matters required to be included in the directors' responsibility statement to be included in board's report in terms of section 134(3)(c) of the Act,
4. Review changes in the accounting policies, major accounting entries / estimates based on exercise of judgment by the management, significant adjustments made in the financial statements, compliance with listing and other legal requirements relating to financial statements, disclosure of related party transactions, modified opinion, if any, in the draft audit report,
5. Review of the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.). The statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency about the utilization of proceeds of a public issue or rights issue or preferential issue of qualified institutional placement and making appropriate recommendations to the Board to take up steps in this matter,
6. Review of Management Discussion and Analysis of financial and operational performance,
7. Review of inter-corporate loans and investments,
8. Review with the management the performance of statutory and internal auditors,

9. Review the adequacy and effectiveness of internal financial controls and systems,
10. Review and discuss with the management major financial risk exposures and steps taken to monitor and control them,
11. Oversee and review the functioning of vigil mechanism (implemented by the Company as a Whistle Blower Policy),
12. Review the scope of the internal auditors and audit plan to ensure reasonable coverage of different areas of operations,
13. Review, discuss and monitor the observations reported by statutory / internal auditors and their compliance,
14. Review the findings of any internal investigation 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 report the matter to the Board,
15. 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,
16. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, members (in case of non-payment of declared dividend) and creditors,
17. Approve the payment towards additional services rendered by the statutory auditors except those enumerated in section 144 of the Act,
18. Review cost audit report submitted by the cost auditors.
19. Approve the related party transactions and / or subsequent modification(s), if any, and grant omnibus approvals for certain related party transactions, which are in the ordinary course of business and on an arm's length basis,
20. Approve the appointment of Chief Financial Officer after assessing the qualifications, experience, and background, etc. of the candidate,
21. Review utilization of loans and / or advances from / investment by the Company in subsidiary company(ies) in excess of ₹ 1,000 million (Rupees One Thousand Million only) or 10% (ten percent) of asset size of the subsidiary, whichever is lower,

22. Supervise implementation of the Insider Trading Code and policies relating thereto,
23. Valuation of the undertakings or assets of the Company, wherever necessary,
24. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the Company and its members and
25. Review the financial statements, in particular, the investments made by the unlisted subsidiary.

The Audit Committee ensures that it has reviewed each area that it is required to review under the terms of reference. Every quarter, the Audit Committee is presented with a summary of audit observations and follow-up actions thereon.

The Audit Committee periodically reviewed and noted all related party transactions. The majority of the related party transactions were between the Company and its subsidiary and joint venture companies. All the related party transactions were in the ordinary course of business, on an arm's length basis and as per the policy on related party transactions. The Audit Committee approved the related party transactions entered into by the Company during the Financial Year ended on March 31, 2026. The Audit Committee also granted omnibus approval for the related party transactions proposed to be entered into by the Company during the Financial Year ending on March 31, 2027, which are repetitive in nature and also for unforeseen transactions, as per the policy on related party transactions, applicable provisions of the Act and the Listing Regulations. The Company did not enter into any material related party transactions that required approval of the members. The Company has also not entered into transaction with related parties that may have potential conflict with the interests of the Company.

The Audit Committee reviewed on quarterly basis, the details of related party transactions, entered into by the Company pursuant to the omnibus approval.

The Audit Committee also took note of the material subsidiary companies of the Company.

II. Composition, meetings held and attendance at the meetings during the year:

The composition of the Audit Committee as at March 31, 2026, and details of the attendance of its members are given

in the following table. The Audit Committee held 4 (four) meetings during the Financial Year ended on March 31, 2026, on May 20, 2025, August 12, 2025, November 6, 2025, and February 9, 2026. The time gap between any 2 (two) meetings was less than 120 (one hundred twenty) days.

Name of the member	Category	No. of meetings held	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Akhil A. Monappa, Chairman	Non-Executive and Independent	4	4	4	100
Mr. Bhadresh K. Shah	Non-Executive and Independent			3	75
Mr. Apurva S. Diwanji	Non-Executive and Independent			4	100
Ms. Shelina P. Parikh	Non-Executive and Independent			3	75

All the members of the Audit Committee have the requisite qualifications for appointment on the Audit Committee and possess a sound knowledge of accounting practices as well as financial and internal controls.

Mr. Akhil A. Monappa, the Chairman of the Audit Committee attended the AGM of the Company held on August 12, 2025, to respond to members' queries.

III. Invitees at the Audit Committee meetings:

Representatives of the statutory auditors and internal auditors are regularly invited, and they have attended all the quarterly Audit Committee meetings held during the Financial Year ended on March 31, 2026, where their respective reports were placed. The representative of the cost auditors attends the Audit Committee meeting, where the cost audit report is tabled for discussion. The Managing Director, the Chief Financial Officer and the Management Auditor are invited to attend and participate in these meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The Company continues to derive benefits from the deliberations of the Audit Committee meetings as the members are experienced in the areas of finance, accounts, taxation, corporate laws, and industry. It ensures accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

B. Nomination and Remuneration Committee ("NRC"):

Pursuant to and in compliance with the provisions of section 178(1) of the Act and regulation 19(1) of the Listing Regulations, the Company has constituted the NRC. The terms of reference for the NRC are specified in Para A of Part D of Schedule II of the Listing Regulations which are mentioned here under:

I. Terms of reference:

The functions of the NRC, *inter-alia*, include the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, KMP and other employees,
2. To identify the persons, who are qualified to become directors of the Company or who may be appointed in senior management,
3. For appointment of an ID, to evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of role and capabilities of an ID,
4. To recommend to the Board, appointment and removal of the directors and evaluation of each director's performance,
5. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to, remuneration of the directors, KMP and other employees (For every appointment of an ID, the NRC 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 ID). The person recommended to the Board for appointment as an ID shall have the capabilities identified in such a description. For the purpose of identifying suitable candidates, the NRC 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.
6. To review on an annual basis the compensation to the non-executive directors and senior management, (in whatever form) and recommend to the Board the remuneration and incentive payable to each of them,
7. To decide whether to extend or continue the term of appointment, on the basis of the report of performance evaluation of IDs, for re-appointment of an ID,
8. To devise policy on diversity of the Board,
9. To ensure that the level and composition of remuneration is reasonable and sufficient, its relationship with performance is clear and meets appropriate performance benchmarks and
10. To develop and review the succession plan for the Board.

II. Composition, meetings held and attendance at the meetings during the year:

The composition of the NRC as at March 31, 2026, and details of the attendance of its members are given in the following table. The NRC met once during the Financial Year ended on March 31, 2026, on May 20, 2025.

Name of the member	Category	No. of meetings held	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Bhadresh K. Shah, Chairman	Non-Executive and Independent			1	100
Mr. Apurva S. Diwanji	Non-Executive and Independent	1	1	1	100
Mr. Akhil A. Monappa	Non-Executive and Independent			1	100
Ms. Upasana K. Konidela	Non-Executive and Independent			0	0

The Company Secretary acts as the Secretary to the NRC. Mr. Bhadresh K. Shah, the Chairman of the NRC could not attend the AGM of the Company held on August 12, 2025. It shall be upto the Chairman of the NRC to decide who shall answer the queries at the AGM. Hence, Mr. Bhadresh K. Shah requested Mr. Apurva S. Diwanji, ID, to remain present at the AGM to answer the queries, if any, in his absence. This request was accepted by Mr. Apurva S. Diwanji.

III. Nomination and Remuneration Policy and details of remuneration paid / payable to the directors for the Financial Year ended on March 31, 2026:

The Board approved the Nomination and Remuneration Policy on the recommendation of the NRC. The salient aspects of the said Policy are outlined below:

a. Objectives:

1. To guide the Board in relation to appointment and removal of directors and senior management,
2. To evaluate the performance of the members of the Board, its committees and individual directors and provide necessary reports to the Board for further evaluation of the Board and

3. To recommend to the Board, remuneration payable to the directors and senior management.

The Company follows the policy for payment of remuneration to the directors and Senior Management.

b. Remuneration to non-executive directors:

1. A non-executive director is paid sitting fees for each meeting of the Board or committee of the Board (except for attending the Share Transfer Committee and the Finance and Administration Committee meetings) attended by him / her, of such sum as may be approved by the Board within the overall limits prescribed under the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Board has approved the payment of sitting fees at ₹ 0.10 million (Rupees One Hundred Thousand only) to each non-executive director towards each of the Board or committee meetings attended by them. Normally, the sitting fees are paid immediately after the Board or committee meetings, to those who have attended the meetings.

2. A non-executive director is also paid commission on an annual basis, of such sum as may be recommended by the NRC and approved by the Board. The total commission payable to the non-executive directors shall not exceed 1% (one percent) of the Company's standalone net profits, calculated as per the provisions of section 198 of the Act, and subject to a maximum of ₹ 40 million (Rupees Forty Million only) being the limit approved by the members. In case of loss or if profits are inadequate, the non-executive directors are entitled to receive remuneration, subject to the provisions of the Act. For the Financial Year ended on March 31, 2026, the Board has approved payment of commission to the non-executive directors as per the details provided in table IV below. Pursuant to and in compliance with provisions of regulation 17(6)(ca) of the Listing Regulations, annual remuneration of a single non-executive director did not exceed 50% (fifty percent) of the total annual remuneration payable to all non-executive directors.

Further, based on the recommendation of the NRC, the Board has approved the payment of commission to non-executive directors upto an amount of ₹ 40 million (Rupees Forty Million only), which shall not exceed 1% (one percent) of the Company's standalone net profits,

calculated as per the provisions of section 198 of the Act for a period of 5 (years) including the Financial Year starting from April 1, 2026 upto and including the Financial Year ending on March 31, 2031. This is subject to the approval of the shareholders at the ensuing AGM.

3. In determining the quantum of commission payable to non-executive directors, the NRC considers the overall performance of the Company, commission paid by comparable other companies and the onerous responsibilities required to be shouldered by the non-executive directors.
4. A non-executive director is also reimbursed for the expenses incurred by him / her for attending the Board and / or committee meetings and members' meetings.
5. Apart from the above, there are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its directors except those disclosed in the financial statements for the Financial Year ended on March 31, 2026.
6. Pursuant to and in compliance with the provisions of regulation 25(10) of the Listing Regulations, the Company has taken a Directors' and Officers' Liability Insurance Policy.

c. Remuneration to the executive directors:

Dr. Sharvil P. Patel is the Managing Director and Mr. Ganesh N. Nayak is the Director in employment of the Company. On the recommendation of the NRC, the Board decides and approves the remuneration payable to Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak, which shall be always within the ceiling fixed by the Board and members.

As per the recommendation of the NRC, remuneration, as per below table, is paid / payable to Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak, for the Financial Year ended on March 31, 2026:

(₹ in million)

Sr. No.	Name of the director	Fixed	Variable	Total
1.	Dr. Sharvil P. Patel	300	150	450
2.	Mr. Ganesh N. Nayak	46	N.A.	46
Total		346	150	496

Notes:

1. Fixed pay is paid during the Financial Year ended on March 31, 2026, and the variable pay is recommended by the NRC and the Board for payment.

2. Fixed portion includes salary and other allowances, and variable portion includes commission.
3. In addition to fixed pay and variable pay, Dr. Sharvil P. Patel is entitled to Company's PF contribution, perquisites and retirement benefits and Mr. Ganesh N. Nayak is entitled to Company's PF contribution, perquisites and leave benefits.

The remuneration of Dr. Sharvil P. Patel for the Financial Year ended on March 31, 2026, has increased by 25% compared to the remuneration paid for the Financial Year ended on March 31, 2025.

The Company has entered into an agreement with Dr. Sharvil P. Patel for employment for a period of 5 (five) years. Either party to the agreement is entitled to terminate the agreement by giving not less than 3 (three) months' notice in writing to the other party.

For Dr. Sharvil P. Patel (promoter director), the NRC and the Board have decided that his (i) variable pay should not exceed 75% of the total fixed pay and (ii) total remuneration shall not exceed 2.5% of the net profits of the Company calculated as per the provisions of section 198 of the Act.

The Company has entered into an agreement with Mr. Ganesh N. Nayak for employment for a period of 5 (five) years. Either party to the agreement is entitled to terminate the agreement by giving not less than 6 (six) months' notice in writing to the other party.

As per the terms of appointment of Mr. Ganesh N. Nayak effective July 12, 2025, he shall be paid fixed pay of ₹ 3 million (Rupees Three Million only) per month i.e. ₹ 36 million (Rupees Thirty Six Million only) per annum. Based on the recommendation of the NRC, the Board approved an increase of 8% in the remuneration of Mr. Ganesh N. Nayak and in view of the same, he will be paid a monthly remuneration of ₹ 3.24 million (Rupees Three Million Two Hundred Forty Thousand only) effective July 12, 2026.

Further, the remuneration of Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak

shall be subject to revision every year based on their individual performance and performance of the Company; however, it shall be within the statutory limits prescribed under the Act.

The Board and the NRC reviewed the performance of individual directors on the basis of criteria fixed by the Board / NRC.

Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak have not received any remuneration from the subsidiary companies, except sitting fees of ₹ 1 million (Rupees One Million only) each for attending the Board and committee meetings, in the capacity of non-executive directors.

d. Remuneration to senior management:

The Managing Director with the help of the President-Group Human Resources and Corporate Communication, carry out the individual performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors like-Key Performance Area v/s Initiatives, balance between fixed and variable pay, fixed components and perquisites and retirement benefits, criticality of roles and responsibilities, industry benchmarks and current compensation trends in the market. Further, any promotion at a senior level management is approved by the management based on a predetermined process and after assessing the candidate's capability to shoulder higher responsibility.

The employees with an annual salary of ₹ 3 million (Rupees Three Million only) or above are covered under variable pay. The variable pay as a percentage to the salary ranges from 2.5% to 10%.

IV. Details of the commission / sitting fees paid to the non-executive directors for the Financial Year ended on March 31, 2026, are given below:

(₹ in million)

Name of the non-executive directors	Commission	Sitting fees paid							Total
		Board meetings	Audit Committee meetings	CSR and ESG Committee meetings	NRC meetings	SRC meetings	RMC meetings	Separate meeting of IDs	
Mr. Pankaj R. Patel	—	0.40	N.A.	0.20	N.A.	0.10	0.20	N.A.	0.90
Mr. Bhadresh K. Shah	3.30	0.30	0.30	N.A.	0.10	0.10	N.A.	0	4.10
Mr. Apurva S. Diwanji	3.30	0.40	0.40	N.A.	0.10	N.A.	0.20	0.10	4.50
Ms. Shelina P. Parikh	3.30	0.30	0.30	0.20	N.A.	N.A.	N.A.	0	4.10
Mr. Akhil A. Monappa	3.30	0.40	0.40	N.A.	0.10	N.A.	0.20	0.10	4.50
Ms. Upasana K. Konidela	3.30	0.10	N.A.	0.10	0	N.A.	N.A.	0	3.50
Mr. Mukesh M. Patel	3.30	0.40	N.A.	N.A.	N.A.	0.10	0.20	N.A.	4.00
Total	19.80	2.30	1.40	0.50	0.30	0.30	0.80	0.20	25.60

Notes:

- Mr. Pankaj R. Patel has voluntarily decided not to receive commission.
- None of the directors of the Company received any remuneration from the subsidiary companies, except Mr. Akhil A. Monappa and Mr. Bhadresh K. Shah, who received sitting fees and commission in the capacity of ID on the Board of ZWL and ZHL respectively.

The Nomination and Remuneration Policy is available on the website of the Company and the weblink of the same is provided separately in this report on page No. 253.

V. Stock Option:

The Company does not have any stock option scheme for its directors or employees. Moreover, there is no separate provision for payment of severance fees to the directors.

C. Corporate Social Responsibility ("CSR") and Environment Social and Governance ("ESG") ("CSR and ESG") Committee:

Pursuant to and in compliance with the provisions of section 135 of the Act, the Company has constituted a CSR and ESG Committee.

I. Terms of reference:

1. The terms of reference for CSR include the following:

To frame the CSR Policy and review it from time to time to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and Rules framed thereunder and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The CSR Policy, as recommended by the CSR and ESG Committee, is approved by the Board. The details with regard to CSR, its composition, Policy, Projects, etc. are provided in the Board's Report.

2. The terms of reference for ESG include the following:

To provide strategic guidance and oversight into the Company's initiatives and practices towards ESG and respond to challenges posed by climate change through sustainable business practices. It will help to create long-term value for all stakeholders.

II. Composition, meetings held and attendance at the meetings during the year:

The composition of the CSR and ESG Committee as at March 31, 2026, and details of attendance of the CSR and ESG Committee members at the meetings are given in the following table. The CSR and ESG Committee met twice during the Financial Year ended on March 31, 2026, on May 20, 2025, and August 12, 2025.

Name of the member	Category	No. of meetings held	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Pankaj R. Patel, Chairman	Non-Executive and Non-Independent	2	2	2	100
Dr. Sharvil P. Patel	Managing Director			2	
Ms. Shelina P. Parikh	Non-Executive and Independent			2	
Ms. Upasana K. Konidela	Non-Executive and Independent			1	50

The Company Secretary acts as the Secretary to the CSR and ESG Committee.

D. Risk Management Committee ("RMC"):

Pursuant to and in compliance with the provisions of regulation 21(1) of the Listing Regulations, the Company has constituted the RMC and all the members of the RMC are directors except the CFO. The Company has a well-defined risk management framework to identify, recognize, monitor, and mitigate risks and identify business opportunities. Business risk evaluation and its management is a continuous process within the organization. The Company has framed a Risk Management Policy, which is uploaded on the website and the weblink of the same is provided separately in this report on page No. 253.

I. Terms of Reference:

Role of the RMC, as enumerated in Para C of Part D of Schedule II of the Listing Regulations, are as under:

1. To formulate a detailed Risk Management Policy which shall include:
 - i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the RMC,
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks and
 - iii. Business continuity plan.
2. To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company,
3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems,
4. To periodically review the Risk Management Policy, at least once in 2 (two) years, including by considering the changing industry dynamics and evolving complexity,
5. To keep the Board informed about the nature and content of its discussions, recommendations, and actions to be taken and
6. To recommend appointment, removal, and terms of remuneration of the Chief Risk Officer (if any).

The RMC reviewed the risks and extent of exposure and potential impact analysis was carried out by the management. It was confirmed by the Managing Director and the Chief Financial Officer that the mitigation actions are monitored.

II. Composition, meetings held and attendance at the meetings during the year:

The composition of the RMC as at March 31, 2026, and details of attendance of the RMC members at the meetings are given in the following table. The RMC met twice during the Financial Year ended on March 31, 2026, on May 20, 2025, and November 6, 2025, and the time gap between these 2 (two) meetings was not more than 210 (two hundred ten) days.

Name of the member	Category	No. of meetings held	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Pankaj R. Patel, Chairman	Non-Executive and Non-Independent	2	2	2	100
Dr. Sharvil P. Patel	Managing Director			2	
Mr. Apurva S. Diwanji	Non-Executive and Independent			2	
Mr. Akhil A. Monappa	Non-Executive and Independent			2	
Mr. Mukesh M. Patel	Non-Executive and Non-Independent			2	
Mr. Nitin D. Parekh *	Chief Financial Officer		1	1	
Mr. Tushar D. Shroff **	Chief Financial Officer				

* Ceased to be the Chief Financial Officer and member of the RMC effective August 31, 2025.

** Appointed as the Chief Financial Officer and inducted as the member of the RMC effective September 1, 2025.

The Company Secretary acts as the Secretary to the RMC.

E. Stakeholders' / Investors' Relationship Committee ("SRC"):

Pursuant to and in compliance with the provisions of section 178(5) of the Act and regulation 20(1) of the Listing Regulations, the Board has formed the SRC. The terms of reference of the SRC are specified in Para A of Part D of Schedule II of the Listing Regulations which are mentioned here under:

I. Terms of reference:

1. Resolving 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.,
2. Review of measures taken for effective exercise of voting rights by members,
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent ("RTA") and
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend cheques / annual reports / statutory notices by the members of the Company.
5. Resolve grievances of debenture holders related to creation of charge, payment of interest / principal, maintenance of security cover and any other covenants.

The Chairman of the SRC attended the AGM of the Company held on August 12, 2025.

II. Composition, meetings held and attendance of members at the meetings:

The composition of the SRC as at March 31, 2026, and details of the attendance of the SRC members are given in the following table. The SRC met once during the Financial Year ended on March 31, 2026, on May 20, 2025.

Name of the member	Category	No. of meetings held	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Mukesh M. Patel, Chairman	Non-Executive and Non-Independent	1	1	1	100
Mr. Pankaj R. Patel	Non-Executive and Non-Independent				
Dr. Sharvil P. Patel	Managing Director				
Mr. Bhadresh K. Shah	Non-Executive and Independent				

Mr. Dhaval N. Soni, Company Secretary of the Company (Fellow Member of The Institute of Company Secretaries of India) acts as the Secretary to the SRC, who is designated as a Compliance Officer pursuant to and in compliance with regulation 6 of the Listing Regulations.

The SRC ensures that the members' / investors' grievances and correspondence are attended and resolved expeditiously.

105,969 (one hundred five thousand nine hundred sixty nine) equity shares remained in the in-transit account with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (NSDL and CDSL are collectively referred to as "the **Depositories**") as at March 31, 2026.

III. Number of complaints:

During the Financial Year ended on March 31, 2026, the Company has resolved investor grievances expeditiously. The Company and / or its RTA have received 14 (fourteen) complaints from SEBI / Stock Exchanges and directly from the members, which were resolved within the time frame laid down by SEBI.

F. Share Transfer Committee ("STC"):

I. Terms of reference:

The STC is empowered to perform all the functions of the Board in relation to approval and monitoring of transfer, transmission, transposition, dematerialization, rematerialization, issue of duplicate share certificate, splitting and consolidation of shares issued by the Company. The STC also oversees the functions of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the RTA of the Company. The Board has delegated the powers to approve the transfer of shares to the STC.

II. Composition:

As at March 31, 2026, the STC comprised of the following members:

1. Mr. Pankaj R. Patel (Non-Executive and Non-Independent)-Chairman,
2. Dr. Sharvil P. Patel (Managing Director) and
3. Mr. Mukesh M. Patel (Non-Executive and Non-Independent).

The Company Secretary acts as the Secretary to the STC.

III. Meetings held and the attendance of members at the meetings:

The STC meets on a need basis to ensure the regular process of transfer / transmission of shares, split, consolidation, dematerialization / rematerialization and issuance of duplicate share certificates.

G. Finance and Administration Committee ("FAC"):

The Board at its meeting held on August 5, 2020, constituted the FAC with Mr. Pankaj R. Patel as the Chairman and Dr. Sharvil P. Patel and Mr. Ganesh N. Nayak as the members. The FAC looks after the businesses, which are broadly related to (i) financing i.e. borrowing funds, making investments / providing loan / corporate guarantee / letter of comfort to subsidiary companies and (ii) other businesses which are of routine / administrative nature and within the overall Board approved directions and framework. The Company Secretary acts as the Secretary to the FAC. The FAC met 13 (thirteen) times during the Financial Year ended on March 31, 2026, and all the members were present at the meetings.

Minutes of the FAC are placed before the Board for information.

4. Independent Directors' meeting:

Pursuant to and in compliance with the provisions of Schedule IV of the Act and regulation 25(3) of the Listing Regulations, a separate meeting of IDs, without the attendance of the non-Independent Directors was held on February 9, 2026, under the chairmanship of Mr. Apurva S. Diwanji, *inter-alia*, to discuss:

1. Evaluation of performance of non-independent directors and the Board as a whole,
2. Evaluation of performance of the Chairman of the Company, taking into account the views of the executive and non-executive directors and
3. Evaluation of the quality, content, and timelines of flow of information between the Management and the Board that is necessary to effectively and reasonably perform its duties.

Mr. Apurva S. Diwanji and Mr. Akhil A. Monappa were present at the said meeting. The performance of the non-independent directors, the Board as a whole and Chairman of the Company was evaluated by the IDs, taking into account the views of executive directors and non-executive directors. They were satisfied with the performance of the Chairman and the Managing Director. They also expressed their appreciation on the overall positive performance of the Company. They also appreciated the quality, content, and timelines of flow of information between Management and the Board.

5. Subsidiary companies:

As per the provisions of Schedule V(C)(10)(n) of the Listing Regulations, the details of the material subsidiary companies of the Company are provided in the below table:

Sr. No.	Name of the material subsidiary company	Incorporation details		Statutory auditor's details		Other details
		Date	Place	Name	Date of appointment	
1.	Zydus Healthcare Limited ("ZHL")	August 1, 1989	State of Maharashtra	Deloitte Haskins & Sells LLP	August 10, 2017	unlisted company incorporated in India
2.	Zydus Wellness Limited ("ZWL")	November 1, 1994	State of Gujarat	Mukesh M. Shah & Co.	July 30, 2025	listed company incorporated in India
3.	Zydus Pharmaceuticals USA Inc. ("ZPUI")	November 18, 2003	New Jersey, USA	Ram Associates	December 29, 2005	unlisted company incorporated in USA

Notes:

1. ZHL was incorporated in the State of Maharashtra. As on date, the registered office of ZHL and ZWL are situated at Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Near Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad-382481, Gujarat.
2. Deloitte Haskins & Sells LLP, Chartered Accountants ("Deloitte") were appointed as the statutory auditors of ZHL for their first term of 5 (five) years on August 10, 2017. Deloitte were re-appointed as the statutory auditors of ZHL for their second term of 5 (five) years on August 5, 2022.
3. Mukesh M. Shah & Co., Chartered Accountants ("MMSCO") were appointed as the statutory auditors of ZWL for their first term of 5 (five) years on August 27, 2020. MMSCO were re-appointed as the statutory auditors of ZWL for their second term of 5 (five) years on July 30, 2025.

The financial statements of subsidiary companies, particularly the investments made by subsidiary companies, if any, during the quarter, are reviewed by the Audit Committee.

The Board minutes of Indian unlisted subsidiary companies along with a report on significant developments of the unlisted Indian subsidiary companies are periodically placed at the Board meeting for information.

Regulations are met, approval of the members of the Company is not required for entering into material related party transactions with ZPUI.

Pursuant to and in compliance with the provisions of regulation 24(1) of the Listing Regulations, the Company has appointed Mr. Bhadresh K. Shah, ID of the Company, on the Board of ZHL and ZPUI. The Company is not required to appoint an ID on the Board of ZWL.

Pursuant to and in compliance with the provisions of regulation 23(1) of the Listing Regulations, the Board has approved policy on related party transactions, which includes the clear threshold limits, beyond which a transaction will be considered as a material related party transaction and the said policy has been uploaded on the website of the Company and the weblink of the same is provided separately in this report on page No. 253.

During the Financial Year ended on March 31, 2026, there was no transaction between the Company and any of the promoter or promoter group of the Company, which holds 10% (ten percent) or more of the shareholding of the Company.

Pursuant to and in compliance with the provisions of regulation 23(9) of the Listing Regulations, the related party transactions are disclosed to the stock exchanges in the prescribed format on the date of publication of financial results and are uploaded on the website of the Company on the same day.

6. Disclosures:

A. Related party transactions:

All transactions entered into with related parties as defined under section 2(76) of the Act and regulation 2(1)(zb) read with regulation 23 of the Listing Regulations during the Financial Year ended on March 31, 2026, were in the ordinary course of business, on an arm's length basis and as per the policy on related party transactions. There were no materially significant transactions with related parties during the Financial Year ended on March 31, 2026, which were in conflict of interest of the Company. Suitable disclosures, as required by Ind AS 24, have been made in the notes to the Financial Statements.

The transactions by the Company with ZPUI are material related party transactions. However, as the criteria prescribed under regulation 23(5) of the Listing

B. Code of conduct:

The Company has laid down a code of conduct for all the Board members and senior management. The code of conduct is available on the website of the Company and the weblink of the same is provided separately in this report on page No. 252.

Pursuant to and in compliance with the provisions of regulation 26(3) of the Listing Regulations, all the Board members and the senior management have affirmed compliance with the code of conduct for the Financial Year ended on March 31, 2026. The declaration of the Managing Director is given below:

To the members of **Zydus Lifesciences Limited**

Sub.: Compliance with code of conduct

I hereby declare that all the Board members and senior management have affirmed compliance with the code of conduct as adopted by the Board.

Place : Ahmedabad
Date : May 19, 2026

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

C. Prohibition of insider trading:

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**Insider Trading Regulations**") as amended, the Company has framed a Code of Conduct to avoid any insider trading and it is applicable to all the promoters, directors, designated persons, and their immediate relatives, connected persons and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code of Conduct lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company.

The Company uses software to monitor the trading in the equity shares of the Company mainly during the trading window closure and the reverse / contra transactions. The Company also maintains the structured digital database as mandated under the Insider Trading Regulations. There were no instances of leakage of unpublished price sensitive information during the Financial Year ended on March 31, 2026.

Equity shares held by the directors as at March 31, 2026:

Name of the directors	No. of equity shares held	Details of equity shares bought (+) / sold (-) during the Financial Year ended on March 31, 2026
Mr. Pankaj R. Patel	754,401,994 *	Nil
Mr. Bhadresh K. Shah	Nil	Nil
Mr. Apurva S. Diwanji	Nil	Nil
Ms. Shelina P. Parikh	4,400	Nil
Mr. Akhil A. Monappa	Nil	Nil
Ms. Upasana K. Konidela	Nil	Nil
Mr. Mukesh M. Patel	11,687	Nil
Dr. Sharvil P. Patel	14,775	Nil
Mr. Ganesh N. Nayak	246,278	Nil

* Including (a) 754,313,343 shares held as a Trustee of Zydus Family Trust; (b) 29,550 shares held as a Karta of Pankaj R. Patel HUF; (c) 14,700 shares held as a Trustee of R B Patel Will Pankaj Trust; (d) 14,775 shares held as a Karta of Pankaj R. Patel Smaller HUF; (e) 14,775 shares held as a Trustee of Taraben Patel Family Will Trust; and (f) 14,851 shares held in individual capacity.

D. Whistle blower policy:

Pursuant to and in compliance with the provisions of section 177(9) of the Act and regulation 22(1) of the Listing Regulations, the Company has formulated a Whistle Blower Policy to deal with any instance of fraud, mismanagement and to report instances of leakage of unpublished price sensitive information. All the stakeholders are free to report violations of any laws, rules, regulations, and concerns about unethical conduct to the Audit Committee under Whistle

Blower Policy. No personnel have been denied access to the Audit Committee pertaining to Whistle Blower Policy. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and that no discrimination is done against any person for a genuinely raised concern. The Whistle Blower Policy is available on the website of the Company and the weblink of the same is provided separately in this report on page No. 253.

E. Management:

i. Management discussion and analysis report ("MDA"):

The MDA is set out in a separate section included in this Integrated Annual Report and forms a part of this Report.

ii. Disclosure of material financial and commercial transactions:

Pursuant to and in compliance with the provisions of regulation 26(5) of the Listing Regulations, the senior management have confirmed that they have not entered into material financial and commercial transactions that may have a potential conflict with the interest of the Company at large during the Financial Year ended on March 31, 2026.

iii. Disclosure of compensation or profit sharing in connection with dealing in the securities of the Company:

Pursuant to and in compliance with the provisions of regulation 26(6) of the Listing Regulations, the directors, promoters, KMP and senior management have confirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

iv. Disclosure of certain types of agreements binding the Company:

The Company has not been informed of any agreement under regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations. Accordingly, there was no requirement for disclosing the same.

F. Disclosure regarding appointment / re-appointment of the directors:

The particulars about the brief resume and other information of the directors seeking appointment / re-appointment as required to be disclosed under this section as per standard 1.2.5 of the Secretarial Standard on General Meetings and regulation 36(3) of the Listing

Regulations are provided as an annexure to the notice convening the Thirty First AGM.

G. Compliance by the Company:

The Company has complied with all the mandatory requirements of the Listing Regulations, regulations, and guidelines of SEBI. Further, during the last 3 (three) years, no penalties or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, except imposition of penalty of ₹ 10,000 (Rupees Ten Thousand only) each by both the stock exchanges during the Financial Year ended on March 31, 2026, for non-compliance of regulation 29(1) of the Listing Regulations. More details thereof are provided in the Board's Report. The equity shares of the Company were not suspended from trading at any time during the Financial Year ended on March 31, 2026.

The Company has in place a comprehensive and robust legal compliance management digital tool, which is devised to ensure compliance with all applicable laws which are applicable to the Company. Automated alerts are sent to compliance owners to ensure compliance within stipulated timelines.

A certificate of compliance with all applicable laws and regulations is placed before the Board on a quarterly basis.

H. CEO / CFO certification:

The certificate from the Managing Director and the Chief Financial Officer required to be given under regulation 17(8) read with Part B of Schedule II of the Listing Regulations was placed before the Board and forms a part of this report, which is attached as **Annexure-"A"**.

I. Transfer of unclaimed / unpaid dividend amount and shares to Investor Education and Protection Fund ("IEPF"):

Pursuant to the provisions of sections 124 and 125 of the Act read with the rules framed thereunder, dividend, if not claimed for a period of 7 (seven) consecutive years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for 7 (seven) consecutive years or more from the date of transfer to the Unpaid Dividend Account shall also be transferred to IEPF. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of members, the Company sent 3 (three) reminders to the members to claim their

dividends / shares before transfer of dividend / shares to IEPF. Notice in this regard was also published in the newspapers and the details of unclaimed dividends and members whose shares are liable to be transferred to IEPF, are uploaded on the website of the Company.

Moreover, ₹ 6 million (Rupees Six Million only) held by 2,802 (two thousand eight hundred two) members, being the unclaimed dividend, pertaining to the dividend for the Financial Year ended on March 31, 2018, was transferred to IEPF after giving notice to the members to claim their unpaid / unclaimed dividend.

As at March 31, 2026, 1,725,923 (one million seven hundred twenty five thousand nine hundred twenty three) equity shares are lying with IEPF.

Status of unclaimed dividend and shares which are transferred to IEPF is as under:

Unclaimed dividend and shares	Status	Can it be claimed	Can be claimed from	Actions to be taken
Upto and including the Financial Year 2017-2018	Transferred to IEPF	Yes	IEPF Authority Member to file online Form No. IEPF-5 and send the said form to the Nodal Officer of the Company at the Registered Office with complete documents. The Nodal Officer will file an e-verification form with IEPF Authority.	IEPF Authority to credit the claimed shares and / or dividend amount based on the e-verification form filed by the Company and the documents submitted by the member.
For the Financial Years 2018-2019 to 2024-2025	Amount is lying in the respective unclaimed dividend account	Yes	The Company and / or RTA	Member to make an application to RTA along with KYC documents.

Details of the date of declaration of dividend and the due date of transfer to IEPF are provided in Note No. 5 of the Notice convening the Thirty First AGM.

J. Credit rating:

The details of credit ratings obtained during the Financial Year ended on March 31, 2026 (no change compared to last year), are provided in below table:

Sr. No.	Facility / Instrument	Amount (₹ in million)	Ratings
1.	Various Bank Facilities	47,240	Long term rating CRISIL AAA/Stable (Reaffirmed) Short term rating CRISIL A1+ (Reaffirmed)
2.	Commercial Papers ("CPs") *	2,000	CRISIL A1+ (Reaffirmed)
3.	Non-Convertible Debentures ("NCDs") *	500	CRISIL AAA/Stable (Reaffirmed)
4.		750	CRISIL AAA/Stable (Reaffirmed)

* No CPs / NCDs were issued during the Financial Year ended on March 31, 2026.

K. Utilization of funds:

The Company has not raised any funds through preferential allotment or qualified institutional placement during the Financial Year ended on March 31, 2026.

L. Certificate regarding non-debarment and non-disqualification of directors:

Pursuant to and in compliance with the provisions of para (C)(10)(i) of Schedule V of the Listing Regulations, the Company has obtained a certificate from SPANJ & Associates, Practicing Company Secretaries and secretarial auditors of the Company, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / MCA or any such Statutory Authority. The said certificate forms a part of this report, which is attached as **Annexure-"B"**.

M. Fees paid to the statutory auditors:

During the Financial Year ended on March 31, 2026, Deloitte, the statutory auditors of the Company and ZHL, a wholly owned subsidiary company, were paid fees for audit and providing other services as per below details:

(₹ in million)

Sr. No.	Name of the company	Fees paid		Total
		For statutory audit	For providing other services	
1.	Zydus Lifesciences Limited	25	3	28
2.	Zydus Healthcare Limited	5	0	5
Total		30	3	33

N. Recommendation of the committees:

Recommendations of the committees are submitted to the Board for approval and the Board has, after due deliberations, accepted all the recommendations.

O. Disclosure regarding sexual harassment of women at workplace:

The Company has adopted a policy on sexual harassment of women at workplace for prevention, prohibition, and redressal of sexual harassment at workplace pursuant to and in compliance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

Details of complaints received and resolved are provided in below table:

Sr. No.	Particulars	Number
1.	Number of complaints as at April 1, 2025	0
2.	Number of complaints received during the year	1
3.	Number of complaints resolved during the year	1
4.	Number of complaints pending as at March 31, 2026	0

The above complaint was resolved within a period of 90 (ninety) days.

P. Accounting standards:

In preparing the annual financial statements of the Company, the treatment as prescribed in the Accounting Standards has been followed.

Q. Dividend distribution policy:

Pursuant to and in compliance with the provisions of regulation 43A of the Listing Regulations, the Company has formulated the Dividend Distribution Policy, which is approved by the Board and is uploaded on Company's website and the weblink for the same is provided separately in this report on page No. 252.

R. Materiality of an event:

Pursuant to and in compliance with the provisions of regulation 30(4)(ii) of the Listing Regulations, the Board has approved the policy to determine the materiality of an event or information and the same is available on the website of the Company and the weblink for the same is provided separately in this report on page No. 252. The details of the KMP authorized to determine materiality of an event or information and who is authorized to inform an event or information to the stock exchanges are also uploaded on the website of the Company and

the weblink for the same is provided separately in this report on page No. 253.

The Company makes timely disclosures of necessary information to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where shares of the Company are listed, in compliance with the provisions of the Listing Regulations and other applicable rules and regulations issued by the SEBI.

S. Unclaimed suspense account:

The Company has opened Unclaimed Suspense Account and transferred equity shares of those shareholders, whose shares are unclaimed, to the said account after following the process as prescribed under regulation 39(4) read with Schedule VI of the Listing Regulations. Voting rights of all the shares transferred to Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

Members who have not yet claimed their shares are requested to immediately approach RTA of the Company by forwarding a request letter duly signed by all the joint holders furnishing their complete postal address along with pin code, self-attested copies of PAN

card and proof of address, self-attested copy of client master list and Form ISR-2 (confirmation of signature of securities holder by the banker), to enable the Company to release the said shares to the rightful owner.

The details of unclaimed shares are provided in below table:

Sr. No.	Particulars	No. of members	No. of equity shares
1.	Aggregate number of members and the outstanding shares in the unclaimed suspense account lying at the beginning of the year	150	1,72,815
2.	Less: Number of shares transferred to IEPF	15	12,675
3.	Less: Number of members who approached the Company for transfer of shares from unclaimed suspense account during the year and to whom shares were transferred	10	14,820
4.	Aggregate number of members and the outstanding shares in the unclaimed suspense account lying at the end of the year (1-2-3)	125	1,45,320

Further, the Company has opened a Suspense Escrow Account with a DP to enable transfer of shares lying unclaimed for a period of more than 120 (one hundred twenty) days from the date of issuance of letter of confirmation. During the Financial Year ended on March 31, 2026, no shares were required to be transferred to such Suspense Escrow Account. Moreover, till date, no shares were required to be transferred to the Suspense Escrow Account.

As per the SEBI Circular, any corporate benefits on the shares transferred to the Suspense Escrow Account i.e. bonus, split, etc. shall be credited to such Suspense Escrow Account. The concerned member shall be entitled to vote, to receive dividends and notice of general meetings and annual reports.

T. Loans and advances:

The Company has not given loans and advances in the nature of loan to companies in which the directors of the Company are interested during the Financial Year ended on March 31, 2026, except those disclosed in the Audited Financial Statements.

U. Secretarial audit and annual secretarial compliance report:

Pursuant to and in compliance with regulation 24A(1) of the Listing Regulations, the Company and ZHL (material unlisted Indian subsidiary company) have carried out the secretarial audit (by peer reviewed secretarial auditors) and their respective reports are attached to the Boards' Report. In addition to the above, the Company will submit the annual secretarial compliance report to the stock exchanges within the prescribed time frame of 60 (sixty) days from the end of the financial year.

V. Senior management:

The senior management of the Company comprises members of the management who are reporting to the Chairman and the Managing Director and includes functional heads by whatever name called.

The senior management of the Company as at March 31, 2026, and the changes therein during the year are provided in below table:

Sr. No.	Name of the senior management	Function
1	Mr. Harish Sadana	Corporate Matters
2	Mr. Tushar D. Shroff	Finance and Legal (Refer Note 1)
3	Mr. Nitin D. Parekh	Special Projects (Refer Note 2)
4	Mr. Prashant Sharma	Technical Operations (Formulations and API)
5	Mr. Vipul Doshi	Quality and Regulatory Affairs
6	Ms. Swati Dalal	India Formulations Business (Refer Note 3)
7	Dr. Amrut Naik	International Markets
8	Mr. Samir Desai	Biologics Business (Refer Note 4)
9	Mr. Rishikesh Raval	Human Resources and Corporate Communication

Sr. No.	Name of the senior management	Function
10	Mr. M E Kannan	R&D-Pharmaceutical Technology Centre
11	Dr. Mukul Jain	R&D-Biology
12	Mr. Kapil Maithal	R&D-Vaccines and manufacturing operations
13	Mr. Sanjeev Kumar	R&D-Biologics Research and Manufacturing
14	Mr. Vikram Shukla	Parenteral Operations
15	Mr. Keyur Parekh	Business Strategy (India Business)
16	Mr. Gaurav Suchak	Global Demand and Supply Organization and IT
17	Mr. Girishankar Gopalakrishnan	MedTech Business
18	Mr. Alok Garg	Business Strategy (International Markets and Inorganic Strategy)
19	Mr. Pravin Iyer	R&D-Medicinal Chemistry
20	Mr. Manoj Kamra	Corporate Affairs (Refer Note 5)
21	Mr. Mayank Satpal	Digital Initiatives (Refer Note 6)
22	Mr. Vijay Bhalerao	India Formulations Business
23	Mr. Dhaval N. Soni	Company Secretary and Compliance Officer

Note 1 : Mr. Tushar D. Shroff was appointed as President-Finance effective April 30, 2025, and hence forms part of senior management of the Company. Effective September 1, 2025, he has been appointed as the Chief Financial Officer of the Company.

Note 2 : Mr. Nitin D. Parekh ceased to be the Chief Financial Officer and senior management of the Company effective August 31, 2025, upon superannuation. On his re-appointment as a President-Special Projects effective September 8, 2025, he became senior management of the Company.

Note 3 : Ms. Swati Dalal was appointed as the Managing Director of ZHL effective June 15, 2025, and hence became senior management of the Company.

Note 4 : Mr. Samir Desai passed away on August 26, 2025, and ceased to be part of senior management of the Company.

Note 5 : Mr. Manoj Kamra superannuated on January 31, 2026, and ceased to be part of senior management of the Company.

Note 6 : Mr. Mayank Satpal ceased to be part of senior management of the Company upon realignment in the organizational reporting structure of the Company effective March 31, 2026.

w. Public policy:

The Company has a Public Policy which considers engaging with public as a crucial dimension to create an enabling environment to improve access to quality medicines and healthcare. The Public Policy is available on the website of the Company and the weblink of the same is provided separately in this report on page No. 253.

7. Means of communication:

- The Company has 430,370 (four hundred thirty thousand three hundred seventy) members as on March 31, 2026. The main channel of communication to the members is through Annual Report, which includes, *inter-alia*, the Board's Report, MDA, Corporate Governance Report, BRSR and Audited Financial Statements.
- The Annual General Meeting is a platform for face-to-face communication with the members. The Chairman, the Managing Director and other KMP respond to the specific queries of the members.

- The Company intimates to the Stock Exchanges all price sensitive matters which in its opinion are material and of relevance to the members and subsequently issues a press release on such matters, wherever necessary.
- The quarterly, half yearly and yearly results are published in widely circulating national and local daily 'Financial Express' in English and Gujarati. The results are also posted on the website of the Company www.zyduslife.com and the same are not sent individually to the members.
- The Company's results and official news releases are displayed on the website of the Company www.zyduslife.com. The Company keeps a call after the Board meeting with institutional investors. The Company also makes investor presentations. The investor presentations, the telecon speeches and the transcripts are uploaded on the website of the Company. Information to the Stock Exchanges is being filed online on NEAPS of NSE and online listing portal of BSE.

The quarterly calls are attended by Dr. Sharvil P. Patel, Managing Director, Mr. Ganesh N. Nayak, Director, Mr. Tushar D. Shroff, Chief Financial Officer, Mr. Arvind Bothra, head of Investor Relations and Mr. Alok Garg, representative from MD office.

All periodical compliance filings are filed electronically in accordance with the Listing Regulations. Further, in compliance with the provisions of the Listing Regulations, all the disclosures made to the Stock Exchanges are searchable.

- vi. Pursuant to and in compliance with the provisions of regulation 46 of the Listing Regulations, a separate section of 'Investor Zone' i.e. 'Disclosure under regulation 46 of the Listing Regulations' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Reports, financial results along with the applicable policies of the Company, etc.

8. General body meetings:

i. Details of last 3 (three) annual general meetings held are provided hereunder:

Year	Date and Time	Venue
2024-2025	Thirtieth AGM on August 12, 2025, at 10.00 a.m. (IST)	Through Video Conferencing / Other Audio Visual Means ("VC / OAVM")
2023-2024	Twenty Ninth AGM on August 9, 2024, at 10.00 a.m. (IST)	
2022-2023	Twenty Eighth AGM on August 11, 2023, at 10.00 a.m. (IST)	

ii. Special resolutions passed in the last 3 (three) annual general meetings:

Sr. No.	Nature of special resolutions passed	Relevant provisions of the Act	AGM details
1.	Re-appointment of Mr. Ganesh N. Nayak as the Director for a further period of 5 (five) years	Section 197 of the Act	Thirtieth AGM held on August 12, 2025
2.	Re-appointment of Mr. Ganesh N. Nayak as the Whole Time Director for a further period of 1 (one) year	Sections 2(51), 196, 197, 203 of the Act	Twenty Ninth AGM held on August 9, 2024
3.	Appointment of Ms. Shelina P. Parikh as an ID for the first term of 5 (five) consecutive years	Sections 149, 150 and 152 of the Act	
4.	Re-appointment of Mr. Bhadresh K. Shah as an ID for the second term of 5 (five) consecutive years		Twenty Eighth AGM held on August 11, 2023

iii. Approval of members through postal ballot:

During the Financial Year ended on March 31, 2026, a special resolution was passed through Postal Ballot, the details of which are provided below:

- **Date of postal ballot notice:** November 6, 2025
- **Date of declaration of results:** December 12, 2025
- **Approval:** Special resolution for raising funds upto ₹ 50,000 million (Rupees Fifty Thousand Million only) through issuance of securities, was passed with 99.89% votes cast in favour.

Mr. Ashish Doshi, Partner, SPANJ & Associates, Practicing Company Secretary and secretarial auditors of the Company, was appointed as the scrutiniser and has conducted the postal ballot for the aforesaid proposal.

The procedure prescribed under sections 108 and 110 of the Act read with rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, regulation 44 of Listing Regulations and the guidelines prescribed by MCA Circulars were duly followed for conducting the postal ballot process for approving the above-mentioned resolution. Aforesaid resolution was passed by the shareholders by overwhelming and requisite majority.

iv. Extra ordinary general meetings:

During the Financial Year ended on March 31, 2026, the Company has not held any extra ordinary general meetings.

9. General member information:

i. General information:

Corporate Identification Number (CIN)	L24230GJ1995PLC025878
Registered Office Address	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Near Vaishnodevi Circle, S G Highway, Ahmedabad-382481
Date and Time of Thirty First AGM	August 11, 2026, at 10.00 a.m. (IST)
Cut-off Date	Tuesday, August 4, 2026 A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the Depositories as on this date, shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.
E-voting start time	9.00 a.m. (IST) on Saturday, August 8, 2026
E-voting end time	5.00 p.m. (IST) on Monday, August 10, 2026
Venue of Thirty First AGM	As the AGM is to be held through VC / OAVM, the deemed venue shall be considered as the Registered Office of the Company.
Financial Year	April 1, 2025, to March 31, 2026
Record Date (for dividend)	Friday, July 24, 2026 A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the Depositories as on this date, shall be entitled to receive dividend.
Dividend Payment Date	On or around Friday, August 14, 2026, subject to approval of members.
Compliance Officer	Mr. Dhaval N. Soni, Company Secretary
Website Address	www.zyduslife.com

ii. Tentative financial calendar:

First Quarter Results	On or before August 14, 2026
Half Yearly Results	On or before November 14, 2026
Third Quarter Results	On or before February 14, 2027
Audited Results for the year 2026-2027	On or before May 30, 2027

The trading window closure for the financial results shall be from the first day, from the closure of the quarter till the completion of 48 (forty eight) hours after the financial results become generally available.

iii. Listing, stock code and closing price:

The equity shares of the Company are listed on NSE and BSE.

Name and address of the stock exchange	Stock Code	Closing Price as on March 31, 2026 (₹)
The National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400051	Zyduslife	871.20
BSE Limited P J Towers, Dalal Street, Mumbai-400001	532321	

iv. Listing / custodian fees:

The Company has paid the annual listing and custodian fees for the Financial Year 2026-2027 to the Stock Exchanges and the Depositories, respectively.

v. Registrar and share transfer agent:

MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) is the RTA of the Company.

For lodgment of any documents or any grievances / complaints, members may contact the Company's RTA at the following address:

MUFG Intime India Private Limited

(Unit: Zydus Lifesciences Limited)

5th Floor, 506-508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off. CG Road, Navrangpura, Ahmedabad-380006.

Telephone and Fax: 079-2646 5179 / 5186 / 5187

E-mail id: ahmedabad@in.mpms.mufig.com

Website: <https://in.mpms.mufig.com>

vi. Share transfer system:

The STC has been constituted to approve the transfers, transmission, issue of duplicate shares, etc. The Company's RTA has adequate infrastructure to process the above matters.

The Company, on a yearly basis files with the Stock Exchanges, a compliance certificate duly signed by both, the Compliance Officer of the Company and the authorised representative of the RTA, certifying that all activities in relation to share transfer facility are maintained by MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), a SEBI approved Category-I Registrar and Share Transfer Agent registered with SEBI vide Registration No. INR000004058.

vii. Reconciliation of share capital:

A Practicing Chartered Accountant carried out an audit in respect of each of the quarters in the Financial Year ended on March 31, 2026, to reconcile the total admitted capital with the Depositories and total issued and listed capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of shares in physical mode and the total number of shares in demat mode held with the Depositories.

viii. Distribution of shareholding of equity shares as at March 31, 2026:

No. of equity shares	No. of folios	% to total folios	No. of equity shares	% of shareholding
1 to 500	411089	95.52	17565089	1.75
501 to 1000	10012	2.33	7526910	0.75
1001 to 2000	4511	1.05	6532892	0.65
2001 to 3000	1699	0.39	4275600	0.42
3001 to 4000	744	0.17	2628042	0.26
4001 to 5000	531	0.12	2427744	0.24
5001 to 10000	813	0.19	5702754	0.57
10001 and above	971	0.23	959574959	95.36
Grand Total	430370	100.00	1006233990	100.00
Members in physical mode	929	0.22	1171320	0.12
Members in electronic mode	429441	99.78	1005062670	99.88
Grand Total	430370	100.00	1006233990	100.00

ix. Categories of members as at March 31, 2026:

Category	No. of equity shares held		Total equity shares	% of shareholding
	Physical	Electronic		
Promoters' holding	0	754625314	754625314	74.99
Mutual Funds	0	49065382	49065382	4.88
Banks, FIs and Insurance Companies	2310	61770536	61772846	6.14
Foreign Institutional Investors / Foreign Portfolio Investor / Foreign Nationals	0	69893280	69893280	6.95
NRIs	6825	3279112	3285937	0.33
Other Bodies Corporate	0	5596653	5596653	0.56
Central and State Government	0	17769	17769	0.00
Indian public	1161435	54944722	56106157	5.57
Others	750	5869902	5870652	0.58
Total	1171320	1005062670	1006233990	100.00

x. Top 10 (ten) members of the Company as at March 31, 2026:

Sr. No.	Name of the member	Category	Sub-category	No. of equity shares held	% of shareholding
1	Zydus Family Trust	Promoter and Promoter Group	Promoter Group	754313343	74.96
2	Life Insurance Corporation of India	Public	Insurance Companies	45874354	4.56
3	Parag Parikh Flexi Cap Fund	Public	Mutual Funds	18853686	1.87
4	Kotak Flexicap Fund	Public	Mutual Funds	10500000	1.04
5	Life Insurance Corporation of India-P & Gs Fund	Public	Insurance Companies	9214237	0.92
6	Vanguard Total International Stock Index Fund	Public	Foreign Portfolio Investor	3654122	0.36
7	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	Public	Foreign Portfolio Investor	3459262	0.34
8	ICICI Prudential Large Cap Fund	Public	Mutual Funds	3228172	0.32
9	Government Pension Fund Global	Public	Foreign Portfolio Investor	2582404	0.26
10	Ishares Core Msci Emerging Markets ETF	Public	Foreign Portfolio Investor	2351001	0.23
Total				854030581	84.86

xi. Dematerialization of shares and liquidity:

The Company's equity shares are required to be compulsorily traded on the Stock Exchanges in demat mode. Approximately 99.88% of the equity shares have been dematted. ISIN for demat of the equity shares of the Company is INE010B01027.

xii. Location of the company's manufacturing plants:

The details of the locations of the manufacturing plants of the Company are mentioned on the inside cover page of the Integrated Annual Report.

xiii. Address for correspondence:

Members' correspondence should be addressed to the RTA at the address mentioned above.

Members may also contact the Company Secretary at the Registered Office of the Company for any assistance.

Mr. Dhaval N. Soni, Company Secretary and Compliance Officer

Telephone: 079-48040000; Ext: 338

E-mail: companysecretary@zyduslife.com; dhavalsoni@zyduslife.com

In accordance with the provisions of IEPF Rules, the Board has appointed Mr. Dhaval N. Soni as the Nodal Officer for the purpose of coordination with the IEPF Authority.

Members holding shares in the demat mode should address all their correspondence to their respective DP.

xiv. Outstanding GDRs / ADRs / Warrants, its conversion date and likely impact on equity:

During the Financial Year ended on March 31, 2026, the Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

xv. Details of non-compliance:

There was no non-compliance during the Financial Year ended on March 31, 2026, except as disclosed in point no. 6(G) above. SPANJ & Associates, Practicing Company Secretaries and secretarial auditors of the Company have certified the compliance of the conditions of corporate governance and the certificate forms a part of this report, which is attached as **Annexure-"C"**. The certificate shall also be sent to the Stock Exchanges along with the Integrated Annual Report.

xvi. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal with commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018, is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to the MDA.

xvii. Weblinks:

List of various policies approved by the Board and other details and their respective weblinks are provided in the below table:

Sr. No.	Policy / other details / weblink
1.	Dividend Distribution Policy https://www.zyduslife.com/public/pdf/companypolicy/Dividend-Distribution-Policy.pdf
2.	Archival Policy https://www.zyduslife.com/public/pdf/companypolicy/Archival-Policy.pdf
3.	Policy for Determination and Disclosure of Materiality of an Event or Information https://zyduslife.com/public/pdf/Policy-on-Materiality-of-event-or-information-for-disclosure-May-2026.pdf
4.	Familiarization Program for Independent Directors https://www.zyduslife.com/public/pdf/companypolicy/Familiarization-Program-for-Independent-Directors.pdf
5.	Human Rights Policy https://www.zyduslife.com/public/pdf/companypolicy/Human-Rights-Policy.pdf
6.	Code of Business Conduct and Ethics https://www.zyduslife.com/public/pdf/companypolicy/Code-of-Business-Conduct-and-Ethics.pdf
7.	Policy for monitoring Stationary https://www.zyduslife.com/public/pdf/companypolicy/Policy-for-monitoring-stationary.pdf
8.	Corporate Social Responsibility Policy https://www.zyduslife.com/public/pdf/companypolicy/Corporate-Social-Responsibility-Policy.pdf
9.	Policy for determination of Legitimate Purpose for sharing Unpublished Price Sensitive Information https://www.zyduslife.com/public/pdf/companypolicy/Policy-on-Determination-of-Legitimate-Purpose-for-sharing-UPSI.pdf

Sr. No.	Policy / other details / weblink
10.	Policy on inquiry on leakage of Unpublished Price Sensitive Information https://www.zyduslife.com/public/pdf/companypolicy/Policy-on-inquiry-on-leakage-of-UPSI.pdf
11.	Policy on Preservation of Documents https://www.zyduslife.com/public/pdf/companypolicy/Policy-on-Preservation-of-Documents.pdf
12.	Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions https://www.zyduslife.com/public/pdf/Policy_on_Related_Party_Transactions.pdf
13.	Policy to determine Material Subsidiary https://www.zyduslife.com/public/pdf/companypolicy/Policy-to-determine-Material-Subsidiary.pdf
14.	Public Policy https://www.zyduslife.com/public/pdf/companypolicy/Public-Policy.pdf
15.	Risk Management Policy https://zyduslife.com/public/pdf/companypolicy/Risk-Management-Policy.pdf
16.	Environment Health and Safety Policy https://www.zyduslife.com/public/pdf/companypolicy/Environment-Health-and-Safety-Policy.pdf
17.	Whistle Blower Policy https://www.zyduslife.com/public/pdf/companypolicy/Whistle-Blower-Policy.pdf
18.	Nomination and Remuneration Policy https://zyduslife.com/public/pdf/companypolicy/Nomination-and-Remuneration-Policy.pdf
19.	Policy on Insider Trading https://www.zyduslife.com/public/pdf/companypolicy/Policy-on-Insider-Trading.pdf
20.	Policy on Prevention of Sexual Harassment of Women at Workplace https://www.zyduslife.com/public/pdf/companypolicy/Policy-on-Prevention-of-Sexual-Harassment-of-Women-at-Workplace.pdf
21.	Board Diversity Policy https://www.zyduslife.com/public/pdf/companypolicy/Board-Diversity-Policy.pdf
22.	Code of Conduct for Suppliers https://www.zyduslife.com/public/pdf/companypolicy/Zydus-Code-of-Conduct-for-Suppliers.pdf
23.	Zydus Business Conduct Policy https://www.zyduslife.com/public/pdf/Business-Conduct-Policy-2022.pdf
24.	Details of KMP authorized to determine materiality of an event or information and details of KMP authorized to disclose material event / information to the stock exchanges https://www.zyduslife.com/public/pdf/financial/Details%20of%20KMP%20authorized%20to%20determine%20materiality%20of%20an%20event.pdf
25.	ESG Policy https://www.zyduslife.com/public/pdf/companypolicy/Policy-for-Environment-Social-Governance-ESG.pdf
26.	Energy Policy https://www.zyduslife.com/public/pdf/companypolicy/Policy-for-Energy-Conservation-and-its-related-disclosures.pdf
27.	Tax Policy https://www.zyduslife.com/public/pdf/companypolicy/Tax-Policy-25.pdf
28.	Profile of Directors https://www.zyduslife.com/investor/#boardofdirector
29.	Memorandum of Association and Articles of Association https://zyduslife.com/public/pdf/MOA-and-AOA-Zydus.pdf
30.	Profile of R. Nanabhoy & Co., Cost Accountants https://zyduslife.com/investor/admin/uploads/18/135/Profile-of-R--Nanabhoy---Co---Cost-Accountants.pdf

xviii. Evolution of equity share capital:

Details of evolution of equity share capital of the Company since incorporation are provided in below table:

Sr. No.	Date of allotment	No. of equity shares	Particulars
1	17.05.1995	200	Initial subscription to the Memorandum of Association. (Face Value ₹ 10/- each)
2	11.06.1996	500	Further allotment (Face Value ₹ 10/- each)
3	01.09.1997	14,884,223	Allotment of equity shares pursuant to the scheme of arrangement and amalgamation of Cadila Laboratories Limited, Cadila Chemicals Limited, Cadila Antibiotics Limited, Cadila Exports Limited, Cadila Veterinary Private Limited with Cadila Pharmaceuticals Limited and the Company. (Face Value ₹ 10/- each)
4	29.06.1998	7,442,553	Bonus issue in the ratio of 1:2 (i.e., one equity share of face value of ₹ 10/- each was issued for every two equity shares of face value of ₹ 10/- each held)
5	17.08.1998	8	Issued from consolidation of fractional coupons under bonus issue in the ratio of 1:2 (i.e., one equity share of face value of ₹ 10/- each was issued for every two equity shares of face value of ₹ 10/- each held)
6	05.01.2000	44,655,368	Pursuant to a resolution passed by the Board dated December 18, 1999 and a resolution passed by the shareholders at the EGM dated January 5, 2000, the existing equity shares of face value of ₹ 10/- each were sub-divided into equity shares of face value of ₹ 5/- each. Accordingly, the issued, subscribed and paid-up equity share capital of the Company, being 22,327,684 equity shares of ₹ 10/- each was sub-divided into 44,655,368 equity shares of ₹ 5/- each.
7	29.02.2000	13,397,400	Initial public offering of equity shares under the book-built portion. (Face value of ₹ 5/- each)
8	16.03.2000	1,488,600	Initial public offering of equity shares under the fixed price portion. (Face value of ₹ 5/- each)
8	16.09.2003	3,265,486	Allotment of equity shares pursuant to the scheme of amalgamation of German Remedies Limited, Recon Healthcare Limited, Zydus Pathline Limited and Zoom Properties Limited with the Company in the ratio of 4:7 (Face Value ₹ 5/- each)
9	05.09.2006	62,806,854	Bonus issue in the ratio of 1:1 (i.e., one equity share of face value of ₹ 5/- each was issued for every one equity share of face value of ₹ 5/- each held)
10	07.02.2009	(90,000,000)	Cancellation of equity shares of the Company pursuant to an order of the High Court of Gujarat dated October 23, 2008, in the composite scheme of arrangement of Zydus Wellness Limited (Formerly known as Carnation Nutra-Analogue Foods Limited) and Zydus Hospitals and Medical Research Private Limited with the Company (" Zydus Wellness Scheme of Arrangement ").
		100,885,305	Allotment of equity shares pursuant to the Zydus Wellness Scheme of Arrangement.
11	09.04.2010	68,249,507	Bonus issue in the ratio of 1:2 (i.e., one equity share of face value of ₹ 5/- each was issued for every two equity shares of face value of ₹ 5/- each held) (Face Value ₹ 5/- each)
12	22.09.2015	1,023,742,600	Pursuant to a resolution passed by the Board dated August 12, 2015, and a resolution passed by the Shareholders at the EGM dated September 22, 2015, the existing equity shares of face value of ₹ 5/- each were sub-divided into equity shares of face value of ₹ 1/- each. Accordingly, the issued, subscribed and paid-up equity share capital of the Company, being 204,748,520 equity shares of ₹ 5/- was sub-divided into 1,023,742,600 equity shares of ₹ 1/- each.
13	19.07.2022	1,012,204,139	11,538,461 equity shares bought back.
14	15.03.2024	1,006,233,990	5,970,149 equity shares bought back.

If a member held 100 (one hundred) equity shares at the time of Initial Public Offer ("IPO") in 2000 and continued to hold the same, the member would have 1,500 (one thousand five hundred) equity shares today due to bonus issues and stock split.

Further, upon the demerger of consumer products division of the Company into ZWL, the members of the Company, during January 2009, got additional shares of ZWL in the ratio of 15:4 i.e. for every 15 (fifteen) equity shares of the Company, 4 (four) equity shares of ZWL were allotted.

As at March 31, 2026, the market capitalization of the Company was ₹ 876,631 million (Rupees Eight Hundred Seventy Six Thousand Six Hundred Thirty One Million only).

xix. Compliance status of corporate governance requirements as prescribed in the Listing Regulations:

The compliance status of corporate governance requirements as prescribed under regulation 17 to 27 and 46(2)(b) to (i) of the Listing Regulations is provided in below table:

Regulation	Details of regulation	Complied (Yes / No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders' / Investors' Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the listed company	Yes
24A	Secretarial Audit Report and Secretarial Compliance Report	Yes
25	Obligations of Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other corporate governance requirements	Yes
46(2)(b) to (i)	Website	Yes

xx. Corporate benefits to the members in the last 5 (five) years:

Dividend:

Year	Percentage (%)	In ₹ per share (Face value of ₹ 1/- each)	Dividend amount (₹ in million including TDS)
2021-2022	250	2.50	2,531
2022-2023	600	6.00	6,073
2023-2024	300	3.00	3,019
2024-2025	1,100	11.00	11,069
2025-2026 *	100	1.00	1,006 **

* Subject to approval of members at the ensuing AGM.

** Considering pre-buyback number of equity shares.

Buyback:

Date of buyback	No. of equity shares bought back	Price of buyback per equity share (₹)	Buyback size (₹ in million)
July 14, 2022	11,538,461	650	7,500
March 24, 2024	5,970,149	1,005	6,000

10. Non-mandatory requirements of regulation 27(1) and Part E of Schedule II of the Listing Regulations:

- i. The Company has a Non-Executive Chairman and is entitled to maintain its office at the Company's expense and allowed reimbursement of expenses incurred in performance of duties.
- ii. The quarterly / half yearly / yearly results are not sent to the members. However, the same is published in the newspapers and is also posted on the Company's website.
- iii. The Company's financial statements for the Financial Year ended on March 31, 2026, do not contain any audit qualification.
- iv. The internal auditors report to the Audit Committee and they make quarterly presentations on their reports.
- v. The auditors' report on the financial statements of the Company is with unmodified opinion.
- vi. The Company approves the quarterly unaudited financial results and the audited financial results for the entire financial year.

Annexure-"A"

Managing Director (MD) and Chief Financial Officer (CFO) Certification

To
The Board of Directors,
Zydus Lifesciences Limited

As required under the regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") read with Part B of Schedule II of the Listing Regulations, we hereby certify that:

- (A) We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2026, and that to the best of our knowledge and belief;
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2026, which are fraudulent, illegal or in violation of the Company's code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- (D) We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year ended on March 31, 2026;
 2. significant changes in accounting policies during the year ended on March 31, 2026, and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Ahmedabad
Date : May 19, 2026

Sharvil P. Patel
Managing Director
DIN: 00131995

Tushar D. Shroff
Chief Financial Officer

Annexure-“B”

Certificate of non-disqualification of directors

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
Zydus Lifesciences Limited
(CIN: L24230GJ1995PLC025878)
Registered Office: 'Zydus Corporate Park', Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej-Gandhinagar Highway,
Ahmedabad-382481

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of **Zydus Lifesciences Limited** ("the **Company**") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**").

In our opinion and to the best of our information and according to the verifications (including Director Identification Number ("**DIN**") status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and 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, 2026 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Pankaj Ramanbhai Patel	00131852	May 15, 1995
2.	Bhadresh Kantilal Shah	00058177	December 6, 2018
3.	Apurva Shishir Diwanji	00032072	May 13, 2016
4.	Shelina Pranav Parikh	00468199	May 17, 2024
5.	Akhil Arun Monappa	09784366	November 29, 2022
6.	Upasana Kamineni Konidela	02781278	November 29, 2022
7.	Mukesh Mangalbhai Patel	00053892	August 1, 1997
8.	Sharvil Pankajbhai Patel	00131995	August 1, 1997
9.	Ganesh Narayan Nayak	00017481	July 12, 2017

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 the same 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.

ASHISH DOSHI, PARTNER
SPANJ & ASSOCIATES

Company Secretaries
FRN: P2014GJ034800
PR Certificate No.: 6467/2025
FCS No.: 3544, C P No.: 2356
UDIN: F003544H000400006

Place : Ahmedabad
Date : May 19, 2026

Corporate Governance Compliance Certificate

To,
The Members of
Zydus Lifesciences Limited
(CIN: L24230GJ1995PLC025878)
Registered Office: "Zydus Corporate Park", Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej-Gandhinagar Highway,
Ahmedabad-382481

We have examined all relevant records of **Zydus Lifesciences Limited** ("the **Company**") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") for the Financial Year ended March 31, 2026. 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 of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations, during the year ended on March 31, 2026.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad
Date : May 19, 2026

ASHISH DOSHI, PARTNER
SPANJ & ASSOCIATES
Company Secretaries
FRN: P2014GJ034800
PR Certificate No.: 6467/2025
FCS No.: 3544, C P No.: 2356
UDIN: F003544H000399951

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24230GJ1995PLC025878
2	Name of the Listed Entity	Zydus Lifesciences Limited
3	Year of incorporation	1995
4	Registered office address	"Zydus Corporate Park", Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj (Gandhinagar), Sarkhej-Gandhinagar Highway, Ahmedabad-382481
5	Corporate address	"Zydus Corporate Park", Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj (Gandhinagar), Sarkhej-Gandhinagar Highway, Ahmedabad-382481
6	E-mail	dhavalsoni@zyduslife.com
7	Telephone	+917948040000, +917971800000
8	Website	www.zyduslife.com
9	Financial year for which reporting is being done	2025-26
10	Name of the Stock Exchange(s) where shares are listed	BSE and NSE
11	Paid-up Capital	₹ 1,006.23 Million
12	Name of the Person	Mr. Vishal J. Gor
	Telephone	+917948040235
	Email address	vishalgor@zyduslife.com
13	Type of Reporting	Consolidated Basis, unless stated otherwise in the report
14	Name of assurance provider	M/s SGS India Private Limited
15	Type of assurance obtained	Reasonable assurance

II. Products / services

16. Details of business activities

5. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Pharmaceuticals	Research and development, manufacturing, marketing, and distribution of pharmaceutical products, including active pharmaceutical ingredients (APIs) and finished dosage formulations	82.56
2	Consumer Wellness	Research and development, manufacturing, marketing and distribution of consumer health and wellness products	14.56
3	Medical Devices	Research and development, precision manufacturing, clinical collaboration, and global distribution of advanced medical technologies, including cardiovascular intervention devices, diagnostic solutions, and patient-centric healthcare innovations	2.88

17. Products / Services sold by the entity:

Sl. No.	Product/Service	NIC Code	% of Total Turnover contributed
(i)	Formulation (including Biologics)	Group 210 Class 2100	80.11%
(ii)	APIs	Group 210 Class 2100	2.11%
(iii)	Sweetener	10729	14.56%
(iv)	Nutritional drink	10509	
(v)	Glucose powder	10623	
(vi)	Table spread	10504	
(vii)	Skincare products	20237	2.88%
(viii)	Medtech products	3250	
(ix)	Total Revenues		100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	No. of Offices	Total
National	38	*26	64
International	06	48	54

*Includes R&D Centre

19. Market served by the entity

	Locations	Numbers
a) No. of Locations	National (No. of States)	Pan India
	International (No. of Countries)	81 countries
b) What is the contribution of exports as a percentage of the total turnover of the entity?		33.80%*
c) A brief on types of customers	The company markets its products to patients and/or end users through a distributor network and supplies them to institutional clients such as private and government hospitals. The company exports its products to international customers via subsidiaries and distributor partners. In addition, the company provides Active Pharmaceutical Ingredients (APIs) to other pharmaceutical firms for use in their formulations (B2B) and undertakes contract manufacturing services for various pharmaceutical companies.	

*Exports from India

IV. Employees

20. Details as at the end of Financial Year:

(a) Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees (including differently abled)						
Employees						
1	Permanent Employees (A)	24487	21949	90%	2538	10%
2	Other than Permanent Employees (B)	131	104	79%	27	21%
3	Total Employees (A+B)	24618	22053	90%	2565	10%
Worker (including differently abled)						
Workers						
4	Permanent Workers (E)	5493	5259	96%	234	4%
5	Other than Permanent Workers (F)	6716	5672	84%	1044	17%
6	Total Workers (E+F)	12209	10931	90%	1278	10%

(b) Details as at the end of Financial Year – Differently-abled employees and workers

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent Employees (A)	0	0	0	0	0
2	Other than Permanent Employees (B)	0	0	0	0	0
3	Total Employees (A+B)	0	0	0	0	0
Workers						
4	Permanent Workers (E)	61	60	98%	1	2%
5	Other than Permanent Workers (F)	10	10	100%	0	0%
6	Total Workers (E+F)	71	70	99%	1	1%

21. Participation/Inclusion/Representation of women:

Sl. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	9	2	22%
2	Key Management Personnel	4	0	0%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2025-2026 (Turnover rate in current FY)			FY 2024-2025 (Turnover rate in previous FY)			FY 2023-2024 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.51%	16.86%	18.39%	19.59%	19.93%	19.62%	20.10%	21.70%	20.30%
Permanent Workers	20.57%	10.68%	20.15%	25.22%	7.51%	24.26%	18.80%	14.20%	18.60%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) **Names of holding / subsidiary / associate companies / joint ventures:** The details of holding / subsidiary / associate / joint venture companies are given in Form No. AOC-1, on Page No. 488 of annual report.

Does the entity indicated in above form, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) Yes, all the entities, wherever applicable, participate in the relevant Business Responsibility initiatives of the company, except the associate companies and joint venture companies.

VI. CSR Details

24. **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

Turnover (in ₹) 110,764,000,000

Net worth (in ₹) 236,717,000,000

*For standalone operation of Zydus Lifesciences Limited

Note: Provisions of CSR are applicable to Zydus Lifesciences Limited, Zydus Healthcare Limited, Zydus Wellness Limited, Zydus Animal Health and Investments Limited, German Remedies Pharmaceuticals Private Limited, Zydus Hospira Oncology Private Limited and Zydus Takeda Healthcare Private Limited

VII. Transparency and Disclosures Compliances

25. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If yes, then provide web-link for grievance redress policy	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
			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	a. https://www.zyduslife.com/adverse_event_reporting/	0	0		0	0	
Investors (other than shareholders)	Yes	b. https://www.zyduslife.com/public/pdf/companypolicy/Whistle-Blower-Policy.pdf	0	0		0	0	
Shareholders	Yes	c. https://www.zyduslife.com/public/pdf/companypolicy/Code-of-Business-Conduct-and-Ethics.pdf	19	0		23	0	
Employees and workers	Yes	d. https://www.zyduslife.com/public/pdf/companypolicy/Code-of-Business-Conduct-and-Ethics.pdf	29	0		39	0	
Value Chain Partners	Yes	e. https://www.zyduslife.com/public/pdf/companypolicy/Code-of-Business-Conduct-and-Ethics.pdf	0	0		0	0	
Customers	Yes	f. https://www.zyduslife.com/public/pdf/companypolicy/Code-of-Business-Conduct-and-Ethics.pdf	1480	0		1567	0	
Other (please specify)		g. The internal policies are available at the intranet portal of the organization for its employees.	1323	0		927	0	Complaints related to Packaging, Quality etc.

26. Overview of the entity's material responsible business conduct issues

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change (GHG Emissions)	Risk	- Climate change, especially the extreme weather events and rising global temperatures caused by Green House Gas (GHG) emissions and failure to adapt and mitigate such changes are among the major risks being faced world over and they also pose a major risk on the sustainability of businesses across the globe. - Climate adaptation and resilience are important in building a future-ready and sustainable organization. They can also help reduce operational costs and drive greater efficiencies for the business.	- Generation of solar power at manufacturing locations. - Improving energy efficiency / operational efficiency of energy consuming equipment to reduce energy consumption. - Increase in utilization of bio fuel / hybrid fuel to minimize the dependency on conventional fuel i.e. coal/ diesel etc. - Increase in procurement of solar- wind hybrid power.	Negative
2.	Waste Management	Risk	- Inefficient management of waste is a risk to a business because of the hazard it could pose to the relevant stakeholders. - Generation of increasing waste also impacts the environment and its management becomes a challenge.	- Disposal of waste in a responsible manner. - Complying with applicable regulations for waste generation and disposal. - More emphasis on reduction of waste generation. - Increase in waste disposal through eco-friendly pre-processing and co-processing methods.	Negative
3.	Water Management	Risk	- Water is a shared resource, making it important for businesses to use it responsibly. Ensuring responsible consumption is key to socially sustainable business practices. - Applicable regulations for reuse and recycle of treated water are stringent	- Adopting Zero Liquid Discharge (ZLD) approach to recycle, reuse water resources and reduce fresh intake of water. - Use of water efficient technologies. - Implementing efforts to achieve water neutrality. - Sensitizing internal and external stakeholders to reduce water consumption.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Corporate Governance and Ethics	Risk	• Zydus is a global life sciences company which engages with many stakeholders. • The Company strongly believes that breach of ethics or integrity can deteriorate the Company's goodwill, which will result in loss of reputation.	• Adopting a zero-tolerance policy for breach of ethics and integrity. • Adopting Code of Business Ethics and Conduct which is applicable to the Directors and employees of the Company. • The Code encourages honesty, trust, accountability and transparency. • Orientation on Code of Business Conduct and Ethics to all new joiners for adherence it in spirit and deed.	Negative
5.	Human Capital and Welfare	Opportunity	• Employee retention is critical to any organization because skill-based and knowledgeable human capital is an asset and is required to achieve the long-term sustainability and growth of the organization.		Positive
6.	Community Engagement	Opportunity	• Community engagement helps organization in making meaningful interventions to bring significant benefits to large sections of the society, which aids sustainable growth of the business.		Positive
7.	Anti-Bribery and Corruption	Risk	• Operations in multiple locations across the globe with diversified manpower may pose challenges with respect to resorting to corrupt practices leading to financial loss.	• Adopting a comprehensive Code of Business Ethics and Conduct policy which is applicable to the directors and employees of the Company. • Organization-wide awareness on anti-bribery and anti-corruption policy and consequences of its violation.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	R&D and Innovation	Risk	- Access control, archival and retrieval of R&D data is absolutely critical since any leakage of such data can lead to substantial loss of future opportunities. - Tenure of scientific pool / knowledge transfer is critical especially when working on complex dosage forms / technologies.	- Digital storage of project specific information with clearly defined access control. - Management of issuance of lab notebook and their physical archival is managed and supervised by a dedicated documentation cell. - Implementation of Good Laboratory Practices (GLP) documentation wherever required. - Continued association of the leadership team -. Majority of the senior leadership team at technology centers are associated with Zydus for more than a decade.	Negative
9.	Responsible Marketing, Selling Practices and Product Labelling	Risk	- Regulatory authorities have a Zero tolerance policy against unethical marketing / promotion activities and there are stringent regulations to be abided by in this regard. - Any non-compliance of such regulations can pose penal actions by such authorities and also loss of goodwill for the organization.	- Adopting policy for ethical marketing, advertising and sales practices. - Providing accurate and balanced information about the company's products and services to its customers - Provision to ensure ethical interactions with customers and healthcare professionals	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Sustainable Supply Chain	Risk	- Supply chain partners, spread across various geographies of the globe, are responsible to ensure on-time delivery of desired quality of input materials, products, services and capital goods that are critical to the operations and are important for business continuity. - Any threat to sustainability of operations of supply chain partners could potentially disrupt the company's operations.	- Thorough evaluation process before onboarding any critical vendor. - Mandatory acceptance of Supplier code of conduct by the vendor. - Annual desk assessment of vendor based on ESG parameters. - Creating multiple supplier base for critical products and services to maintain business continuity. - Implementing a robust system to check all statutory compliances by the vendor. - Ongoing efforts to create awareness among vendors regarding ESG parameters.	Negative
11.	Product Quality and Safety	Risk	- Failure to maintain the quality standards and comply with regulations leads to regulatory actions which in turn, adversely impacts the business. - It results into suspension of supply of products and cessation of new product approvals from the concerned sites.	- Establishing a robust quality management system which ensures the quality, safety and sustainable supply of products. - Implementation of Quality Risk Assessment Program to ensure regulatory and data integrity compliance. - Implementation of industry learning (regulatory learning) to avoid the recurrence of quality issues. - Review of processes / product performance, key quality indicators, risk assessment outcomes and audit findings on a regular basis in order to proactively address quality issues. - Automation in quality operations to ensure sustainable compliance and all-time audit readiness.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12.	Employee health and safety	Risk as well as Opportunity	- Physical and mental health problems of the employees can have major socio-economic impact on the organization. - Also, employees are the core assets of the Company. Their safety and well-being enhance their productivity which aids in improvement of financial health of the Company.	- Zydus wellbeing covers a gamut of initiatives from annual health checkups to subsidized treatment for employees and their families at Zydus Hospitals. 24X7 medical assistance with ambulance services and emergency first aid is available at all manufacturing sites. - Offering medical insurance policy for on roll employees and workers. - Extending the medical insurance policy to parents of the employees. - Added sum assured through top-up can also be availed by employees. - Zydus Cares a special initiative for pregnant women helps them right through their pregnancy with a buddy being assigned to them for all assistance. - Zydus Clubs provides opportunities to employees to come together and delve in their passion and hobbies like poetry, singing, photography, sports and fitness, dancing etc. This helps them strike the right work life balance. - Zydus "Khel Ka Mahasangram" held through the year and helps employees participate in various sports including "Cyclothons". - All protocols relating to human rights, safety, health and hygiene are strictly adhered.	

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	www.zyduslife.com Please refer link for policies : https://www.zyduslife.com/companypolicy								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Supplier Code of Conduct extends to all value chain partners.								
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.	a) ISO 14001, ISO 50001 and ISO 45001 for majority of the manufacturing locations (P3, P4: Health and Safety for all stakeholders working in factory, P6, P9: Energy , Environment and Product Labelling) b) ISO 27001:2013 for one of the major API Units (P9: IT Security) c) ISO 13485 (Medical Devices – Quality Management Systems) d) Europe GMP Certificate (P2: Good Manufacturing Practice) e) EU GDP Certificate (P2: Good Distribution Practices) f) GMP certificate from State FDA g) FSSC certification to major manufacturing facilities of consumer wellness business h) Participant to the S&P Global Corporate Sustainability Assessment ("CSA") from last 03 years i) P1-P9: UN SDGs, GRI j) P6: CDP and TCFD k) P1,P2,P3,P7,P8,P9: SASB								

*UN SDGs: United Nations Sustainable Development Goals

*GRI: Global Reporting Initiative; *CDP: Carbon Disclosure Project

*TCFD: Task Force on Climate-related Financial Disclosures; *SASB: Sustainability Accounting Standards Board

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Following are the sustainability commitments of the company for standalone operations: (a) Gender diversity of 12% by FY 2028 (b) Carbon neutrality in operations (scope 1 and 2 emissions) by FY 2035 (c) Net Water Neutrality by FY 2028 (d) Waste disposal via coprocessing up 40% for the India operations by 2026 (e) 45% reduction in GHG Intensity reduction by FY 2030 with baseline of FY 21-22 aligned with Intended National Determined Contributions (INDC) by Govt. of India								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance against goals in FY 2025 for standalone operations are as follows: (a) Gender Diversity of 9% in FY2026 (b) 36% renewable energy in total energy mix (c) Reuse of 68% of treated water within the operational boundary (d) 28% waste disposal via co processing								

Governance, Leadership and Oversight									
7 Statement by director responsible for the business responsibility report	Please refer Chairman message from the company's Integrated Annual Report FY2026 highlighting ESG Challenges, Targets and Achievements								
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Chairman								
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, CSR and ESG Committee								

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																		
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The policies of the Company are reviewed periodically / on a need basis by department heads / directors / Board Committees / Board members, wherever applicable.																	

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
	No	No	No	No	No	Yes**	No	Yes*	No

* Name of agency: SoulAce Consulting Private Limited

The agency conducted impact assessment of Zydus' various CSR Programmes.

**EHS and Energy policy is audited by external agency during ISO14001 and ISO 50001 annual surveillance and certification audit.

12. If all Principles are not covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
It is planned to be done in the next financial year (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Any other reason (please specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

N.A.: Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	02	a) Board Familiarization Programme (in the form of different business presentations during the Board meeting) b) Training module on all principles of BRSR and overview of Sustainable Development Goals (SDG)	100%
Key Management Personnel	01	All principles of BRSR	100%
Employees other than BODs and KMPs	254	All principles of BRSR and overview of Sustainable Development Goals (SDG), Human Rights, Safety, Health and Hygiene, Environment	100%
Workers	454	Human Rights, Safety, Health and Hygiene Environment, Skill Development	100%

- 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.

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
a. Monetary					
Penalty/ Fine	Principle 1	National Stock Exchange of India Limited and BSE Limited	₹ 10,000/- each by both the stock exchanges	Please refer the following link: https://beta.bseindia.com/xml-data/corpfiling/AttachHis/beedd68e-f5ac-4a94-b895-117a22cbc541.pdf	No
Settlement			Nil		
Compounding fee					
b. Non-Monetary					
			Nil		

- 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.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA*

*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-bribery and anti-corruption policy aligned with Zydus' Code of Business Conduct and Ethics (COBE) and other applicable regulations. This policy underscores a zero-tolerance stance toward bribery and corruption, ensuring the highest standards of integrity and transparency across all operations and business practices. The policy forms a core element of the Business Conduct Policy and applies to the Board of Directors, all employees, whether full-time or part-time, as well as subsidiaries and affiliates. Furthermore, all business partners are expected to uphold the same ethical principles when conducting business with or on behalf of the company. Please refer to <https://www.zyduslife.com/public/pdf/Business-Conduct-Policy-2022.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees other than BoD and KMPs	Nil	
Workers		

6. Details of complaints with regard to conflict of interest:

Topic	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil			
Number of complaints received in relation to issues of Conflict of Interest of KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

None

8. Number of days of accounts payables ((Accounts payable*365) / Cost of goods/services procured) as provided in the following format:

	FY 2025-2026	FY 2024-2025
Number of days of accounts payables	66.84	66.45

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 format provided:

Parameter	Metrics	FY 2025-2026	FY 2024-2025
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	22.55%	22.32%
	b. Number of trading houses where purchases are made from	3000+	3300+
	c. Purchases from top ten trading houses as % of total purchases from trading houses	19.58%	36.81%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	80.60%	90.30%
	b. Number of dealers / distributors to whom sales are made	20000+	15000+
	c. Sales to top ten dealers / distributors as % of total sales to dealers / distributors	37.60%	40.91%

Parameter	Metrics	FY 2025-2026	FY 2024-2025
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.11%	1.25%
	b. Sales (Sales to related parties / Total Sales)	0.09%	0.05%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.00%	0.00%
	d. Investments (Investments in related parties / Total Investments made)	0.00%	0.00%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
24	The company organises and conducts training and awareness programs for its supply chain partners, addressing key areas such as anti-bribery, prevention of unfair trade practices, anti-discrimination, fair treatment, anti-competition, data privacy and protection, employee health and safety, resource conservation, climate protection, and the management of waste and emissions.	56

*The value chain partners comprise of vendors/suppliers providing raw materials, APIs, intermediates, excipients, packaging materials and indirect materials to the company.

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, as part of its governance framework, the company follows best practices for managing conflicts of interest among its directors. The disclosures made by the directors are reviewed by the Board, along with any potential conflicts. The Board collectively assumes responsibility for all business decisions in which a director may have an interest, while directors with conflicts are excluded from participating in related decision-making. In addition, directors and senior management provide annual affirmations regarding conflicts of interest. The Code of Business Conduct and Ethics, applicable to both directors and senior management, is available on the company's website.

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 2025-26	FY2024-25	Details of improvement in social and environmental aspects
Research & Development (R&D)	100%	100%	Investments in specific technologies to improve the environmental and social impacts of products and processes
Capital Expenditure (CAPEX)	6%	5%	

- a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the company evaluates suppliers against sustainability metrics and criteria before onboarding. Vendors (supplying APIs, intermediates, excipients, packaging materials, raw materials, and indirect materials) are assessed on ESG parameters, which include aspects such as business ethics, environmental practices, and respect for human rights.

b. If yes, what percentage of inputs were sourced sustainably?

56%* of inputs were sourced sustainably from vendors and suppliers who have established ESG practices.

*The value chain partners comprise of vendors/suppliers providing raw materials, APIs, intermediates, excipients, packaging materials and indirect materials to the company.

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.

Product	Process to safely reclaim the product
Packaging	- As per the requirements of The Plastic Waste Management Rules 2016, the company is registered as a Brand Owner in the Extended Producer Responsibility (EPR) portal by the regulatory authorities. - Equivalent quantity of plastic material that has gone in to the domestic market (within India) is collected through authorized waste management agency for recycling and energy recovery under EPR.
E-waste	E – Waste is sent to authorized vendors/recyclers.
Hazardous Waste	Hazardous waste is sent to authorized pre – processor, co-processor, recycler, secured landfill and incinerator site for safe disposal.
Other Waste	- Non-hazardous waste is sent to registered vendors for disposal. - Bio-medical waste is sent to common bio-medical waste incineration facility authorized by the regulators for safe disposal.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

- Yes, Extended Producer Responsibility (EPR) is applicable to the Company's activities.
- The plastic waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to the Central Pollution Control Board.

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.

Please refer Life cycle Assessment disclosure in the Integrated Annual Report on Page No: 119

NIC Code	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 the web-link.
---	Mesalamine API & DR Tablets	---	Cradle to Gate	Yes	Yes (Page : 90 ; https://www.zyduslife.com/public/pdf/ESG-Report-FY24-25.pdf)

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.

S. No.	Name of the product	Description of the risk	Action Taken
		Not Applicable	

3. Percentage of recycled or reused material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

The company, operating in the pharmaceuticals and healthcare sector, prioritises product safety and quality given their direct impact on consumer health. Consequently, the company avoids reusing any materials or chemicals in its manufacturing processes. In line with Extended Producer Responsibility (EPR) regulations, the company also undertakes plastic take-back and recycling initiatives.

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:

- (a) Reclaimed end of life products are collected at central authorized collection site and sent to co-processing for energy recovery.
- (b) Plastic packaging material is covered under EPR of Plastic Waste Management Rules

	FY2025-26			FY2024-25		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging) – EPR collections (MT)	---	*1303	644	---	9316	99
E-waste (MT)	---	---	---	---	---	---
Hazardous waste (MT)	---	---	404 (Co-processing)	---	---	335 (Co-processing)
Other waste (MT)	---	---	---	---	---	---

*The data pertains only to the pharmaceutical business. The EPR filing for the wellness business is currently in process and will be reported in the ESG Report for FY2026.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Considering the nature of its operations in pharmaceuticals and consumer wellness, the company does not reclaim products for reuse or recycling. Instead, it ensures their safe disposal at the end of their lifecycle. Plastic packaging materials are managed under the Extended Producer Responsibility (EPR) provisions of the Plastic Waste Management Rules.

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:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	21949	21949	100%	21949	100%	0	0	21949	100%	0	0
Female	2538	2538	100%	2538	100%	2538	100%	0	0	2538	100%
Total	24487	24487	100%	24487	100%	2538	10%	21949	90%	2538	10%
Other than Permanent Employees											
Male	104	0	0%	0	0%	0	0%	0	0%	0	0%
Female	27	0	0%	0	0%	0	0%	0	0%	0	0%
Total	131	0	0%	0	0%	0	0%	0	0%	0	0%

1. b. Details of measures for the well-being of workers:

Category	% Of Workers Covered By										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	%(B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
		Permanent Employees									
Male	5259	5259	100%	5259	100%	0	0	5259	100%	0	0
Female	234	234	100%	234	100%	234	100%	0		234	100%
Total	5493	5493	100%	5493	100%	234	4%	5259	96%	234	4%
Other than Permanent Workers											
Male	5672	0	0%	0	0%	0	0%	0	0%	0	0%
Female	1044	0	0%	0	0%	0	0%	0	0%	0	0%
Total	6716	0	0%	0	0%	0	0%	0	0%	0	0%

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-2026	FY 2024-2025
*Cost incurred on wellbeing measures as a % of total revenue of the company	0.42%	0.38%

* Permanent Employees - India Operations

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Sl. No.	Benefits	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
		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	Provident Fund	100%	100%	Y	100%	100%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI	2.90%	45.00%	Y	3.30%	53%	Y
Others- please specify							
4	NPS	5.30%	NA	Y	3.00%	NA	Y
5	Superannuation	0.15%	NA	Y	0.16%	NA	Y
6	Social Security	100%	100%	Y	100%	100%	Y

The company also provides additional social security benefits i.e. National Pension Scheme, Superannuation to the consumer wellness and applicable foreign business locations.

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, the company's offices and premises are equipped with ramps to ensure accessibility for employees and workers with disabilities. Facilities are located either on the ground floor or include elevators and amenities designed to support individuals with special needs. In addition, the company provides various accommodations to foster a comfortable and inclusive working environment for persons with disabilities.

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, the company is committed to being an equal opportunity employer, ensuring fair treatment of all job applicants and rejecting any form of discrimination. It complies with applicable employment laws and does not permit unfair treatment based on race, color, gender, age, nationality, religion, sexual orientation, gender identity or expression, marital status, or disability. To reinforce its dedication to expanding employment opportunities for persons with disabilities, the company has identified and assigned specific roles and tasks tailored to certain categories of differently-abled employees. Please refer to the following link: <https://www.zyduslife.com/career.html>

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%	100%	100%	100%
Female	93%	93%	71%	71%
Total	99%	99%	100%	99%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	Following mechanisms are in place to receive and address grievances of employees and workers: A) The company has an internal employee support and helpdesk system called Zydus Connect 2.0 with following features: I. Through this helpdesk, employee can raise their queries which are responded to within the defined timeline. II. Employee can reach out to Group HR Head (CHRO) through this system and raise concerns and queries directly to him and concerned head of the business vertical. III. It has mechanism for collecting feedback from employees on various matters. B) The company has a whistleblower policy, approved by the Board of Directors, that enables employees to raise concerns about unethical behaviour, suspected fraud, or violations of the company's code of conduct or ethics policy directly with management. The policy provides safeguards to protect employees from any form of retaliation for using this mechanism and, in exceptional cases, grants direct access to the Chairman of the Audit Committee. For more details on the mechanism, kindly refer following link : https://www.zyduslife.com/public/pdf/companypolicy/Whistle-Blower-Policy.pdf
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2025-26 (Current FY)			FY 2024-25 (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)
Total Permanent Employees	24487	0	0%	23283	0	0%
- Male	21949	0	0%	21316	0	0%
- Female	2538	0	0%	1967	0	0%
Total Permanent Workers	5493	289	5%	4634	1073	23%
- Male	5259	289	5%	4381	1073	24%
- Female	234	0	0%	253	0	0%

8. Details of training given to employees and workers:

Category	FY 2025-2026 Current Financial Year					FY 2024-2025 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	21949	16062	73%	21632	99%	21316	8467	40%	8861	42%
Female	2538	2347	92%	2320	91%	1967	1700	86%	1320	67%
Total	24487	18409	75%	23952	98%	22283	10176	46%	10181	44%
Workers										
Male	5259	5066	96%	5066	96%	4381	1849	42%	1772	40%
Female	234	234	100%	234	100%	253	132	52%	89	35%
Total	5493	5300	96%	5300	96%	4634	1981	43%	1861	40%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26 (Current FY)			FY 2024-25 (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)
Permanent Employees						
Male	21949	21949	100%	21316	21316	100%
Female	2538	2538	100%	1967	1967	100%
Total	24487	24487	100%	23283	23283	100%
Permanent Workers						
Male	5259	5259	100%	4381	4381	100%
Female	234	234	100%	253	253	100%
Total	5493	5493	100%	4634	4634	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes, occupational health and safety management system has been implemented by the company.
a.1 What is the coverage of such system?	The coverage of such systems is 100% across the company
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Processes like PSSR (Pre-Start-up Safety Review), HAZOP (Hazard operating procedures) HIRA (Hazard Identification Risk Assessment), Risk Assessment, Third Party Safety Audit, Safe Work Permit System, Behavior based Safety system are in place to identify the work-related hazards and risks related to routine and non-routine activities.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes, the workers are part of safety committee meeting as per statute, where workers report the work-related hazards and mitigation measures are discussed and implemented.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, the company has necessary arrangements to meet non-occupational medical requirements for employees and workers (e.g. onsite doctor / Occupational Health Centre (OHC) clinic to attend to all medical queries). Also, a medical insurance policy is provided to all permanent employees and workers.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.08	0.07
	Workers	0	0.35
Total recordable work-related injuries	Employees	6	4
	Workers	0	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 has adopted a structured and comprehensive approach to ensure a safe, healthy, and compliant workplace across all operations. An Occupational Health & Safety Management System aligned with ISO 45001:2018 has been implemented across sites, reinforced through regular safety training, awareness programmes, and documented Safe Operating Procedures (SOPs) for key activities. Strict provision and enforcement of appropriate Personal Protective Equipment (PPE) is maintained, alongside systematic hazard identification and risk management using tools such as Hazard Identification and Risk Analysis (HIRA) and Job Safety Analysis (JSA).
- Safety ownership is actively promoted through established structured mechanisms employee participation at all levels, visible leadership involvement, and continuous improvement reviews. The company undertakes ongoing EHS promotional initiatives to strengthen safety culture, behavior based safety initiatives supported by robust fire prevention and emergency preparedness systems. Occupational health facilities, including a well-equipped Occupational Health Centre, are available, complemented by welfare measures such as clean and hygienic canteen facilities to support employee well-being.
- The organization ensures workplace safety and health through a comprehensive approach. The EHS Policy is prominently displayed at key locations and reinforced through training for all stakeholders. Strict ISO 45001 compliance is maintained, supported by robust safety infrastructure including fire hydrants, extinguishers, alarms, and suppression systems.

- Engineering controls such as sensor-based machine interlocks and guards for moving parts are implemented following hazard identification and risk assessments. Regular workplace monitoring is carried out to verify adherence to statutory safety requirements. Additionally, employees and workers undergo pre-employment and periodic medical examinations in line with statutory norms, ensuring their health and fitness for duty.

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2025-26 (Current FY)			FY 2024-25 (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
Working Conditions	0	0	0	0	0	---
Health & Safety	0	0	0	0	0	---

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%*
Working Conditions	100%*

* India operations

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.

The company has implemented corrective actions to address significant risks/concerns arising from assessments of health and safety practices and working conditions like:

- Installation of safety interlocks to the machines, motion sensors, and interlocks for moving equipment like blenders, compressor machines, and packing machines.
- Training on safe working practices provided to all shop floor employees.
- Training on the principles of behavior-based safety was provided to all shop floor employees.

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).

- Employees (Yes/No): Yes
- 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.

The company requires vendors to acknowledge the Supplier Code of Conduct, affirming their commitment to comply with all applicable laws and regulations.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Current FY 26	Previous FY 25	Current FY 26	Previous FY 25
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

Yes, the company offers counselling to employees nearing retirement to support their financial planning and has a retention policy in place for selected roles and positions.

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	56%*
Working Conditions	56%*

*The value chain partners comprise of vendors/suppliers providing raw materials API excipients, packaging materials, Indirect materials and Intermediate solvent to the company.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks/concerns were observed from assessments of health and safety practices at the workplaces of value chain partners.

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:

The company identifies its stakeholders through a structured approach that includes engagement across different management levels, benchmarking against competitors, and consultations with external stakeholders. This process formed a key part of the materiality assessment, conducted in alignment with global reporting standards such as the Global Reporting Initiative (GRI) and the National Guidelines for Responsible Business Conduct (NGRBC).

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 & Marginalized Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Patients	No	- Website - Clinical studies - Pharmacovigilance	Need Basis	The company interacts with patients to understand their expectations and experience with the products. Also, the company engages with patients to conduct tests for clinical studies of pharmaceutical products.
Channel Partners	No	- Meetings - Field visits - Digital Communication	Need Basis	Channel partners play a vital role in business continuity by ensuring product accessibility across different geographies. The company interacts with them to formulate and strategize distribution of products and monitor the operations on a regular basis.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	• Meetings • Supplier audit • Facility visits	Need Basis	The company regularly communicates with the suppliers to ensure quality, safety and timely availability of input materials and other critical services to ensure continuity of business operations. The company conducts regular audit of the suppliers of critical materials and services to ensure that suppliers abide by the supplier code of conduct.
Healthcare Professionals	No	• Meetings • Field visits	Need Basis	Healthcare professionals serve as key opinion leaders and provide important feedback to enable the company in understanding the market outlook, patients' feedback, their requirements and expectations from the. This also includes any adverse or negative feedback which can be detrimental to the patient health.
Government and Regulators	No	• Meetings • Conferences • Facility visits by Government / Regulatory officials • Official Communications • Statutory Publications	Need Basis	The company is a responsible law-abiding organization and ensures 100% compliance to all applicable regulations. With increased focus on issues pertaining to Environment, Social and Governance, the company regularly communicates with government representatives and regulatory bodies to have latest understanding of regulations which can impact the operations and stakeholders of the company.
Industry Associations	No	• Industry Conferences • Representations on policy matters	Need Basis	The company interacts with Government / Regulatory Authorities on any public policy framework through apex industry institutions like Indian Pharmaceutical Alliance, Federation of Indian Chambers of Commerce & Industry (FICCI), The Indian Drug Manufacturers Association, Pharmexcil and Gujarat Chamber of Commerce & Industry (GCCl) etc. The company puts forth its views on new standards or regulatory developments pertaining to the pharmaceutical and healthcare manufacturing industry, broadly in the areas concerning access to medicines and other products, best practices, corporate governance, CSR etc.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	• Meetings • Investor Conferences • AGM • Website	Quarterly/ need basis	The company interacts with its shareholders and investors to share regular update on its strategies, financial and operational performance, significant events and achievements, key risks and challenges and future roadmap for growth. With increased focus on ESG parameters, the company intends to include more parameters pertaining to ESG indicators during its interaction with investors.
Employees	No	Employee Engagement Survey, Emails, Calls, Grievance mechanism One-to-one connect	Need Basis	The company interacts with its employees to share performance and career development reviews and takes inputs and feedback from employees to create a healthy working environment. The company has an intranet portal for employees wherein all data pertaining to employment can be accessed and employees can also raise their queries and concerns for further action.
Communities	Yes	Visit to community sites, digital channels	Regularly	The company engages with the community by understanding and serving needs of the communities. Through its Section 8 wholly owned subsidiary company in the name of Zydus Foundation, the company has brought world-class medical education to the rural interiors of Gujarat by constructing and setting-up best in class medical college and hospital at Dahod (Aspirational District as per NITI Ayog). The company provides to all patients free of cost, consultation and treatment, including OPD, indoors, all investigations, surgeries, anesthesia, oral medicines, injectables and food. Along with this, the company engages with the community to sensitize them on various health issues by conducting various awareness camps.
Consumers	No	Digital Platforms, Advertisements, Newspaper, Consumer feedback division to address queries and grievances, Website.	Continuous	Product quality and safety, information on products, consumer satisfaction and feedback, complaints and queries.

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 maintains multiple channels for dialogue and feedback with internal stakeholders before implementing major decisions that could affect them. It also actively engages with relevant stakeholders to evaluate the economic, environmental, and social impacts of its operations, while collecting their input and suggestions. This feedback is duly considered and acted upon as part of the company's decision-making process.

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 has conducted an exercise to create a materiality matrix to identify material issues with respect to environment, social and governance aspects, which involved engagement with stakeholders. As a result of this exercise, the following topics can be seen in the Page No: 22.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

As part of its CSR initiatives, the company actively engages with marginalized and vulnerable communities, working to foster healthier and happier societies worldwide. Its CSR program, Zydus Srishti, focuses on key areas such as access to healthcare, quality education, skill development, and research and innovation to promote a sustainable environment.

For further details please refer to Page No. 140 of the Integrated Annual Report FY2025-26.

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 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)**	% (D/C)**
Employees						
Permanent	24487	24487	100%	23283	5011	22%
Other than permanent	131	131	100%	47	43	91%
Total Employees	24618	24618	100%	23330	5054	22%
Workers						
Permanent	5493	5493	100%	4634	1450	31%
Other than permanent	6716	6716	100%	5533	5003	90%
Total Workers	12209	12209	100%	10167	6453	63%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-2026 Current Financial Year					FY 2024-2025 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	24487	0	0%	24487	100%	23283	0	0%	23283	100%
Male	21949	0	0%	21949	100%	21316	0	0%	21316	100%
Female	2538	0	0%	2538	100%	1967	0	0%	1967	100%
Other than Permanent	131	0	0%	131	0%	47	0	0%	47	100%
Male	104	0	0%	104	0%	35	0	0%	35	100%
Female	27	0	0%	27	0%	12	0	0%	12	100%
Permanent	5493	0	0%	5493	100%	4634	0	0%	4634	100%
Male	5259	0	0%	5259	100%	4381	0	0%	4381	100%
Female	234	0	0%	234	100%	253	0	0%	253	100%
Other than Permanent	6716	0	0%	6716	100%	5533	0	0%	5533	100%
Male	5672	0	0%	5672	100%	4734	0	0%	4734	100%
Female	1044	0	0%	1044	100%	799	0	0%	799	100%

3. a. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number*	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration / salary / wages of respective category (₹)
Board of Directors (BoD)	7	33,000,000	2	33,000,000
Key Managerial Personnel	3	35,000,000	0	0
Employees other than BoD and KMP (Permanent Employees)	21,248	744,195	1,643	700,008
Other than Permanent Employees				
Workers	5,003	320,604	233	275,004

*India operations only

3. b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-2026	FY 2024-2025
*Gross wages paid to females as % of total wages	6.64%	5.45%

* India Operations

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 company believes that sustainable business growth is possible only in a society where human rights are protected and respected. In line with this principle, it ensures that human rights are upheld across all operations, while offering employees opportunities for development and constructive feedback to help them reach their full potential. The company is committed to fair compensation, favourable working conditions, and maintaining high ethical standards in its interactions with employees, while ensuring compliance with all applicable legal and regulatory requirements. To prevent human rights violations and address grievances effectively, multiple mechanisms have been established. Employees can raise concerns directly with the Group HR Head through Zydus Connect 2.0. In addition, the company has a comprehensive Human Rights Policy and a Whistleblower Policy, both accessible on its website. Contact details for the POSH (Prevention of Sexual Harassment) contact point are also prominently displayed across all workplaces. The details of human rights and whistleblower policy can be found from following link: <https://www.zyduslife.com/companypolicy>

6. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	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	4	0		4	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Safety Incident/Number	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	04	08
Complaints on POSH as a % of female employees/ workers	0.10	0.26
Complaints on POSH upheld	04	08

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company is dedicated to maintaining a workplace free from harassment, including sexual harassment, and enforces a zero-tolerance policy toward such unacceptable conduct. It actively encourages employees to report concerns and addresses complaints related to harassment or inappropriate behaviour promptly. Committees have been established at various locations to investigate sexual harassment complaints and recommend suitable actions when necessary. The company ensures that employees who raise concerns are protected from retaliation, with any reprisal subject to disciplinary measures. Victims and witnesses are safeguarded against discrimination or victimization during the complaint process. Mandatory POSH training is conducted for all employees, with clearly defined consequences under a structured governance framework. Additionally, every employee receives a copy of the POSH policy, which must be acknowledged and signed.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year: –

		% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child labor	100%	I.	The company has a strong and structured vigil mechanism in line with various governing policies and procedures.
Forced/involuntary labor	100%	II.	The company, being a responsible law-abiding organization, ensures 100% compliance to all applicable laws and regulations.
Sexual harassment	100%	III.	The company conducts internal audit/visit to various sites to ensure 100% adherence to laws pertaining to child labor, forced / involuntary labor, sexual harassment, discrimination at workplace and minimum wages.
Discrimination at workplace	100%	IV.	Also, the company ensures zero tolerance to violation of any of the aforesaid issues.
Wages	100%		
Others – please specify			

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant concerns were identified.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

All the human rights complaints are taken seriously and handled confidentially. During FY 2025-26 no complaint regarding human rights was reported.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The company is striving to identify potential human rights risks across all its operations and value chains, with a focus on stakeholders such as employees, women, children, workers, third-party staff, and local communities. Its efforts include establishing a company-wide due diligence framework to assess risks related to labor standards, health and safety, environmental practices, and corporate ethics. As part of its internal checks and balances, the company has initiated periodic and systematic reviews of human rights risks to prevent critical issues from escalating into significant threats. These reviews are conducted by cross-functional teams and cover areas such as forced labor, child labor, human trafficking, discrimination, freedom of association, safe working conditions, and fair wages. Supply chain partners are also required to submit signed documents to Zydus as evidence of compliance with these Human Rights Due Diligence parameters. The company remains committed to safeguarding the rights and well-being of all stakeholders throughout its operations and value chains.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

		% of value chain partners (by value of business done with such partners) that were assessed
Child labour		
Forced/involuntary labour		
Sexual harassment		
Discrimination at workplace		56%*
Wages		
Others – please specify		

* The value chain partners comprise of vendors/suppliers providing raw materials APIs, intermediates, excipients, packaging materials and indirect materials to the company.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No such corrective actions have been identified pursuant to assessment of value chain partners.

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 (In Gigajoules)	FY 2025-2026	FY 2024-2025
From renewable sources		
Total electricity consumption (A)	2,89,100	3,06,939
Total fuel consumption (B)	10,90,648	11,02,803
Energy consumption through other sources (C)	---	---
Total energy consumption (A+B+C)	13,79,748	14,09,742
From non-renewable sources		
Total electricity consumption (D)	10,70,724	9,62,568
Total fuel consumption (E)	8,58,532	7,97,843
Energy consumption through other sources (F)		
Total energy consumed from non-renewable resources (D+E+F)	19,29,256	17,60,411
Total energy consumed (A+B+C+D+E+F)	33,09,004	31,70,153
Energy intensity per rupee of turnover (Total energy consumption/revenue in million rupees)	12.19	13.64
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations in million adjusted for PPP)	247.92	281.80
Energy intensity in terms of physical output (GJ/MT)	38.79	31.97
Energy intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.

Calculation tool used: US Energy Information Administration (EPA).

- PPP FY25-26: 20.34₹/INT.US\$; <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>
- PPP FY24-25: PPP@20.66₹/INT.US\$; <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes If yes, name of the external agency: M/s SGS India Private Limited

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	8,08,203	5,28,792
(ii) Groundwater	8,29,140	10,92,466
(iii) Third party water	8,25,847	7,76,624
(iv) Seawater / desalinated water	-	-

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
(v) Tanker Water	94,531	89,725
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	25,57,721	24,87,607
Total volume of water consumption (in kilolitres)	25,57,721	24,87,607
Water intensity per rupee of turnover (Water consumed / turnover) (kl per revenue in million rupees)	9.42	10.70
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations in million adjusted for PPP)	191.63	221.13
Water intensity in terms of physical output (KL/ MT)	29.98	25.09
Water intensity (optional) – the relevant metric may be selected by the entity	N.A	N.A.

- PPP FY25-26: 20.34₹/INT.US\$: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>
- PPP FY24-25: PPP@20.66₹/INT.US\$: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes, If yes, name of the external agency.: M/s SGS India Private Limited

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
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 – please specify level of Treatment	Primary Treatment: 2,62,836 Tertiary Treatment: 2,14,811	Primary Treatment: 2,64,555 Tertiary Treatment: 2,07,088
(v) Others	Reuse in utility and gardening	Reuse in utility and gardening
- No treatment	---	---
- With treatment – please specify level of Treatment	Tertiary Treatment: 9,53,161	Tertiary Treatment: 9,54,348
Total water discharged (in kilolitres)	14,30,808	14,25,991

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes, If yes, name of the external agency.: M/s SGS India Private Limited

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company has proactively implemented Zero Liquid Discharge (ZLD) across its operations. Its manufacturing facilities are equipped with reverse osmosis (RO) and ultra-filtration (UF) systems to achieve this standard. Alongside primary and secondary treatment, a tertiary effluent treatment plant (ETP) ensures further purification of wastewater generated within the company's premises. The treated water is then repurposed for non-process applications such as horticulture, road cleaning, toilet flushing, and green belt development, thereby contributing to reduced overall water consumption.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Nox	MT	29.52	29.36
Sox	MT	47.89	46.43
Particulate matter (PM)	MT	44.63	44.19
Persistent organic pollutants (POP)	NA		---
Volatile organic compounds (VOC)	NA		---
Hazardous air pollutants (HAP) HCL (Ammonia)	---		---
Others – please specify	---		---

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	67,528	56,459
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	2,22,209	2,05,172
Total Scope 1 and Scope 2 Emissions	tCO ₂ e	2,89,737	2,61,631
Total Scope 1 and Scope 2 emissions (tCO ₂ e/ revenue in million rupees)	tCO ₂ e/million ₹ revenue	1.07	1.13
Total Scope 1 and Scope 2 emission intensity per crore of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		21.71	23.26
Total Scope 1 and Scope 2 emission intensity in terms of physical output (tCO₂e/ MT)		3.40	2.64
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity	tCO ₂ e/₹	N.A.	N.A.

Calculation tools used are United State Environmental Protection Agency (EPA) and Central Electrical Authority (CEA), Govt. of India.

- PPP FY25-26: 20.34₹/INT.USS ; <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>.
- PPP FY24-25: PPP@20.66₹/INT.USS ; <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N): Yes, If yes, name of the external agency: M/s SGS India Private Limited

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail

Sl. No.	Encon Measure	Electrical Energy Savings (MWh)	Fuel Savings (MT)	GHG Reduction (tCO ₂ e)
1.	Reduction in GHG emissions by purchase of renewable energy	75984		53,949
2.	Reduction in GHG emissions by generation of onsite solar energy	3669		2605
3.	Reduction in energy consumption by process improvement/ modification	1738	20	1288
4.	Reduction in energy consumption by new technology adoption	1051	1741	4120
Total		82,442	1761	61,962

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2813.23	3,133.17
E-waste (B)	77.09	49.08
Bio-medical waste (C)	488.68	455.29
Construction and demolition waste (D)	35.00	45.00
Battery waste (E)	60.77	23.16
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	18,727.88	18,714.09
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	12,328.52	9,685.44
Total (A + B + C + D + E + F + G + H)	34,531.18	32,105.23
Waste intensity per rupee of turnover (Total waste generated / Revenue in million rupees)	0.13	0.14
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	2.59	2.85
Waste intensity in terms of physical output (Waste in MT/ production on MT)	0.40	0.32
Waste intensity (optional) –the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	24,001.48	21,106.96
(ii) Re-used		---
(iii) Other recovery operations		---
Total	24,001.48	21,106.96
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Other Hazardous Waste		
(i) Incineration	665.35	1,075.36
(ii) Landfilling	3588.92	3,860.14
(iii) Other disposal operations		
Co Processing	1,710.07	3,927.49
Pre Processing	3,616.27	2,064.41
Total	9,580.60	10,927.40

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, M/s SGS India Private Limited

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 various waste management practices in compliance with applicable rules and regulations, including:

- a) Plastic waste is retrieved from the market under EPR liability by an authorized vendor for recycling and energy recovery.
- b) Hazardous waste is sent for safe disposal to an authorized vendor for landfill, incineration and co-processing at a cement kiln.
- c) E-Waste and Battery waste are directed to an approved recycler for safe disposal.
- d) Bio - Medical waste is sent for incineration to authorized vendor for safe disposal.
- e) Non-Hazardous waste is sent to approved vendor for safe disposal.

The company has adopted following steps to reduce the use of toxic and hazardous chemicals in products and manage the subsequent waste:

- a) Establishing a culture of sustainability across the labs and sensitizing the mindsets to ensure that new medicines are designed and developed in the environmentally sustainable way possible.
- b) Operating R&D functions on the following sustainability parameters for existing and new products:
 - Optimize water consumption
 - Reduce wastewater generation
 - Reduce hazardous waste
 - Continuously working towards 4Rs (Reduce, Reuse, Recycle, and Recover)
- c) Reducing reliance on solvents during product development itself so that lesser quantities of solvents are required to be used at the time of scale up.
- d) Ongoing efforts to improve yield and ultimately reduce waste from processes.

Standard operating procedures (SOPs) are followed for the segregation and safe disposal of waste through authorized Treatment, Storage, and Disposal Facilities (TSDFs). In addition, waste is sent for co-processing to cement industries, as an Alternative Fuel Resource (AFR), thereby contributing to the conservation of natural resources.

To further enhance its environmental stewardship, the company has adopted innovative solutions for product packaging, such as:

- **Shift to recycled paper board:** Transitioning from polycoated, laminated, and virgin paper boards to plain recycled paper boards.
- **Plastic-free cartons for tablets:** Introducing new printing technology that enables 100% recyclable, plastic-free cartons.
- **Reduced pack size for injectables:** Minimizing material use by reducing the outer pack size of injectable products.
- **Triple-laminated pouches for transdermals:** Replacing *PVC-PVDC blister packs with lighter, more sustainable triple-laminated pouches.
- **Redesigned vaccine cartons:** Incorporating a single packaging insert and a paperboard partition in vial cartons for vaccines.

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:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	Zero	Zero	Entity operations /offices are not located around ecologically sensitive areas.

*PVC: Polyvinyl Chloride PVDC: Polyvinylidene Chloride

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
During the current FY 2025-26, the company has not initiated any projects for which such environmental impact assessment is required to be undertaken as per the applicable laws.					

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.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	The company is compliant with all applicable legal regulations.	Not Applicable.	Not Applicable.	

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
 - a. Vadodara(Padra), Aligarh, Sikkim, Ahmedabad *
 - b. Ahmedabad – Corporate Office *
- (ii) Nature of operations – API Operations at Padra, Consumer wellness manufacturing operations at Aligarh, Sikkim and Ahmedabad and Administrative office at Ahmedabad
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	59,137	58,430
(ii) Groundwater	6,18,309	6,11,717
(iii) Third party water	4,513	---
(iv) Seawater / desalinated water	---	---

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
(v) Others	---	---
Total volume of water withdrawal (in kilolitres)	6,81,959	6,70,147
Total volume of water consumption (in kilolitres)	6,81,959	6,70,147
Water intensity per rupee of turnover (Water consumed (KL)/ revenue in million rupees)	2.51	2.88
Water intensity in terms of physical output (KL/MT)	7.99	7.37

* As per Central Ground Water Authority (CGWA), Govt. of India

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	---	---
- No treatment	---	---
- With treatment – please specify level of treatment	---	---
(ii) Into Groundwater	---	---
- No treatment	---	---
- With treatment – please specify level of treatment	---	---
(iii) Into Seawater	---	---
- No treatment	---	---
- With treatment – please specify level of treatment		Tertiary Treatment
(iv) Sent to third parties		---
- No treatment		---
- With treatment – please specify level of treatment	Tertiary Treatment 86,250	Tertiary Treatment 81,518
(v) Others	Reuse in utility and gardening	Reuse in utility and gardening
- No treatment		
- With treatment – please specify level of treatment	Tertiary Treatment: 48,032	Tertiary Treatment: 42,892
Total water discharged (in kilolitres)	1,34,282	1,24,410

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent (tCO ₂ e)	13,10,180	13,00,997
Total Scope 3 emissions per rupee of turnover	(tCO ₂ e per million ₹ revenue)	4.83	5.60
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	N.A.		N.A.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. Limited Assurance by M/s SGS India Private Limited.

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, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Increase of renewable energy in the energy mix instead of grid grey energy	a) Generation of solar energy by installation of a solar plant. b) Utilization of hybrid power (Wind & Solar) through open access by power purchase agreement. c) Replacement of coal with biomass briquet as primary fuel to generate steam in boiler.	a) Reduction in carbon footprint b) Energy security for future stringent rules on grey power
2	Process optimisation	Optimising the energy consumption by revising the load pattern in process and utilities of major energy consuming equipments.	Reduction in energy consumption and abatement of carbon foot print
3	Resource efficiency	ETP sludge is routed from landfill to cement industry for co-processing.	Eco-friendly disposal of waste.
4	Improvement in energy efficiency	Replacement of steam based hot water generation with energy-efficient Heat pump system Increase of co processing and pre processing to recover the energy content from off-specification and waste expired products to cement industry instead of incineration.	Energy saving: 3,75,000 kWh GHG reduction: 266 tCO ₂ e Disposal of waste in an eco-friendly manner. Creating energy value from waste
5	Extended Producer Responsibility for plastic packaging liability	Plastic packaging is recycled and sent for energy recovery.	Sustainable disposal of the plastic packaging material.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The company has established a comprehensive business continuity and disaster recovery plan across all its locations to safeguard resources in the event of emergencies or unforeseen circumstances. This plan enables the company to sustain operations and adapt to challenges arising from natural calamities, manmade disasters, or unprecedented events that could disrupt business activities. It is regularly reviewed and updated to incorporate learnings from past disruptions, including cyclones, floods, landslides, and pandemics. The company's risk management framework focuses on minimizing the impact of such events through periodic assessments of their likelihood and potential consequences, coupled with the development of appropriate mitigation strategies. Additionally, the company has secured a business interruption insurance policy to compensate for potential profit losses resulting from disruptions caused by natural disasters.

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?

Zero adverse impact during reporting year FY 2025-26.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact:

56%

8. How many Green Credits have been generated or procured:

a. By the listed entity : Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners : Nil

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) Number of affiliations with trade and industry chambers/ associations.

The company is associated with fourteen trade and industry chambers/associations

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.

S. no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Pharmaceutical Alliance	National
2	Federation of Indian Chambers of Commerce and Industry ("FICCI"),	National
3	The Indian Drug Manufacturers Association	National
4	Indian Pharmacopeia Commission	National
5	Indian Pharmaceutical Association	National
6	The Confederation of Indian Industry	National
7	All India Food Processors' Association	National
8	Protein Foods and Nutrition Development Association of India.	National
9	International Market Assessment India Private (IMA)	National
10	Indian Beauty & Hygiene Association	National
11	The Advertising Standards Council of India	National
12	Pharmexcil, Hyderabad	State
13	Gujarat Chamber of Commerce & Industry ("GCCI").	State
14	Ahmedabad Management Association	State
15	Indian Pharmaceutical Research & Innovation by UP govt.	State

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

Not Applicable as there were no issues or any adverse order related to anti-competitive conduct by the company during the FY 2025-26.

Leadership Indicators

1. Details of public policy positions advocated by the entity

S. no	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
	The company engages with a wide range of stakeholders, including industry chambers, associations, governments, and regulators, to provide inputs that support the formulation and implementation of public policies. This engagement is conducted with a strong emphasis on commitment, integrity, and transparency, ensuring that the interests of all stakeholders are prioritised. The company participates in meetings, conferences, official communications, and other forms of engagement as required.				

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 FY 2025-26, SIA was conducted by an independent agency, M/s SoulAce Consulting Pvt Ltd and the details of the assessment can be found from the following link : <https://www.zydu.life.com/public/pdf/csr/Annexure-C-IA-1.pdf>
<https://zydu.life.com/public/pdf/csr/Annexure-C-IA-2.pdf>

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S. no	Name of project for which R&R is ongoing	State	District	No of Project Affected Families	% of PAF covered by RAR	Amount Paid to PAFs in the FY (in ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community

The company conducts regular visits to local communities to engage with them and address their concerns. It also leverages digital platforms to resolve grievances raised by community members through social media. A dedicated team manages online reputation management (ORMs) efforts, supported by the social listening tool Locobuzz, which is monitored four times daily to respond to incoming queries. When required, queries are redirected to the relevant department. On working days, the first response turnaround time (TAT) is within 5 hours, while on weekends it extends up to 12 hours.

Additionally, the company's consumer wellness division interacts directly with farmers at their locations to record grievances and provide solutions aimed at improving livestock health and hygiene. A farmer's helpline has also been established to address issues related to animal health and feeding.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-2026 Current Financial Year	FY 2024-2025 Previous Financial Year
*Directly sourced from MSMEs/ Small producers	15%	14%
*Directly from within India	61%	78%

*The suppliers comprise of vendors/suppliers providing API excipients, raw materials, packaging materials, Indirect materials and

Intermediate solvent to the company.

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 2025-2026	FY 2024-2025
Rural	0.00%	0.00%
Semi-urban	6.45%	6.98%
Urban	6.65%	6.99%
Metropolitan	86.90%	86.03%

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):**

Details of negative social impact identified	Corrective action taken
NO	

2. **Provide the following information on projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. no	State	Aspirational District	Amount spent (₹)
1	Gujarat	Dahod	----

The Company has contributed over INR 200 million (over a period of last 4-5 years) towards CSR initiatives in the aspirational district of Dahod, Gujarat, to support the operational requirements of the Zydus Medical College and Hospital (ZMCH). ZMCH is now operating on a self-sustaining model, and therefore, ZCCH is not required to seek CSR support from others and hence, the Company has not made any contribution during the reporting year, FY 2025-26.

During the reporting year 2025-26, the Company contributed amount for the establishment of Zydus Lifesciences University ("University") in Gujarat – a world-class, research-intensive institution designed to position the State as a global hub for biomedical innovation, translational research, and advanced talent development. Through Zydus Foundation, the Company seeks to support the Government of Gujarat to build a model institution aligned with the Hon'ble Prime Minister's vision of Atmanirbhar Bharat, Viksit Bharat 2047, and Gujarat's leadership in pharmaceuticals and biotechnology.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) -**

No

(a) **From which marginalized /vulnerable groups do you procure?**

N.A.

(b) **What percentage of total procurement (by value) does it constitute?**

N.A.

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**

No intellectual property was owned or acquired based on traditional knowledge during FY 2025-26.

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.**

No adverse order in intellectual property related disputes was received wherein usage of traditional knowledge is involved. Hence, not applicable.

6. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
	Please refer pg:141 -157 of integrated annual report	*4,65,523	100%
	*Direct beneficiaries (no's) : 4,65,523 - Indirect beneficiaries(no's) : 26,64,424		

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.

The company has established robust procedures for receiving, recording, investigating, and responding to product quality complaints related to drug products, drug substances, and saleable intermediates that it manufactures, markets, or distributes.

- Complaints may be submitted verbally, in writing, or through electronic channels such as post, fax, email, telephone, or in-person, and may include supporting evidence like samples or photographs.
- Upon receipt, each complaint is logged, acknowledged, and supplemented with any additional information required for investigation.
- Nature of the complaints are classified as critical, major, or minor, and a preliminary investigation is conducted in accordance with applicable regulations.
- Investigations are carried out within a defined timeframe to identify root causes, assess impact, evaluate risks to product quality and patient safety, and determine corrective and preventive actions (CAPA).
- Depending on the findings, immediate actions may be taken, such as product recalls, alert notifications to the regulatory agencies, or suspension of manufacturing of the product etc.
- A formal response is provided to the complainant, with a waiting period of up to 60 days for feedback before closing the complaint.
- The company has also implemented a global pharmacovigilance policy, underscoring its commitment to patient safety.
- For its consumer wellness division, customers can reach out by writing to the company's mailing address, emailing customercare@zyduswellness.com, or calling the customer care number 18001206868. Contact details are also available on the company's website.

This structured approach ensures that product quality concerns are addressed promptly, transparently, and in alignment with regulatory and patient safety standards.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

As a percentage to total turnover	
Environment and Social parameters relevant to product	100%: There are social parameters relevant to the responsible, safe and prescribed usage of the products.
Safe and responsible usage	100%
Recycling and/or safe disposal	All our products which are expired or damaged and cannot be consumed are taken back from trade and are audited and disposed-off as per the guidelines enumerated in the internal policy and adhering to local laws and rules.

3. Number of consumer complaints

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	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	0	---	0	0	---
Advertising	0	0	---	0	0	---
Cyber-security	0	0	---	0	0	---
Delivery of essential services	0	0	---	0	0	---
Restrictive Trade Practices	0	0	---	0	0	---
Unfair Trade Practices	0	0	---	0	0	---
Other (Customers)	1480	0	---	1567	0	---

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	39	Market complaints – products out of specifications, regulatory recommendations
Forced recalls	0	

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.

The company has implemented an internal cybersecurity policy designed to:

- Safeguard and maintain confidentiality, integrity, and availability of information
- Manage risks related to security exposure and compromise
- Ensure a secure and stable IT environment
- Detect and respond to incidents involving misuse, loss, or unauthorized disclosure of information assets
- Monitor systems for anomalies that may indicate compromise
- Promote and enhance awareness of information security

From a governance perspective, cyber risks are monitored and mitigated through the Risk Management framework established under the Risk Management Policy, which is accessible on the company's website at <https://www.zyduslife.com/public/pdf/companypolicy/Risk-Management-Policy.pdf>

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.

- The products recall made during FY26 has not resulted in any regulatory action against the company.
- The relevant recalls were investigated in detail, identification of root cause and appropriate CAPAs were taken based on findings to prevent the recurrence of such events.
- To ensure cybersecurity, a comprehensive endpoint security solution has been implemented for better protection of data on endpoint devices.
- The comprehensive cybersecurity assessment is in process for understanding the gaps in the current information technology (IT) landscape from the cybersecurity perspective.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along with impact - Nil
- b. Percentage of data breaches involving personally identifiable information of customers – Nil
- c. Impact, if any, of the breaches: Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information on products and services of the company can be found on the following link <https://www.zyduslife.com/products>; www.zyduswellness.com; www.sugarfree-india.com; www.everyuth.com; www.complanforgrowth.com; www.nutralite.com; <https://www.zydusmedtech.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The products include detailed information leaflets or labelling to guide safe usage. For its consumer wellness division, the company also empowers consumers to make informed choices by sharing product information through multiple media channels, conducting social campaigns, and offering free trials of new products across various platforms.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

- Given the presence of multiple brands and companies offering similar products in the pharmaceutical sector, the discontinuation of any single product is unlikely to cause disruption or halt essential services for the broader community.
- Furthermore, in compliance with the requirements of the National Pharmaceutical Pricing Authority, the company issues a public notice to relevant stakeholders and informs the Government at least six months prior to the planned discontinuation of any scheduled formulation.

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.

No.

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)

The marketing team of the company regularly interacts with the consumers, and healthcare professionals and takes their feedback on the products for further improvement, if required.



SGS India Private Limited
4B, Adi Shankaracharya Marg,
Vikhroli (West), Mumbai – 400083

+91 080 6938 8888
+91 22 6640 8888
www.sgs.com

INDEPENDENT ASSURANCE STATEMENT

Independent Assurance Statement to Zydus Lifesciences Limited on its BRSR Report for FY 2025-26

The Board of Directors,

Zydus Lifesciences Limited,
Zydus Corporate Park, Scheme No. 63,
Survey No. 536 Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, S. G. Highway,
Ahmedabad – 382481, India

Nature of Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by Zydus Lifesciences Limited (the 'Company') to conduct an independent assurance of the Company's Business Responsibility (BRSR) (the 'Core') for the reporting period of April 1, 2025, to March 31, 2026. SGS India has conducted a Reasonable level of Assurance for the BRSR core indicators. This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) & ISAE 3410.

Reporting Framework

The Report has been prepared following

1. Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities: BRSR Core and Non-Core Framework for Assurance and ESG Disclosures for Value Chain (Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026), dated 30 January 2026 circular.
2. Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

Intended Users of this Assurance Statement

This Assurance Statement has been prepared with the purpose of informing both internal and external stakeholders of the Company.

Responsibilities

The information in the report and its presentation is the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

Assurance Standard

SGS has conducted a Reasonable level of Assurance for BRSR core parameters under 9 ESG Attributes, this engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (revised) & ISAE 3410.

Our evidence-gathering procedures were designed to obtain a 'Reasonable level of assurance (BRSR Core)', in accordance with



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4B, Adi Shankaracharya Marg,
Vikhroli (West), Mumbai – 400083

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+91 22 6640 8888
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ISAE 3000(revised) standard, but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing, and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing and training; and environmental, social, and sustainability report assurance. SGS India affirms our independence from Zydus Lifesciences Limited, being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification, and GHG Validation Lead Auditors, and experience on the SRA Assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators, including all KPI's within the report for the period April 1, 2025, to March 31, 2026. The reporting scope and boundaries, including 44 manufacturing plants, 74 offices (Inc. R&D Centres).

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core, and non-core indicators, and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

Limitations

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusions."
- The assurance engagement considers an uncertainty of $\pm 5\%$ based on the materiality threshold for Assumption/estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

Findings and Conclusions



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BRSR Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the data reported (Annexure A) in the BRSR report are not prepared, in all material respects, in accordance with the reporting criteria.

For and on behalf of SGS India Private Limited

 Kalpesh Thombare Technical Reviewer and National Manager – ESG & Sustainability Services, SGS India. 17th May 2026.	 Tushar Girigosavi Lead Verifier – ESG & Sustainability Services, SGS India. Team Member: Chirag Bafna 17th May 2026.



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Annexure A

The BRSR Core indicators that were subject to verification under Reasonable assurance engagement are detailed below:

S.No.	BRSR Core Attribute	BRSR Core Indicator
1	Greenhouse gas (GHG) footprint	~ Total scope 1 emissions ~ Total scope 2 emissions ~ GHG emission intensity (scope 1 +2)
2	Water footprint	~ Total water consumption ~ Water consumption intensity ~ Water discharge by destination and levels of treatment
3	Energy footprint	~ Total energy consumed ~ Energy intensity
4	Embracing circularity	~ Plastic waste ~ E-waste ~ Bio medical waste ~ Battery waste ~ Other hazardous waste ~ Other non-hazardous waste ~ Total waste generated ~ Waste intensity ~ Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations. ~ For each category of waste generated, the total waste disposed of by the nature of the disposal method
5	Employee well-being and safety	~ Spending on measures towards wellbeing of employees and workers –cost incurred as a % of total revenue of the company ~ Details of safety-related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites) ~ Number of permanent disabilities ~ Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked) ~ Number of fatalities
6	Enabling gender diversity in business	~ Gross wages paid to females as % of wages paid. ~ Total Complaints on Sexual Harassment (POSH) reported ~ Complaints on POSH as a % of female employees/workers ~ Complaints on POSH upheld
7	Enabling inclusive development	~ Input material sourced from MSMEs/ small producers and from within India as % of total purchases (by value). ~ Job creation in smaller towns: Wages paid to people employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost
8	Fairness in engaging with customers and suppliers	~ Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events. ~ Number of days of accounts payable
9	Openness of business	~ Concentration of purchases & sales done with trading houses, dealers, and related parties ~ Loans and advances & investments with related parties ~ Purchases from trading houses as % of total purchases ~ Number of trading houses where purchases are made from ~ Purchases from top 10 trading houses as % of total purchases from trading houses

Independent Auditor's Report

To The Members of **Zydus Lifesciences Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Zydus Lifesciences Limited** (the "**Company**"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement 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, 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") 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. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility and Sustainability Report, Board's Report and Corporate Governance 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 Board of Directors 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 are 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 is 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.

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.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of 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.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 28 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 49(a) 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, other than as disclosed in the note 49(b) 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. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 29 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 systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Partner

(Membership No. 106189)

UDIN: 26106189NAOTCI3227

Place: Ahmedabad

Date: May 19, 2026

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 Zydus Lifesciences Limited (the "**Company**") as at March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are 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, 2026, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Partner

(Membership No. 106189)

UDIN: 26106189NAOTCI3227

Place: Ahmedabad

Date: May 19, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

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

- (i) In respect of Company's Property, Plant and Equipment and intangible assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work-in-progress, and right-of-use assets so 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 and capital work-in-progress 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.

- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

(₹ in million)

Description of property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross carrying value	Carrying value in the financial statements				
Freehold Land - Chacharawadi, Vasna & Ambli	75	75	Dr. Sharvil P. Patel	Promoter	16-17 Years	Land held in fiduciary capacity on behalf of the Company
Freehold Land Masar Dist. Padra	315	315			7 Years	
Freehold Land Tandalji, Baroda	272	272			5 Years	
Freehold Land Kanzat, Masar & Tandalja	242	242			7 Years	
Freehold Land Kanzat	60	60	Cadila Healthcare Limited	No	10 Years	The title deeds are in the name of erstwhile name of the Company "Cadila Healthcare Limited"
Freehold Land Baddi	28	28			23 Years	
Freehold Land Ambli	28	28			17 Years	
Freehold Land, Dabhasa, Luna	12	12			15 Years	
Freehold Land Matoda	14	14			3 Years	
Freehold Land Ekalbara	25	25			15 Years	

- (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.

- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories, except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year end, where not received, confirmations have been obtained from the custodian. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/ alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us including the revised submissions made by the Company, the revised quarterly returns or statements comprising of stock statements, book debt statements and other stipulated financial information, filed by the Company with such banks till the date of this report are in agreement with the unaudited books of account of the Company of the respective quarters. The Company is yet to submit the revised return/ statement for the quarter ended March 31, 2026, with the banks.
- (iii) The Company has not given any advances in the nature of loans during the year. The Company has made investments in, provided guarantee and unsecured granted loans during the year, in respect of which:

- A. The Company has provided loans and stood guarantee during the year and details of which are given below:

(₹ in million)

	Loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	4,911	45,688
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	43,607	52,603

- B. The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, 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. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- 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) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from public to which the directives issued by the Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance and Deposit) Rules, 2014, as amended, would apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales 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.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, 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, 2026 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, 2026 on account of disputes are given below:

(₹ in million)

Name of the Statute	Nature of the Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved	Unpaid Amount
Income Tax Act, 1961	Income Tax	Assessing Officer	AY 2022-23	0 (88,670)	-
		Commissioner of Income Tax (Appeals)	AY 2016-17 to 2018-19	43	24
Central Excise Act, 1944, Finance Act, 1994	Excise Duty, Service Tax	Adjudication Authority	Mar-2009, Jan-2006 to Aug-2010, Dec-2013 to Oct-2014	14	10
		Commissioner (Appeal)	Mar-2009, Apr-2014 to Mar-2017	8	7
		Customs, Excise and Service Tax Appellate Tribunal	2006-07 to 2017-18	636	620
Goods & Service Tax Act, 2017	Goods & Service Tax	Commissioner (Appeal)	2017-18 to 2023-24	1,617	1,537
		Goods and Services Tax Appellate Tribunal*	2017-18 to 2019-20	169	137
Customs Act, 1962	Custom Duty	Customs, Excise and Service Tax Appellate Tribunal	2012-13 to 2022-23	126	123
Sales Tax Act and VAT Laws	Value Added Tax	Tribunal	2012-13 to 2014-15 and 2016-17	16	13
		Appellate Authority up to Commissioner's level	2010-11 and 2017-18	4	4
	Sales Tax	Appellate Authority up to Commissioner's level	2005-06 to 2007-08	0 (10,176)	0 (6,176)
		Central Sales Tax Tribunal	2012-14	0 (116,287)	0 (109,587)
		Appellate Authority up to Commissioner's level	2002-03, 2008-09 to 2009-10, 2011-12 to 2012-13	5	3

* The Company is in the process of filing the Appeal with Goods and Services Tax Appellate Tribunal within the prescribed time limit.

(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) (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, term 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, 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, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year, and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaint received by the Company during the year and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2025 and the final internal audit report where issued after the balance sheet date covering the period of January 1, 2026 to March 31, 2026 for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiaries and joint ventures or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have more than one CIC as part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provisions of section 135(6) of the Act.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Partner

(Membership No. 106189)

UDIN: 26106189NAOTCI3227

Place: Ahmedabad

Date: May 19, 2026

Standalone Balance Sheet as at March 31, 2026

₹ in Million

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	3 (A)	50,112	41,358
Capital work-in-progress	3 (D)	6,212	11,885
Goodwill	3 (B)	-	-
Other Intangible Assets	3 (B)	727	663
Financial Assets:			
Investments	4	72,731	72,550
Loans	5	43,299	41,190
Other Financial Assets	6	127	152
Other Non-Current Assets	7	2,803	1,457
Assets for Current Tax (Net)	8	267	767
Total Non-Current Assets		176,278	170,022
Current Assets:			
Inventories	9	21,778	19,521
Financial Assets:			
Investments	10	42,050	42,365
Trade Receivables	11	84,949	81,618
Cash and Cash Equivalents	12 (A)	3,270	1,030
Bank Balances other than Cash and Cash Equivalents	12 (B)	4,072	411
Loans	13	308	1,251
Other Current Financial Assets	14	632	4,147
Other Current Assets	15	5,459	2,804
Total Current Assets		162,518	153,147
Total Assets		338,796	323,169
EQUITY AND LIABILITIES:			
Equity:			
Equity Share Capital	16	1,006	1,006
Other Equity	17	235,711	210,895
Total equity		236,717	211,901
Liabilities:			
Non-Current Liabilities:			
Financial Liabilities:			
Borrowings	18	42,329	28,621
Lease Liabilities	47	103	21
Other Financial Liabilities	19	320	287
Provisions	20	2,601	2,369
Deferred Tax Liabilities (Net)	21	800	1,456
Total Non-Current Liabilities		46,153	32,754
Current Liabilities:			
Financial Liabilities:			
Borrowings	22	31,982	54,766
Lease Liabilities	47	9	14
Trade Payables:			
Dues to Micro and Small Enterprises	23	870	321
Dues to other than Micro and Small Enterprises	23	13,855	11,995
Other Financial Liabilities	24	4,098	5,288
Other Current Liabilities	25	1,853	1,087
Provisions	26	1,356	1,179
Current Tax Liabilities (Net)	27	1,903	3,864
Total Current Liabilities		55,926	78,514
Total Liabilities		102,079	111,268
Total Equity and Liabilities		338,796	323,169
Material Accounting Policies	2		
Notes to the Standalone Financial Statements	3 to 51		

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Ahmedabad
May 19, 2026

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Pankaj R. Patel
Chairman
DIN: 00131852

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Million

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
INCOME:			
Revenue from Operations	30	114,840	151,163
Other Income	31	16,675	6,962
Total Income		131,515	158,125
EXPENSES:			
Cost of Materials Consumed	32	35,307	27,871
Purchases of Stock-in-Trade	33	1,977	3,509
Changes in Inventories of Work-in-progress, Finished goods and Stock-in-Trade	34	(1,516)	(1,211)
Employee Benefits Expense	35	19,662	17,622
Finance Costs	36	4,829	4,639
Depreciation and Amortisation Expense	3 [C]	5,612	5,239
Other Expenses	37	32,443	28,105
Net (Gain) on foreign currency transactions		(12,287)	(2,096)
Total Expenses		86,027	83,678
Profit before Exceptional Items and Tax		45,488	74,447
Less: Exceptional Items	46	1,669	-
Profit before Tax		43,819	74,447
Less: Tax Expense:			
Current Tax	38	8,998	15,825
Deferred Tax	38	(777)	873
		8,221	16,698
Profit for the year		35,598	57,749
OTHER COMPREHENSIVE INCOME (OCI):			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on post employment defined benefit plans		20	(258)
Net gain on fair value through OCI (FVTOCI) equity instruments		388	270
Income tax effect on above		(121)	52
Other Comprehensive Income for the year (Net of Tax)		287	64
Total Comprehensive Income for the year (Net of Tax)		35,885	57,813
Basic & Diluted Earnings per Equity Share (EPS) (in Rupees)	39	35.38	57.39
Material Accounting Policies	2		
Notes to the Standalone Financial Statements	3 to 51		

As per our report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pankaj R. Patel
Chairman
DIN: 00131852

Kartikeya Raval
Partner

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Ahmedabad
May 19, 2026

Standalone Statement of Changes in Equity for the year ended March 31, 2026

a Equity Share Capital:

	No. of Shares	₹ in Million
Equity Shares of ₹ 1/- each, Issued, Subscribed and Fully Paid-up:		
As at March 31, 2024	1,006,233,990	1,006
Add: Movement during the year	-	-
As at March 31, 2025	1,006,233,990	1,006
Add: Movement during the year	-	-
As at March 31, 2026	1,006,233,990	1,006

b Other Equity:

₹ in Million

	Reserves and Surplus				Items of OCI	Total
	Capital Reserve	Capital Redemption Reserve	International Business Development Reserve	Retained Earnings	FVTOCI on Equity Instruments	
As at March 31, 2024	20,380	18	2,000	133,476	285	156,159
Add: Profit for the year	-	-	-	57,749	-	57,749
(Less)/ Add: Other Comprehensive Income	-	-	-	(206)	270	64
Total Comprehensive Income	-	-	-	57,543	270	57,813
Transactions with Owners in their capacity as owners:						
Less: Dividends	-	-	-	(3,019)	-	(3,019)
Less: Adjustment pursuant to redemption of investment in preference shares of a joint venture	-	-	-	(58)	-	(58)
As at March 31, 2025	20,380	18	2,000	187,942	555	210,895
Add: Profit for the year	-	-	-	35,598	-	35,598
(Less)/ Add: Other Comprehensive Income	-	-	-	(101)	388	287
Total Comprehensive Income	-	-	-	35,497	388	35,885
Transactions with Owners in their capacity as owners:						
Less: Dividends	-	-	-	(11,069)	-	(11,069)
As at March 31, 2026	20,380	18	2,000	212,370	943	235,711

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Ahmedabad
May 19, 2026

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

For and on behalf of the Board

Pankaj R. Patel
Chairman
DIN: 00131852

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Standalone Cash Flow Statement for the year ended March 31, 2026

₹ in Million

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A Cash flows from operating activities:		
Profit before tax	43,819	74,447
Adjustments for:		
Depreciation and amortisation expense	5,612	5,239
Exceptional items	1,669	-
[Gain] on disposal of Property, Plant and Equipment [Net]	(27)	(349)
FVTPL gain/ profit on sale of investments [Net]	(39)	(282)
Interest income	(4,662)	(3,227)
Loss on valuation of Forward Contract value related to investment in a Joint Venture	-	60
Dividend income	(11,044)	(3,012)
Interest expenses	4,803	4,613
Net gain/ [loss] on Fair Valuation of Swap Contract	(383)	191
Effect of foreign exchange movement	(9,135)	(757)
Trade receivables written off	1	5
Expected credit loss on trade receivables [Net]	504	233
Doubtful advances written off	-	144
Allowance for doubtful advances [Net of written back]	19	8
Provision for employee benefits	(616)	248
Provision for claims for product expiry and return of goods [Net of written back]	444	137
Total	(12,854)	3,251
Operating profit before working capital changes	30,965	77,698
Adjustments for:		
Decrease/ [Increase] in trade receivables	1,677	(34,648)
[Increase] in inventories	(2,257)	(2,648)
Decrease in other assets	681	2,624
Increase in trade payables	1,927	1,121
[Decrease]/ Increase in other liabilities	(191)	474
Total	1,837	(33,077)
Cash generated from operations	32,802	44,621
Income taxes paid [Net of refunds]	(10,459)	(13,481)
Net cash from operating activities	22,343	31,140
B Cash flows from investing activities:		
Purchase of property, plant and equipment and intangible assets [including payment towards capital work-in-progress, intangible asset under development and capital advances]	(8,990)	(9,049)
Proceeds from disposal of property, plant and equipment and intangible assets	156	478
Purchase of non current investments in subsidiaries	(4,084)	(3,254)
Purchase of non current investments - other than subsidiaries	(109)	-
Proceeds from redemption of non current investments in a subsidiary/ joint venture	2,133	3,785
Proceeds from redemption of non current investments in others	1,120	200
Change in Bank balances (including fixed deposits) not considered as cash and cash equivalents	(3,662)	2,652
Proceeds from/ purchase of current investments [Net]	433	(42,075)
Loans to subsidiaries	(4,911)	(10,782)
Repayment of loans by subsidiaries	7,495	6,367
Interest received	5,071	3,630
Dividend received	11,044	3,012
Net cash from/ [used in] investing activities	5,696	(45,036)

Standalone Cash Flow Statement for the year ended March 31, 2026

₹ in Million

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C Cash flows from financing activities:		
Proceeds from non current borrowings	32,340	10,566
Repayment of non current borrowings	(37,953)	(12,928)
Current borrowings [Net - (Repayment)/proceeds]	(3,822)	24,025
Lease liabilities [Net]	(18)	(17)
Interest paid	(5,284)	(4,777)
Dividends paid	(11,062)	(3,024)
Net cash [used in] / from financing activities	(25,799)	13,845
Net increase/ [decrease] in cash and cash equivalents	2,240	(51)
Cash and cash equivalents at the beginning of the year	1,030	1,081
Cash and cash equivalents at the end of the year	3,270	1,030

Notes to the Standalone Cash Flow Statement

- The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".
- All figures in brackets are outflows.
- Summary of Cash and cash equivalents, Bank balance, Current Investments and Fixed Deposits more than 12 months:

₹ in Million

	As at March 31		
	2026	2025	2024
a Cash and cash equivalents	3,270	1,030	1,081
b Bank balance other than cash and cash equivalents	4,072	411	3,063
c Current Investments	42,050	42,365	-
d Fixed Deposits more than 12 month's maturity	2	1	1
e Total	49,394	43,807	4,145

- Change in Liability arising from financing activities:

₹ in Million

	Borrowings		
	Long term [Note-18]	Short term [Note-22]	Total
As at March 31, 2024	55,554	6,181	61,735
Cash flow	(2,362)	24,025	21,663
Foreign exchange movement	-	(11)	(11)
As at March 31, 2025	53,192	30,195	83,387
Cash flow	(5,613)	(3,822)	(9,435)
Foreign exchange movement	-	359	359
As at March 31, 2026	47,579	26,732	74,311

For movement of lease liabilities, Refer Note-47.

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Pankaj R. Patel
Chairman
DIN: 00131852

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Ahmedabad
May 19, 2026

Notes to the Standalone Financial Statements

Note: 1-Company overview:

Zydus Lifesciences Limited ["the Company"] (CIN : L24230GJ1995PLC025878), a company limited by shares, incorporated and domiciled in India, operates as an integrated pharmaceutical company with business encompassing the entire value chain in the research, development, production, marketing and distribution of pharmaceutical products. The product portfolio of the Company includes Active Pharmaceutical Ingredients (API) and human formulations. The Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited. The registered office of the Company is located at "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj [Gandhinagar], Sarkhej-Gandhinagar Highway, Ahmedabad - 382481. These standalone financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors at their meeting held on May 19, 2026.

Note: 2-Material Accounting Policies:

A The following note provides list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1 Basis of preparation:

- A** The Standalone financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
- B** The standalone financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair values at the end of the reporting periods:
 - i** Derivative financial instruments
 - ii** Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]
 - iii** Defined benefit plans

2 Use of key Estimates and Judgements:

The preparation of the standalone financial statements in conformity with Ind AS requires management to

make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Critical accounting judgments and estimates:

A Property, Plant and Equipment:

Property, Plant and Equipment represent a large proportion of the asset base of the Company. The charge in respect of periodic 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. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as changes in technology. Refer Note-2 [7].

B Employee benefits:

Actuarial valuation involves key assumptions of life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans. Refer Note-20.

C Product expiry claims:

Significant judgments are involved in determining the estimated stock lying in the market with product shelf life and estimates of likely claims on account of expiry of such unsold goods lying with stockists. Refer Note-26.

Notes to the Standalone Financial Statements

D Taxes on Income:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Refer Note-21 and 38.

E Contingent liabilities:

Significant judgments are involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources. Refer Note-28.

3 Foreign Currency Transactions:

The Company's standalone financial statements are presented in Indian Rupees (₹), which is the functional and presentation currency.

A The transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of transactions.

B Foreign Exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the Statement of Profit and Loss. However, foreign currency differences arising from the translation of certain equity instruments where the Company had made an irrevocable election to present in OCI subsequent changes in the fair value are recognised in OCI.

C Foreign exchange differences regarded as adjustments to borrowing costs are presented in the Statement of Profit and Loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.

D Investments in foreign subsidiaries and other companies are recorded in ₹ (functional currency) at the rates of exchange prevailing at the time when the investments were made.

4 Revenue Recognition:

A The following are the accounting policies related to revenue recognition under Ind AS 115:

a Sale of Goods:

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognised at a point in time when

the control of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenues from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights.

The goods are often sold with volume discounts/ pricing incentives and customers have a right to return damaged or expired products. Revenue from sales is based on the price in the sales contracts, net of discounts, sales tax/ Goods and Services Tax [GST]. When a performance obligation is satisfied, Revenue is recognised with the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

b License Fees:

License fees primarily consist of income from the outlicensing of intellectual property and other licensing and supply arrangements with various parties. Revenue from license fees is recognised when control transfers to the third party and the Company's performance obligations are satisfied. Some of these arrangements include certain performance obligations by the Company. Revenue from such arrangements is recognised in the period in which the Company completes all its performance obligations.

c Royalty income:

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

d Service Income:

Service income is recognised as per the terms of contracts with the customers when the related

Notes to the Standalone Financial Statements

services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable.

e Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

5 Government Grants:

- A** Government grants are recognised only when there is a reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.
- B** When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- C** Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.
- D** When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

6 Taxes on Income:

Tax expenses comprise of current and deferred tax.

A Current Tax:

- a** Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b** Current tax items are recognised in co-relation to the underlying transaction either in profit or loss, OCI or directly in equity.

B Deferred Tax:

- a** Deferred tax is provided using the liability method on temporary differences between the tax bases of

assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

- b** Deferred tax liabilities are recognised for all taxable temporary differences.
- c** Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.
- d** The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- e** Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.
- f** Deferred tax items are recognised in co-relation to the underlying transaction either in profit or loss, OCI or directly in equity.
- g** Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

7 Property, Plant and Equipment:

- A** Freehold land is carried at historical cost, less impairment, if any. All other items of Property, Plant and Equipment are stated at historical cost of acquisition/ construction less accumulated depreciation and impairment loss. Historical cost [Net of Input tax credit received/ receivable] includes related expenditure and project expenses for the period up to completion of construction/ assets are ready for its intended use, if the recognition criteria are met and the present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset, if the recognition criteria for a provision are met. Subsequent costs are included in the asset's carrying amount or

Notes to the Standalone Financial Statements

recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the statement of profit and loss during the reporting period in which they are incurred, unless they meet the recognition criteria for capitalisation under Property, Plant and Equipment.

- B** Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognised separately as independent items and are depreciated over their estimated economic useful lives.
- C** Depreciation on tangible assets is provided on "straight line method" based on the useful lives as prescribed under Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods.

The estimated useful lives are as follows:

Asset Class	No. of years
Leasehold Land	Over the period of lease
Buildings	30 to 60 Years
Plant and Equipment	3 to 15 Years
Furniture, Fixtures and Office Equipments	5 to 10 Years
Vehicles	8 Years

- D** Depreciation on impaired assets is calculated on the reduced values, if any, on a systematic basis over its remaining useful lives.
- E** Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets are used.
- F** Where the actual cost of purchase of an asset is below ₹ 10,000/-, the depreciation is provided @ 100 %.

- G** Capital work in progress is stated at cost less accumulated impairment loss, if any.

- H** An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

8 Intangible Assets:

- A** Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- B** Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.
- C** Trade Marks, Technical Know-how Fees and other similar rights are amortised using straight line method over their estimated useful lives of ten years.
- D** Capitalised cost incurred towards purchase/ development of software is amortised using straight line method over its useful life of four years as estimated by the management at the time of capitalisation.
- E** Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of infinite life is reviewed annually to determine whether the infinite life continues to be supportable. If not, the change in useful life from infinite to finite is made on a prospective basis.
- F** An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.
- G** Intangible assets under development is stated at cost less accumulated impairment loss, if any.

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9 Research and Development Cost:

- A** Expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.
- B** Capital expenditure on research and development equipment is given the same treatment as Property, Plant and Equipment.

10 Borrowing Costs:

- A** Borrowing costs consist of interest and other borrowing costs that are incurred in connection with the borrowing of funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognised as per Effective Interest Rate (EIR) method.

Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

- B** Borrowing costs that are directly attributable to the acquisition/ construction of a qualifying asset are capitalised as part of the cost of such assets, up to the date the assets are ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

11 Impairment of Non Financial Assets:

The Property, Plant and Equipment and Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

Non-financial assets other than Goodwill that suffered an impairment loss are reviewed for possible reversal of impairment at the end of each reporting period. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as

impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

12 Inventories:

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- A** Raw Materials, Packing Materials, Finished Goods, Stock-in-Trade and Work-in-Progress are valued at lower of cost and net realisable value.
- B** Cost [Net of Input tax credit availed] of Raw Materials, Packing Materials, Finished Goods, and Stock-in-Trade is determined on Weighted Average Method.
- C** Costs of Finished Goods and Work-in-Progress are determined by taking material cost [Net of Input tax credit availed], labour and relevant appropriate overheads based on the normal operating capacity, but excluding borrowing costs.

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

Write down of inventories to net realisable value is recognised as an expense and included in "Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade" and "Cost of Materials Consumed" in the relevant note in the Statement of Profit and Loss.

13 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

14 Leases:

As a lessee:

For any new contracts entered into, the Company considers whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset [the underlying asset] for a period of time in exchange for consideration'.

Notes to the Standalone Financial Statements

Measurement and recognition of leases as a lessee:

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date [net of any incentives received].

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to the in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in financial liabilities.

As a lessor:

As a lessor the Company classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

15 Provisions, Contingent Liabilities and Contingent Assets:

A Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure of contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised but are disclosed separately in standalone financial statements.

B If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

16 Provision for Product Expiry Claims:

Provisions for product expiry related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of product expiry claim related costs is revised annually.

17 Employee Benefits:

A Short term obligations:

Liabilities for wages and salaries, including earned leave and sick leave 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 by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to the Standalone Financial Statements

B Long term employee benefits obligations:

a Leave Wages and Sick Leave:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months period after the end of the period in which the employees render the related service. They are therefore, measured at the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method as determined by actuarial valuation, performed by an independent actuary. The benefits are discounted using the market yields at the end of reporting period that have the terms approximating to the terms of the related obligation. Gains and losses through re-measurements are recognised in Statement of profit and loss.

b Defined Benefit Plans:

i Gratuity:

The Company operates a defined benefit gratuity plan with contributions to be made to a separately administered fund through Life Insurance Corporation of India through Employees Group Gratuity Plan. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to the market yields at 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 discounting rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit and Loss.

Re-measurement gains or losses arising from experience adjustments and changes

in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" and are included in retained earnings in the Statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- i Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- ii Net interest expense or income.

ii Company administered Provident Fund:

In case of a specified class of employees, monthly contributions of such employees and the company, are deposited to Cadila Healthcare Limited Managerial Cadre EPF. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. Contributions to such provident fund are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

c Defined Contribution Plans - Provident Fund Contribution:

Employees of the Company, other than covered in point (ii) above, receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The company has no further obligation to the plan beyond their monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

Notes to the Standalone Financial Statements

C Employee Separation Costs:

The compensation paid to the employees under Voluntary Retirement Scheme is expensed in the year of payment.

18 Dividends :

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as liability on the date of declaration by the Company's Board of Directors.

19 Financial Instruments:

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

A Financial Assets:

a Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognised on the settlement date, i.e., the date that the Company settles to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

b Subsequent measurement:

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

i Debt instruments at amortised cost:

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

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by

taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of profit and loss.

ii Debt instruments at fair value through other comprehensive income (FVTOCI):

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

- The asset is held with objectives of both collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value.

Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii Debt instruments and derivatives at fair value through profit or loss (FVTPL):

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

Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv Investments in subsidiaries and joint ventures:

Investments in subsidiaries and joint ventures are carried at cost less accumulated

Notes to the Standalone Financial Statements

impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint ventures, the differences between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

v Equity instruments:

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c Derecognition:

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

- i The rights to receive cash flows from the asset have expired, or
- ii The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the

Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

d Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly,

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12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

ECL impairment loss allowance (or reversal) is recognized as expense/income in the Statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics.

B Financial Liabilities:

a Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging

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

b Subsequent measurement:

Subsequently all financial liabilities are measured at amortised cost, using EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

c Derecognition:

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

d Embedded derivatives:

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of profit and loss, unless designated as effective hedging instruments.

C Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for

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financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model as per Ind AS 109.

D Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

20 Derivative Financial Instruments and Hedge Accounting:

Derivatives are recognised initially at fair value and subsequently at fair value through profit and loss.

Fair value hedges:

The Company applies fair value hedge accounting for changes in fair value of derivative instruments and trade receivables (non-derivative financial assets) attributable to foreign currency risk. The Company designates certain derivative as well as non-derivative foreign currency financial liabilities (hedging instrument) to hedge the risks of changes in fair value of trade receivables attributable to the movement in foreign exchange rates. The Company documents, at the time of designation, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking such hedging transactions. The Company also documents its assessment, both at the inception of the hedge and on an ongoing basis, of whether the risk management objectives are met with the hedging relationship. Changes in fair values of both hedging instruments and hedged items are recognised in foreign exchange gains / losses as a part of other income or other expenses as the case may be. If the

hedge no longer meets the criteria for hedge accounting, this accounting treatment is discontinued.

21 Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a In the principal market for the asset or liability, or
- b In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing

Notes to the Standalone Financial Statements

categorisation [based on the lowest level input that is significant to the fair value measurement as a whole] at the end of each reporting period.

22 Business combinations and Goodwill:

A Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred at acquisition date fair value.

B At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values.

For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the Deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements acquired in a business combination are recognised and measured in accordance with Ind AS-12 "Income Taxes" and Ind AS-19 "Employee Benefits" respectively.

C When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

D Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS-109 "Financial Instruments", is measured at fair value with changes in fair value recognised in Statement of profit and loss. If the contingent consideration is not within the scope of Ind AS-109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequently its settlement is accounted for within equity.

E Goodwill is initially measured at the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets

acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as Capital Reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as Capital Reserve, without routing the same through OCI.

F After initial recognition, Goodwill is not amortised. Goodwill is accordingly recognised at original value less any accumulated impairment.

For the purpose of impairment testing, Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

G A cash generating unit to which Goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any Goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for Goodwill is recognised in Statement of profit and loss. An impairment loss recognised for Goodwill is not reversed in subsequent periods.

H If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through Goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

23 Non-Current assets held for sale:

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than

Notes to the Standalone Financial Statements

through continuing use. This condition is regarded as met only when the sale of asset and disposal group is highly probable. The Management must be committed to the sale, which should be expected to qualify for recognition as completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss before tax from discontinued operations in the statement of profit and loss.

24 Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

B Recent Accounting Pronouncements:

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time. MCA has notified amendments to Ind AS 1 – Presentation of Financial Statements (classification of liabilities as Current or Non-current, including liabilities with covenants), Ind AS 12 – Income Taxes (International Tax Reform – Pillar Two Model Rules), Ind AS 21 – The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability) and Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (Supplier Finance Arrangements), effective from April 1, 2025. The Company has reviewed these amendments and based on its evaluation, has determined that they do not have any material impact on the Company's financial statements.

New standards or amendments not yet adopted:

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1. The amendments clarify that lender waivers obtained after the reporting date cannot be considered for the purpose of classifying liabilities as current or non current and require retrospective application in accordance with Ind AS 8. These amendments are effective for reporting periods beginning on or after April 1, 2026. The Company does not expect any material impact on its financial statements.

Notes to the Standalone Financial Statements

Note: 3-Property, Plant and Equipment, Intangible Assets, Capital work-in-progress & Intangible Assets under Development:

[A] Property, Plant and Equipment:

₹ in Million

	Freehold Land	Leasehold Land *	Buildings *	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block:								
As at March 31, 2024	2,777	511	15,827	61,754	1,615	919	1,250	84,653
Additions	92	35	118	2,626	12	364	47	3,294
Disposals	(3)	-	(6)	(1,282)	(25)	(85)	(10)	(1,411)
As at March 31, 2025	2,866	546	15,939	63,098	1,602	1,198	1,287	86,536
Additions	45	-	2,057	11,875	51	189	26	14,243
Disposals	(12)	-	-	(462)	(21)	(108)	(15)	(618)
As at March 31, 2026	2,899	546	17,996	74,511	1,632	1,279	1,298	100,161
Accumulated Depreciation and Impairment:								
As at March 31, 2024	-	64	3,884	35,021	965	470	992	41,396
Depreciation for the year	-	6	449	4,307	109	97	96	5,064
Disposals	-	-	(6)	(1,202)	(24)	(40)	(10)	(1,282)
As at March 31, 2025	-	70	4,327	38,126	1,050	527	1,078	45,178
Depreciation for the year	-	6	470	4,609	111	109	55	5,360
Disposals	-	-	-	(406)	(19)	(49)	(15)	(489)
As at March 31, 2026	-	76	4,797	42,329	1,142	587	1,118	50,049
Net Block:								
As at March 31, 2025	2,866	476	11,612	24,972	552	671	209	41,358
As at March 31, 2026	2,899	470	13,199	32,182	490	692	180	50,112

Notes to the Standalone Financial Statements

Note: 3-Property, Plant and Equipment, Intangible Assets, Capital work-in-progress & Intangible Assets under Development: (Continued)

(B) Intangible Assets:

₹ in Million

	Goodwill	Other Intangible Assets			
		Brands/ Trademarks	Computer Software	Commercial Rights	Technical Know-how
Gross Block:					
As at March 31, 2024	102	10	1,772	13	224
Additions	-	60	341	-	-
Disposals	-	-	-	-	(62)
As at March 31, 2025	102	70	2,113	13	162
Additions	-	-	316	-	-
Disposals	-	-	-	-	-
As at March 31, 2026	102	70	2,429	13	162
Accumulated Amortisation and Impairment:					
As at March 31, 2024	102	10	1,402	12	158
Amortisation for the year	-	4	160	1	10
Disposals	-	-	-	-	(62)
As at March 31, 2025	102	14	1,562	13	106
Amortisation for the year	-	6	236	-	10
Disposals	-	-	-	-	-
As at March 31, 2026	102	20	1,798	13	116
Net Block:					
As at March 31, 2025	-	56	551	-	56
As at March 31, 2026	-	50	631	-	46

Notes:

- Buildings include ₹ 0.02 (As at March 31, 2025: ₹ 0.02) Million being the value of unquoted shares held in cooperative societies.
 - As at March 31, 2026 title deeds of freehold lands amounting ₹ 996 Million are held in the name of Cadila Healthcare Limited. With effect from February 24, 2022, the Company had changed its name from Cadila Healthcare Limited to Zydus Lifesciences Limited. The Company is in the process of changing its name for such properties.
 - Additions of ₹ 499 (Previous Year: ₹ 404) Million in research related assets during the year are included in "Additions" under the respective heads of Gross Block.
- [*] Includes right of use assets, refer Note-47 for detailed breakup.

Notes to the Standalone Financial Statements

Note: 3-Property, Plant and Equipment, Intangible Assets, Capital work-in-progress & Intangible Assets under Development: [Continued]

[C] Depreciation and Amortisation Expenses:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation	5,360	5,064
Amortisation	252	175
Total	5,612	5,239

[D] Capital work-in-progress:

a Summarised Statement for movement in Capital-work-in-progress:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	11,885	6,267
Add: Addition during the year	8,841	9,126
Less: Capitalized during the year	(14,514)	(3,508)
Balance as at the end of the year	6,212	11,885

b Ageing of Capital-work-in-progress:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Projects in progress:		
i Less than 1 year	3,931	6,651
ii 1 - 2 years	1,782	2,109
iii 2 - 3 years	450	2,722
iv More than 3 years	49	403
Total Capital Work-in-Progress	6,212	11,885

There are no overdue or temporary suspended projects.

Project execution plans are modulated on the basis of capacity requirement assessment annually and all the projects are executed based on rolling annual plan.

NOTE: 4-INVESTMENTS (NON-CURRENT):

₹ in Million

	Face Value [*]	Nos. [**]	As at March 31, 2026	As at March 31, 2025
Investments in Subsidiaries and Joint Ventures:				
Investments in Equity Instruments			44,287	42,788
Investments in Equity Instruments via Optionally Convertible Redeemable Preference Shares			25,780	26,396
			70,067	69,184

Notes to the Standalone Financial Statements

NOTE: 4-INVESTMENTS (NON-CURRENT): (Continued)

₹ in Million

	Face Value [*]	Nos. [**]	As at March 31, 2026	As at March 31, 2025
Investments - Others:				
Investments in Equity Instruments			1,379	881
Investments in Preference Shares			9	9
Investments in Bonds			1,248	2,449
Investments in Debentures			28	27
			2,664	3,366
Total			72,731	72,550
A Details of Investments in Subsidiaries and Joint Ventures:				
Investment in Equity Instruments (Valued at cost):				
Subsidiary Companies (Quoted):				
In fully paid-up equity shares of Zydus Wellness Limited (Sub-division/ split of shares having FV of ₹ 10 each into 5 shares of ₹ 2 each)	2 (10)	183,237,545 [36,647,509]	12,320	12,320
Subsidiary Companies (Unquoted):				
In fully paid-up equity shares of:				
Zydus Healthcare Limited	100	2,161,742	4,709	4,709
Zydus Animal Health and Investments Limited	10	13,400,000	134	134
Zydus Pharmaceuticals Limited	10	10,000,000	100	100
Zydus Strategic Investments Limited	10	900,000	9	9
Zydus VTEC Limited ⁽¹⁾	10	7,500,000	75	75
LM Manufacturing India Private Limited [₹ 7,750]	10	100	-	-
Dialforhealth Unity Limited [₹ 275,000]	10	27,500	-	-
Dialforhealth Greencross Limited ⁽¹⁾	10	250,000	3	3
Zydus MedTech Private Limited	10	24,500,000	245	245
Zydus International Private Limited	€ 1.1251	62,340,456	4,643	4,643
Zydus Lanka (Private) Limited	LKR 10	3,706,304	15	15
Zydus Healthcare Philippines Inc.	PHP 10	24,965,120	351	351
Zydus Worldwide DMCC	AED 1,000	84,480	1,505	1,505
Sentynl Therapeutics Inc. ⁽¹⁾	\$0.0001	100	2,038	2,038
Zydus Healthcare (USA) LLC [2,500,000 shares subscribed during the year]	\$1	2,700,000 [200,000]	233	12
Zydus Pharmaceuticals UK Limited	€ 1	69,900,000	7,076	7,076

Notes to the Standalone Financial Statements

NOTE: 4-INVESTMENTS (NON-CURRENT): (Continued)

₹ in Million

	Face Value [*]	Nos. [**]	As at March 31, 2026	As at March 31, 2025
Zynext Ventures PTE. LTD. (14,300,000 shares subscribed during the year)	\$1	18,600,001 [4,300,001]	2,149	796
	\$0.94	5,319,150		
Zydus Lifesciences Global FZE	AED 1,000	441,400	10,020	10,020
Zydus Pharmaceuticals (Canada) Inc.	\$1	500,000	84	84
	\$7.8548	63,657		
			33,389	31,815
Less: Provision for impairment ⁽¹⁾			(2,116)	(2,041)
			31,273	29,774
In fully paid-up Common Stock of:				
Zydus Pharmaceuticals (USA) Inc.	\$1	2,300,000	519	519
Joint Venture Companies (Unquoted):				
In fully paid-up equity shares of:				
Zydus Hospira Oncology Private Limited	10	7,500,000	75	75
Zydus Takeda Healthcare Private Limited	10	10,000,000	100	100
			175	175
			44,287	42,788
Investment in Equity Instruments via Optionally Convertible Redeemable Preference Shares (Valued at cost) (Unquoted):				
Subsidiary Companies:				
German Remedies Pharmaceuticals Private Limited (6,332,797 shares redeemed during the year)	100	0 [6,332,797]	-	633
Zydus VTEC Limited ⁽¹⁾	100	29,900,000	2,990	2,990
Zydus Pharmaceuticals Limited (23,000,000 shares subscribed during the year)	100	99,000,000 [76,000,000]	9,900	7,600
Zydus Animal Health and Investments Limited (150,000,000 shares redeemed during the year)	10	1,250,850,000 [1,400,850,000]	12,509	14,009
Zydus MedTech Private Limited (21,000,000 shares subscribed during the year)	10	136,000,000 [115,000,000]	1,360	1,150
Zydus Healthcare Philippines Inc.	PHP 10	983,180	14	14
			26,773	26,396
Less: Provision for impairment ⁽¹⁾			(993)	-
			25,780	26,396

Notes to the Standalone Financial Statements

NOTE: 4-INVESTMENTS (NON-CURRENT): (Continued)

₹ in Million

	Face Value [*]	Nos. [**]	As at March 31, 2026	As at March 31, 2025
B Details of Investments - Others:				
Investment in Equity Instruments (Quoted) (Valued at fair value through OCI):				
In fully paid-up Common Stock of:				
Traws Pharma Inc., USA (Formerly known as Onconova Therapeutics Inc.) (₹: 2,083 {as at March 31, 2025: ₹ 2,360})	\$0.01	12	-	-
Palvella Therapeutics Inc., USA (Formerly known as Pieris Pharmaceuticals Inc.)	\$0.001	57,177	676	137
			676	137
In fully paid-up Equity Shares of:				
HDFC Bank Limited	1	753,520 (376,760)	551	689
Kokuyo Camlin Limited	1	72,090	5	7
Camlin Fine Chemicals Limited	1	152,000	15	25
Accelya Solutions India Limited	10	383	1	1
			572	722
Investment in Equity Instruments (Unquoted) (Valued at fair value through OCI):				
In fully paid-up Equity Shares of:				
BEIL Infrastructure Limited (₹ 12,140/-)	10	1,214	-	-
Narmada Clean Tech	10	625,813	6	6
Enviro Infrastructure Company Limited	10	50,000	1	1
GVFL Limited	10	50,000	1	1
Saraswat Co-Op Bank Limited (₹ 20,350/-)	10	2,500	-	-
The Shamrao Vithal Co-Op Bank Limited (₹ 2,500/-)	25	100	-	-
The Green Environment Co-operative Society Limited (₹ 5,000/-)	100	50	-	-
Shivalik Solid Waste Management Limited (₹ 200,000/-)	10	20,000	-	-
AMP Energy Green Nine Private Limited	10	1,358,940	14	14
Zydus Foundation (₹ 500,000/-) (Refer Note-41 (e) for relationship)	10	50,000	-	-
Torrent Urja 25 Private Limited	10	2,565,531 [0]	26	-
Torrent Urja 26 Private Limited	10	8,315,970 [0]	83	-
			131	22
			1,379	881

Notes to the Standalone Financial Statements

NOTE: 4-INVESTMENTS (NON-CURRENT): (Continued)

₹ in Million

	Face Value [*]	Nos. [**]	As at March 31, 2026	As at March 31, 2025
Investment in Preference Shares (Valued at amortised cost) (Unquoted):				
In fully paid-up, 1%, Redeemable Cumulative preference shares of Enviro Infrastructure Company Limited	10	900,000	9	9
Investment in Bonds (Quoted):				
Valued at amortised cost:				
In fully paid-up Bonds^ of:				
9.75% Piramal Enterprises Limited	1,000,000	35	-	35
9.00% Samman Capital Limited (Formerly known as Indiabulls Housing Finance Limited)	1,000	40,000	-	40
			-	75
^ Reclassified to Current Investments (Refer Note-10) based on maturity				
Valued at fair value through profit or loss:				
In fully paid-up Bonds of:				
7.95% Bank of Baroda Perpetual	10,000,000	100	998	1,000
7.73% State Bank of India Perpetual Series II	1,000,000	0 (650)	-	652
9.04% Bank of India Perpetual Series VI	1,000,000	0 (450)	-	452
8.50% Bank of Baroda Perpetual Series XIV	1,000,000	0 (20)	-	20
7.72% State Bank of India Perpetual	10,000,000	25	250	250
			1,248	2,374
			1,248	2,449
Investment in Compulsorily Convertible Debentures (Valued at amortised cost) (Unquoted):				
In fully paid-up Debentures of:				
AMP Energy Green Nine Private Limited	1,000	122,306	28	27
Total			72,731	72,550
C				
a i Aggregate book value of quoted investments			14,816	15,628
ii Aggregate market value of quoted investments			80,574	64,894
b Aggregate book value of unquoted investments			57,915	56,922
c Aggregate amount of impairment in value of investments ⁽¹⁾			3,109	2,041

D Explanations:

- In "Face Value [*]", figures in Indian Rupees unless stated otherwise.
- In "Nos. [**]" figures of previous year are same unless stated in [].

Notes to the Standalone Financial Statements

NOTE: 4-INVESTMENTS (NON-CURRENT): (Continued)

- [1] During the year, due to change in market circumstances, the Company has made provision for impairment of ₹ 75 Million in the value of investment in the Equity shares and ₹ 993 Million in the value of investment in the Optionally Convertible Redeemable Preference Shares of Zydus VTEC Limited, a wholly owned subsidiary of the Company. The provision for impairment has been disclosed as an exceptional item [Refer Note-46]. In earlier years, the Company had made provision for impairment of ₹ 2,038 Million and ₹ 3 Million in the value of investment in the equity shares of Sentyln Therapeutics Inc. and Dialforhealth Greencross Limited, respectively.

Note: 5-Loans:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans to Related Parties - Unsecured, Considered good [*]	43,299	41,190
Total	43,299	41,190

- [*] Details of loans pursuant to Section 186(4) of Companies Act, 2013 (#):

Name of the party and relationship with the party to whom loan given:

₹ in Million

	As at March 31, 2026			As at March 31, 2025		
	Non-Current	Current [Refer Note-13]	Maximum outstanding balance	Non-Current	Current [Refer Note-13]	Maximum outstanding balance
A Subsidiary Companies:						
a Zydus Worldwide DMCC	2,316	-	8,787	7,918	-	9,626
b Zydus International Private Limited	12,808	-	13,637	11,690	598	12,288
c Zydus Pharmaceuticals (USA) Inc.	10,428	-	10,428	9,396	-	14,094
d Dialforhealth Unity Limited	3	-	3	2	-	2
e Sentyln Therapeutics Inc.	11,376	-	11,376	10,251	-	10,251
f LM Manufacturing India Private Limited	-	-	4	4	-	4
g Zydus Pharmaceuticals UK Limited	1,569	-	2,525	221	-	221
h Zydus Lifesciences Global FZE	3,318	-	3,318	1,708	-	1,708
i Zydus Pharmaceuticals Limited	1,481	-	1,481	-	-	-
Total	43,299	-		41,190	598	

(#) Loans which are outstanding at the end of the respective financial year.

Notes:

- All the above loans have been given for working capital and business purposes.
- All the above loans are repayable within a period of 5 years.

Notes to the Standalone Financial Statements

Note: 6-Other Financial Assets:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good]		
Security Deposits	125	151
Fixed deposits with maturity more than 12 months	2	1
Total	127	152

Note: 7-Other Non-Current Assets:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good unless otherwise stated]		
Capital Advances - Considered Good	1,888	1,249
Capital Advances - Credit impaired	67	67
	1,955	1,316
Less: Allowances for credit impaired	67	67
	1,888	1,249
Balances with Statutory Authorities	791	120
Others	124	88
Total	2,803	1,457

Note: 8-Assets for Current Tax (Net):

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Advance payment of Tax	267	767
[Net of provision for taxation of ₹ 28,409 {as at March 31, 2025: ₹ 15,005} Million]		
Total	267	767

Note: 9-Inventories:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[The Inventory is valued at lower of cost and net realisable value]		
Classification of Inventories:		
Raw Materials	8,442	8,314
Work-in-progress	4,157	4,722
Finished Goods	6,192	3,929
Stock-in-Trade	1,393	1,575
Packing Materials	1,594	981
Total	21,778	19,521

Notes to the Standalone Financial Statements

Note: 9-Inventories: (Continued)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
The above includes Goods in transit as under:		
Raw Materials	73	136
Packing Materials	64	12
Amount recognised as an expense in Statement of profit and loss resulting from write-down of inventories:		
Net off reversal of write-down	6	17

For details of inventories pledged as security, refer Note-22.

In respect of goods where provision had been made for expected returns within the expiry period, the Company recognises an asset, i.e., right to the returned saleable goods (included in inventories) for the products expected to be returned in saleable condition. The Company initially measures this asset at the original carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of returned goods. The Company updates the measurement of the asset recorded for any revision to its expected level of returns, as well as any further decrease in value of the returned products. The value of such goods is ₹ 94 [as at March 31, 2025: ₹ 75] Million.

Note: 10-Investments (Current):

₹ in Million

	Nos. (*)	As at March 31, 2026	As at March 31, 2025
Investment in Mutual Funds (Unquoted) [Valued at fair value through profit or loss]:			
HDFC Overnight Fund - Direct Plan - Growth Option	171,816.591 [0]	686	-
ICICI Prudential Overnight Fund - Direct Plan - Growth	0 [50,911.866]	-	70
		686	70
Investment in others (Quoted):			
Valued at amortised cost:			
Commercial Papers		17,576	10,721
Certificate of Deposits		-	5,749
Bonds [reclassified from Non-Current investment (Refer Note-4 ^)]		79	-
Inter Corporate Deposits		-	2,011
		17,655	18,481
Valued at fair value through profit or loss:			
Government Securities (**)		23,709	23,814
Total		42,050	42,365

(*) In "Nos." figures of previous year are stated in [].

(**) Includes ₹ 22,167 [as at March 31, 2025: 21,667] Million given as collateral security for borrowings.

Notes to the Standalone Financial Statements

Note: 11-Trade Receivables:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Secured - Considered good	1,844	1,521
Unsecured - Considered good	84,087	80,575
	85,931	82,096
Less: Allowances for credit losses	982	478
Total	84,949	81,618

For details of trade receivables pledged as security, refer Note-22.

Ageing of Trade Receivables :

₹ in Million

Particulars	Not due	Outstanding from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2026							
Undisputed – considered good	51,718	29,805	3,314	631	142	321	85,931
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed – considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
Total	51,718	29,805	3,314	631	142	321	85,931
Less: Allowances for credit losses							(982)
Trade Receivables							84,949

₹ in Million

Particulars	Not due	Outstanding from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2025							
Undisputed – considered good	69,791	9,611	1,499	857	54	284	82,096
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed – considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
Total	69,791	9,611	1,499	857	54	284	82,096
Less: Allowances for credit losses							(478)
Trade Receivables							81,618

Notes to the Standalone Financial Statements

Note: 12-Cash and Bank Balances:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
A Cash and Cash Equivalents:		
Balances with Banks	3,270	1,028
Cash on Hand (₹ 255,373)	-	2
Total	3,270	1,030
There are no amounts of cash and cash equivalent balances held by the entity that are not available for use.		
B Bank Balances other than Cash and Cash Equivalents:		
Unclaimed dividend accounts [Refer Note-24]	43	36
Fixed deposits	4,029	375
Total	4,072	411
The Company keeps fixed deposits with the Nationalised/ Scheduled banks, which can be withdrawn by the company as per its own discretion/ requirement of funds.		

Note: 13-Loans:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good]		
Loans to related parties (*)	308	1,251
Total	308	1,251
(*) Details of Loans to Related Parties - Wholly owned Subsidiary Companies are as under:		
a Zydus International Private Limited (including Interest Receivable on loan ₹ 140 {Previous year: ₹ 295} Million)	140	893
b Zydus Worldwide DMCC (including Interest Receivable on loan ₹ 25 {Previous year: ₹ 345} Million)	25	345
c Zydus Pharmaceuticals UK Limited (including Interest Receivable on loan ₹ 23 {Previous year: ₹ 7} Million)	23	7
d Zydus Lifesciences Global FZE (including Interest Receivable on loan ₹ 105 {Previous year: ₹ 6} Million)	105	6
e Zydus Pharmaceuticals Limited (including Interest Receivable on loan ₹ 15 {Previous year: ₹ Nil} Million)	15	-
	308	1,251

All the above loans are repayable within a period of 1 year.

Notes to the Standalone Financial Statements

Note: 14-Other Current Financial Assets:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good]		
GST Refund receivable	228	735
Interest Receivable	38	102
Production Linked Incentive receivable [Refer Note-30]	-	3,053
Derivative Financial Asset	238	178
Others	128	79
Total	632	4,147

Note: 15-Other Current Assets:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good, unless otherwise stated]		
Balances with Statutory Authorities	3,418	1,016
Advances to Suppliers - Considered Good	1,278	909
Advances to Suppliers - Credit impaired	220	201
	1,498	1,110
Less: Allowances for credit impaired	220	201
	1,278	909
Export Incentive Receivables	155	111
Prepaid Expenses	607	480
Advance CSR contribution [Refer Note-37]	-	287
Others	1	1
Total	5,459	2,804

Note: 16-Equity Share Capital:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Authorised:		
1,725,000,000 (as at March 31, 2025: 1,725,000,000) Equity Shares of ₹ 1/- each	1,725	1,725
	1,725	1,725
Issued, Subscribed and Paid-up:		
1,006,233,990 (as at March 31, 2025: 1,006,233,990) Equity Shares of ₹ 1/- each, fully paid-up	1,006	1,006
Total	1,006	1,006

Notes to the Standalone Financial Statements

Note: 16-Equity Share Capital: (Continued)

	As at March 31, 2026	As at March 31, 2025
A There is no change in the number of shares as at the beginning and end of the year.		
Number of shares at the beginning and at the end of the year	1,006,233,990	1,006,233,990
B The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.		
C Details of Shareholders holding more than 5% of aggregate Equity Shares of ₹ 1/- each		
a Zydus Family Trust		
Number of Shares	754,313,343	754,313,343
% to total share holding	74.96%	74.96%

D Equity Shares held by the promoters/ promoter group of the Company:

Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
As at March 31, 2026			
1. Zydus Family Trust	754,313,343	74.964	-
2. Pankaj R. Patel	44,326	0.004	-
3. Pankaj Ramanbhai Patel HUF	29,550	0.003	-
4. Pripan Investment Private Limited	17,730	0.002	-
5. Taraben Patel Family Will Trust	14,775	0.001	-
6. Pritiben Pankajbhai Patel	14,775	0.001	-
7. Dr. Sharvil P. Patel	14,775	0.001	-
8. Shivani Pankajbhai Patel	14,775	0.001	-
9. Arati Rajiv Mehta	76,087	0.008	-
10. Ayushi Rajiv Mehta	17,727	0.002	-
11. Jasodaben Babubhai Patel	42,577	0.004	0.0001
12. Ritaben Yatin Desai	24,874	0.002	-

Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
As at March 31, 2025			
1. Zydus Family Trust	754,313,343	74.964	-
2. Pankaj R. Patel	44,326	0.004	-
3. Pankaj Ramanbhai Patel HUF	29,550	0.003	-
4. Pripan Investment Private Limited	17,730	0.002	-

Notes to the Standalone Financial Statements

Note: 16-Equity Share Capital: (Continued)

Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
5. Taraben Patel Family Will Trust	14,775	0.001	-
6. Pritiben Pankajbhai Patel	14,775	0.001	-
7. Dr. Sharvil P. Patel	14,775	0.001	-
8. Shivani Pankajbhai Patel	14,775	0.001	-
9. Arati Rajiv Mehta	76,087	0.008	-
10. Ayushi Rajiv Mehta	17,727	0.002	-
11. Jasodaben Babubhai Patel	41,577	0.004	-
12. Ritaben Yatin Desai	24,874	0.002	-

Note: 17-Other Equity:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Capital Reserve:		
Balance as per last Balance Sheet	20,380	20,380
Capital Redemption Reserve:		
Balance as per last Balance Sheet	18	18
Other Reserves:		
International Business Development Reserve: (*)		
Balance as per last Balance Sheet	2,000	2,000
Fair Value through Other Comprehensive Income (FVTOCI) on Equity Instruments: (#)		
Balance as per last Balance Sheet	555	285
Add : Fair value gain during the year	388	270
	943	555
Retained Earnings:		
Balance as per last Balance Sheet	187,942	133,476
Add: Profit for the year	35,598	57,749
	223,540	191,225
Less: Items of other Comprehensive income recognised directly in Retained Earnings:		
Re-measurement (losses) on defined benefit plans	(101)	(206)
Less: Dividends	(11,069)	(3,019)
Less: Adjustment pursuant to redemption of investment in preference shares of a joint venture	-	(58)
Balance as at the end of the year	212,370	187,942
Total	235,711	210,895

(*) International Business Development Reserve was created pursuant to Composite Scheme of Arrangement approved by the Hon'ble High Court of Gujarat and its utilization shall be as provided in the scheme.

(#) The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within the FVTOCI on Equity Instruments within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the Standalone Financial Statements

Note: 18-Borrowings:

₹ in Million

	Non-current portion		Current Maturities	
	As at March 31		As at March 31	
	2026	2025	2026	2025
From Related Parties (Unsecured)	42,329	28,621	5,250	24,571
Total	42,329	28,621	5,250	24,571

A Terms of Repayment for Unsecured Borrowings:

a Borrowings from Related Parties:

- i Borrowings of ₹ 5,250 Million from one of the subsidiary companies will be repaid within 3 years and ₹ 33,070 Million will be repaid within 5 years from the date of first disbursement. Interest on loan is payable on half yearly basis. The outstanding amount as at March 31, 2026 is ₹ 38,320 Million [as at March 31, 2025: 41,118].
- ii Borrowings of ₹ 400 Million from one of the subsidiary companies will be repaid within 5 years from the date of first disbursement. Interest on loan is payable on half yearly basis. The outstanding amount as at March 31, 2026 is ₹ 400 Million [as at March 31, 2025: 1,000].
- iii Borrowings of ₹ 8,859 Million from one of the subsidiary companies will be repaid within 5 years from the date of first disbursement. Interest on loan is payable on half yearly basis. The outstanding amount as at March 31, 2026 is ₹ 8,859 Million [as at March 31, 2025: 11,074].

The interest rates on the above borrowings are in the range of Treasury Bill/ G Sec plus a margin.

Note: 19-Other Financial Liabilities:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Security Deposits	320	287
Total	320	287

Note: 20-Provisions:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits	2,601	2,369
Total	2,601	2,369

Defined benefit plan and long term employment benefit

A General description:

Leave wages (Long term employment benefit):

The leave encashment scheme is administered through Life Insurance Corporation of India's Employees' Group Leave Encashment cum Life Assurance [Cash Accumulation] Scheme. The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised (net of the fair value of plan assets as at the balance sheet date) at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

Notes to the Standalone Financial Statements

Note: 20-Provisions: (Continued)

Gratuity [Defined benefit plan]:

The Company has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary increment risk.

Investment risk:

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

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.

₹ in Million

	As at March 31					
	2026			2025		
	Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
B Change in the present value of the defined benefit obligation:						
Opening obligation	264	2,440	2,995	212	2,060	2,466
Transfer in/ [out]	3	7	64	-	(3)	5
Interest cost	16	139	203	14	127	167
Past service cost	9	173	419	-	-	-
Current service cost	21	369	360	21	332	301
Benefits paid	-	(393)	(238)	(5)	(289)	(189)
Actuarial [gains]/ losses on obligation due to:						
Experience adjustments	(11)	158	140	8	150	129
Change in financial assumptions	(4)	(85)	(160)	14	63	116
Closing obligation	298	2,808	3,783	264	2,440	2,995

Notes to the Standalone Financial Statements

Note: 20-Provisions: (Continued)

₹ in Million

	As at March 31					
	2026			2025		
	Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
C Change in the fair value of plan assets:						
Opening fair value of plan assets	-	160	2,567	-	151	2,123
Transfer in/ (out)	-	-	13	-	-	(5)
Expected return on plan assets	-	11	174	-	11	152
Return on plan assets excluding amounts included in interest income	-	(2)	-	-	(2)	(13)
Contributions by employer	-	-	1,264	-	-	499
Benefits paid	-	-	(238)	-	-	(189)
Actuarial (losses)/ gains	-	-	-	-	-	-
Closing fair value of plan assets	-	169	3,780	-	160	2,567
Total actuarial (losses)/ gains to be recognised	15	(73)	20	(22)	(213)	(245)
D Actual return on plan assets:						
Expected return on plan assets	-	11	174	-	11	152
Actuarial (losses)/ gains on plan assets	-	-	-	-	-	-
Actual return on plan assets	-	11	174	-	11	152
E Amount recognised in the balance sheet:						
Liabilities/ (Assets) at the end of the year	298	2,808	3,783	264	2,440	2,995
Fair value of plan assets at the end of the year	-	(169)	(3,780)	-	(160)	(2,567)
Difference	298	2,639	3	264	2,280	428
Unrecognised past service cost	-	-	-	-	-	-
Liabilities/ (Assets) recognised in the Balance Sheet	298	2,639	3	264	2,280	428
F Expenses/ (Incomes) recognised in the Statement of Profit and Loss:						
Past service cost	9	173	419	-	-	-
Current service cost	21	369	360	21	332	301
Interest cost on benefit obligation	16	139	203	14	127	167
Expected return on plan assets	-	(11)	(174)	-	(11)	(152)
Return on plan assets excluding amounts included in interest income	-	2	-	-	2	-
Net actuarial (gains)/ losses in the year	(15)	73	-	22	213	-
Amount included in "Employee Benefits Expense"	22	572	389	57	663	316
Amount included in "Exceptional items" [Refer Note-46]	9	173	419	-	-	-
Return on plan assets excluding amounts included in interest income	-	-	-	-	-	13
Net actuarial (gains)/ losses in the year	-	-	(20)	-	-	245
Amounts recognized in OCI	-	-	(20)	-	-	258

Notes to the Standalone Financial Statements

Note: 20-Provisions: (Continued)

₹ in Million

		As at March 31					
		2026			2025		
		Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
G	Movement in net liabilities recognised in Balance Sheet:						
	Opening net liabilities	264	2,280	428	212	1,909	343
	Transfer in/ (out) obligations	3	7	51	-	(3)	10
	Expenses as above [P & L Charge]	31	745	808	57	663	316
	Employer's contribution	-	-	(1,264)	-	-	(499)
	Amount recognised in OCI	-	-	(20)	-	-	258
	Benefits Paid	-	(393)	-	(5)	(289)	-
	Liabilities/ [Assets] recognised in the Balance Sheet	298	2,639	3	264	2,280	428
H	Principal actuarial assumptions for defined benefit plan and long term employment benefit plan:						
	Discount rate	7.25%	7.25%	7.25%	6.65%	6.65%	6.65%
	[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post employment benefit obligations]						
	Annual increase in salary cost	12% for next 2 year, 9% thereafter			12% for next 2 year, 9% thereafter		
	[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market]						
	Withdrawal rates [p.a.]	40% at younger ages reducing to 1% at older ages			40% at younger ages reducing to 1% at older ages		
	[The estimates of level of attrition is based on broad economic outlook, type of sector the Company operates in and measures taken by the management to retain/ relieve the employees]						
I	The categories of plan assets (India) as a % of total plan assets are:						
	Insurance plan	0.00%	100.00%	99.60%	0.00%	100.00%	99.00%
	Bank Balance	0.00%	0.00%	0.40%	0.00%	0.00%	1.00%
	The expected contributions for Defined Benefit Plan for the next financial year will be ₹ 4 Million [Previous year: ₹ 325 Million].						
	The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 6.91 years [as at March 31, 2025: 6.94 years].						

Notes to the Standalone Financial Statements

Note: 20-Provisions: (Continued)

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumptions is shown below:

₹ in Million

Assumptions	Medical Leave		Leave Wages		Gratuity	
	As at March 31					
	2026	2025	2026	2025	2026	2025
Impact on obligation:						
Discount rate increase by 0.5%	(9)	(8)	(67)	(57)	(124)	(105)
Discount rate decrease by 0.5%	9	8	71	60	133	113
Annual salary cost increase by 0.5%	9	8	69	58	129	109
Annual salary cost decrease by 0.5%	(8)	(7)	(66)	(56)	(122)	(103)
Withdrawal rate increase by 10%	(10)	(10)	(36)	(39)	(32)	(33)
Withdrawal rate decrease by 10%	11	11	40	43	36	37

The following payments are expected contributions to the defined benefit plan and long term employment benefit in future years:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	1,193	1,068
Between 2 and 5 years	2,970	2,383
Between 6 and 10 years	2,657	2,037
Total expected payments	6,820	5,488

Notes to the Standalone Financial Statements

Note: 21-Deferred Tax:

A Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:

₹ in Million

	As at March 31 2024	Impact for the previous year	As at March 31, 2025	Impact for the current year	As at March 31, 2026
Deferred Tax Liabilities:					
Property, Plant and Equipment	2,218	1,135	3,353	(925)	2,428
Fair Value Adjustment - Financial Instruments	164	(104)	60	59	119
	2,382	1,031	3,413	(866)	2,547
Deferred Tax Assets:					
Employee benefits/ Payable to Statutory Authorities	798	461	1,259	(250)	1,009
Inventory and related items	55	43	98	(21)	77
Receivables	95	94	189	78	267
Capital losses yet to be set off	851	(440)	411	(17)	394
Total	1,799	158	1,957	(210)	1,747
Net Deferred Tax Liabilities	583	873	1,456	(656)	800

- B The Net Deferred Tax reversal of ₹ 656 Million [Previous Year charged of ₹ 873 Million] has been recognised in the Statement of Profit and Loss.
- C The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- D The Company has long term capital losses of ₹ 2,755 [as at March 31, 2025: 2,821] Million which are available for offset for eight years against future long term capital gains of the Company. These losses will expire in March 2032.
- E For the financial year ended March 31, 2026, the Company has computed the provision for income tax as per the option permitted under section 115BAA of the Income Tax Act, 1961. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2026 and re-measured its deferred tax assets and liabilities basis the rate prescribed in the said section. Hence, the tax expense for the year ended March 31, 2026 are not comparable [Refer Note-38].

Note: 22-Borrowings:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
From banks:		
Working Capital Loans [Secured] [*]	-	-
Working Capital Loans [Unsecured] [**]	4,743	8,700
From others [Secured] [***]	21,989	21,495
Current Maturities of Long Term Debt [Refer Note-18]	5,250	24,571
Total	31,982	54,766

Notes to the Standalone Financial Statements

Note: 22-Borrowings: (Continued)

[*] Working Capital Loans which are repayable on demand, are secured by hypothecation of inventories of all types, save and except stores and spares relating to plant and machineries (consumable stores and spares), including goods in transit, bills receivables and book debts (Refer Note-9 and 11). The value of such current assets is ₹ 106,727 [as at March 31, 2025: ₹ 101,139] Million. Quarterly statements, including revised statements, of current assets filed by the Company with bank are in agreement with the books of accounts.

[**] Packing Credit loans in Foreign Currency (PCFC) are payable during next six months. The outstanding amount of loans as at March 31, 2026 is ₹ 4,743 [as at March 31, 2025 Packing Credit loans in Rupees (PCRE): ₹ 8,700] Million.

[***] Loans from others of ₹ 21,989 [as at March 31, 2025: 21,495] Million are secured by Government Securities.

The interest rate on PCFC loan is SOFR plus a margin. The interest rates on ₹ loans are in the range of Treasury Bill Plus a margin and overnight interbank rate.

Note: 23-Trade Payables:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Dues to Micro and Small Enterprises [*]	870	321
Dues to other than Micro and Small Enterprises	13,855	11,995
Total	14,725	12,316
[*] Disclosure in respect of Micro and Small Enterprises:		
A Principal amount remaining unpaid to any supplier as at year end	870	321
B Interest due thereon	-	-
C Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year	16	9
D Amount of interest due and payable for the period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act	-	-
E Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
F Amount of further interest remaining due and payable in succeeding years	-	-

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises on the basis of information available with the Company.

Ageing of Trade Payables :

₹ in Million

Particulars	Not due	Outstanding from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2026						
Undisputed Micro and Small Enterprises (MSME)	694	170	5	1	-	870
Undisputed Others	8,372	4,165	535	120	663	13,855
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	9,066	4,335	540	121	663	14,725

Notes to the Standalone Financial Statements

Note: 23-Trade Payables: (Continued)

Ageing of Trade Payables :						₹ in Million
Particulars	Not due	Outstanding from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2025						
Undisputed MSME	153	167	1	-	-	321
Undisputed Others	6,626	4,535	216	202	416	11,995
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	6,779	4,702	217	202	416	12,316

Note: 24-Other Financial Liabilities:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	1,163	1,648
Accrued Expenses	1,329	2,354
Payable for Capital Goods	1,477	1,059
Unpaid Dividends (*)	43	36
Derivative Financial Liability	-	191
Bank overdraft	86	-
Total	4,098	5,288

(*) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note: 25-Other Current Liabilities:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Advances from Customers	599	547
Payable to Statutory Authorities	729	483
Deferred Revenue Liabilities	363	23
Others	162	34
Total	1,853	1,087

Notes to the Standalone Financial Statements

Note: 26-Provisions:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits [Refer Note-20]	362	629
Provision for claims for product expiry and return of goods [*]	994	550
Total	1,356	1,179
[*] Provision for claims for product expiry and return of goods:		
a Provision for product expiry claims and return of goods in respect of products sold during the year is made based on the management's estimates considering the estimated stock lying with retailers. The Company does not expect such claims to be reimbursed by any other party in future.		
b The movement in such provision is stated as under:		
i Carrying amount at the beginning of the year	550	413
ii Additional provision made during the year [Net]	444	137
iii Carrying amount at the end of the year	994	550

Note: 27-Current Tax Liabilities (Net):

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for Taxation [Net of advance payment of tax of ₹ 22,905 {as at March 31, 2025: ₹ 32,197} Million] [Refer Note-21 E]	1,903	3,864
Total	1,903	3,864

Note: 28-Contingent Liabilities and Commitments (to the extent not provided for):

₹ in Million

	As at March 31, 2026	As at March 31, 2025
A Contingent Liabilities:		
a Claims against the Company not acknowledged as debts	95	116
- Includes in respect of Amalgamated {*} Companies	1	2
b In respect of corporate guarantees given by the Company to wholly owned subsidiary companies	52,613	12,403
c Other money for which the company is contingently liable [**]:		
i In respect of the demands raised by the Goods and Service Tax, Central Excise, State Excise, Customs & Service Tax Authority	2,434	721
- Net of advance of	136	63

Notes to the Standalone Financial Statements

Note: 28-Contingent Liabilities and Commitments [to the extent not provided for]: (Continued)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
ii In respect of the demands raised by the Ministry of Chemicals & Fertilizers, Govt. of India under Drug Price Control Order, 1979/ 1995 for difference in actual price and price of respective bulk drug allowed while fixing the price of certain formulations and disputed by the Company, which the Company expects to succeed based on the legal advice	79	79
- Net of advance of	67	67
- Includes in respect of Amalgamated {*} Companies	5	5
iii In respect of Income Tax matters pending before appellate authorities which the Company expects to succeed, based on decisions of Tribunals/ Courts	24	589
- Net of advance of	19	272
iv In respect of Sales Tax matters pending before appellate authorities/ Court which the Company expects to succeed, based on decisions of Tribunals/ Courts	20	24
- Net of advance of	5	5
v Letters of Credit for Imports	34	11
vi The Company has imported certain capital equipment at concessional rate of custom duty under "Export Promotion of Capital Goods Scheme" of the Central Government. The Company has undertaken an incremental export obligation to the		
- extent of US \$ 11 [Previous Year: 8] Million		
- equivalent to approx. ₹ 1,066 [Previous Year: 675] Million		
to be fulfilled during a specified period as applicable from the date of imports. The unprovided liability towards custom duty payable thereon in respect of unfulfilled export obligations where the specified period to fulfil the obligation has not expired.	155	111
{*} represents contingent liabilities taken over by the Company under the Scheme of Arrangement and Amalgamation of Cadila Laboratories Limited and erstwhile Cadila Chemicals Limited, Cadila Antibiotics Limited, Cadila Exports Limited and Cadila Veterinary Private Limited with the Company w.e.f. June 1, 1995.		
{**} In most of the cases, the relevant authorities have raised demand or disallowed tax claims. The Company has preferred appeals and the outcome are awaited.		
B Legal proceedings:		
The Company and/or its subsidiaries operating from various jurisdictions are involved in various legal proceedings including product liabilities, employment claims, contracts and other legal and regulatory matters relating to the conduct of its business. Those litigations which involves both the subsidiary and the Company are taken up by the respective subsidiary. The Company and/ or its subsidiaries believe they have meritorious defences to such lawsuits.		
The Company does not expect any reimbursements in respect of the above contingent liabilities.		

Notes to the Standalone Financial Statements

Note: 28-Contingent Liabilities and Commitments [to the extent not provided for]: (Continued)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
C Commitments:		
a Estimated amount of contracts remaining to be executed on capital account and not provided for	5,932	3,623
- Net of advance of	1,086	734

Note: 29-Proposed Dividend:

The Board of Directors, at its meeting held on May 19, 2026, recommended the final dividend of ₹ 1/- per equity share of ₹ 1/- each.

The recommended dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

Note: 30-Revenue from Operations:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of Products	110,764	145,901
Other Operating Revenues:		
Production Linked Incentive income [*]	255	2,628
Export Incentives	885	842
Contract Manufacturing and Processing Income	581	702
Licence Fees	806	155
Miscellaneous Income	1,549	935
	4,076	5,262
Total	114,840	151,163
[*] The Company is eligible for claiming benefits under the Production Linked Incentive (PLI) Scheme of the Government of India. Based on the estimated claims to be submitted/ submitted by the Company, the Company has recognised the PLI income.		
Pursuant to Ind AS 115 "Revenue from Contracts with Customers" reconciliation of revenue recognised in the statement of profit and loss with the contracted price is under:		
Revenue as per contracted price	111,208	146,033
Less:		
Provision for Expiry and Sales Return	(420)	(117)
Discounts/ Price Reduction/ Rebates/ Other adjustments	(24)	(15)
	(444)	(132)
Revenue from contract with customers	110,764	145,901

The Company has recognised revenue of ₹ 547 Million [March 31, 2025 ₹ 553 Million] from the amounts included under advance received from customers at the beginning of the year.

Notes to the Standalone Financial Statements

Note: 31-Other Income:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Finance Income:		
Interest Income on Financial Assets measured at Amortised Cost	2,844	2,395
Interest Income on Debt Instruments	1,787	584
Interest Income on Others	31	248
Net Gain/ (Loss) on Fair Valuation of Swap Contract	383	(191)
(Loss) on valuation of Forward Contract value related to investment in a Joint Venture mandatorily measured at FVTPL	-	(60)
	5,045	2,976
Dividend Income:		
From Equity Investments designated as at FVTOCI	11	8
From Subsidiaries and Joint Ventures	11,033	3,004
	11,044	3,012
Net Gain on Financial Assets mandatorily measured at FVTPL	39	282
Net Gain on disposal of Property, Plant and Equipment and Intangible Assets (Net of loss of ₹ 192 {Previous year: ₹ 37} Million)	27	349
Other Non-operating Income	520	343
Total	16,675	6,962

Note: 32-Cost of Materials Consumed:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Raw Materials:		
Stock at commencement	8,314	6,949
Add: Purchases	28,857	23,609
	37,171	30,558
Less: Stock at close	8,442	8,314
	28,729	22,244
Packing Materials consumed	6,578	5,627
Total	35,307	27,871

Note: 33-Purchases of Stock-in-Trade:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Purchases of Stock-in-Trade	1,977	3,509
Total	1,977	3,509

Notes to the Standalone Financial Statements

Note: 34-Changes in Inventories of Work-in-progress, Finished goods and Stock-in-Trade:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Stock at commencement:		
Work-in-progress	4,722	4,198
Finished Goods	3,929	3,395
Stock-in-Trade	1,575	1,422
	10,226	9,015
Less: Stock at close:		
Work-in-progress	4,157	4,722
Finished Goods	6,192	3,929
Stock-in-Trade	1,393	1,575
	11,742	10,226
Total	(1,516)	(1,211)

Note: 35-Employee Benefits Expense:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	17,682	15,946
Contribution to provident and other funds [*]	1,127	896
Defined benefit plan expenses [Refer Note-20]	389	316
Staff welfare expenses	464	464
Total	19,662	17,622
Above expenses include:		
Research related expenses:		
Salaries and wages	3,137	2,786
Contribution to provident and other funds	299	241
Staff welfare expenses	44	56
Total	3,480	3,083
[*] The Company's contribution towards defined contribution plan	947	796
For specified class of employees, the Company has set up Employees' Provident Fund (EPF) Trust and for other class of employees the Company is making contribution to the respective Regional Provident Fund Commissioner under the Pension Scheme. The Company makes Provident Fund contributions to defined contribution plans for qualifying employees, as specified under the law.		

Notes to the Standalone Financial Statements

Note: 35-Employee Benefits Expense: (Continued)

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
For Company administered EPF Trust, the Company is liable for monthly contribution and any shortfall in the trust fund assets based on the government specified minimum rate of return. The Company recognises such contribution and shortfall, if any, as an expense in the year in which it is incurred. These administered rates are determined annually considering the social and economic factors. The asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations. The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. The Company has obtained a third party valuation report liabilities of the EPF trust. Based on the report, the Company is not required to provide for any shortfall to the Trust.		
The details of fund and plan assets position are given below:		
Plan asset	8,299	7,505
Present value of funded obligations	8,293	7,343
Funded status - Surplus	6	162
Irrecoverable surplus (effect of asset ceiling)	(6)	(162)
Net defined benefit asset/ (liability)	-	-
Principal actuarial assumptions:		
Discount rate	7.25%	6.65%
Expected rate of return	7.50%	7.50%
Guaranteed rate of return	8.25%	8.25%

Note: 36-Finance Cost:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense [*]	4,803	4,613
Other finance cost	26	26
Total	4,829	4,639
[*] The break up of interest expense into major heads is given below:		
On loans from related parties [Refer Note-41]	3,228	3,920
On short term loans	1,515	376
On lease liabilities	4	4
On others	56	313
Total	4,803	4,613

Notes to the Standalone Financial Statements

Note: 37-Other Expenses:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Research Materials	3,088	1,823
Analytical Expenses	2,007	1,463
Consumption of Stores and spare parts	2,915	2,637
Power & fuel	3,056	2,862
Rent	27	19
Repairs to Buildings	228	223
Repairs to Plant and Machinery	959	956
Repairs to Others	361	301
Insurance	702	597
Rates and Taxes (excluding taxes on income)	71	35
Processing Charges	404	280
Commission to Directors	20	22
Traveling Expenses	1,323	974
Legal and Professional Fees (*)	2,155	2,051
Commission on sales	598	735
Freight and forwarding on sales	2,854	3,016
Representative Allowances	149	114
Other marketing expenses	2,331	1,898
Allowances of credit losses:		
Trade receivables written off	1	5
Expected credit loss	504	233
	505	238
Allowances for Doubtful Advances:		
Doubtful advances written off	-	144
Allowances for credit impaired	19	8
	19	152
Directors' fees	6	10
Donations	8	37
Product Development Expenses	1,354	1,400
Corporate Social Responsibility (CSR) Expenses (#)	835	434
Other Research and Development Expenses	1,345	2,121
Miscellaneous Expenses	5,123	3,707
Total	32,443	28,105

Notes to the Standalone Financial Statements

Note: 37-Other Expenses: (Continued)

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Above expenses include Research related expenses as follows:		
Research Materials	3,088	1,823
Analytical expenses	2,007	1,045
Consumption of Stores and spare parts	456	347
Power & Fuel	157	164
Repairs to Buildings	31	16
Repairs to Plant and Machinery	112	121
Repairs to Others	11	13
Insurance	22	8
Traveling Expenses	58	45
Legal and Professional fees	1,374	488
Product Development Expenses	1,354	1,400
Net Loss on disposal of Property, Plant and Equipment	1	1
Other Research and Development Expenses (excluding Depreciation of ₹ 483 {Previous Year: ₹ 425} Million)	1,345	2,121
Total	10,016	7,592
Research related Net Loss on foreign currency transactions and translation	-	29
[*] Legal and Professional Fees include:		
Payment to the Statutory Auditors (excluding GST):		
i - As Auditor	25	18
- For Other Services	3	4
- Reimbursement of expenses	1	1
- Total	29	23
ii Cost Auditor's Remuneration including fees for other services (excluding GST)	1	1
[#] Expenditure on CSR Activities as required u/s 135 of the Companies Act, 2013:	835	434
Particulars with regard to CSR activities :		
1 Amount required to be spent during the year as per section 135(5)	835	434
2 Amount spent on:		
A Construction/ acquisition of asset	-	-
B Purposes other than (A) above	101	640
3 Amount of excess CSR spent of earlier years utilized for the financial year	287	81
4 [Shortfall]/ [Unspent] / Excess at the end of the financial year	(447)	287
5 Amount available for set off in succeeding financial year	-	287
6 Total of previous years shortfall	-	-
7 Reasons for shortfall	Pertains to ongoing projects	N.A.

Notes to the Standalone Financial Statements

Note: 37-Other Expenses: (Continued)

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
8 Nature of CSR Activities:		
A Healthcare	8	587
B Education	8	18
C Skill development	-	3
D Research	4	4
E Environment sustainability	81	28
9 Details of Related Parties:		
A Contribution to Zydus Foundation	462	552

The unspent amount has been transferred to special bank account u/s 135 (6) of the Companies Act, 2013 within stipulated timeline.

Note: 38-Tax Expenses:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
The major components of income tax expense are:		
A Statement of profit and loss:		
Profit or loss section:		
Current income tax:		
Current income tax charge	8,759	15,130
Adjustments in respect of current income tax of previous years	239	695
	8,998	15,825
Deferred tax:		
Relating to origination and reversal of temporary differences	(777)	873
Tax expense reported in profit or loss	8,221	16,698
OCI Section:		
Tax related to items recognised in OCI during in the year:		
Tax [charged]/ credit to OCI	(121)	52
B Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate:		
Profit before tax	43,819	74,447
Enacted Tax Rate in India (%) [Refer Note-21 E]	25.17%	34.94%
Expected Tax Expenses	11,029	26,015
Adjustments for:		
Tax effect of income which do not form part of total income under Section 10 AA of Income Tax Act, 1961	-	(10,029)
Effect of deferred tax [liabilities]/ assets recognised of earlier years	(189)	260
Effect of different tax rates	(88)	-
Effect of non-deductible expenses	541	401
Effect of additional deductions in taxable income	(2,791)	(1,075)
Effect of remeasurement of opening balances of deferred tax assets and liabilities due to rate change [Refer Note-21 E]	(515)	464
Effect of current income tax of previous years	239	695
Others	(5)	(33)
Total	(2,808)	(9,317)
Tax Expenses as per Statement of profit and loss	8,221	16,698

Notes to the Standalone Financial Statements

Note: 39-Calculation of Earnings per Equity Share (EPS):

The numerators and denominators used to calculate the basic and diluted EPS are as follows:

			Year ended March 31, 2026	Year ended March 31, 2025
A	Profit attributable to Shareholders	₹ in Million	35,598	57,749
B	Basic and weighted average number of Equity shares outstanding during the year	Numbers	1,006,233,990	1,006,233,990
C	Nominal value of equity share	₹	1	1
D	Basic & Diluted EPS	₹	35.38	57.39

Note: 40-Segment Information:

Segment Information has been disclosed in the Consolidated Financial Statements of the Company. Hence, as per Ind AS-108 "Operating Segments", no separate disclosure on segment information is presented in these standalone financial statements.

Note: 41-Related Party Transactions:

A Name of the Related Parties and Nature of the Related Party Relationship:		
a	Entity having control over the Company: Zydus Family Trust (Holding 74.96 % in the Company)	
b	Subsidiary Companies/ entities:	
	Zydus Healthcare Limited	Zydus Pharmaceuticals (USA) Inc. [ZPUI] [USA]
	German Remedies Pharmaceuticals Private Limited	Nesher Pharmaceuticals (USA) LLC [USA] [Merged with ZPUI w.e.f. October 25, 2024]
	Zydus Wellness Limited	ZyVet Animal Health Inc. [USA]
	Zydus Wellness Products Limited	Zydus Healthcare (USA) LLC [USA]
	Liva Nutritions Limited	Sentynl Therapeutics Inc. [USA]
	Liva Investment Limited (upto August 20, 2025)	Viona Pharmaceuticals Inc. [USA]
	Zydus Animal Health and Investments Limited [ZAHIL]	Zydus Therapeutics Inc. [USA]
	Dialforhealth Unity Limited	Zynext Ventures USA LLC [USA]
	Dialforhealth Greencross Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
	Violio Healthcare Limited	Alidac Pharmaceuticals SA Pty. Ltd. [South Africa]
	Zydus Pharmaceuticals Limited	Script Management Services (Pty) Ltd [South Africa]
	Biochem Pharmaceutical Private Limited	Zydus Wellness (BD) Pvt Ltd [Bangladesh]
	Zydus Strategic Investments Limited	Zydus Pharmaceuticals Mexico SA De C.V. [Mexico]
	Zydus VTEC Limited	Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
	LM Manufacturing India Private Limited	Zydus Worldwide DMCC [UAE]
	M/s. Recon Pharmaceuticals and Investments, a Partnership Firm	Zydus Wellness International DMCC [UAE]
	Zydus Medtech Private Limited (w.e.f. May 31, 2024)	Zydus Lifesciences Global FZE [UAE]
	Naturell (India) Private Limited (w.e.f. December 2, 2024, under liquidation)	Zydus Pharmaceuticals (Canada) Inc. [Canada]
	Zydus International Private Limited [Ireland]	Zydus Pharmaceuticals UK Limited [UK]
	Zydus Netherlands B.V. [the Netherlands]	LM Manufacturing Limited [UK]
	Zydus Lanka (Private) Limited [Sri Lanka]	Medsolutions (Europe) Limited [UK]

Notes to the Standalone Financial Statements

Note: 41-Related Party Transactions: (Continued)

Zydus Nikkho Farmaceutica Ltda. [Brazil]	LiqMeds Worldwide Limited [UK]
Alidac Healthcare (Myanmar) Limited [Myanmar]	LiqMeds Limited [UK]
Zydus Healthcare Philippines Inc. [Philippines]	LiqMeds Lifecare Limited [UK] [LiqMed]
Zynext Ventures PTE. LTD. [Singapore]	Naturell Inc. [USA] [w.e.f. December 2, 2024]
Zydus France, SAS [France]	Amplitude Nord SAS [France] [w.e.f. July 29, 2025]
Laboratorios Combix S.L. [Spain]	Ortho Santé (Amplitude Ouest) [France] [w.e.f. July 29, 2025]
Etna Biotech S.R.L. [Italy] [Under Liquidation]	Amplitude Benelux [Belgium] [w.e.f. July 29, 2025]
Zylidac Bio LLC [USA] [w.e.f. July 11, 2025]	Amplitude Suisse SA [Switzerland] [w.e.f. July 29, 2025]
Zydus MedTech (France) SAS [France] [w.e.f. April 10, 2025]	Amplitude GmbH [Germany] [w.e.f. July 29, 2025]
Amplitude Surgical SAS [France] [w.e.f. July 29, 2025]	Amplitude New Zealand Limited [New Zealand] [w.e.f. July 29, 2025]
Amplitude Orthopedics Corporation [USA] [w.e.f. July 29, 2025]	Auroralux [Luxemburg] [w.e.f. July 29, 2025 till December 31, 2025]
Amplitude Australia Pty Ltd [Australia] [w.e.f. July 29, 2025]	Ampliman 1 [France] [w.e.f. July 29, 2025 till January 16, 2026]
Amplitude South Africa Pty Ltd [South Africa] [w.e.f. July 29, 2025]	Ampliman 2 [France] [w.e.f. July 29, 2025 till January 9, 2026]
Amplitude Latin America SA [Brazil] [w.e.f. July 29, 2025]	Mediconseil [w.e.f. December 19, 2025]
Amplitude SAS [France] [w.e.f. July 29, 2025]	Alidac UK Limited [w.e.f. August 5, 2025]
SCI Les Tilleuls [France] [w.e.f. July 29, 2025]	Comfort Click Limited [UK] [w.e.f. August 29, 2025]
SCI SOFAB FALLA [France] [w.e.f. July 29, 2025]	Comfort Click Limited [Ireland] [w.e.f. August 29, 2025]
Amplitude Ile de France [France] [w.e.f. July 29, 2025]	Comfort Click LLC [USA] [w.e.f. August 29, 2025]
Duotech Amplitude SAS [France] [w.e.f. July 29, 2025]	Comfort Click Softech Pvt. Ltd. [w.e.f. August 29, 2025]
Amplitude Sud SAS [France] [w.e.f. July 29, 2025]	
c Joint Venture Companies: [JV]	
Zydus Hospira Oncology Private Limited	Bayer Zydus Pharma Private Limited [Upto May 2, 2024]
Zydus Takeda Healthcare Private Limited	Oncosol Limited [JV of LiqMed]
Sterling Biotech Limited [w.e.f. August 29, 2024] [JV of ZAHIL]	
d Key Managerial Personnel [KMP]:	
Mr. Pankaj R. Patel	Non-Executive Chairman
Dr. Sharvil P. Patel	Managing Director & son of Chairman
Mr. Ganesh N. Nayak	Director
Mr. Mukesh M. Patel	Non-Executive Director
Mr. Apurva S. Diwanji	Independent Director
Mr. Nitin R. Desai	Independent Director [upto August 9, 2024]
Ms. Dharmishtaben N. Raval	Independent Director [upto August 9, 2024]
Mr. Bhadresh K. Shah	Independent Director

Notes to the Standalone Financial Statements

Note: 41-Related Party Transactions: [Continued]

Mr. Akhil Monappa	Independent Director
Ms. Upasana Konidela	Independent Director
Ms. Shelina Parikh	Independent Director[w.e.f. May 17, 2024]
Mr. Nitin D. Parekh	Executive Officer [Chief Financial Officer] [upto August 31, 2025]
Mr. Tushar D. Shroff	Executive Officer [Chief Financial Officer] [w.e.f. September 1, 2025]
Mr. Dhaval N. Soni	Executive Officer [Company Secretary]
e Enterprises significantly influenced by KMP and/or their relatives with whom transactions have taken place:	
Cadmach Machinery Company Private Limited	Mukesh M. Patel & Co.
Zydus Hospitals and Healthcare Research Private Limited	M/s. International Tax and Investments Consultants
Aleta Hospitals LLP	TUV India Private Limited
Zydus Infrastructure Private Limited	Apollo Healthco Limited
Vitely Corp Private Limited [Formerly known as Vitely Bio LLP]	Zydus Foundation
Oneiro Chemicals Private Limited	
f Post Employment Benefits Plans with whom transactions have taken place:	
Cadila Healthcare Limited Employees Group Gratuity Scheme	Cadila Healthcare Limited Managerial Cadre EPF

B Transactions with Related Parties:

a Details relating to parties referred to in Note-41-A [b, c & e]

Nature of Transactions	Value of the Transactions (₹ in Million)					
	Subsidiary Companies		Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	Year ended March 31					
	2026	2025	2026	2025	2026	2025
Purchases:						
Goods:						
Zydus Pharmaceuticals Limited	1,179	66	-	-	-	-
Oneiro Chemicals Private Limited	-	-	-	-	729	717
Others	333	253	72	61	9	14
Total	1,512	319	72	61	738	731
Property, Plant and Equipment and intangible assets:						
Zydus VTEC Limited	31	192	-	-	-	-
Cadmach Machinery Company Private Limited	-	-	-	-	20	13
Others	1	60	-	-	-	-
Total	32	252	-	-	20	13

Notes to the Standalone Financial Statements

Note: 41-Related Party Transactions: (Continued)

Nature of Transactions	Value of the Transactions (₹ in Million)					
	Subsidiary Companies		Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	Year ended March 31					
	2026	2025	2026	2025	2026	2025
Reimbursement of Expenses paid:						
Zydus Pharmaceuticals (USA) Inc.	1,886	805	-	-	-	-
Laboratories Combix S.L.	285	146	-	-	-	-
Others	661	457	3	57	-	-
Total	2,832	1,408	3	57	-	-
Services:						
Zydus Pharmaceuticals Limited	733	1,348	-	-	-	-
Zylidac Bio LLC	516	-	-	-	-	-
Zydus Infrastructure Private Limited	-	-	-	-	107	101
Others	74	67	-	-	46	42
Total	1,323	1,415	-	-	153	143
Sales:						
Goods:						
Zydus Pharmaceuticals (USA) Inc.	56,731	101,598	-	-	-	-
Others	16,521	12,795	172	37	27	30
Total	73,252	114,393	172	37	27	30
Property, Plant and Equipment and intangible assets:						
Zydus Animal Health and Investments Limited	-	15	-	-	-	-
Zydus Healthcare Limited	-	3	-	-	-	-
Others	-	1	-	-	-	-
Total	-	19	-	-	-	-
Reimbursement of Expenses Recovered:						
Zydus Lifesciences Global FZE	305	428	-	-	-	-
Zydus Animal Health and Investments Limited	112	129	-	-	-	-
Others	48	36	9	11	-	-
Total	465	593	9	11	-	-
Services:						
Zydus Healthcare Limited	619	442	-	-	-	-
Zydus Lifesciences Global FZE	237	115	-	-	-	-
Zydus MedTech (France) SAS	143	-	-	-	-	-
Others	315	289	-	-	2	3
Total	1,314	846	-	-	2	3

Notes to the Standalone Financial Statements

Note: 41-Related Party Transactions: [Continued]

Nature of Transactions	Value of the Transactions (₹ in Million)					
	Subsidiary Companies		Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	Year ended March 31					
	2026	2025	2026	2025	2026	2025
Contribution for CSR:						
Zydus Foundation	-	-	-	-	462	552
Capital Advances:						
Sterling Biotech Limited	-	-	250	-	-	-
Investments:						
Investments made:						
Zydus Pharmaceuticals Limited	2,300	1,000	-	-	-	-
Zynext Ventures PTE. LTD.	1,353	775	-	-	-	-
Others	430	1,479	-	-	-	-
Total	4,083	3,254	-	-	-	-
Investments redemption:						
Zydus Animal Health and Investments Limited	1,500	3,600	-	-	-	-
German Remedies Pharmaceuticals Private Limited	633	-	-	-	-	-
Others	-	-	-	60	-	-
Total	2,133	3,600	-	60	-	-
Dividend Received:						
Zydus Healthcare Limited	9,987	2,821	-	-	-	-
Others	296	183	750	-	-	-
Total	10,283	3,004	750	-	-	-
Finance:						
Inter Corporate Loans given:						
Zydus Pharmaceuticals UK Limited	2,138	211	-	-	-	-
Zydus Pharmaceuticals Limited	1,481	-	-	-	-	-
Zydus Lifesciences Global FZE	1,292	1,745	-	-	-	-
Others	-	8,828	-	-	-	-
Total	4,911	10,784	-	-	-	-
Inter Corporate Loans repaid by:						
Zydus Worldwide DMCC	5,831	1,742	-	-	-	-
Zydus Pharmaceuticals UK Limited	884	-	-	-	-	-
Zydus International Private Limited	747	-	-	-	-	-
Others	4	4,623	-	-	-	-
Total	7,466	6,365	-	-	-	-

Notes to the Standalone Financial Statements

Note: 41-Related Party Transactions: (Continued)

Nature of Transactions	Value of the Transactions (₹ in Million)					
	Subsidiary Companies		Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	Year ended March 31					
	2026	2025	2026	2025	2026	2025
Inter Corporate Loans accepted:						
Zydus Healthcare Limited	19,949	10,566	-	-	-	-
Zydus Animal Health and Investments Limited	11,391	-	-	-	-	-
Others	1,000	-	-	-	-	-
Total	32,340	10,566	-	-	-	-
Inter Corporate Loans repaid to:						
Zydus Healthcare Limited	22,746	2,282	-	-	-	-
Zydus Animal Health and Investments Limited	13,606	10,646	-	-	-	-
Others	1,600	-	-	-	-	-
Total	37,952	12,928	-	-	-	-
Interest Income:						
Sentynl Therapeutics Inc	622	406	-	-	-	-
Zydus International Private Limited	590	703	-	-	-	-
Zydus Pharmaceuticals (USA) Inc.	451	647	-	-	-	-
Others	456	533	-	1	-	-
Total	2,119	2,289	-	1	-	-
Interest Expense:						
Zydus Healthcare Limited	2,493	2,693	-	-	-	-
Zydus Animal Health and Investments Limited	669	1,146	-	-	-	-
Others	66	81	-	-	-	-
Total	3,228	3,920	-	-	-	-

Notes to the Standalone Financial Statements

Note: 41-Related Party Transactions: [Continued]

Nature of Transactions	Value of the Transactions (₹ in Million)					
	Subsidiary Companies		Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	As at March 31					
	2026	2025	2026	2025	2026	2025
Outstanding: (*)						
Payable:						
Zydus Healthcare Limited	39,244	42,347	-	-	-	-
Zydus Animal Health and Investments Limited	9,077	11,451	-	-	-	-
Others	3,421	3,367	17	9	98	125
Total	51,742	57,165	17	9	98	125
Receivable:						
Zydus Pharmaceuticals (USA) Inc.	69,518	71,166	-	-	-	-
Zydus International Private Limited	12,947	12,582	-	-	-	-
Others	36,427	32,764	80	1	9	7
Total	118,892	116,512	80	1	9	7

(*) The outstanding amounts include loans, trade payables and trade receivables.

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
b Details relating to persons referred to in Note-41-A (a) above:		
(i) Dividend paid	8,297	2,263
c Details relating to persons referred to in Note-41-A (d) above:		
(i) Salaries and other employee benefits to Managing Director, Executive Director and other executive officers	560	602
(ii) Commission and Sitting Fees	26	32
(iii) Outstanding payable to above (i) and (ii)	288	300
d Corporate guarantees given by the Company [Refer Note-42]		
e Details relating to persons referred to in Note-41-A (f) above:		
(i) Contributions (including Employee's share and contribution)	1,888	1,045

Notes to the Standalone Financial Statements

Note: 42-Details of Loans given, Investments made and Guarantees given covered u/s 186(4) of the Companies Act, 2013:

A Details of loans and investments are given under the respective heads.

B Corporate guarantees given by the Company (#):

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Subsidiary Companies:		
a Zydu Pharmaceuticals UK Limited	11,320	12,403
b Zydu MedTech (France) SAS	41,293	-
Total	52,613	12,403

(#) Corporate guarantees which are outstanding at the end of the financial year are given for business purpose.

Note: 43-Financial Instruments:

A Fair values hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data relying as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data.

B Financial assets and liabilities measured at fair value - recurring fair value measurements:

₹ in Million

	As at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial Assets at FVTPL:				
Bonds	1,248	-	-	1,248
Mutual funds	686	-	-	686
Government Securities	23,709	-	-	23,709
Derivative Financial Asset	-	238	-	238
Financial Investments at FVTOCI:				
Quoted equity instruments	1,248	-	-	1,248
Unquoted equity instruments	-	-	131	131
Total financial assets	26,891	238	131	27,260
Total financial liabilities	-	-	-	-

Notes to the Standalone Financial Statements

Note: 43-Financial Instruments: (Continued)

₹ in Million

	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial Assets at FVTPL:				
Bonds	2,374	-	-	2,374
Mutual funds	70	-	-	70
Government Securities	23,814	-	-	23,814
Derivative Financial Asset	-	178	-	178
Financial Investments at FVTOCI:				
Quoted equity instruments	859	-	-	859
Unquoted equity instruments	-	-	22	22
Total financial assets	27,117	178	22	27,317
Financial liabilities:				
Financial liabilities at FVTPL:				
Derivative Financial Liability	-	191	-	191
Total financial liabilities	-	191	-	191

C Fair value of instruments measured at amortised cost:

Financial Assets:

The carrying amounts of trade receivables, loans and advances to related parties, other financial assets, cash and cash equivalents, investment in preference shares, commercial papers, bonds and debentures are considered to be the approximately equal to the fair values.

Financial Liabilities:

Fair values of borrowings, other financial liabilities and trade payables are considered to be approximately equal to the carrying values.

D Valuation process and technique used to determine fair value:

Specific valuation techniques used to value financial instruments include the use of quoted market prices for similar instruments. The valuation has been derived using the Present Value technique under Income Approach.

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management:

A Financial instruments by category:

₹ in Million

	As at March 31, 2026			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets:				
Investments:				
Equity instruments (other than investment in Equity of Subsidiaries and Joint Ventures]	-	1,379	-	1,379
Preference shares	-	-	9	9
Mutual funds	686	-	-	686
Commercial Papers	-	-	17,576	17,576
Government Securities	23,709	-	-	23,709
Bonds	1,248	-	79	1,327
Debentures	-	-	28	28
Non Current Loans	-	-	43,299	43,299
Non Current Other Financial Assets	-	-	127	127
Trade receivables	-	-	84,949	84,949
Cash and Cash Equivalents	-	-	7,342	7,342
Current Loans	-	-	308	308
Derivative Financial Asset	238	-	-	238
Other Current Financial Assets (other than Receivables for Forward Contract]	-	-	394	394
Total	25,881	1,379	154,111	181,371
Financial liabilities:				
Borrowings (including current maturities and interest accrued but not due]	-	-	75,474	75,474
Trade payables	-	-	14,725	14,725
Lease liabilities	-	-	112	112
Non Current Other Financial Liabilities	-	-	320	320
Payable for Capital Goods	-	-	1,477	1,477
Other Current Financial Liabilities	-	-	1,458	1,458
Total	-	-	93,566	93,566

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management: (Continued)

₹ in Million

	As at March 31, 2025			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets:				
Investments:				
Equity instruments [other than investment in Equity of Subsidiaries and Joint Ventures]	-	881	-	881
Preference shares	-	-	9	9
Mutual funds	70	-	-	70
Commercial Papers	-	-	10,721	10,721
Certificate of Deposits	-	-	5,749	5,749
Inter Corporate Deposits	-	-	2,011	2,011
Government Securities	23,814	-	-	23,814
Bonds	2,374	-	75	2,449
Debentures	-	-	27	27
Non Current Loans	-	-	41,190	41,190
Non Current Other Financial Assets	-	-	152	152
Trade receivables	-	-	81,618	81,618
Cash and Cash Equivalents	-	-	1,441	1,441
Current Loans	-	-	1,251	1,251
Derivative Financial Asset	178	-	-	178
Other Current Financial Assets [other than Receivables for Forward Contract]	-	-	3,969	3,969
Total	26,436	881	148,213	175,530
Financial liabilities:				
Borrowings [including current maturities and interest accrued but not due]	-	-	85,035	85,035
Trade payables	-	-	12,316	12,316
Lease liabilities	-	-	35	35
Non Current Other Financial Liabilities	-	-	287	287
Payable for Capital Goods	-	-	1,059	1,059
Derivative Financial Liability	191	-	-	191
Other Current Financial Liabilities	-	-	2,390	2,390
Total	191	-	101,122	101,313

Financial Assets:

The carrying amounts of trade receivables, loans and advances to related parties, other financial assets, cash and cash equivalents, investment in preference shares, commercial papers, bonds and debentures are considered to be the approximately equal to the fair values.

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management: (Continued)

Financial Liabilities:

Fair values of borrowings, other financial liabilities and trade payables are considered to be approximately equal to the carrying values.

B Risk Management:

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the standalone financial statements.

The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

a Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle its obligations as agreed. The Company is exposed to credit risk from investment measured at amortised cost, loans and advances to related parties, trade receivables, bank deposits and other financial assets. The Company periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual customer limits are set accordingly.

- i Investments at Amortised Cost : The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any significant losses from non-performance by these counterparties and does not have any significant concentration of exposures.
- ii Bank deposits : The Company maintains its Cash and cash equivalents and Bank deposits with reputed and highly rated banks. Hence, there is no significant credit risk on such deposits.
- iii Loans to related parties : They are given for business purposes. The Company reassesses the recoverability of loans periodically. Interest recoveries from these loans are regular and there is no event of defaults.
- iv Trade Receivables: The Company trades with recognized and credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to credit losses is not significant.

There are no significant credit risks with related parties of the Company. The Company is exposed to credit risk in the event of non-payment by customers. Credit risk concentration with respect to trade receivables is mitigated by the Company's large customer base. Adequate expected credit losses are recognized as per the assessments. No single third party customer contributes to more than 10% of outstanding accounts receivable (excluding outstanding from subsidiaries) as at March 31, 2026 and March 31, 2025.

The Company has used lifetime expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers. Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experience and is adjusted for forward looking information. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables.

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management: (Continued)

Financial assets for which loss allowances is measured using the expected credit loss:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Trade Receivables:		
Less than 180 days (including not due)	81,523	79,402
180 - 365 days	3,314	1,499
Above 365 days	1,094	1,195
Total	85,931	82,096
Movement in the expected credit loss allowance on trade receivables:		
Balance at the beginning of the year	478	245
Addition	504	233
Balance at the end of the year	982	478

Set out below is the information about the credit risk exposure of the Company's trade receivables using provision matrix:

Trade Receivables	ECL Rate		₹ in Million			
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026		As at March 31, 2025	
			Receivable	ECL Value	Receivable	ECL Value
Upto 360 days	0.15% - 5.09%	0.05% - 4.65%	84,714	496	80,929	141
361 to 720 days	9.17% - 35.46%	8.41% - 33.41%	756	82	890	104
Above 720 days	47.66% - 100.00%	38.39% - 100.00%	461	404	277	233
Total			85,931	982	82,096	478

Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

b Liquidity risk:

- Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.
- Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which it operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities:

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management: (Continued)

₹ in Million

	< 1 year	1-2 year	2-3 year	> 3 years	Total
As at March 31, 2026					
Non-derivatives Financial Liabilities:					
Borrowings (including current maturities and interest)	34,364	2,223	7,219	39,612	83,418
Other non current financial liabilities	-	-	-	320	320
Trade payables	14,725	-	-	-	14,725
Accrued Expenses	1,329	-	-	-	1,329
Payable for Capital Goods	1,477	-	-	-	1,477
Lease liabilities	9	9	10	84	112
Other Current Financial Liabilities	43	-	-	-	43
	51,947	2,232	7,229	40,016	101,424
Corporate Guarantees	45,673	6,940	-	-	52,613
Total	97,620	9,172	7,229	40,016	154,037

	< 1 year	1-2 year	2-3 year	> 3 years	Total
As at March 31, 2025					
Non-derivatives Financial Liabilities:					
Borrowings (including current maturities and interest)	57,708	16,669	870	14,284	89,531
Other non current financial liabilities	-	-	-	287	287
Trade payables	12,316	-	-	-	12,316
Accrued Expenses	2,354	-	-	-	2,354
Payable for Capital Goods	1,059	-	-	-	1,059
Lease liabilities	14	14	3	4	35
Other Current Financial Liabilities	36	-	-	-	36
	73,487	16,683	873	14,575	105,618
Corporate Guarantees	2,974	5,442	3,987	-	12,403
Total	76,461	22,125	4,860	14,575	118,021

c Foreign currency risk:

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar.

Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company's operations in foreign currency creates natural foreign currency hedge.

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management: (Continued)

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹-Million, are as follows:

₹ in Million

	Exposure of USD	
	2026	2025
Financial assets:		
Trade and other receivable	75,045	76,206
Cash and Cash equivalents	1,909	654
Investment in quoted equity instruments	676	137
Loans to Related Parties alongwith interest	40,516	42,207
Total exposure to foreign currency risk (assets)	118,146	119,204
Financial liabilities:		
Foreign currency loan alongwith interest	4,745	-
Trade and other payable	5,527	3,840
Total exposure to foreign currency risk (liabilities)	10,272	3,840
Net exposure to foreign currency risk	107,874	115,364

₹ in Million

	Exposure of Other Foreign Currencies	
	2026	2025
Financial assets:		
Trade and other receivable	3,288	2,051
Cash and Cash equivalents	39	89
Loans to Related Parties alongwith interest	1,592	228
Total exposure to foreign currency risk (assets)	4,919	2,368
Financial liabilities:		
Trade and other payable	1,308	1,471
Total exposure to foreign currency risk (liabilities)	1,308	1,471
Net exposure to foreign currency risk	3,611	897

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management: (Continued)

Sensitivity *:

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

₹ in Million

Currency	As at March 31, 2026			As at March 31, 2025		
	Movement in Rate	Impact on PAT (*)	Impact on OCI (*)	Movement in Rate	Impact on PAT (*)	Impact on OCI (*)
USD	11.00%	8,824	74	2.50%	1,874	3
USD	-11.00%	(8,824)	(74)	-2.50%	(1,874)	(3)
Others	20.00%	540	-	4.00%	23	-
Others	-20.00%	(540)	-	-4.00%	(23)	-

* Holding all other variables constant.

d Interest rate risk:

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. As at March 31, 2026, the Company is exposed to changes in market interest rates through borrowings at variable interest rates. The Company's investments in fixed deposits, commercial papers, certificate of deposits, inter corporate deposits, bonds and debentures are at fixed interest rates.

Sensitivity *:

Below is the sensitivity of profit or loss and equity to changes in interest rates:

₹ in Million

	Movement in Rate	As at March 31, 2026	As at March 31, 2025
Interest rates	+0.50%	(196)	(201)
Interest rates	-0.50%	196	201

* Holding all other variables constant

e Price risk:

Exposure:

The Company's exposure to price risk arises from investments in Equity, Mutual Funds, Bonds, Government Securities held by the Company and classified in the balance sheet as fair value through OCI and at fair value through profit or loss respectively. To manage its price risk arising from these investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Notes to the Standalone Financial Statements

Note: 44-Financial Risk Management: (Continued)

Sensitivity *:

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the period.

₹ in Million

	Movement in Rate	As at March 31, 2026		As at March 31, 2025	
		Impact on PAT	Impact on OCI	Impact on PAT	Impact on OCI
Equity Instruments (Quoted)					
Increase	+10.00%	-	125	-	86
Decrease	-10.00%	-	(125)	-	(86)
Mutual Funds (Unquoted)					
Increase	+2.00%	14	-	1	-
Decrease	-2.00%	(14)	-	(1)	-
Bonds (Quoted)					
Increase	+2.00%	25	-	47	-
Decrease	-2.00%	(25)	-	(47)	-
Government Securities (Quoted)					
Increase	+2.00%	474	-	476	-
Decrease	-2.00%	(474)	-	(476)	-

* Holding all other variables constant

Note: 45-Capital Management:

The Company's capital management objectives are:

- To ensure the Company's ability to continue as a going concern
- To provide an adequate return to shareholders
- To maintain an optimal capital structure to reduce the cost of capital.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Gross debts	74,311	83,387
Total equity	236,717	211,901
Gross debt to equity ratio (No. of times)	0.31	0.39

Loan covenants:

For the debt outstanding as at March 31, 2026 the Company is not liable to fulfill any financial covenant.

Notes to the Standalone Financial Statements

Note: 46-Exceptional Items:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
1 One time impact of New Labour Codes [*]	601	-
2 Impairment of investments [Refer Note-4 (1)]	1,068	-
3 Total	1,669	-

[*] Effective November 21, 2025, the Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the "New Labour Codes". The Company has assessed the financial implications of these changes, which has resulted in one time increase in gratuity and leave encashment liability mainly on account of past service cost by ₹ 601 Million. Such increase is primarily arising due to change in the definition of "wages" for employees and contract labours.

The Company continues to monitor the developments pertaining to the New Labour Codes and the impact, if any, will be accounted in accordance with applicable accounting standards.

Note: 47-Leases:

Lessee:

A Relating to statement of financial position:

- Under Ind AS 116, the Company recognises right to use assets and lease liabilities for most leases. Right of use assets are part of standalone financial statement captions "Property plant and equipment". Depreciation and impairment are similar to measurement of owned assets. Lease liabilities are part of financial statement captions "non-current financial liabilities" and "current financial liabilities". Interest is part of standalone financial statement captions "Finance costs".

₹ in Million

Right of use assets	Land	Buildings	Total
As at April 1, 2024	447	43	490
Additions during the year	35	-	35
Depreciation charge for the year	6	14	20
Adjustments during the year	-	-	-
Balance as at March 31, 2025 (Net)	476	29	505
Additions during the year	-	91	91
Depreciation charge for the year	6	14	20
Adjustments during the year	-	-	-
Balance as at March 31, 2026 (Net)	470	106	576

The Company leases assets which include office buildings and warehouse spaces.

Notes to the Standalone Financial Statements

Note: 47-Leases: [Continued]

2 Movement in lease liabilities:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Lease liability at the beginning of the year	35	48
Recognition of right-of-use liability during the year	91	-
Interest on Lease	4	4
Deletion/ Redemption	-	-
Payment towards lease liabilities	(18)	(17)
Lease liability at end of the year	112	35
of which:		
Current portion	9	14
Non current portion	103	21

2.1 Maturity analysis of lease liabilities:

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

₹ in Million

Minimum lease payments due	As at March 31, 2026	As at March 31, 2025
Within 1 year	9	14
1-5 years	48	16
Above 5 years	55	5

2.2

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
a Expenses relating to short-term leases and low-value assets	27	19
b Total Cash outflow for Leases	18	17

Lessor:

The Company leases out certain properties and classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

₹ in Million

Lease payments due to be received:	As at March 31, 2026	As at March 31, 2025
Within 1 year	61	60
1-5 years	188	210
Above 5 years	531	567
Total undiscounted lease payments	780	837

Notes to the Standalone Financial Statements

Note: 47-Leases: (Continued)

Description of lease activities:

Real estate lease:

The Company leases buildings for its offices and warehouse space. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leases are typically made for a fixed period of 3- 10 years and may include extension options which provide operational flexibility. Majority of the leases are cancellable by either parties by serving notice period.

Note: 48-Analytical Ratios:

Sr. No	Ratio	Numerator	Denominator	FY 25-26	FY 24-25	% Change
1	Current Ratio [S]	Current Assets	Current Liabilities	2.91	1.95	49.0%
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.31	0.39	-20.2%
3	Debt Service Coverage Ratio [S]	Earnings available for debt service @	Finance costs + Repayment of debt	0.70	3.47	-79.9%
4	Return on Equity Ratio [#]	Net Profits after taxes @@	Average Shareholder's Equity	16.6%	31.3%	-46.9%
5	Inventory turnover ratio [*]	Net Sales	Average Inventory	5.36	8.02	-33.1%
6	Trade Receivables turnover ratio [*]	Net Sales	Average Trade Receivables	1.33	2.26	-41.2%
7	Trade payables turnover ratio	Net Purchases and Other Expenses	Average Trade Payables	5.17	5.19	-0.5%
8	Net capital turnover ratio [*]	Net Sales	Average Working Capital	1.22	2.27	-46.2%
9	Net profit ratio	Net Profits after taxes @@	Net Sales	33.6%	39.6%	-15.0%
10	Return on Capital employed [#]	Earnings before interest and taxes	Average Capital Employed	16.5%	30.6%	-46.0%
11	Return on investments:					
a	Fixed Deposits	Income from investments during the year	Time weighted average of investments	7.3%	7.1%	2.7%
b	Mutual Funds	Income from investments during the year	Time weighted average of investments	5.8%	6.6%	-11.7%
c	Bonds	Income from investments during the year	Time weighted average of investments	7.8%	7.6%	2.5%
d	Commercial Papers	Income from investments during the year	Time weighted average of investments	6.7%	7.8%	-13.6%
e	Certificate of Deposits	Income from investments during the year	Time weighted average of investments	7.5%	7.8%	-3.6%

Notes to the Standalone Financial Statements

Note: 48-Analytical Ratios: [Continued]

Sr. Ratio No		Numerator	Denominator	FY 25-26	FY 24-25	% Change
f	Inter Corporate Deposits	Income from investments during the year	Time weighted average of investments	6.3%	7.8%	-19.7%
g	Government Securities	Income from investments during the year	Time weighted average of investments	7.0%	7.0%	0.0%
h	Quoted Investments [^]	Income from investments during the year	Time weighted average of investments	127.2%	88.5%	-43.7%

[S] Increase is due to decrease in current borrowings.

[SS] Decrease is due to repayment of borrowings and decrease in profit.

[#] Decrease is due to decrease in profit.

[*] Decrease is due to decrease in sales.

[^] Mainly due to market indices.

[@] Net profit after taxes + non cash operating expenses + finance costs - other income

[@@] Net profit after taxes + exceptional items.

Note: 49-Other Statutory Information:

The Company advances loans and investments to fund the operations of its subsidiaries within consolidated group of the Company which have further utilised these funds for their business purpose in the ordinary course of business, as a part of its treasury operations.

a Following are the details of the funds loaned & invested by the Company to intermediaries for further loan or investment to the ultimate beneficiaries:

Amount in ₹ Million

Name of the intermediary to which the funds are advanced/ invested	Date of loan and investment to intermediary	Amount of loan and investment to intermediary	Date on which funds are further loaned and invested by intermediary to ultimate beneficiary	Amount of fund further loaned and invested by intermediary to ultimate beneficiary	Ultimate beneficiary
Zydus Pharmaceuticals UK Ltd	27-Jun-25	2,138	03-Jul-25	2,138	Erstwhile selling shareholders of LM Manufacturing Limited
Zydus Medtech Private Limited	28-Jul-25	202	28-Jul-25	202	Zydus Medtech (France) SAS
Zynext Ventures PTE. LTD. and Zynext Ventures USA LLC	30-Mar-26	1,353	31-Mar-26	1,348	Agenus Inc.

Notes to the Standalone Financial Statements

Note: 49-Other Statutory Information: [Continued]

Complete details of the intermediary and ultimate beneficiary:

Name of entity	Registered address	Relationship with the Company
Zydus Pharmaceuticals UK Ltd	First Floor, Templeback, 10, Templeback, Bristol, United Kingdom, BS1 6FL	Wholly owned subsidiary
Erstwhile selling shareholders of LM Manufacturing Limited	Sandretto Building Cavalry Hill Industrial Park, Weedon, Northampton, England, NN7 4PP	Erstwhile selling shareholders of Wholly owned subsidiary
Zydus Medtech Private Limited	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj [Gandhinagar], S.G. Highway, Ahmedabad, Gujarat, India.	Wholly owned subsidiary
Zydus MedTech (France) SAS, France	Lot No. 25 Rue des Peupliers-Zac Les Hautes Pâtures -Parc d'Activités des Peupliers 92000 Nanterre	Wholly owned subsidiary
Zynext Ventures PTE. LTD.	8 Cross Street, #24-03/04, Manulife towers, 048424, Singapore	Wholly owned subsidiary
Zynext Ventures USA LLC	73 Route 31 N, Pennington, NJ 08534, USA	Wholly owned subsidiary
Agenus Inc.	3 Forbes Road, Lexington, Massachusetts 02421, USA	Not a related party

- b Following are the details of the funds received by the Company from the funding party for further loan or investment to the ultimate beneficiaries:

Amount in ₹ Million

Name of Funding Party	Date on which funds are received	Amount of funds received	Date on which funds are further loaned to ultimate beneficiaries	Amount of funds further loaned to ultimate beneficiaries	Ultimate beneficiary
Zydus Healthcare Limited	11-Apr-25	1,079	11-Apr-25	386	Zydus Lifesciences Global FZE
Total		1,079		386	

Complete details of the intermediary and ultimate beneficiary:

Name of entity	Registered address	Relationship with the Company
Zydus Healthcare Limited	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj [Gandhinagar], S.G. Highway, Ahmedabad, Gujarat, India.	Wholly owned subsidiary
Zydus Lifesciences Global FZE	FZ JO B2601 Jebel Ali Free zone, Dubai, U.A.E	Wholly owned subsidiary

The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 [42 of 1999] and Companies Act, 2013 and the transactions are not violative of the Prevention of Money-Laundering act, 2002 [15 of 2003].

- c The Company has used accounting software for maintaining its books of accounts for the year ended on March 31, 2026 which has a feature of recording audit trail [edit log] facility and the same has been operational throughout the year for all relevant transactions recorded in the software. Audit trail has been preserved by the Company as per the statutory requirements for record retention.
- d The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

Notes to the Standalone Financial Statements

Note: 49-Other Statutory Information: (Continued)

- e No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions [Prohibition] Act, 1988 (45 of 1988) and the rules made thereunder.
- f The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- g The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- h 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.
- i No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- j The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 [such as, search or survey or any other relevant provisions of the Income Tax Act, 1961].

Note: 50-Disclosure of transactions with Struck off Companies:

The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.

Note: 51:

Figures of previous year have been regrouped/ reclassified to conform to current year's classification.

Signatures to Material Accounting Policies and Notes 1 to 51 to the Standalone Financial Statements

For and on behalf of the Board

Pankaj R. Patel
Chairman
DIN: 00131852

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Independent Auditor's Report

To The Members of **Zydus Lifesciences Limited**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Zydus Lifesciences 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 joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement 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 of the subsidiaries and a joint venture 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, 2026, their consolidated profit and their consolidated other comprehensive loss, 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 ("**SA**"s) 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 joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("**ICAI**") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	Legal Proceedings involving Zydus Pharmaceuticals (USA) Inc., a subsidiary [as described in Notes 2.6F, 2.19 and 30B to the consolidated financial statements] The subsidiary is involved in various legal proceedings which include claims pursuant to contracts with third parties, claims related to product liabilities, employment claims, anti-trust and other regulatory matters. Most of the claims involve complex issues. The component assesses the possible outcome of these matters on a case-to-case basis considering the underlying facts of each litigation. Considering the complexity and the significance of the matters involved requiring management judgement and estimates, this has been considered as a key audit matter.	We had discussions with the component auditor with regard to their independent assessment of the possible outcome of these matters, conclusion with respect to adequacy of provision made for the said matters and carried out direction, supervision & review of their work. Also, we sent out referral instructions to the component auditor and evaluated the responses received from them. The procedures performed by the component auditor and reported to us included the following: - Obtained a list of litigations from the in-house legal counsel of the entity; identified material litigations from the list and performed inquiries with the said counsel; obtained and read the underlying documents to assess the assumptions used by management in arriving at the conclusions. - Solicited legal letters from the external legal counsels appointed by management. For responses received, read their assessment to corroborate the assessment made by the management. - Evaluated adequacy of provisions made and disclosures in the financial statement / information.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility and Sustainability Report, Board's Report and Corporate Governance 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 and a joint venture 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 and a joint venture, 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 Board of Directors 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 joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures 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 joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either 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 its joint ventures are also responsible for overseeing the financial reporting process of the Group and its joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional 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 joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities or business activities 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 of 57 subsidiaries, whose financial statements reflect total assets of Rs. 4,46,892 million as at March 31, 2026, total revenues of Rs. 2,04,616 million and net cash outflows amounting to Rs. 3,550 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 445 million for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and a joint venture is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of 22 subsidiaries, whose financial statements reflect total assets of Rs. 87,139 million as at March 31, 2026, total revenues of Rs. 13,035 million and net cash outflows amounting to Rs. 371 million for the year ended on that date, as considered in the consolidated financial

statements. The consolidated financial statements also include the Group's share of net profit of Rs. 526 million for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of 3 joint ventures, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and joint venture 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 by the Group and its joint ventures including relevant records so far as it appears from our examination of those books and the reports of the other auditors, except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India by a joint venture (refer Note 56 (c) to the consolidated financial statements) and (b) in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement 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, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and a joint venture company incorporated in India, none of the directors of the Group companies and a joint venture company incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) The modifications 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, subsidiary companies and a joint venture 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 companies and a joint venture company incorporated in India, the remuneration paid by the Parent and such subsidiary companies and a joint venture 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 joint ventures—Refer Note 30 to the consolidated financial statements.
 - ii) The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture companies incorporated in India.
 - iv) (a) The respective Managements of the Parent and its subsidiaries and a joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and a joint venture respectively that, to the best of their knowledge and belief, other than as disclosed in the note 56 (a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and a joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and a joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Parent and its subsidiaries and a joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and a joint venture respectively that, to the best of their knowledge and belief, other than as disclosed in the note 56 (b) to the consolidated financial statements, no funds have been received by the Parent Company or any of such subsidiaries and a joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries and a joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding

Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries a joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the subsidiary and a joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in compliance with section 123 of the Act.

As stated in note 32 to the consolidated financial statements, the Board of Directors of the Parent has proposed final dividend for the year which is subject to the approval of the members of the Parent 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 and based on the other auditor's reports of its subsidiary companies and a joint venture company incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent, its subsidiary companies and a joint venture company incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year

ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems.

In respect of one joint venture company, the accounting software used by that joint venture for maintaining its books of account for the year ended March 31, 2026 did not have audit trail enabled for certain changes which were performed by users having privileged access rights.

Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with, except in case of one Joint Venture referred to above wherein audit trail has not been enabled for certain changes which were performed by users having privileged access rights.

Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies and a joint venture company incorporated in India as per the statutory requirements for record retention, except in respect of one joint venture, where the audit trail has not been preserved as per the statutory requirements for record retention, as mentioned in Note 56(d) to the consolidated financial statements.

2. With respect to the matters specified in clause (xxi) of paragraph (3) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("**CARO**" / "**the Order**") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements. Further, in respect of the following companies included in the consolidated financial statements, whose audit under section 143 of the Act has not yet been completed,

the CARO report as applicable in respect of those companies are not available and consequently have not been provided to us as on the date of this audit report:

Name of the company	CIN	Nature of relationship
Naturell (India) Private Limited	U65990MH1991PTC060429	Subsidiary
Liva Investment Limited	U65999GJ2018PLC105763	Subsidiary
Zydus Hospira Oncology Private Limited	U24230GJ2005PTC046246	Joint Venture
Sterling Biotech Limited	L51900MH1985PLC035738	Joint Venture

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Partner

(Membership No. 106189)

UDIN: 26106189HWYNEN8494

Place: Ahmedabad

Date: May 19, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO 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, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Zydus Lifesciences Limited (hereinafter referred to as "Parent") and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of the Company's joint ventures, which are companies incorporated in India, as of that date.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and Board of Directors of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and a joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint venture, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance

regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary

companies and a joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the 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 14 subsidiary companies, and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Partner

(Membership No. 106189)

UDIN: 26106189HWYNEN8494

Place: Ahmedabad

Date: May 19, 2026

Consolidated Balance Sheet as at March 31, 2026

₹ in Million

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	3 (A)	92,307	60,420
Capital work-in-progress	3 (C)	11,657	13,179
Goodwill	3 (B)	75,427	52,421
Other Intangible Assets	3 (B)	73,324	18,496
Intangible Assets under Development	3 (D)	25,328	13,740
Investments accounted for using equity method	4	11,666	11,431
Financial Assets:			
Investments	5	5,975	4,136
Loans	6	2	-
Other Financial Assets	7	344	409
Deferred Tax Assets (Net)	8	21,086	23,438
Other Non-Current Assets	9	6,842	2,642
Assets for Current Tax (Net)	10	1,047	1,244
Total Non-Current Assets		325,005	201,556
Current Assets:			
Inventories	11	56,281	39,440
Financial Assets:			
Investments	12	57,758	48,555
Trade Receivables	13	54,157	40,848
Cash and Cash Equivalents	14 (A)	8,552	8,268
Bank Balances other than Cash and Cash Equivalents	14 (B)	5,614	21,300
Loans	15	37	771
Other Current Financial Assets	16	2,169	4,485
Other Current Assets	17	14,493	6,794
Total Current Assets		199,061	170,461
Total Assets		524,066	372,017
EQUITY AND LIABILITIES:			
Equity:			
Equity Share Capital	18	1,006	1,006
Other Equity	19	270,108	238,525
Equity attributable to equity holders of the Parent		271,114	239,531
Non-Controlling Interests	49	24,708	24,053
Total equity		295,822	263,584
Liabilities:			
Non-Current Liabilities:			
Financial Liabilities:			
Borrowings	20	31,880	-
Lease Liabilities	31	6,683	321
Other Financial Liabilities	21	10,764	8,722
Provisions	22	4,453	3,839
Deferred Tax Liabilities (Net)	8	17,340	5,126
Other Non-Current Liabilities	23	5	9
Total Non-Current Liabilities		71,125	18,017
Current Liabilities:			
Financial Liabilities:			
Borrowings	24	85,815	31,695
Lease Liabilities	31	582	116
Trade Payables:			
Dues to Micro and Small Enterprises	25	1,540	974
Dues to other than Micro and Small Enterprises	25	26,911	21,833
Other Financial Liabilities	26	29,046	22,464
Other Current Liabilities	27	4,777	2,663
Provisions	28	4,785	4,514
Current Tax Liabilities (Net)	29	3,663	6,157
Total Current Liabilities		157,119	90,416
Total Liabilities		228,244	108,433
Total Equity and Liabilities		524,066	372,017
Material Accounting Policies	2		
Notes to the Consolidated Financial Statements	3 to 58		

As per our report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pankaj R. Patel
Chairman
DIN: 00131852

Kartikeya Raval
Partner

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Ahmedabad
May 19, 2026

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

₹ in Million

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
INCOME:			
Revenue from Operations	33	271,484	232,415
Other Income	34	5,095	2,695
Total Income		276,579	235,110
EXPENSES:			
Cost of Materials Consumed	35	51,096	43,729
Purchases of Stock-in-Trade	36	30,705	21,500
Changes in Inventories of Work-in-progress, Finished goods and Stock-in-Trade	37	(8,875)	(1,849)
Employee Benefits Expense	38	44,179	36,806
Finance Costs	39	4,389	1,659
Depreciation and Amortisation Expense	40	14,080	9,158
Other Expenses	41	82,433	63,278
Net (Gain) on foreign currency transactions		(12,805)	(1,634)
Total Expenses		205,202	172,647
Profit before Exceptional Items and Tax		71,377	62,463
Less: Exceptional Items	48	5,166	2,196
Profit before Tax		66,211	60,267
Less: Tax Expense:			
Current Tax	42	13,795	20,493
Deferred Tax	42	2,152	(6,374)
		15,947	14,119
Profit for the year before Share of Profit of Joint Ventures		50,264	46,148
Add: Share of profit of Joint Ventures (Net of Tax)	4	971	578
Profit for the year		51,235	46,726
OTHER COMPREHENSIVE INCOME (OCI):			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on post employment defined benefit plans		53	(365)
Net (loss)/ gain on fair value through OCI (FVTOCI) equity instruments		(382)	287
Income tax effect on above		(135)	73
		(464)	(5)
Share of OCI of Joint Ventures (Net of Tax)	4	14	(18)
Total		(450)	(23)
Items that will be reclassified to profit or loss:			
Exchange differences on translation of financial statements of foreign operations		(7,298)	(977)
Other Comprehensive Loss for the year (Net of Tax)		(7,748)	(1,000)
Total Comprehensive Income for the year (Net of Tax)		43,487	45,726
Profit for the year		51,235	46,726
Attributable to:			
Owners of the Parent		50,400	45,255
Non-Controlling Interests		835	1,471
OCI for the year		(7,748)	(1,000)
Attributable to:			
Owners of the Parent		(7,727)	(998)
Non-Controlling Interests		(21)	(2)
Total Comprehensive Income for the year		43,487	45,726
Attributable to:			
Owners of the Parent		42,673	44,257
Non-Controlling Interests		814	1,469
Basic & Diluted Earnings per Equity Share (EPS) (in Rupees)	43	50.09	44.97
Material Accounting Policies	2		
Notes to the Consolidated Financial Statements	3 to 58		

As per our report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pankaj R. Patel
Chairman
DIN: 00131852

Kartikeya Raval
Partner

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Ahmedabad
May 19, 2026

Statement of Changes in Consolidated Equity for the year ended March 31, 2026

A EQUITY SHARE CAPITAL:

	No. of Shares	₹ in Million
Equity Shares of ₹ 1/- each, Issued, Subscribed and Fully Paid-up:		
As at March 31, 2024	1,006,233,990	1,006
Add: Movement during the year	-	-
As at March 31, 2025	1,006,233,990	1,006
Add: Movement during the year	-	-
As at March 31, 2026	1,006,233,990	1,006

B OTHER EQUITY:

₹ in Million

	Attributable to the equity holders of the parent							Non-Controlling Interests	Total Equity	
	Reserves and Surplus					Items of OCI				Total
	Capital Reserve	Capital Redemption Reserve	International Business Development Reserve	General Reserve	Retained Earnings	FVTOCI on Equity Instruments	Foreign Currency Translation Reserve			
As at March 31, 2024	279	18	2,000	372	203,690	191	(9,261)	197,289	22,721	220,010
Add: Profit for the year	-	-	-	-	45,255	-	-	45,255	1,471	46,726
(Less)/ Add: Other Comprehensive Income	-	-	-	-	(310)	287	(977)	(1,000)	(2)	(1,002)
Total Comprehensive Income	-	-	-	-	44,945	287	(977)	44,255	1,469	45,724
Transactions with Owners in their capacity as owners:										
Less: Dividends	-	-	-	-	(3,019)	-	-	(3,019)	(137)	(3,156)
As at March 31, 2025	279	18	2,000	372	245,616	478	(10,238)	238,525	24,053	262,578
Add: Profit for the year	-	-	-	-	50,400	-	-	50,400	835	51,235
(Less): Other Comprehensive Income	-	-	-	-	(68)	(382)	(7,298)	(7,748)	(21)	(7,769)
Total Comprehensive Income	-	-	-	-	50,332	(382)	(7,298)	42,652	814	43,466
Transactions with Owners in their capacity as owners:										
Less: Dividends	-	-	-	-	(11,069)	-	-	(11,069)	(159)	(11,228)
As at March 31, 2026	279	18	2,000	372	284,879	96	(17,536)	270,108	24,708	294,816

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Ahmedabad
May 19, 2026

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

For and on behalf of the Board

Pankaj R. Patel
Chairman
DIN: 00131852

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Consolidated Cash Flow Statement for the year ended March 31, 2026

₹ in Million

Particulars	Year ended March 31 2026	Year ended March 31 2025
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax and share of profit of joint ventures	66,211	60,267
Adjustments for:		
Depreciation and amortisation expense	14,080	9,158
Exceptional items - One time impact of New Labour Codes	849	2,196
[Gain] on disposal of Property, Plant and Equipment [Net]	(23)	(345)
FVTPL gain/ profit on sale of investments [Net]	(292)	(650)
Interest income	(4,225)	(1,852)
Dividend income	(12)	(10)
Loss on valuation of Forward Contract value related to investment in a Joint Venture	-	60
Interest expenses	3,650	935
Change in financial liability related to contingent consideration	630	666
Net [gain]/ loss on Fair Valuation of Swap Contract	(383)	191
Exchange rate fluctuation and other related adjustments arising on Consolidation	(17,533)	(1,379)
Trade receivables written off	120	6
Expected credit loss on trade receivables [Net]	205	293
Doubtful advances written off	-	144
Allowance for doubtful advances [Net of written back]	27	21
Provision for employee benefits	(540)	167
Provision for claims for product expiry and return of goods [Net of written back]	549	603
Total	(2,898)	10,204
Operating profit before working capital changes	63,313	70,471
Adjustments for:		
(Increase)/ Decrease in trade receivables	(8,581)	11,957
(Increase) in inventories	(4,124)	(4,449)
(Increase)/ Decrease in other assets	(4,618)	1,754
(Decrease)/ Increase in trade payables	(7,951)	735
(Decrease)/ Increase in other liabilities	(963)	5,362
Total	(26,237)	15,359
Cash generated from operations	37,076	85,830
Income taxes paid [Net of refunds]	(15,910)	(18,019)
Net cash from operating activities	21,166	67,811
B CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets (including payment towards capital work-in-progress, intangible asset under development and capital advances)	(26,715)	(16,937)
Payment for asset acquisition	(7,225)	-
Proceeds from disposal of property, plant and equipment and intangible assets	249	514
Payment for acquisition of businesses	(58,793)	(3,690)
Payment for acquisition of joint control	-	(6,708)
Proceeds from redemption of non-convertible debentures	-	900
Proceeds from sale of investments in a joint venture	-	185
Purchase of non current investments	(3,452)	(425)
Proceeds from sale of non current investments	1,120	1,260
Change in Bank balances (including fixed deposits) not considered as cash and cash equivalents	15,671	(14,366)
Purchase of current investments [Net]	(8,832)	(45,380)
Loans to others [Net]	732	(756)
Interest received	4,272	1,815
Dividend received	12	10
Net cash [used in] investing activities	(82,961)	(83,578)

Consolidated Cash Flow Statement for the year ended March 31, 2026

₹ in Million

Particulars	Year ended March 31 2026	Year ended March 31 2025
C CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from non current borrowings	70,710	-
Repayment of non current borrowings	(9,679)	-
Current borrowings (Net)	11,892	24,020
Lease liabilities (Net)	(255)	(147)
Interest paid	(3,536)	(895)
Dividends paid	(11,063)	(3,025)
Net cash from financing activities	58,069	19,953
Net (decrease)/ increase in cash and cash equivalents	(3,726)	4,186
Cash and cash equivalents at the beginning of the year	8,268	4,130
Cash and cash equivalents of the acquired subsidiaries	1,902	166
Effect of foreign exchange rate changes on Cash and cash equivalents	2,108	(214)
Cash and cash equivalents at the end of the year	8,552	8,268

Notes to the Cash Flow Statement

- The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".
- All figures in brackets are outflows.
- Summary of Cash and cash equivalents, Bank balance, Current Investments and Fixed Deposits more than 12 months:

₹ in Million

	As at March 31		
	2026	2025	2024
a Cash and cash equivalents	8,552	8,268	4,130
b Bank balance other than cash and cash equivalents	5,614	21,300	6,921
c Current Investments	57,758	48,555	2,525
d Fixed Deposits more than 12 month's maturity	18	3	16
e Total	71,942	78,126	13,592

- Change in Liability arising from financing activities:

₹ in Million

	Borrowings		
	Long term [Note-20]	Short term [Note-24]	Total
As at March 31, 2024	-	7,686	7,686
Cash flow	-	24,020	24,020
Foreign exchange movement	-	(11)	(11)
As at March 31, 2025	-	31,695	31,695
Acquired subsidiaries	9,797	-	9,797
Cash flow	61,031	11,892	72,923
Foreign exchange movement	2,851	429	3,280
As at March 31, 2026	73,679	44,016	117,695

For movement of lease liabilities, Refer Note-31.

As per our report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pankaj R. Patel
Chairman
DIN: 00131852

Kartikeya Raval
Partner

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Company Secretary

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Ahmedabad
May 19, 2026

Ahmedabad
May 19, 2026

Notes to the Consolidated Financial Statements

NOTE: 1-GROUP OVERVIEW:

The consolidated financial statements comprise financial statements of Zydus Lifesciences Limited ("the Parent") (CIN : L24230GJ1995PLC025878) and its subsidiaries (collectively, "the Group") and the joint ventures for the year ended March 31, 2026. The Group is in the business of integrated pharmaceutical operations with business encompassing the entire value chain in the research, development, production, marketing and distribution of pharmaceutical products. The product portfolio of the Group includes Active Pharmaceutical Ingredients (API), human formulations, animal health & veterinary, medical technologies and health and wellness products. The Parent's shares are listed on the National Stock Exchange of India Limited and BSE Limited. The registered office of the Parent is located at "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj (Gandhinagar), Sarkhej-Gandhinagar Highway, Ahmedabad - 382481. These financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors at their meeting held on May 19, 2026.

NOTE: 2-MATERIAL ACCOUNTING POLICIES:

A The following note provides list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1 Basis of preparation:

- A** The Consolidated financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
- B** The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair values at the end of the reporting periods:
 - i Derivative financial instruments
 - ii Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
 - iii Defined benefit plans

2 Basis of Consolidation:

- A** The consolidated financial statements comprise the financial statements of the Parent and its subsidiaries as at March 31, 2026.

Control is achieved when the Group has:

- a Power over the investee [i.e. existing rights that give it the current ability to direct the relevant activities of the investee]
- b Exposure, or rights, to variable returns from its involvement with the investee, and
- c The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a The contractual arrangement with the other vote holders of the investee.
 - b Rights arising from other contractual arrangements.
 - c The Group's voting rights and potential voting rights.
 - d The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.
- B** The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.
- C** Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Notes to the Consolidated Financial Statements

- D The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group, i.e., year ended on March 31. When the end of the reporting period of the Parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent to enable the Parent to consolidate the financial information of the subsidiary.
- E Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity
- F Profit or loss and each component of other comprehensive income are attributed to the owners of the parent Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the parent Company and to the non-controlling interests even if this results in the non controlling interests having a deficit balance.
- G Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.
- Any difference between the amount by which the non- controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent Company.
- H When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration

received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

3 Business combinations and Goodwill:

- A In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward. The same first time adoption exemption is also used for joint ventures.
- B Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred at acquisition date fair value. Acquisition-related costs are recognised in profit or loss as incurred.
- C At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values.
- For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the Deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements acquired in a business combination are recognised and measured in accordance with Ind AS-12 "Income Taxes" and Ind AS-19 "Employee Benefits" respectively.

Pursuant to recognition of assets and liabilities at fair value, if any difference arises between their

Notes to the Consolidated Financial Statements

books base and tax base, the same is adjusted as part of Goodwill in accordance with Ind AS-12 "Income Taxes".

- D When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.
- E Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS-109 "Financial Instruments", is measured at fair value with changes in fair value recognised in Statement of profit and loss. If the contingent consideration is not within the scope of Ind AS-109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequently its settlement is accounted for within equity.
- F Goodwill is initially measured at the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as Capital Reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as Capital Reserve, without routing the same through OCI.
- G After initial recognition, Goodwill is not amortised. Goodwill is accordingly recognised at original value less any accumulated impairment.

For the purpose of impairment testing, Goodwill acquired in a business combination is, from the

acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

- H A cash generating unit to which Goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any Goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for Goodwill is recognised in Statement of profit and loss. An impairment loss recognised for Goodwill is not reversed in subsequent periods.
- I If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through Goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

4 Common Control Transactions:

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

- A The assets and liabilities of the combining entities are reflected at their carrying amounts.
- B No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- C 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.

Notes to the Consolidated Financial Statements

- D The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- E 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.
- F Wherever any business combination is governed by the Scheme approved by the Hon'ble High Court/ NCLT, the business combination is accounted for as per the accounting treatment sanctioned in the Scheme.

5 Investment in joint ventures:

- A The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint ventures since the acquisition date.
- B The Statement of profit and loss reflects the Group's share of the results of operations of the joint ventures. Any change in OCI of those investees is presented as a part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint ventures, the Group recognises its share of any changes, when applicable, in the Statement of changes in equity.
- C If an entity's share of losses of joint ventures equals or exceeds its interest in the joint ventures (which includes any long term interest that, in substance, forms part of the Group's net investment in the joint ventures), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint ventures. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.
- D An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture.
On acquisition of the investment in a joint venture, 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.

- E The financial statements of the joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.
- F After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint ventures and its carrying value, and then recognises the loss as "Share of profit/ (loss) of joint ventures" in the Statement of profit and loss.
- G The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture.

When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest as difference between fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS.

- H The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

Notes to the Consolidated Financial Statements

Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate or joint venture is disposed of.

- I When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

6 Use of key Estimates and Judgements:

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Critical accounting judgments and estimates:

A Property, Plant and Equipment:

Property, Plant and Equipment represent a large proportion of the asset base of the Group. The charge in respect of periodic 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. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any

revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as changes in technology. Refer note-2 [11].

B Impairment of goodwill and intangible assets (including intangible under development):

Significant judgments are involved in determining the estimated future cash flows from the Goodwill and intangible assets (including intangible under development) to determine their value in use to assess whether there is any impairment in their carrying amounts as reflected in the financials. Refer Note-3.

C Employee benefits:

Actuarial valuation involves key assumptions of life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans. Refer Note-22.

D Product expiry claims and chargebacks:

Significant judgments are involved in determining the estimated stock lying in the market with product shelf life and estimates of likely claims on account of expiry of such unsold goods lying with stockists. Significant judgments are involved in determining the value of chargebacks on the basis of terms of agreement with the customers and Government schemes in USA. Refer Note-28.

E Taxes on Income:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions and probability of utilisation of Minimum Alternate Tax (MAT) Credit in future. Refer Note-8 and 42.

F Contingent liabilities and litigations:

Significant judgments are involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources. Refer Note-30.

7 FOREIGN CURRENCY TRANSACTIONS:

The Group's consolidated financial statements are presented in Indian Rupees (₹), which is the functional

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currency of the Parent Company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

- A** The transactions in foreign currencies are translated into functional currency by the Groups' entities at their respective functional currency rates of exchange prevailing on the dates of transactions.
- B** Foreign Exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the Statement of Profit and Loss.
- C** Foreign exchange differences regarded as adjustments to borrowing costs are presented in the Statement of Profit and Loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.
- D** Investments in foreign companies are recorded in functional currency of the entity at the rates of exchange prevailing at the time when the investments were made.

E Group Companies:

- a** On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their Statements of profit and loss are translated at average exchange rates prevailing during the year. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.
- b** Any Goodwill arising in the acquisition/ business combination of a foreign operation on or after April 1, 2015 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the reporting date.
- c** Any Goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to

Ind AS [April 1, 2015], are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the Parent and no further translation differences occur.

- d** Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition to IND AS, viz., April 1, 2015. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

8 REVENUE RECOGNITION:

- A** The following is the accounting policy related to revenue recognition under Ind AS 115.

a Sale of Goods:

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognised at a point in time when the control of goods or services is transferred to a customer.

Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenues from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights.

The goods are often sold with volume discounts/ pricing incentives/ chargebacks/ rebates and customers have a right to return damaged or expired products. Revenue from sales is based on the price in the sales contracts/ MRP, net of discounts, sales tax/Goods and Services Tax (GST), chargebacks and other similar allowances. When a performance obligation is satisfied, Revenue is recognised with the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. These are calculated on the basis of historical experience and the specific terms in the individual contracts.

Historical experience, specific contractual terms and future expectations of sales are used to estimate and provide for damage or expiry claims.

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No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Group.

b License Fees:

License fees primarily consist of income from the outlicensing of intellectual property and other licensing and supply arrangements with various parties. Revenue from license fees is recognised when control transfers to the third party and the Group's performance obligations are satisfied. Some of these arrangements include certain performance obligations by the Group.

Revenue from such arrangements is recognised in the period in which the Group completes all its performance obligations.

c Royalty income:

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Group and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

d Service Income:

Service income is recognised as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable.

e Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

9 GOVERNMENT GRANTS:

- A** Government grants are recognised only when there is a reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.
- B** When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- C** Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.

- D** When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

10 TAXES ON INCOME:

Tax expenses comprise of current and deferred tax.

A Current Tax:

- a** Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961 for Indian entities or provisions of respective countries where the group operates and generates taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b** Current tax items are recognised in co-relation to the underlying transaction either in profit or loss, OCI or directly in Equity.

B Deferred Tax:

- a** Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b** Deferred tax liabilities are recognised for all taxable temporary differences.
- c** Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.
- d** The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed

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at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

- e Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.
- f Deferred tax items are recognised in co-relation to the underlying transaction either in profit or loss, OCI or directly in equity.
- g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.
- h Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and interest in joint arrangement where the group is able to control the timing of 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 and interest in joint arrangement where it is not probable that the group is able to control the timing of reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.
- i Minimum Alternate Tax (MAT)/ Alternate Minimum Tax (AMT) paid in a year is charged to the Statement of Profit and Loss as current tax.
- j The Group recognizes MAT credit available as an asset only when and to the extent there is a convincing evidence of actual utilisation of such credit and also based on historical experience that the Group will pay normal income tax during the specified period i.e. the period for which MAT Credit is allowed to be carried forward. Such asset, if recognised, is reviewed at each Balance sheet date and the carrying amount is written down to the extent there is no longer a convincing evidence that the Group will be liable to pay normal tax during the specified period.

11 PROPERTY, PLANT AND EQUIPMENT:

- A** Freehold land is carried at historical cost, less impairment, if any. All other items of Property, Plant and Equipment are stated at historical cost of acquisition/ construction less accumulated depreciation and impairment loss. Historical cost [Net of Input tax credit received/ receivable] includes related expenditure and project expenses for the period up to completion of construction/ assets are ready for its intended use, if the recognition criteria are met and the present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset, if the recognition criteria for a provision are met. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the Statement of profit and loss during the reporting period in which they are incurred, unless they meet the recognition criteria for capitalisation under Property, Plant and Equipment.

- B** Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognised separately as independent items and are depreciated over their estimated economic useful lives.
- C** Depreciation on tangible assets is provided on "straight line method" based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 which may be different for foreign entities. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods.

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The estimated useful lives are as follows:

Asset Class	No. of years
Leasehold Land	Over the period of lease
Buildings	10 to 60 Years
Plant and Equipment	2 to 15 Years
Furniture, Fixtures and Office Equipments	3 to 10 Years
Vehicles	4 to 8 Years

- D** Depreciation on impaired assets is calculated on the reduced values, if any, on a systematic basis over its remaining useful lives.
- E** Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets are used.
- F** Where the actual cost of purchase of an asset is below ₹ 10,000/-, the depreciation is provided @ 100 %.
- G** Capital work in progress is stated at cost less accumulated impairment loss, if any.
- H** An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

12 INTANGIBLE ASSETS:

- A** Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- B** Internally generated intangibles are not capitalised and the related expenditure is reflected in Statement of profit and loss in the period in which the expenditure is incurred.
- C** Trade Marks, Technical Know-how Fees and other similar rights are amortised using straight line method over their estimated useful lives.
- D** Capitalised cost incurred towards purchase/ development of software is amortised using straight

line method over its useful life as estimated by the management at the time of capitalisation.

- E** Acquisition cost of separately acquired research and development intangible assets, which are under development, are recognised as In-Process Research and Development assets (IPR&D). Additional cost incurred on further in house development of such assets are charged to the Statement of Profit and Loss of the year in which it is incurred. Such assets are not amortised, but tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.
- F** Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of infinite life is reviewed annually to determine whether the infinite life continues to be supportable. If not, the change in useful life from infinite to finite is made on a prospective basis.
- G** Intangible assets under development is stated at cost less accumulated impairment loss, if any.
- H** An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

The estimated useful lives are as follows:

Asset Class	No. of years
Brands/ Trademarks/ Other intangibles	3 to 15 Years
Technical Know-how, Commercial Rights	3 to 10 Years
Computer Software	3 to 5 Years

13 RESEARCH AND DEVELOPMENT COST:

- A** Expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.
- B** Capital expenditure on research and development equipment is given the same treatment as Property, Plant and Equipment.

14 BORROWING COSTS:

- A** Borrowing costs consist of interest and other borrowing costs that are incurred in connection with the borrowing

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of funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognised as per Effective Interest Rate (EIR) method.

Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

- B** Borrowing costs that are directly attributable to the acquisition/ construction of a qualifying asset are capitalised as part of the cost of such assets, up to the date the assets are ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

15 IMPAIRMENT OF NON FINANCIAL ASSETS:

The Property, Plant and Equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than Goodwill that suffered an impairment loss are reviewed for possible reversal of impairment at the end of each reporting period. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

16 INVENTORIES:

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- A** Raw Materials, Packing Materials, Finished Goods, Stock-in-Trade and Work-in-Progress are valued at lower of cost and net realisable value.

- B** Cost [Net of Input tax credit availed] of Raw Materials, Stores & Spare Parts, Packing Materials, Finished Goods and Stock-in-Trade is determined on Weighted Average Method.

- C** Costs of Finished Goods and Work-in-Progress are determined by taking material cost [Net of Input tax credit availed], labour and relevant appropriate overheads based on the normal operating capacity, but excluding borrowing costs.

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

Write down of inventories to net realisable value is recognised as an expense and included in "Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade" and "Cost of Materials Consumed" in the relevant note in the Statement of Profit and Loss.

17 CASH AND CASH EQUIVALENTS:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

18 LEASES:

As a lessee:

For any new contracts entered into, the Group considers whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration¹.

Measurement and recognition of leases as a lessee:

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-

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use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to the in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in financial liabilities.

As a lessor:

As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

19 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- A** Provisions are recognised when the Group has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure of contingent liability is made when there is a possible obligation, that may, but

probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised but are disclosed separately in financial statements.

- B** If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

20 PROVISION FOR PRODUCT EXPIRY CLAIMS:

Provisions for product expiry related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of product expiry claim related costs is revised annually.

21 EMPLOYEE BENEFITS:

A Short term obligations:

Liabilities for wages and salaries, including earned leave and sick leave 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 by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

B Long term employee benefits obligations:

a Leave Wages and Sick Leave:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months period after the end of the period in which the employees render the related service. They are therefore, measured at the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method, as determined by actuarial valuation, performed by an independent actuary. The benefits are discounted using the market yields at the end of reporting period that have the terms approximating to the terms of the related obligation. Gains and losses through re-measurements are recognised in Statement of profit and loss.

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b Defined Benefit Plans:

i Gratuity:

The Group provides for gratuity, a defined benefit plan covering eligible employees of the Parent, its subsidiaries in India and few overseas subsidiaries. The gratuity contributions of the Parent and its Indian subsidiaries are to be made to separately administered fund through insurance companies through Employees Group Gratuity Plan. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at end of the reporting period using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to the market yields at 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 discounting rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such costs are included in employee benefit expenses in the Statement of Profit and Loss.

Re-measurement gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" and are included in retained earnings in the Statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- i Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- ii Net interest expense or income.

ii Group administered Provident Fund:

In case of a specified class of employees of the Parent, who are eligible to receive benefits of Group administered provident fund, monthly contributions of such employees and the Group are deposited to Employees' Provident Fund Trust. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

Contributions to such provident fund are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

c Defined Contribution Plans - Provident Fund Contribution:

Specified class of employees receive benefits of provident fund, which is a defined contribution plan. Both the eligible employee and the entities make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond their monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

For details of significant post employment benefit plans refer Note-22.

C Employee Separation Costs:

The compensation paid to the employees under Voluntary Retirement Scheme is expensed in the year of payment.

22 DIVIDENDS :

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as liability on the date of declaration by the Parent's Board of Directors.

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23 FINANCIAL INSTRUMENTS:

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

A Financial Assets:

a Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date, i.e., the date that the Group settles to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

b Subsequent measurement:

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

i Debt instruments at amortised cost:

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

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of profit and loss.

ii Debt instruments at fair value through other comprehensive income (FVTOCI):

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

- The asset is held with objectives of both collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

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

iii Debt instruments and derivatives at fair value through profit or loss (FVTPL):

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

Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv Equity instruments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Group has made such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

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If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c Derecognition:

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

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

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

The transferred asset and the associated liability are measured on a basis that

reflects the rights and obligations that the Group has retained. When the Group has transferred the risks and rewards of ownership of the financial asset, the same is derecognised.

d Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in

Notes to the Consolidated Financial Statements

accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

ECL impairment loss allowance (or reversal) is recognized as expense/income in the Statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet, which reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics.

B Financial Liabilities:

a Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b Subsequent measurement:

Subsequently all financial liabilities are measured at amortised cost, using EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

c Derecognition:

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

d Embedded derivatives:

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of profit and loss, unless designated as effective hedging instruments.

C Reclassification of financial assets:

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model as per Ind AS 109.

Notes to the Consolidated Financial Statements

D Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

24 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING:

Derivatives are recognised initially at fair value and subsequently at fair value through profit and loss.

Fair value hedges:

The Group applies fair value hedge accounting for changes in fair value of trade receivables (non-derivative financial assets) attributable to foreign currency risk. The Group designates certain non-derivative foreign currency financial liabilities (hedging instrument) to hedge the risks of changes in fair value of trade receivables attributable to the movement in foreign exchange rates. The Group documents, at the time of designation, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking such hedging transactions. The Group also documents its assessment, both at the inception of the hedge and on an ongoing basis, of whether the risk management objectives are met with the hedging relationship.

Changes in fair values of both hedging instruments and hedged items are recognised in foreign exchange gains / losses as a part of other income or other expenses as the case may be. If the hedge no longer meets the criteria for hedge accounting, this accounting treatment is discontinued.

Net Investment hedges:

The Group applies net investment hedge for hedges of adjustments arising from translating the functional currency financial statements of foreign operations (hedges of net investments) into functional currency of the Parent. The effective portion of change in the fair value of non-derivative financial liabilities is recorded as a foreign currency translation adjustment in other comprehensive income in Group's Consolidated Statement of Comprehensive Income. The change in fair value of the hedging instrument relating to the effective portion of the hedge are subsequently recognised in Group's Consolidated Income Statement on disposal of the foreign operation(s). The ineffective portion of

the change in fair value of the non-derivative financial liabilities is recognised in Group's Consolidated Income Statement.

25 FAIR VALUE MEASUREMENT:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a In the principal market for the asset or liability, or
- b In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between

Notes to the Consolidated Financial Statements

levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

26 NON-CURRENT ASSETS AND DISPOSAL GROUP HELD FOR SALE:

Assets and liabilities of disposal groups held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less cost to sell includes use of management estimates and assumptions. The fair value of the disposal groups is estimated using valuation techniques (including income and market approach) which includes unobservable inputs.

27 SEGMENT REPORTING:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group.

28 EARNINGS PER SHARE:

Basic earnings per share is calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reverse share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number

of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

B Recent Accounting Pronouncements:

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time. MCA has notified amendments to Ind AS 1 – Presentation of Financial Statements (classification of liabilities as Current or Non-Current, including liabilities with covenants), Ind AS 12 – Income Taxes (International Tax Reform – Pillar Two Model Rules), Ind AS 21 – The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability), Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (Supplier Finance Arrangements), effective from April 01, 2025. The Group has reviewed these amendments and based on its evaluation, has determined that they do not have any material impact on the consolidated financial statements. In accordance with the amendments to Ind AS 12 (International Tax Reform – Pillar Two Model Rules), the Group has applied the mandatory temporary relief from recognition of deferred tax, as required under the standard.

New standards or amendments not yet adopted:

Classification of liabilities as current or non-current and non-current liabilities with covenants – Amendments to Ind AS 1.

The amendments clarify that lender waivers obtained after the reporting date cannot be considered for the purpose of classifying liabilities as current or non current and requires retrospective application in accordance with Ind AS 8. These amendments are effective for reporting periods beginning on or after April 01, 2026. The Group does not expect any material impact on its financial statements.

Notes to the Consolidated Financial Statements

NOTE: 3-PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CAPITAL WORK-IN-PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT:

[A] Property, Plant and Equipment:

₹ in Million

	Freehold Land	Leasehold Land #	Buildings #	Plant and Equipment #	Furniture and Fixtures	Vehicles #	Office Equipment	Total
Gross Block:								
As at March 31, 2024	4,457	1,713	21,906	75,250	2,179	1,591	1,755	108,851
Acquired Subsidiaries*	-	-	-	4	2	-	-	6
Additions	123	46	1,438	6,646	130	589	78	9,050
Disposals	(3)	-	(26)	(1,377)	(32)	(196)	(9)	(1,643)
Reclassified from Asset held for sale**	-	104	426	-	-	-	-	530
Other adjustments	2	(18)	(11)	(92)	(17)	(40)	(1)	(177)
As at March 31, 2025	4,579	1,845	23,733	80,431	2,262	1,944	1,823	116,617
Acquired under Definitive Agreement ⁵	-	353	5,266	3,114	147	-	-	8,880
Acquired Subsidiaries*	61	54	2,214	1,683	235	115	-	4,362
Additions	1,143	1,512	7,507	14,510	123	287	65	25,147
Disposals	(12)	-	-	(824)	(67)	(183)	(16)	(1,102)
Other adjustments	22	39	1,004	1,400	84	92	7	2,648
As at March 31, 2026	5,793	3,803	39,724	100,314	2,784	2,255	1,879	156,552
Accumulated Depreciation and Impairment:								
As at March 31, 2024	-	156	5,380	41,744	1,311	821	1,406	50,818
Depreciation for the year	-	20	719	5,671	150	213	122	6,895
Disposals	-	-	(21)	(1,289)	(30)	(125)	(9)	(1,474)
Reclassified from Asset held for sale **	-	10	163	-	-	-	-	173
Other adjustments	-	(2)	7	(196)	2	(24)	(2)	(215)
As at March 31, 2025	-	184	6,248	45,930	1,433	885	1,517	56,197
Depreciation for the year	-	37	884	6,784	200	259	88	8,252
Disposals	-	-	-	(712)	(59)	(90)	(15)	(876)
Other adjustments	-	2	112	442	56	55	5	672
As at March 31, 2026	-	223	7,244	52,444	1,630	1,109	1,595	64,245
Net Block:								
As at March 31, 2025	4,579	1,661	17,485	34,501	829	1,059	306	60,420
As at March 31, 2026	5,793	3,580	32,480	47,870	1,154	1,146	284	92,307

Notes to the Consolidated Financial Statements

NOTE: 3-PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CAPITAL WORK-IN-PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT: (Continued)

(B) Intangible Assets:

₹ in Million

	Goodwill	Other Intangible Assets					Total
		Brands/ Trademarks	Computer Software	Commercial Rights	Technical Know-how	Other Intangibles	
Gross Block:							
As at March 31, 2024	58,781	16,852	2,912	8,779	2,116	907	31,566
Acquired Subsidiaries *	905	2,902	-	-	-	-	2,902
Additions	-	63	482	4,556	435	-	5,536
Disposals	-	-	(74)	-	(62)	-	(136)
Other adjustments	359	159	10	279	(20)	40	468
As at March 31, 2025	60,045	19,976	3,330	13,614	2,469	947	40,336
Acquired under Definitive Agreement ⁵	507	-	-	-	-	1,394	1,394
Acquired Subsidiaries *	20,474	36,334	-	2,640	643	3,440	43,057
Additions	-	3,316	415	7,634	80	-	11,445
Disposals	-	-	-	-	-	-	-
Other adjustments	2,717	3,129	110	2,719	221	392	6,571
As at March 31, 2026	83,743	62,755	3,855	26,607	3,413	6,173	102,803
Accumulated Amortisation and Impairment:							
As at March 31, 2024	6,121	7,240	2,113	8,177	924	120	18,574
Amortisation for the year	-	921	290	663	79	308	2,261
Impairment for the year ^	1,350	-	-	-	846	-	846
Disposals	-	-	(74)	-	(62)	-	(136)
Other adjustments	153	47	2	228	4	14	295
As at March 31, 2025	7,624	8,208	2,331	9,068	1,791	442	21,840
Amortisation for the year	-	3,035	375	1,752	120	546	5,828
Impairment for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Other adjustments	692	70	74	1,514	76	77	1,811
As at March 31, 2026	8,316	11,313	2,780	12,334	1,987	1,065	29,479
Net Block:							
As at March 31, 2025	52,421	11,768	999	4,546	678	505	18,496
As at March 31, 2026	75,427	51,442	1,075	14,273	1,426	5,108	73,324

Includes right of use assets, refer Note-31 for detailed breakup.

\$ Refer Note-54 D

* Refer Note-54 A, B and C

** Refer Note-53

^ Refer Note-48

Other adjustments include adjustments on account of exchange rate difference.

Notes to the Consolidated Financial Statements

NOTE: 3-PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CAPITAL WORK-IN-PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT: (Continued)

Goodwill:

- 1 Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) those are expected to get benefit from that business combination. The carrying amount of goodwill has been allocated as follows:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Consumer Wellness [Refer Note-54 A and B]	49,659	40,346
Medical Technologies [Refer Note-54 C]	12,534	-
Liquid orals	5,449	4,822
India Human Formulations	5,296	5,296
US Generics	1,472	1,472
Contract Development and Manufacturing Organization (CDMO) [Refer Note-54 D]	532	-
South Africa Formulations	324	324
Europe Generics	144	144
Brazil Formulations [Refer Note-48 (1)]	-	-
Others	17	17
Total	75,427	52,421

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. As of March 31, 2026 and March 31, 2025 the estimated recoverable amount of the CGU exceeded its carrying amount. The value-in-use is determined based on specific calculations. These calculations use pre-tax cash flow projections for a CGU/ groups of CGU over a period of five years. An average of the range of key assumptions used is mentioned below. The carrying amount of the CGU was computed by allocating the net assets to operating segments for the purpose of impairment testing. The key assumptions used for the calculations are as follows :

	As at March 31, 2026	As at March 31, 2025
Long Term Growth Rate [Based on historical experience]	0% - 6.50%	0% - 11.80%
Discount Rate	9.57%-15.27%	9.00%-21.01%

These estimates are likely to differ from future actual results of operations and cash flows.

The Group has conducted analysis of the sensitivity of impairment test to changes in the key assumptions used to determine the recoverable amount for each of the CGUs to which goodwill is allocated. The management believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

Notes to the Consolidated Financial Statements

NOTE: 3-PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CAPITAL WORK-IN-PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT: [Continued]

(C) Capital work-in-progress:

a Summarised Statement for movement in Capital-work-in-progress:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	13,179	11,115
Add: Addition during the year	21,313	16,591
Add: Other directly attributable costs	72	59
Less: Capitalized during the year	(22,907)	(14,586)
Balance as at the end of the year	11,657	13,179

b Ageing of Capital-work-in-progress:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Projects in progress:		
i Less than 1 year	8,897	7,538
ii 1 - 2 years	2,173	2,466
iii 2 - 3 years	494	2,744
iv More than 3 years	93	431
Total Capital Work-in-Progress	11,657	13,179

There are no overdue or temporary suspended projects.

Project execution plans are modulated on the basis of capacity requirement assessment annually and all the projects are executed based on rolling annual plan.

(D) Intangible Assets under Development:

a Ageing of Intangible Assets under Development:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Projects in progress:		
i Less than 1 year	9,830	694
ii 1 - 2 years	70	12,341
iii 2 - 3 years	14,616	-
iv More than 3 years	812	705
Total Intangible Assets under Development	25,328	13,740

There are no intangible asset under development where completion is overdue or cost has exceeded as compared to its original plans.

Notes to the Consolidated Financial Statements

NOTE: 4-INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD:

The Group has 50% interest in Zydus Takeda Healthcare Private Limited, Zydus Hospira Oncology Private Limited, Sterling Biotech Limited * and Oncosol Limited. The Group's interest in all the entities is accounted using the "equity method" in the Consolidated Financial Statements [CFS].

A Summarised financial information of the material Joint Venture are as under:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Sterling Biotech Limited (SBL):		
a Summarised Balance Sheet:		
Non-Current Assets	9,737	6,590
Current Assets	3,909	3,934
Non-Current Liabilities	(2,484)	(29)
Current Liabilities	(1,140)	(979)
Equity	10,022	9,516
Carrying amount of investment of the Group	7,182	6,929
b Summarised Statement of Profit and Loss:		
Revenue	4,314	2,821
Profit after Tax	504	472
Other Comprehensive Income for the year, net of tax	-	(29)
Total Comprehensive Income for the year, net of Tax	504	443
Group's share of Profit after Tax for the year	252	236
Group's share of OCI for the year	-	(15)
c Group's share in Contingent liabilities	158	158
d Group's share in Commitments	-	-
e Group's share in dividend declared by SBL during the year	-	-

B Summarised financial information of individually immaterial Joint Ventures are as under:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
a Summarised Balance Sheet (aggregated values):		
Non-Current Assets	2,747	2,817
Current Assets	8,700	7,644
Non-Current Liabilities	(296)	(457)
Current Liabilities	(2,184)	(1,002)
Equity	8,967	9,002
Carrying amount of investment of the Group	4,484	4,502

Notes to the Consolidated Financial Statements

NOTE: 4-INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD: (Continued)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
b Summarised Statement of Profit and Loss (aggregated values):		
Revenue	7,395	8,198
Profit after Tax	1,438	684
Other Comprehensive Income for the year, net of tax	27	(6)
Total Comprehensive Income for the year, net of Tax	1,465	678
Group's share of Profit after Tax for the year	719	342
Group's share of OCI for the year	14	(4)
c Group's share in Contingent liabilities	982	984
d Group's share in Commitments	35	130
e Group's share in dividend declared during the year	750	-

(*) Pursuant to the Share Purchase and Share Subscription Agreement (SPSSA) entered on August 23, 2024, Zydus Animal Health and Investments Limited, a wholly owned subsidiary of the Parent, had completed the acquisition of 50% stake of Sterling Biotech Limited (SBL) on August 29, 2024. Consequently, SBL had become a Joint Venture of the Group w.e.f. August 29, 2024. The cost of acquisition was ₹ 5,500 Million, subject to certain adjustments with respect to cash and debt (including debt like items) as mentioned in the SPSSA.

NOTE: 5-INVESTMENTS (NON-CURRENT):

₹ in Million

	Face Value [*]	Nos. [**]	As at March 31, 2026	As at March 31, 2025
Investments (Valued at fair value through OCI):				
In fully paid-up Common Stock of:				
Quoted:				
Traws Pharma Inc., USA (Formerly known as Onconova Therapeutics Inc.) [₹: 2,083 {as at March 31, 2025: ₹ 2,360}]	\$0.01	12	-	-
Palvella Therapeutics Inc., USA (Formerly known as Pieris Pharmaceuticals Inc.)	\$0.001	57,177	676	137
Agenus Inc., USA ⁽¹⁾	\$0.01	2,133,333 [0]	676	-
			1,352	137
Investments in fully paid-up Equity Instruments:				
Quoted:				
HDFC Bank Limited	1	753,520 [376,760]	551	689
Kokuyo Camlin Limited	1	72,090	5	7
Camlin Fine Chemicals Limited	1	152,000	15	25
Accelya Solutions India Limited	10	383	1	1
Reliance Industries Limited	10	696	1	1

Notes to the Consolidated Financial Statements

NOTE: 5-INVESTMENTS (NON-CURRENT): (Continued)

₹ in Million

	Face Value [*]	Nos. [**]	As at March 31, 2026	As at March 31, 2025
Jio Financial Services Limited [₹: 78,004 {as at March 31, 2025: ₹ 79,135}]	10	348	-	-
Vedanta Limited	10	57,750	37	27
Tanla Solution Limited	1	2,026	-	1
			610	751
Unquoted:				
BEIL Infrastructure Limited [₹ 12,140/-]	10	1,214	-	-
Narmada Clean Tech	10	625,813	6	6
Enviro Infrastructure Company Limited	10	50,000	1	1
GVFL Limited	10	50,000	1	1
Saraswat Co-Op Bank Limited [₹ 20,350/-]	10	2,500	-	-
The Shamrao Vithal Co-Op Bank Limited [₹ 2,500/-]	25	100	-	-
The Green Environment Co-operative Society Limited [₹ 5,000/-]	100	50	-	-
Shivalik Solid Waste Management Limited [₹ 200,000/-]	10	20,000	-	-
AMP Energy Green Nine Private Limited	10	1,406,790	20	20
AMP Energy Green Thirteen Private Limited	10	72,000	1	1
Zydus Foundation [₹ 500,000/-] [Refer Note-47 (d) for relationship]	10	50,000	-	-
Torrent Urja 25 Private Limited	10	3,864,792 [0]	39	-
Torrent Urja 26 Private Limited	10	8,315,970 [0]	83	-
			151	29
In fully paid-up Preferred Stock of:				
Unquoted:				
Promaxo, Inc.	\$0.000001	219,879	171	154
Neuro42, Inc.	\$0.0001	228,450	95	86
Illexcor Holdings, LLC	\$0.0001	2,000,000 (1,000,000)	190	85
Feldan Therapeutics	\$0.04	6,134,969 [0]	95	-
			551	325
			1,312	1,105
Investments in Partnership Firm (Unquoted):				
ABCD Technologies LLP			519	404
Brightseed B LLP			5	4
			524	408

Notes to the Consolidated Financial Statements

NOTE: 5-INVESTMENTS (NON-CURRENT): (Continued)

₹ in Million

	Face Value (*)	Nos. (**)	As at March 31, 2026	As at March 31, 2025
Investments (Valued at amortised cost)(Unquoted):				
In fully paid-up, 1%, Redeemable Cumulative preference Shares of				
Enviro Infrastructure Company Limited	10	900,000	9	9
Investment in Bonds(Quoted):				
Valued at amortised cost:				
In fully paid-up Bonds ^ of:				
9.75% Piramal Enterprises Limited	1,000,000	35	-	35
9.00% Samman Capital Limited (Formerly known as Indiabulls Housing Finance Limited)	1,000	40,000	-	40
^ Reclassified to Current Investments (Refer Note-12) based on maturity			-	75
Valued at fair value through profit or loss:				
In fully paid-up Bonds of:				
7.95% Bank of Baroda Perpetual	10,000,000	125 (100)	1,247	1,000
7.73% State Bank of India Perpetual Series II	1,000,000	0 (650)	-	652
9.04% Bank of India Perpetual Series VI	1,000,000	0 (450)	-	452
8.50% Bank of Baroda Perpetual Series XIV	1,000,000	0 (20)	-	20
7.72% State Bank of India Perpetual	10,000,000	55 (25)	551	250
8.70% Union Bank of India Perpetual Series XXXII	10,000,000	25 (0)	251	-
8.40% Punjab National Bank Perpetual Series XIII	10,000,000	40 (0)	401	-
7.55% State Bank of India Perpetual Series III	10,000,000	30 (0)	299	-
			2,749	2,374
			2,749	2,449
Investment in Compulsorily Convertible Debentures (Valued at amortised cost) (Unquoted):				
In fully paid-up Debentures of:				
AMP Energy Green Nine Private Limited	1,000	126,613	28	22
AMP Energy Green Thirteen Private Limited	1,000	6,480	1	6
			29	28
Total			5,975	4,136
a i Aggregate book value of quoted investments			4,711	3,337
ii Aggregate market value of quoted investments			4,711	3,337
b Aggregate book value of unquoted investments			1,264	799

Notes to the Consolidated Financial Statements

NOTE: 5-INVESTMENTS (NON-CURRENT): (Continued)

Explanations:

- a In "Face Value [*]", figures in Indian Rupees unless stated otherwise.
- b In "Nos. [**]" figures of previous year are same unless stated in [].
- [1] Zynext Ventures USA LLC, a wholly owned subsidiary of the Parent, entered into Securities Purchase Agreement with Agenus Inc., USA [Agenus] to acquire 2,133,333 shares of common stock having par value of USD 0.01 per share, representing 5.9% of the paid-up share capital of the Agenus [on fully diluted basis].

NOTE: 6-LOANS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured]		
Loan to others - Considered good	2	-
Total	2	-

NOTE: 7-OTHER FINANCIAL ASSETS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good unless otherwise stated]		
Security Deposits	277	331
Fixed deposits with maturity more than 12 months	18	3
Others	49	75
Total	344	409

NOTE: 8-DEFERRED TAX:

₹ in Million

	Consolidated Balance Sheet		Statement of Profit and Loss	
	As at March 31		Year ended March 31	
	2026	2025	2026	2025
Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:				
Deferred Tax Liabilities:				
Depreciation	3,149	4,303	(1,154)	1,218
Fair value adjustment - Financial instruments	119	60	59	(105)
Pursuant to fair valuation of assets and liabilities acquired under business combination [Refer Note-54]	17,036	3,858	724	8
Total	20,304	8,221	(371)	1,121

Notes to the Consolidated Financial Statements

NOTE: 8-DEFERRED TAX: (Continued)

₹ in Million

	Consolidated Balance Sheet		Statement of Profit and Loss	
	As at March 31		Year ended March 31	
	2026	2025	2026	2025
Deferred Tax Assets:				
Employee benefits/ Payable to statutory authorities	2,157	2,045	112	455
Inventory and related items	8,112	11,190	(3,078)	5,765
Receivables	7,186	6,717	469	2,205
Unabsorbed depreciation and losses	3,099	2,154	945	223
MAT credit entitlement	2,327	3,741	(1,414)	(1,432)
Others	1,169	686	483	240
Total	24,050	26,533	(2,483)	7,456
Net Deferred Tax (Assets)- Charge/ (Credit)	(3,746)	(18,312)	2,112	(6,335)
Out of above:				
a Disclosed as Deferred Tax Assets	21,086	23,438	-	-
b Disclosed as Deferred Tax Liabilities	17,340	5,126	-	-
c Deferred Tax Liability acquired in business combination [Note-54]	-	-	12,454	-
d Included in Profit or Loss	-	-	2,152	(6,374)
e Included in items of OCI as appropriate	-	-	(40)	39

A The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

B For the financial year ended March 31, 2026, the Parent has computed the provision for income tax as per the option permitted under section 115BAA of the Income Tax Act, 1961. Accordingly, the Parent has recognised provision for income tax for the year ended March 31, 2026 and re-measured its deferred tax assets and liabilities basis the rate prescribed in the said section. Hence, the tax expense for the year ended March 31, 2026 are not comparable. Also, during the financial year, two Indian subsidiaries [the Subsidiaries] of the Parent have evaluated the impact of the option to transition to the new tax regime under the applicable provisions of Income Tax Act, effective from the next financial year [i.e. FY 2026-27]. Based on this assessment, the Subsidiaries have re-measured their deferred tax assets and liabilities using the substantively enacted tax rate [Refer Note-42].

C The Group has tax losses which arose in India of ₹ 7,939 [as at March 31, 2025: ₹ 6,166] Million. Out of these, losses of ₹ 4,962 [as at March 31, 2025: ₹ 4,359] Million represents business and capital losses which are available for offset for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire in March 2032. Remaining losses of ₹ 2,977 [as at March 31, 2025: ₹ 1,807] represent the unabsorbed depreciations which will be available for set-off against the future taxable profits for indefinite period.

MAT Credit not recognised as at March 31, 2026 is ₹ Nil [March 31, 2025: ₹ 354 Million].

D The deferred tax assets have not been recognised in respect of unabsorbed losses of subsidiaries amounting to ₹ 12,291 [as at March 31, 2025: ₹ 9,255] Million as they may not be used to offset taxable profits and there are no other tax planning opportunities or other evidence of recoverability in the near future.

Notes to the Consolidated Financial Statements

NOTE: 8-DEFERRED TAX: (Continued)

- E** Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Accordingly, deferred income tax liabilities on cumulative earnings of subsidiaries has not been recognized.
- F** The Organisation for Economic Co operation and Development [OECD] has issued the Global Anti Base Erosion [GloBE] Model Rules for the implementation of a global minimum tax [Pillar Two]. Based on the consolidated revenues of the Group's Ultimate Parent Entity [UPE], the Group falls within the scope of Pillar Two, as it exceeds the revenue threshold prescribed under the OECD framework. Pillar Two legislation has been enacted, or substantively enacted, in several jurisdictions in which the Group operates. Based on the assessment performed using the most recent country by country reporting data and the financial statements of the constituent entities, the Group does not expect the application of Pillar Two rules to have a material financial impact on the Group. In accordance with the amendments to IND AS 12, the Group has applied the temporary mandatory exception from accounting for deferred tax that arises from implementing Pillar Two legislation.

NOTE: 9-OTHER NON-CURRENT ASSETS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good unless otherwise stated]		
Capital Advances - Considered Good	3,333	1,998
Capital Advances - Credit impaired	72	72
	3,405	2,070
Less: Allowances for credit impaired	72	72
	3,333	1,998
Balances with Statutory Authorities	3,107	428
Others	402	216
Total	6,842	2,642

NOTE: 10-ASSETS FOR CURRENT TAX (NET):

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Advance payment of Tax [Net of provision for taxation]	1,047	1,244
Total	1,047	1,244

Notes to the Consolidated Financial Statements

NOTE: 11-INVENTORIES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
(The Inventory is valued at lower of cost and net realisable value)		
Classification of Inventories:		
Raw Materials	14,142	13,228
Work-in-progress	6,864	6,619
Finished Goods	18,810	8,210
Stock-in-Trade	13,945	9,578
Packing Materials	2,520	1,805
Total	56,281	39,440
The above includes Goods in transit as under:		
Raw Materials	145	190
Stock-in-Trade	820	466
Packing Materials	108	14
Amount recognised as an expense in Statement of profit and loss resulting from write-down of inventories:		
- Net off reversal of write-down	218	102

For details of inventories pledged as security, refer Note-24.

In respect of goods where provision has been made for expected returns within the expiry period, the Group recognises an asset, i.e., right to the returned saleable goods [included in inventories] for the products expected to be returned in saleable condition. The Group initially measures this asset at the original carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of returned goods. The Group updates the measurement of the asset recorded for any revision to its expected level of returns, as well as any further decrease in value of the returned products. The value of such goods is ₹ 174 [as at March 31, 2025: ₹ 152] Million.

NOTE: 12-INVESTMENTS (CURRENT):

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Investment in Mutual Funds (Unquoted) (Valued at fair value through profit or loss):		
ICICI Prudential Overnight Fund - Direct Plan - Growth Option	769	693
HDFC Overnight Fund - Direct Plan - Growth Option	1,055	183
ICICI Prudential Liquid Fund - Direct Plan - Growth Option	797	2,229
HDFC Liquid Fund - Direct Plan - Growth Option	139	149
	2,760	3,254

Notes to the Consolidated Financial Statements

NOTE: 12-INVESTMENTS (CURRENT): (Continued)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Investment in others (Quoted):		
Valued at amortised cost:		
Bonds (including reclassified from Non-Current investment (Refer Note-5 ^))	1,596	1,013
Commercial Papers	29,445	12,714
Certificate of Deposits	248	5,749
Inter Corporate Deposits	-	2,011
	31,289	21,487
Valued at fair value through profit or loss:		
Government Securities (**)	23,709	23,814
Total	57,758	48,555

(*) In "Nos." figures of previous year are stated in [].

(**) Includes ₹ 22,167 (as at March 31, 2025: 21,667) Million given as collateral security for borrowings.

NOTE: 13-TRADE RECEIVABLES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Secured - Considered good	1,844	1,521
Unsecured - Considered good	53,356	40,041
Unsecured - Credit impaired	32	23
	55,232	41,585
Less: Allowances for credit losses	1,075	737
Total	54,157	40,848

Ageing of Trade Receivables :

₹ in Million

Particulars	Not due	Outstanding from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2026							
Undisputed – considered good	46,033	8,036	501	210	115	305	55,200
Undisputed – credit impaired	-	-	18	2	1	-	21
Disputed – considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	1	4	6	11
Total	46,033	8,036	519	213	120	311	55,232
Less: Allowances for credit losses							(1,075)
Trade Receivables							54,157

Notes to the Consolidated Financial Statements

NOTE: 13-TRADE RECEIVABLES: (Continued)

₹ in Million

Particulars	Not due	Outstanding from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2025							
Undisputed – considered good	36,418	4,008	306	263	108	458	41,561
Undisputed – credit impaired	-	-	5	5	1	-	11
Disputed – considered good	-	-	-	-	1	-	1
Disputed - credit impaired	-	-	-	5	2	5	12
Total	36,418	4,008	311	273	112	463	41,585
Less: Allowances for credit losses							(737)
Trade Receivables							40,848

NOTE: 14-CASH AND BANK BALANCES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
A Cash and Cash Equivalents:		
Balances with Banks	8,547	8,262
Cash on Hand	5	6
Total	8,552	8,268
B Bank Balances other than Cash and Cash Equivalents:		
Unclaimed dividend accounts	46	40
Fixed deposits	5,568	21,260
Total	5,614	21,300

NOTE: 15-LOANS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
(Unsecured)		
Loan to others - Considered good	37	771
Total	37	771

Notes to the Consolidated Financial Statements

NOTE: 16-OTHER CURRENT FINANCIAL ASSETS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good]		
GST Refund receivable	245	741
Budgetary Support Income receivable	48	275
Production Linked Incentive receivable [Refer Note-33]	108	3,070
Derivative Financial Asset	238	178
Interest Receivable	84	107
Other Receivables	1,446	114
Total	2,169	4,485

NOTE: 17-OTHER CURRENT ASSETS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
[Unsecured, Considered Good]		
Balances with Statutory Authorities	6,229	3,476
Advances to Suppliers - Considered Good	3,865	1,507
Advances to Suppliers - Credit impaired	246	219
	4,111	1,726
Less: Allowances for credit impaired	246	219
	3,865	1,507
Export Incentive Receivables	167	119
Prepaid Expenses	3,987	1,144
Advance CSR contribution	-	435
Others	245	113
Total	14,493	6,794

NOTE: 18-EQUITY SHARE CAPITAL:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Authorised:		
1,725,000,000 [as at March 31, 2025: 1,725,000,000] Equity Shares of ₹ 1/- each	1,725	1,725
	1,725	1,725
Issued, Subscribed and Paid-up:		
1,006,233,990 [as at March 31, 2025: 1,006,233,990] Equity Shares of ₹ 1/- each, fully paid-up	1,006	1,006
Total	1,006	1,006

Notes to the Consolidated Financial Statements

NOTE: 18-EQUITY SHARE CAPITAL: (Continued)

	As at March 31, 2026	As at March 31, 2025
A There is no change in the number of shares as at the beginning and end of the year.		
Number of shares at the beginning and at the end of the year	1,006,233,990	1,006,233,990
B The Parent has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the parent company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.		
C Details of Shareholders holding more than 5% of aggregate Equity Shares of ₹ 1/- each, fully paid:		
a Zydus Family Trust		
Number of Shares	754,313,343	754,313,343
% to total share holding	74.96%	74.96%

D Equity Shares held by the promoters/ promoter group of the Parent:

Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
As at March 31, 2026			
1 Zydus Family Trust	754,313,343	74.964	-
2 Pankaj R. Patel	44,326	0.004	-
3 Pankaj Ramanbhai Patel HUF	29,550	0.003	-
4 Pripan Investment Private Limited	17,730	0.002	-
5 Taraben Patel Family Will Trust	14,775	0.001	-
6 Pritiben Pankajbhai Patel	14,775	0.001	-
7 Dr. Sharvil P. Patel	14,775	0.001	-
8 Shivani Pankajbhai Patel	14,775	0.001	-
9 Arati Rajiv Mehta	76,087	0.008	-
10 Ayushi Rajiv Mehta	17,727	0.002	-
11 Jasodaben Babubhai Patel	42,577	0.004	0.0001
12 Ritaben Yatin Desai	24,874	0.002	-

Notes to the Consolidated Financial Statements

NOTE: 18-EQUITY SHARE CAPITAL: (Continued)

Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
As at March 31, 2025			
1 Zydus Family Trust	754,313,343	74.964	-
2 Pankaj R. Patel	44,326	0.004	-
3 Pankaj Ramanbhai Patel HUF	29,550	0.003	-
4 Pripan Investment Private Limited	17,730	0.002	-
5 Taraben Patel Family Will Trust	14,775	0.001	-
6 Pritiben Pankajbhai Patel	14,775	0.001	-
7 Dr. Sharvil P. Patel	14,775	0.001	-
8 Shivani Pankajbhai Patel	14,775	0.001	-
9 Arati Rajiv Mehta	76,087	0.008	-
10 Ayushi Rajiv Mehta	17,727	0.002	-
11 Jasodaben Babubhai Patel	41,577	0.004	-
12 Ritaben Yatin Desai	24,874	0.002	-

NOTE: 19-OTHER EQUITY:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Capital Reserve:		
Balance as per last Balance Sheet	279	279
Capital Redemption Reserve:		
Balance as per last Balance Sheet	18	18
Other Reserves:		
International Business Development Reserve: (*)		
Balance as per last Balance Sheet	2,000	2,000
General Reserve: (**)		
Balance as per last Balance Sheet	372	372
Fair Value through Other Comprehensive Income (FVTOCI) Equity Instruments: (#)		
Balance as per last Balance Sheet	478	191
(Less)/ Add: Fair value (loss)/ gain during the year	(382)	287
	96	478
Foreign Currency Translation Reserve: (##)		
Balance as per last Balance Sheet	(10,238)	(9,261)
(Less): Exchange differences on translation of financial statements of foreign operations	(7,298)	(977)
	(17,536)	(10,238)

Notes to the Consolidated Financial Statements

NOTE: 19-OTHER EQUITY: (Continued)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Retained Earnings:		
Balance as per last Balance Sheet [^]	245,616	203,690
Add: Profit for the year	50,400	45,255
	296,016	248,945
Less: Items of other Comprehensive income recognised directly in Retained Earnings:		
Re-measurement [losses] on defined benefit plans [net of tax]	(82)	(292)
Share of Other Comprehensive Income of Joint Ventures [net of tax]	14	(18)
Less: Dividends	(11,069)	(3,019)
Balance as at the end of the year [^]	284,879	245,616
Total	270,108	238,525

[^] Includes ₹ 8,704 [as at March 31, 2025: ₹ 8,704] Million of Security Premium received by the group on issuance of equity shares by one of the subsidiaries to non-controlling interest holders.

[*] International Business Development Reserve was created pursuant to Composite Scheme of Arrangement approved by the Hon'ble High Court of Gujarat and its utilization shall be as provided in the scheme.

[**] General Reserve can be used for the purposes and as per guidelines prescribed in the Companies Act, 2013.

[#] The Group has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income.

These changes are accumulated within the FVTOCI on Equity Instruments within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

[##] Foreign Currency Translation Reserve represents exchange differences arising on account of conversion of foreign operations to Parent's functional currency.

NOTE: 20-BORROWINGS:

₹ in Million

	Non-current portion		Current Maturities	
	As at March 31		As at March 31	
	2026	2025	2026	2025
A Term Loans from Banks:				
a Term Loans:				
i Secured	65	-	15	-
ii Unsecured	31,262	-	41,784	-
B Loan from Others (Unsecured)	553	-	-	-
Total	31,880	-	41,799	-
The above amount includes:				
Secured borrowings	65	-	15	-
Unsecured borrowings	31,815	-	41,784	-
Amount disclosed under the head "Borrowings" [Note-24]	-	-	(41,799)	-
Net amount	31,880	-	-	-

Notes to the Consolidated Financial Statements

NOTE: 20-BORROWINGS: (Continued)

A Security and terms of Repayment for Secured Borrowings:

- a Term loan of ₹ 80 [as at March 31, 2025: Nil] Million of one of the subsidiary companies is repayable over a period of five years carry interest rate of MCLR plus a margin. The same is secured against charge on the plant and machinery of the subsidiary.

B Terms of Repayment for Unsecured Borrowings:

a Term Loans:

- i Term loan of ₹ 73,046 [as at March 31, 2025: Nil] Million of the subsidiary companies are repayable over period of eleven years and carry interest rate of EURIBOR plus a margin.
- ii Term loan of ₹ 553 [as at March 31, 2025: Nil] Million of one of the subsidiary companies is repayable by October 2029 carry interest rate of 2.50%.

NOTE: 21-OTHER FINANCIAL LIABILITIES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Security Deposits	514	480
Financial liability related to contingent consideration	9,821	8,242
Others	429	-
Total	10,764	8,722

NOTE: 22-PROVISIONS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits	4,453	3,839
Total	4,453	3,839

Defined benefit plan and long term employment benefit

A General description:

Leave wages (Long term employment benefit):

The leave encashment scheme is administered through Life Insurance Corporation of India's Employees' Group Leave Encashment cum Life Assurance [Cash Accumulation] Scheme by Parent Company and major Indian subsidiaries. The eligible employees of the Group are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

Gratuity (Defined benefit plan):

The Parent and major Indian subsidiaries have defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service. The scheme is funded with insurance companies in the form of a qualifying insurance policy. The plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary increment risk.

Notes to the Consolidated Financial Statements

NOTE: 22-PROVISIONS: (Continued)

Investment risk:

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

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.

₹ in Million

	As at March 31					
	2026			2025		
	Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
B Change in the present value of the defined benefit obligation:						
Opening obligation	490	3,766	4,902	393	3,213	4,153
Acquired subsidiaries [Refer Note-54]	-	17	7	-	7	14
Transfer in/ (out)	-	-	-	-	(1)	(5)
Interest cost	29	216	315	26	200	282
Past service cost	11	263	575	-	-	-
Current service cost	39	650	608	45	485	486
Benefits paid	(13)	(563)	(420)	(17)	(441)	(378)
Actuarial (gains)/ losses on obligation due to:						
Experience adjustments	(23)	217	176	23	204	174
Change in demographic assumptions	-	-	4	-	-	-
Change in financial assumptions	(11)	(131)	(231)	20	99	176
Closing obligation	522	4,435	5,936	490	3,766	4,902

Notes to the Consolidated Financial Statements

NOTE: 22-PROVISIONS: (Continued)

₹ in Million

	As at March 31					
	2026			2025		
	Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
C Change in the fair value of plan assets:						
Opening fair value of plan assets	-	284	4,265	-	269	3,617
Transfer in/ (out)	-	-	12	-	-	(2)
Expected return on plan assets	-	17	284	-	17	257
Return on plan assets excluding amounts included in interest income	-	1	2	-	(1)	(15)
Contributions by employer	-	-	1,616	-	-	783
Benefits paid	-	-	(433)	-	(1)	(375)
Actuarial (losses)/ gains	-	-	-	-	-	-
Closing fair value of plan assets	-	302	5,746	-	284	4,265
Total actuarial (losses)/ gains to be recognised	34	(86)	51	(43)	(303)	(350)
D Actual return on plan assets:						
Expected return on plan assets	-	17	284	-	17	257
Actuarial (losses)/ gains on plan assets	-	-	-	-	-	-
Actual return on plan assets	-	17	284	-	17	257
E Amount recognised in the balance sheet:						
Liabilities/ (Assets) at the end of the year	522	4,435	5,936	490	3,766	4,902
Fair value of plan assets at the end of the year	-	(302)	(5,746)	-	(284)	(4,265)
Difference	522	4,133	190	490	3,482	637
Unrecognised past service cost	-	-	-	-	-	-
Liabilities/ (Assets) recognised in the Balance Sheet	522	4,133	190	490	3,482	637
F Expenses/ (Incomes) recognised in the Statement of Profit and Loss:						
Past service cost	11	263	575	-	-	-
Current service cost	39	650	608	45	485	486
Interest cost on benefit obligation	29	216	315	26	200	282
Expected return on plan assets	-	(17)	(284)	-	(17)	(257)
Return on plan assets excluding amounts included in interest income	-	(1)	-	-	1	-
Net actuarial (gains)/ losses in the year	(34)	86	-	43	303	-
Amount included in "Employee Benefits Expense"	34	934	639	114	972	511
Amount included in "Exceptional items" [Refer Note-48]	11	263	575	-	-	-
Return on plan assets excluding amounts included in interest income	-	-	(2)	-	-	15
Net actuarial (gains)/ losses in the year	-	-	(51)	-	-	350
Amounts recognized in OCI	-	-	(53)	-	-	365

Notes to the Consolidated Financial Statements

NOTE: 22-PROVISIONS: (Continued)

₹ in Million

		As at March 31					
		2026			2025		
		Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
G	Movement in net liabilities recognised in Balance Sheet:						
	Opening net liabilities	490	3,482	637	393	2,944	536
	Acquired subsidiaries (Refer Note-54)	-	17	7	-	7	14
	Transfer in/ (out)	-	-	(12)	-	(1)	(3)
	Expenses as above (P & L Charge)	45	1,197	1,214	114	972	511
	Amount recognised in OCI	-	-	(53)	-	-	365
	Employer's contribution	-	-	(1,616)	-	-	(783)
	Benefits Paid	(13)	(563)	13	(17)	(440)	(3)
	Liabilities/ (Assets) recognised in the Balance Sheet	522	4,133	190	490	3,482	637
H	Principal actuarial assumptions for defined benefit plan and long term employment benefit plan:						
	Discount rate	7.00% - 7.25%	4.61%- 10.25%	4.61%- 10.25%	6.65%	6.65%- 12.10%	6.65%- 12.10%
(The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post employment benefit obligations)							
	Annual increase in salary cost	12% for next 2 year, 9% thereafter			12% for next 2 year, 9% thereafter		
(The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market)							
	Withdrawal rates (p.a.)	40% at younger ages reducing to 1% at older ages			40% at younger ages reducing to 1% at older ages		
(The estimates of level of attrition is based on broad economic outlook, type of sector the Company operates in and measures taken by the management to retain/ relieve the employees)							
I	The categories of plan assets (India) as a % of total plan assets are:						
	Insurance plan	0.00%	100.00%	99.02%	0.00%	100.00%	100.00%
	Bank Balance	0.00%	0.00%	0.98%	0.00%	0.00%	0.00%
The weighted average duration of defined benefit plan obligation at the end of the year is 3.32 to 10.91 years (as at March 31, 2025 : 5.60 to 8.03 years).							

Notes to the Consolidated Financial Statements

NOTE: 22-PROVISIONS: (Continued)

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumptions is shown below:

₹ in Million

Assumptions	Medical Leave		Leave Wages		Gratuity	
	As at March 31					
	2026	2025	2026	2025	2026	2025
Impact on obligation:						
Discount rate increase by 0.5%	(15)	(12)	(103)	(92)	(190)	(165)
Discount rate decrease by 0.5%	17	16	105	97	212	179
Annual salary cost increase by 0.5%	17	14	102	93	202	173
Annual salary cost decrease by 0.5%	(14)	(11)	(101)	(91)	(184)	(160)
Withdrawal rate increase by 10%	(21)	(20)	(51)	(62)	(51)	(59)
Withdrawal rate decrease by 10%	25	26	55	68	63	61

The following payments are expected contributions to the defined benefit plan and long term employment benefit in future years:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	1,892	1,620
Between 2 and 5 years	4,595	3,867
Between 6 and 10 years	4,104	3,243
Total expected payments	10,591	8,730

NOTE: 23-OTHER NON-CURRENT LIABILITIES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Others	5	9
Total	5	9

NOTE: 24-BORROWINGS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
From banks:		
Working Capital Loans (Secured) (*)	-	-
Working Capital Loans (Unsecured) (**)	22,027	10,200
From others (Secured) (***)	21,989	21,495
Current Maturities of Long Term Debt (Refer Note-20)	41,799	-
Total	85,815	31,695

Notes to the Consolidated Financial Statements

NOTE: 24-BORROWINGS: (Continued)

- [*] i Working Capital Loans of the Parent, which are repayable on demand, are secured by hypothecation of inventories of all types, save and except stores and spares relating to plant and machineries (consumable stores and spares), including goods in transit, bills receivables and book debts of the Parent. The value of such current assets is ₹ 106,727 [as at March 31, 2025 ₹ 101,139] Million.
- [**] i Packing Credit loans in Foreign currency [PCFC] of the Parent are payable during next six months. The outstanding amount of loans as at March 31, 2026 is ₹ 4,743 [as at March 31, 2025 Packing Credit loans in Rupees [PCRE]: ₹ 8,700] Million. These loans carry interest rate of SOFR plus a margin.
- ii Working capital loans of one of the subsidiary companies are repayable on demand. The outstanding amount of loan as at March 31, 2026 is ₹ 1,500 [as at March 31, 2025: ₹ 1,500] Million. These loans carry interest rate of Treasury Bill plus a margin.
- iii Working capital loans of some of the subsidiary companies are repayable on demand. The outstanding amount of loan as at March 31, 2026 is ₹ 14,582 [as at March 31, 2025: ₹ Nil] Million. These loans carry interest rate of Overnight Rate plus a margin.
- iv Working capital loans of one of the subsidiary companies are repayable on demand. The outstanding amount of loan as at March 31, 2026 is ₹ 1,202 [as at March 31, 2025: ₹ Nil] Million. These loans carry interest rate of EURIBOR plus a margin.
- [***] Loans from others of ₹ 21,989 [as at March 31, 2025: 21,495] Million are secured by Government Securities.

NOTE: 25-TRADE PAYABLES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Dues to Micro and Small Enterprises	1,540	974
Dues to other than Micro and Small Enterprises	26,911	21,833
Total	28,451	22,807

Ageing of Trade Payables :

₹ in Million

Particulars	Not due	Outstanding from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2026						
Undisputed Micro and Small Enterprises (MSME)	1,248	286	5	1	-	1,540
Undisputed Others	21,309	5,190	172	75	165	26,911
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	22,557	5,476	177	76	165	28,451
As at March 31, 2025						
Undisputed Micro and Small Enterprises (MSME)	747	226	1	-	-	974
Undisputed Others	16,705	4,733	195	56	144	21,833
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	17,452	4,959	196	56	144	22,807

Notes to the Consolidated Financial Statements

NOTE: 26-OTHER FINANCIAL LIABILITIES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	70	5
Book overdraft	186	48
Accrued Expenses	18,290	17,726
Payable for Capital Goods	4,177	1,269
Unpaid Dividends	46	40
Derivative Financial Liability	-	191
Financial liability related to contingent consideration	4,379	3,185
Others	1,898	-
Total	29,046	22,464

NOTE: 27-OTHER CURRENT LIABILITIES:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Advances from Customers	819	729
Payable to Statutory Authorities	3,053	1,542
Deferred Revenue Liabilities	363	23
Others	542	369
Total	4,777	2,663

NOTE: 28-PROVISIONS:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits [Refer Note-22]	701	988
Provision for claims for product expiry and return of goods [*]	4,084	3,526
Total	4,785	4,514
[*] Provision for claims for product expiry and return of goods:		
a Provision for product expiry claims and return of goods in respect of products sold during the year is made based on the management's estimates considering the estimated stock lying with retailers. The Group does not expect such claims to be reimbursed by any other party in future.		
b The movement in such provision is stated as under:		
i Carrying amount at the beginning of the year	3,526	2,923
ii Additional provision/ [reversal] made during the year [Net]	558	603
iii Carrying amount at the end of the year	4,084	3,526

Notes to the Consolidated Financial Statements

NOTE: 29-CURRENT TAX LIABILITIES (NET):

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for Taxation [Net of advance payment of tax] [Refer Note-8 B]	3,663	6,157
Total	3,663	6,157

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

₹ in Million

	As at March 31, 2026	As at March 31, 2025
A Contingent Liabilities:		
a Claims against the Group not acknowledged as debts	392	398
b Other money for which the Group is contingently liable (*):		
i In respect of the demands raised by the Goods and Service Tax, Central Excise, Customs, State Excise & Service Tax Authority	2,724	1,628
ii In respect of the demands raised by the Ministry of Chemicals & Fertilizers, Govt. of India under Drug Price Control Order, 1979/ 1995 for difference in actual price and price of respective bulk drug allowed while fixing the price of certain formulations and disputed by the Group, which the Group expects to succeed based on the legal advice	79	79
iii In respect of Income Tax matters pending before appellate authorities	2,656	3,227
iv In respect of Sales Tax matters pending before appellate authorities	2,201	1,068
v In respect of custom duty liability under EPCG scheme	427	111
vi In respect of letters of credit for Imports	586	196
vii In respect of other matters [Employees Indemnity on retirement/ guaranteed severance package]	834	611

(*) In most of the cases, the relevant authorities have raised demand or disallowed tax claims. The Group has preferred appeals and the outcome are awaited.

B Legal proceedings:

In late 2016, a union health and welfare fund filed two actions against one of the subsidiary companies in US [i.e. the Company] and other generic drug companies in the U.S. District Court for the Eastern District of Pennsylvania. These actions alleged conspiracies to fix prices or allocate markets for two drugs [divalproex and pravastatin] in violation of federal and state antitrust laws.

Subsequently, these and the other actions detailed below have been coordinated in a multi-district litigation in the Eastern District of Pennsylvania. Ultimately, putative classes of direct purchasers, end payors, and indirect resellers each filed multiple actions in which the Company is named as one of several defendants: [i] an action alleging a conspiracy to fix prices or allocate markets for pravastatin, [ii] an action to fix prices or allocate markets for divalproex, and [iii] an action alleging both a conspiracy to fix prices or allocate markets for a third drug [acetazolamide] as well as an "overarching," industry-wide conspiracy. In June 2018, Connecticut and other states filed a complaint against the Company and other defendants alleging a number of individual-drug conspiracies [including acetazolamide for the Company] as well as an "overarching" conspiracy. Several opt-out plaintiffs have filed complaint as well, and the claims in these complaints track the claims outlined above. In May 2019, Connecticut and other states filed a second complaint against the Company and other defendants. That complaint alleges a number of individual-drug conspiracies [including eight drugs for the

Notes to the Consolidated Financial Statements

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

Company) as well as an "overarching" conspiracy. Beginning in October 2019, putative classes of direct purchases, indirect resellers, and end payors as well as several opt-out plaintiffs filed additional complaints against the Company and other defendants with substantially similar claims.

In April 2024, the cases filed by Connecticut and other states were remanded to the District of Connecticut and now are proceeding on a separate track from the cases coordinated in the Eastern District of Pennsylvania. Fact discovery in many cases closed in 2025, though it is continuing in some of the later-filed cases. Beginning in 2025, the Multi District Litigation [MDL] Court entered a series of case management orders, selecting bellwether cases for trial. The Company is a defendant in five of the bellwether cases, all with trial dates between 2026-2028. The Company believes it has meritorious defenses to these lawsuits. In late 2019 four cases were filed against the Company in an existing MDL in Ohio.

In April 2023, 3 additional cases were filed in the Ohio MDL. In April 2023, 35 cases were filed in a New York Coordinated proceedings. The cases are similar, generally alleging that the Company manufactured, marketed and sold opioids and failed to effectively and adequately communicate warnings and risks of opioids use to both prescribers and users. The cases also generally allege the Company failed to report suspicious orders. The lawsuits are seeking relief under several theories, including a theory of public nuisance. Although we believe there are meritorious defenses to these lawsuits, the Company has entered into a master settlement agreement in related to the opioid litigation. The Company has paid the settlement amount USD 17.50 Million into the Qualified Settlement Fund. The company is not expecting any further liability regarding this case.

Astellas Pharma Inc. ["the innovator"] had filed cases against Zydus Pharmaceuticals USA, Inc. [ZPUI] and the Parent in United States District Court for the District of Delaware that were consolidated and pertained to the validity and infringement of its US Patent ["the '780 patent"] held by the innovator, for a sustained release formulation of "Mirabegron" marketed in the US by the innovator under the brand name Myrbetriq®.

On February 10, 2026, ZPUI and the Parent entered into a Settlement and License Agreement with the innovator concluding all litigations among them. In terms of the said agreement, ZPUI has paid to the innovator ₹ 3,975 Million [USD 45 Million] towards one time settlement cost, which has been disclosed as Exceptional Item [Refer Note – 48 (6)] and ₹ 6,625 Million [USD 75 Million] towards prepaid licensing fees, which has been capitalised and amortised over the period of 19 months. In addition to this, ZPUI is required to pay a prepaid per unit licensing fee on units of generic Mirabegron sold by it in the US from the date of settlement agreement till September 2027.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

₹ in Million

		As at March 31, 2026	As at March 31, 2025
C	Commitments:		
a	Estimated amount of contracts remaining to be executed on capital account and not provided for	12,294	7,302

Notes to the Consolidated Financial Statements

NOTE: 31- LEASES:

Lessee:

A Relating to statement of financial position:

- Under Ind AS 116, the Group recognises right to use assets and lease liabilities for most leases; Right of use assets are part of financial statement captions "Property plant and equipment". Depreciation and impairment is similar to measurement of owned assets. Lease liabilities are part of financial statement captions "non-current financial liabilities" and "current financial liabilities". Interest is part of financial statement captions " Finance cost".

Right of use assets:	₹ in Million				
	Land	Buildings	Plant and Equipment	Vehicles	Total
Balance as at March 31, 2024	1,557	221	-	119	1,897
Additions (Net)	46	66	-	123	235
Depreciation charge for the year	20	78	-	69	167
Assets classified as held for sale (Net) [Refer Note-53]	94	-	-	-	94
Exchange rate impact on translation of foreign operations	(16)	(7)	-	(17)	(40)
Balance as at March 31, 2025 (Net)	1,661	202	-	156	2,019
Acquired under Definitive Agreement [Refer Note-54 D]	353	-	-	-	353
Acquired subsidiaries [Refer Note-54]	54	529	648	115	1,346
Additions (Net)	1,512	5,736	15	38	7,301
Depreciation charge for the year	37	163	7	101	308
Exchange rate impact on translation of foreign operations	37	56	40	26	159
Balance as at March 31, 2026 (Net)	3,580	6,360	696	234	10,870

The Group leases assets which include office buildings, Plant and equipment, warehouse spaces and vehicles.

2 Movement in lease liabilities:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Lease liability at the beginning of the year	437	356
Lease liability of acquired subsidiaries	1,292	-
Recognition of right-of-use liability during the year	5,838	228
Interest on Lease	49	39
Payment towards lease liabilities	(255)	(147)
Other adjustments	(96)	(39)
Lease liability at end of the year	7,265	437
of which:		
Current portion	582	116
Non current portion	6,683	321

Notes to the Consolidated Financial Statements

NOTE: 31- LEASES: (Continued)

2.1 Maturity analysis of lease liabilities:

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

₹ in Million

Minimum lease payments due	As at March 31, 2026	As at March 31, 2025
Within 1 year	582	116
1-5 years	3,614	316
Above 5 year	3,069	5

2.2 ₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
a Expenses relating to short-term leases and low-value assets	514	306
b Total Cash outflow for Leases	(255)	(147)

Lessor:

The Group leases out certain properties and classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

₹ in Million

Lease payments due to be received:	As at March 31, 2026	As at March 31, 2025
Within 1 year	56	31
1-5 years	89	63
Above 5 year	-	40
Total undiscounted lease payments	145	134

Description of lease activities:

Real estate lease:

The Group leases buildings for offices and warehouse space. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leases are typically made for a fixed period of 3- 5 years and may include extension options which provide operational flexibility. Majority of the leases are cancellable by either parties by serving notice period.

NOTE: 32-PROPOSED DIVIDEND:

The Board of Directors of the Parent, at its meeting held on May 19, 2026, recommended the final dividend of ₹ 1/- per equity share of ₹ 1/- each. The recommended dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

Notes to the Consolidated Financial Statements

NOTE: 33-REVENUE FROM OPERATIONS:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of Products	267,197	225,738
Other Operating Revenues:		
Production Linked Incentive income [*]	345	3,000
Export Incentives	893	847
Licence Fees	932	252
Miscellaneous Income	2,117	2,578
	4,287	6,677
Total	271,484	232,415
[*] The Group is eligible for claiming benefits under the Production Linked Incentive (PLI) Scheme of the Government of India. Based on the estimated claims to be submitted/ submitted by the Group, the Group has recognised the PLI income.		
Pursuant to Ind AS 115 "Revenue from Contracts with Customers" reconciliation of revenue recognised in the statement of profit and loss with the contracted price is under:		
Revenue as per contracted price	513,418	451,094
Less:		
Provision for Expiry and Sales Return	(4,993)	(4,793)
Discounts/ Chargeback/ Price Reduction/ Rebates	(240,319)	(219,600)
Others	(909)	(963)
	(246,221)	(225,356)
Revenue from contract with customers	267,197	225,738

The Group has recognised revenue of ₹ 729 Million {March 31, 2025 ₹ 726 Million} from the amounts included under advance received from customers at the beginning of the year.

NOTE: 34-OTHER INCOME:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Finance Income:		
Interest Income on Financial Assets measured at Amortised Cost	2,231	938
Interest Income on Debt Instruments	1,930	639
Interest Income on Others	64	275
Net gain/ (loss) on Fair Valuation of Swap Contract	383	(191)
(Loss) on valuation of Forward Contract value related to investment in a Joint Venture mandatorily measured at FVTPL	-	(60)
	4,608	1,601
Dividend Income:		
From Investments designated as at FVTOCI	12	10
Gain on Financials Assets mandatorily measured at FVTPL	292	650
Net Gain on disposal of Property, Plant and Equipment (Net of loss)	23	345
Other Non-operating Income	160	89
Total	5,095	2,695

Notes to the Consolidated Financial Statements

NOTE: 35-COST OF MATERIALS CONSUMED:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Raw Materials:		
Stock at commencement	13,228	10,212
Add: Acquired subsidiaries [Refer Note-54]	228	-
Add: Purchases	41,296	36,819
	54,752	47,031
Less: Stock at close	14,142	13,228
	40,610	33,803
Packing Materials consumed	10,486	9,926
Total	51,096	43,729

NOTE: 36-PURCHASES OF STOCK-IN-TRADE:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Purchases of Stock-in-Trade	30,705	21,500
Total	30,705	21,500

NOTE: 37-CHANGES IN INVENTORIES:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Stock at commencement:		
Work-in-progress	6,619	6,055
Finished Goods	8,210	6,742
Stock-in-Trade	9,578	9,761
	24,407	22,558
Add: Acquired subsidiaries [Refer Note-54]	6,337	-
Less: Stock at close:		
Work-in-progress	6,864	6,619
Finished Goods	18,810	8,210
Stock-in-Trade	13,945	9,578
	39,619	24,407
Total	(8,875)	(1,849)

Notes to the Consolidated Financial Statements

NOTE: 38-EMPLOYEE BENEFITS EXPENSE:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	39,456	33,366
Contribution to provident and other funds	3,007	1,984
Defined benefit plan expenses [Refer Note-22]	639	511
Staff welfare expenses	1,077	945
Total	44,179	36,806
Above expenses include:		
Research related expenses:		
Salaries and wages	4,016	3,580
Contribution to provident and other funds	328	266
Staff welfare expenses	51	63
Total	4,395	3,909
For specified class of employees, the Parent has set up Employees' Provident Fund (EPF) Trust. For EPF Trust administered by the Parent, the Parent is liable for monthly contribution and any shortfall in the trust fund assets based on the government specified minimum rate of return. The Parent recognises such contribution and shortfall, if any, as an expense in the year in which it is incurred. These administered rates are determined annually considering the social and economic factors. The asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations. The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. The Parent has obtained a third party valuation report liabilities of the EPF trust. Based on the report, the Parent is not required to provide for any short fall to the Trust.		
The details of fund and plan assets position are given below:		
Plan asset	8,299	7,505
Present value of funded obligations	8,293	7,343
Funded status - Surplus	6	162
Irrecoverable surplus [effect of asset ceiling]	(6)	(162)
Net defined benefit asset/ (liability)	-	-
Principal actuarial assumptions:		
Discount rate	7.25%	6.65%
Expected rate of return	7.50%	7.50%
Guaranteed rate of return	8.25%	8.25%

Notes to the Consolidated Financial Statements

NOTE: 39-FINANCE COST:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense (*)	3,650	935
Change in financial liability related to contingent consideration	630	666
Other finance cost	109	58
Total	4,389	1,659
(*) The break up of interest expense into major heads is given below:		
On term loans	1,562	-
On short term loans	1,724	451
On lease liabilities	49	39
On others	315	445
Total	3,650	935

NOTE: 40-DEPRECIATION AND AMORTISATION EXPENSE:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation expenses	8,252	6,897
Amortisation expense	5,828	2,261
Total	14,080	9,158

NOTE: 41-OTHER EXPENSES:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Research Materials	3,157	1,894
Analytical Expenses	4,414	3,264
Consumption of Stores and spare parts	3,666	3,284
Power & fuel	4,160	3,754
Rent	514	306
Repairs to Buildings	374	306
Repairs to Plant and Machinery	1,278	1,184
Repairs to Others	658	514
Insurance	1,645	1,230
Rates and Taxes (excluding taxes on income)	736	422
Processing Charges	1,145	765
Commission to Directors	22	26
Traveling Expenses	2,697	2,185
Legal and Professional Fees	5,507	6,905

Notes to the Consolidated Financial Statements

NOTE: 41-OTHER EXPENSES: (Continued)

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Advertisement Expenses	6,096	3,368
Commission on sales	4,488	1,956
Freight and forwarding on sales	8,518	5,689
Representative Allowances	1,520	1,550
Other marketing expenses	13,922	9,521
Allowances of credit losses:		
Trade receivables written off	120	6
Expected credit loss	251	309
	371	315
Less: Transferred from balance of expected credit loss	(46)	(16)
	325	299
Allowances for Doubtful Advances:		
Doubtful advances written off	-	144
Allowances for credit impaired	27	21
	27	165
Directors' fees	16	20
Donations	148	46
Product Development Expenses	5,029	4,231
Corporate Social Responsibility (CSR) Expenses	1,071	619
Other Research and Development Expenses	2,722	3,438
Miscellaneous Expenses	8,578	6,337
Total	82,433	63,278
Above expenses include Research related expenses as follows:		
Research Materials	3,156	1,893
Analytical expenses	4,365	2,763
Consumption of Stores and spare parts	532	395
Power & Fuel	171	172
Repairs to Buildings	32	18
Repairs to Plant and Machinery	122	123
Repairs to Others	15	13
Insurance	43	38
Traveling Expenses	114	121
Legal and Professional fees	2,035	1,600
Product Development Expenses	5,029	4,231
Net Loss on disposal of Property, Plant and Equipment	1	1
Other Research and Development Expenses	2,722	3,247
Total	18,337	14,615
Research related Net Loss on foreign currency transactions and translation	-	29

Notes to the Consolidated Financial Statements

NOTE: 42-TAX EXPENSES:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
The major components of income tax expense are:		
A Statement of profit and loss:		
Profit or loss section		
Current income tax:		
Current income tax charge	13,543	19,801
Adjustments in respect of current income tax of previous years	252	692
	13,795	20,493
Deferred tax:		
Relating to origination and reversal of temporary differences	2,152	(6,374)
Tax expense reported in profit or loss	15,947	14,119
OCI Section:		
Tax related to items recognised in OCI during in the year:		
Tax [charged]/ credit to OCI	(135)	73
B Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate:		
Profit before tax	66,211	60,267
Enacted Tax Rate in India (%) [Refer Note-8 B]	25.17%	34.94%
Expected Tax Expenses	16,665	21,057
Adjustments for:		
Tax effect of income which do not form part of total income for tax purposes	(30)	331
Effect of unrecognized/ excess deferred tax assets / liabilities	2,934	1,708
Effect of non-deductible expenses/ losses	750	1,593
Effect of additional deductions in taxable income	(2,149)	(12,699)
Effect of difference between Indian and Foreign tax rates [including impact of different tax rate in India]	(621)	1,222
Effect of MAT Credit recognized	(496)	(164)
Remeasurement of opening balances of Deferred Tax Assets and Liabilities due to tax rate change by the Parent [Refer Note-8 B]	(515)	464
Remeasurement of closing balances of Deferred Tax Assets and Liabilities due to tax rate change by the Indian Subsidiaries [Refer Note-8 B]	(826)	-
Effect of current income tax of previous years	252	692
Others	(17)	(85)
Total	(718)	(6,938)
Tax Expenses as per Statement of profit and loss	15,947	14,119

Notes to the Consolidated Financial Statements

NOTE: 43-CALCULATION OF EARNINGS PER EQUITY SHARE (EPS):

The numerators and denominators used to calculate the basic and diluted EPS are as follows:

			Year ended March 31, 2026	Year ended March 31, 2025
A	Profit attributable to Shareholders	₹ in Million	50,400	45,255
B	Basic and weighted average number of Equity shares outstanding during the year	Numbers	1,006,233,990	1,006,233,990
C	Nominal value of equity share	₹	1	1
D	Basic & Diluted EPS	₹	50.09	44.97

NOTE: 44-SEGMENT INFORMATION:

- A** The Chief Operating Decision Maker (CODM) reviews the Group as "Pharmaceuticals", "Consumer Products" and "Medical Technologies" (^) segments.

The CODM reviews revenue, results, total assets and total liabilities as the performance indicator of an operating segment.

1 Pharmaceuticals:

This segment represents the business of integrated pharmaceutical operations with business encompassing the entire value chain in the research, development, production, marketing and distribution of pharmaceutical products. The product portfolio of the Group includes Active Pharmaceutical Ingredients (API), human formulations and animal health & veterinary.

2 Consumer products:

This segment represents the business of development, production, marketing and distribution of differentiated health and wellness products.

3 Medical technologies:

This segment represents the business of research, development, production, marketing and distribution of differentiated medical device products.

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
a Segment revenue:		
i Pharmaceuticals	224,121	205,415
ii Consumer Products	39,540	26,976
iii Medical technologies	7,823	24
iv Total revenue from operations	271,484	232,415
b Segment results:		
i Pharmaceuticals	70,488	59,231
ii Consumer Products	2,671	3,470
iii Medical technologies	(1,782)	(238)
iv Total profit before exceptional items and tax	71,377	62,463
c Segment assets:		
i Pharmaceuticals	357,983	305,290
ii Consumer products	103,062	64,389
iii Medical technologies	63,021	2,338
iv Total assets	524,066	372,017

Notes to the Consolidated Financial Statements

NOTE: 44-SEGMENT INFORMATION: (Continued)

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
d Segment liabilities:		
i Pharmaceuticals	119,684	99,958
ii Consumer products	44,790	7,343
iii Medical technologies	63,770	1,132
iv Total assets	228,244	108,433
B Geographical market:		
a Revenue (*):		
i India	97,179	92,530
ii US	117,171	111,411
iii Europe	26,753	4,020
iv Others	30,381	24,454
v Total	271,484	232,415
b Non-current operating assets (**):		
i India	157,774	147,469
ii US	29,955	6,813
iii Europe	82,829	520
iv Others	7,485	3,454
v Total	278,043	158,256
C Revenues derived from single external customer which amount to 10% or more of the Group's revenue	33,642	-

(^) Newly identified segment pursuant to the acquisition of Amplitude Surgical SA, France

(*) The revenue information above is based on the locations of the customers.

(**) Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress, goodwill, intangible assets and intangible assets under development.

NOTE: 45-GROUP INFORMATION:

Consolidated Financial Statements as at March 31, 2026 comprise the Financial Statements (FS) of Zydus Lifesciences Limited (ZLL) and its subsidiaries as well as its interest in Joint Ventures, which are as under:

No.	Name	Country of incorporation	% equity Interest as at March 31	
			2026	2025
A	Indian subsidiaries:			
1	Zydus Healthcare Limited	India	100.00	100.00
2	German Remedies Pharmaceuticals Private Limited	India	100.00	100.00
3	Zydus Wellness Limited	India	57.59	57.59
4	Zydus Wellness Products Limited	India	57.59	57.59

Notes to the Consolidated Financial Statements

No.	Name	Country of incorporation	% equity Interest as at March 31	
			2026	2025
5	Liva Investment Limited	India	Note-1	57.59
6	Liva Nutritions Limited	India	57.59	57.59
7	Zydus Animal Health and Investments Limited	India	100.00	100.00
8	Dialforhealth Greencross Limited	India	100.00	100.00
9	Dialforhealth Unity Limited	India	55.00	55.00
10	Violio Healthcare Limited	India	100.00	100.00
11	Zydus Pharmaceuticals Limited	India	100.00	100.00
12	Biochem Pharmaceutical Private Limited	India	100.00	100.00
13	Zydus Strategic Investments Limited	India	100.00	100.00
14	Zydus VTEC Limited	India	100.00	100.00
15	LM Manufacturing India Private Limited	India	100.00	100.00
16	Zydus Medtech Private Limited	India	100.00	100.00
17	Naturell (India) Private Limited	India	Note-2	57.59
18	Comfort Click Softech Private Limited	India	57.59	Note-3
B Foreign subsidiaries:				
1	Zydus Lanka (Private) Limited	Sri Lanka	100.00	100.00
2	Zydus International Private Limited	Ireland	100.00	100.00
3	Comfort Click Limited	Ireland	57.59	Note-3
4	Zydus Netherlands B.V.	Netherlands	100.00	100.00
5	Zydus France, SAS	France	100.00	100.00
6	Zydus MedTech (France) SAS	France	100.00	Note-4
7	Auroralux	Luxemburg	Note-10	Note-5
8	Ampliman 1	France	Note-11	Note-5
9	Ampliman 2	France	Note-12	Note-5
10	Amplitude Surgical SAS	France	100.00	Note-5
11	SCI Les Tilleuls	France	100.00	Note-5
12	Amplitude SAS	France	100.00	Note-5
13	Duotech Amplitude SAS	France	100.00	Note-5
14	Amplitude Ile de France	France	100.00	Note-5
15	Amplitude Sud SAS	France	100.00	Note-5
16	Amplitude Nord SAS	France	100.00	Note-5
17	Orthosante	France	100.00	Note-5
18	SCI Sofab Falla	France	100.00	Note-5
19	Mediconseil	France	100.00	Note-6
20	Laboratorios Combix S.L.	Spain	100.00	100.00
21	Etna Biotech S.R.L. (Under liquidation)	Italy	100.00	100.00
22	Zydus Healthcare (USA) LLC	U. S. A.	100.00	100.00
23	Zydus Pharmaceuticals (USA) Inc.	U. S. A.	100.00	100.00
24	Nesher Pharmaceuticals (USA) LLC	U. S. A.	Note-7	Note-7

Notes to the Consolidated Financial Statements

NOTE: 45-GROUP INFORMATION: (Continued)

No.	Name	Country of incorporation	% equity Interest as at March 31	
			2026	2025
25	ZyVet Animal Health Inc.	U. S. A.	100.00	100.00
26	Sentynl Therapeutics, Inc.	U. S. A.	100.00	100.00
27	Viona Pharmaceuticals Inc.	U. S. A.	100.00	100.00
28	Zydus Therapeutics Inc.	U. S. A.	100.00	100.00
29	Zynext Ventures USA LLC	U. S. A.	100.00	100.00
30	Zylidac Bio LLC	U. S. A.	100.00	Note-8
31	Naturell Inc.	U. S. A.	57.59	57.59
32	Comfort Click LLC	U. S. A.	57.59	Note-3
33	Amplitude Orthopedics Corporation	U. S. A.	100.00	Note-5
34	Amplitude Benelux	Belgium	100.00	Note-5
35	Amplitude Australia Pty Ltd.	Australia	100.00	Note-5
36	Amplitude Suisse SA	Switzerland	100.00	Note-5
37	Amplitude GmbH	Germany	100.00	Note-5
38	Amplitude New Zealand Limited	New Zealand	100.00	Note-5
39	Zydus Pharmaceuticals UK Limited	U.K	100.00	100.00
40	LM Manufacturing Limited	U.K.	100.00	100.00
41	Medsolutions (Europe) Limited	U.K.	100.00	100.00
42	LiqMeds Worldwide Limited	U.K.	100.00	100.00
43	LiqMeds Limited	U.K.	100.00	100.00
44	LiqMeds Lifecare Limited	U.K.	100.00	100.00
45	Alidac UK Limited	U.K.	57.59	Note-9
46	Comfort Click UK	U.K.	57.59	Note-3
47	Zynext Ventures PTE. LTD.	Singapore	100.00	100.00
48	Zydus Pharmaceuticals (Canada) Inc.	Canada	100.00	100.00
49	Zydus Worldwide DMCC	U. A. E.	100.00	100.00
50	Zydus Lifesciences Global FZE	U. A. E.	100.00	100.00
51	Zydus Wellness International DMCC	U. A. E.	57.59	57.59
52	Zydus Wellness (BD) Private Limited	Bangladesh	57.59	57.59
53	Zydus Nikkho Farmaceutica Ltda.	Brazil	100.00	100.00
54	Amplitude Latin America SA	Brazil	100.00	Note-5
55	Zydus Healthcare SA (Pty) Ltd.	South Africa	100.00	100.00
56	Alidac Pharmaceuticals SA Pty. Ltd.	South Africa	100.00	100.00
57	Script Management Services (Pty) Ltd.	South Africa	100.00	100.00
58	Amplitude South Africa Pty. Limited	South Africa	100.00	Note-5
59	Zydus Healthcare Philippines Inc.	Philippines	100.00	100.00
60	Alidac Healthcare (Myanmar) Limited	Myanmar	100.00	100.00
61	Zydus Pharmaceuticals Mexico SA De C.V.	Mexico	100.00	100.00
62	Zydus Pharmaceuticals Mexico Service Company SA De C.V.	Mexico	100.00	100.00

Notes to the Consolidated Financial Statements

NOTE: 45-GROUP INFORMATION: (Continued)

No.	Name	Country of incorporation	% equity Interest as at March 31	
			2026	2025
C	Partnership firm:			
1	M/s. Recon Pharmaceuticals and Investments	India	100.00	100.00
D	Joint Ventures:			
1	Zydus Takeda Healthcare Private Limited	India	50.00	50.00
2	Zydus Hospira Oncology Private Limited	India	50.00	50.00
3	Sterling Biotech Limited	India	50.00	50.00
4	Oncosol Limited	U.K	50.00	50.00

Notes:

- 1 Liva Investment Limited liquidated on August 20, 2025.
- 2 Pursuant to the voluntary liquidation process, as approved in extra ordinary general meeting of Naturell (India) Private Limited (NIPL) on July 1, 2025, effective from September 20, 2025, the Liquidator of NIPL has distributed the Business Undertaking of NIPL on a going concern basis to Zydus Wellness Limited.
- 3 The Group has acquired Comfort Click UK, Comfort Click LLC, Comfort Click Limited, Comfort Click Softech Private Limited on August 29, 2025 [Refer Note-54 B].
- 4 The Group has incorporated Zydus MedTech (France) SAS in France on April 10, 2025.
- 5 The Group has acquired Auroralux , Ampliman 1, Ampliman 2, Amplitude Surgical SA,, SCI Les Tilleuls, Amplitude SAS, Duotech Amplitude SAS, Amplitude Ile de France, Amplitude Sud SAS, Amplitude Nord SAS, Orthosante, SCI Sofab Falla, Amplitude Orthopedics Corporation, Amplitude Benelux, Amplitude Australia Pty, Amplitude Suisse SA, Amplitude GmbH, Amplitude Latin America SA, Amplitude South Africa Pty. Limited, Amplitude New Zealand Limited on July 29, 2025 [Refer Note-54 C].
- 6 The Group has acquired Mediconseil on December 19, 2025.
- 7 Nesher Pharmaceuticals (USA) LLC merged with Zydus Pharmaceuticals (USA) Inc. w.e.f. October 25, 2024.
- 8 The Group has incorporated Zylidac Bio LLC in USA on July 11, 2025.
- 9 The Group has incorporated Alidac UK Limited in UK on August 5, 2025.
- 10 Auroralux dissolved on December 31, 2025.
- 11 Ampliman 1 dissolved on January 16, 2026.
- 12 Ampliman 2 dissolved on January 9, 2026.

Notes to the Consolidated Financial Statements

NOTE: 46-STATUTORY GROUP INFORMATION:

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

	As at and for the year ended March 31, 2026							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	₹ in Million	As % of Consolidated Profit / (Loss)	₹ in Million	As % of Consolidated other Comprehensive income	₹ in Million	As % of total Comprehensive income	₹ in Million
Parent:								
Zydus Lifesciences Limited	87.31	236,717	70.63	35,598	(3.71)	287	84.09	35,885
Subsidiaries:								
Indian:								
Zydus Healthcare Limited	23.18	62,841	21.63	10,900	(0.67)	51	25.66	10,951
German Remedies Pharmaceuticals Private Limited	1.20	3,266	1.12	563	(0.03)	2	1.32	565
Zydus Wellness Limited	14.87	40,325	0.56	283	0.01	(1)	0.66	282
Zydus Wellness Products Limited	9.32	25,258	0.38	191	(0.02)	2	0.45	193
Liva Nutritions Limited	0.01	24	(0.00)	(0)	-	-	(0.00)	(0)
Zydus Animal Health and Investments Limited	8.46	22,930	1.16	586	(0.01)	1	1.38	587
Dialforhealth Unity Limited	(0.00)	(3)	(0.00)	(0)	-	-	(0.00)	(0)
Dialforhealth Greencross Limited	0.00	0	0.00	0	-	-	0.00	0
Violio Healthcare Limited	0.00	0	0.00	0	-	-	0.00	0
Zydus Pharmaceuticals Limited	3.28	8,894	(1.32)	(663)	0.04	(3)	(1.56)	(666)
Biochem Pharmaceutical Private Limited	0.00	0	(0.00)	(0)	-	-	(0.00)	(0)
Zydus Strategic Investments Limited	0.00	12	0.00	1	-	-	0.00	1
Zydus VTEC Limited	0.73	1,971	(0.57)	(289)	-	-	(0.68)	(289)
LM Manufacturing India Private Limited	0.01	25	0.02	9	(0.01)	1	0.02	9
Recon Pharmaceuticals and Investments	0.00	7	0.00	0	-	-	0.00	0
Zydus Medtech Private Limited	0.21	580	(1.66)	(836)	0.00	(0)	(1.96)	(836)
Naturell (India) Private Limited	-	-	0.18	93	0.03	(2)	0.21	91

Notes to the Consolidated Financial Statements

NOTE: 46-STATUTORY GROUP INFORMATION: [Continued]

	As at and for the year ended March 31, 2026							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / [Loss]		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	₹ in Million	As % of Consolidated Profit / [Loss]	₹ in Million	As % of Consolidated other Comprehensive income	₹ in Million	As % of total Comprehensive income	₹ in Million
Foreign:								
Zydus Lanka (Private) Limited	0.02	53	0.06	33	-	-	0.08	33
Zydus International Private Limited	3.01	8,165	0.06	30	-	-	0.07	30
Zydus Netherlands B.V.	3.40	9,228	(0.00)	(0)	-	-	(0.00)	(0)
Zydus France, SAS	0.10	260	0.59	297	-	-	0.70	297
Laboratorios Combix S.L.	0.43	1,163	0.64	321	-	-	0.75	321
Zydus MedTech (France) SAS	(0.22)	(607)	(1.50)	(757)	-	-	(1.77)	(757)
Amplitude Surgical SA - Consolidated	3.98	10,799	1.89	952	-	-	2.23	952
Etna Biotech S.R.L.	(0.04)	(100)	(0.01)	(5)	-	-	(0.01)	(5)
Zydus Healthcare (USA) LLC	0.11	294	0.02	8	-	-	0.02	8
Zydus Pharmaceuticals (USA) Inc.	6.16	16,706	14.52	7,317	-	-	17.15	7,317
ZyVet Animal Health Inc.	(0.07)	(181)	0.14	71	-	-	0.17	71
Sentynl Therapeutics, Inc.	(3.22)	(8,733)	(0.92)	(464)	-	-	(1.09)	(464)
Viona Pharmaceuticals INC	0.20	541	0.32	160	-	-	0.37	160
Zydus Therapeutics Inc.	(4.64)	(12,579)	(9.25)	(4,661)	-	-	(10.92)	(4,661)
Zynext Ventures USA LLC, USA	0.50	1,360	(0.00)	(1)	10.14	(784)	(1.84)	(785)
Zylidac Bio LLC	(0.20)	(551)	(1.02)	(513)	-	-	(1.20)	(513)
Zydus Pharmaceuticals UK Limited	3.26	8,840	0.56	282	-	-	0.66	282
LM Manufacturing Limited - Consolidated	0.29	799	2.27	1,142	-	-	2.68	1,142
Alidac UK Limited	(0.02)	(45)	(0.08)	(43)	-	-	(0.10)	(43)
Comfort Click UK - Consolidated	0.72	1,952	3.02	1,524	-	-	3.57	1,524
Zynext Ventures PTE. LTD.	0.82	2,232	(0.00)	(2)	-	-	(0.00)	(2)
Zydus Pharmaceuticals (Canada) Inc.	(0.01)	(33)	(0.06)	(32)	-	-	(0.07)	(32)
Zydus Wellness BD Private Limited	0.00	0	(0.07)	(37)	(0.01)	1	(0.08)	(36)
Zydus Worldwide DMCC	7.90	21,428	0.70	353	0.00	(0)	0.83	353
Zydus Lifesciences Global FZE	0.42	1,148	(15.49)	(7,805)	0.05	(4)	(18.30)	(7,809)
Zydus Wellness International DMCC	(0.15)	(405)	(0.17)	(85)	0.05	(4)	(0.21)	(89)
Zydus Nikkho Farmaceutica Ltda.	0.57	1,556	(0.19)	(95)	-	-	(0.22)	(95)
Zydus Healthcare SA (Pty) Ltd.	0.34	925	0.26	130	-	-	0.31	130

Notes to the Consolidated Financial Statements

NOTE: 46-STATUTORY GROUP INFORMATION: [Continued]

	As at and for the year ended March 31, 2026							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / [Loss]		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	₹ in Million	As % of Consolidated Profit / [Loss]	₹ in Million	As % of Consolidated other Comprehensive income	₹ in Million	As % of total Comprehensive income	₹ in Million
Alidac Pharmaceuticals SA Pty. Ltd.	(0.21)	(560)	(0.00)	(0)	-	-	(0.00)	(0)
Script Management Services (Pty) Ltd.	0.00	4	0.00	0	-	-	0.00	0
Zydus Healthcare Philippines Inc.	0.26	698	0.27	136	0.04	(3)	0.31	133
Alidac Healthcare (Myanmar) Limited	0.54	1,472	1.42	716	-	-	1.68	716
Zydus Pharmaceuticals Mexico SA De C.V.	(0.01)	(26)	0.76	381	0.09	(7)	0.88	374
Zydus Pharmaceuticals Mexico Service Company SA De C.V.	0.00	5	0.02	8	-	-	0.02	8
Minority Interests in all subsidiaries	(9.11)	(24,708)	(1.66)	(835)	(0.27)	21	(1.91)	(814)
Share of Joint Ventures (as per equity method)	-		1.93	971	(0.18)	14	2.31	985
Total Eliminations/ Consolidation Adjustments	(63.75)	(172,833)	8.86	4,466	94.46	(7,299)	(6.64)	(2,833)
Grand Total	100.00	271,114	100.00	50,400	100.00	(7,727)	100.00	42,673

	As at and for the year ended March 31, 2025							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / [Loss]		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	₹ in Million	As % of Consolidated Profit / [Loss]	₹ in Million	As % of Consolidated other Comprehensive income	₹ in Million	As % of total Comprehensive income	₹ in Million
Parent:								
Zydus Lifesciences Limited	88.46	211,901	127.61	57,749	(6.41)	64	130.63	57,813
Subsidiaries:								
Indian:								
Zydus Healthcare Limited	25.83	61,876	23.47	10,621	6.27	(63)	23.86	10,558

Notes to the Consolidated Financial Statements

NOTE: 46-STATUTORY GROUP INFORMATION: [Continued]

	As at and for the year ended March 31, 2025							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / [Loss]		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	₹ in Million	As % of Consolidated Profit / [Loss]	₹ in Million	As % of Consolidated other Comprehensive income	₹ in Million	As % of total Comprehensive income	₹ in Million
German Remedies Pharmaceuticals Private Limited	1.39	3,334	1.33	602	0.50	(5)	1.35	597
Zydus Wellness Limited	16.84	40,346	0.68	306	0.07	(1)	0.69	305
Zydus Wellness Products Limited	10.46	25,066	(0.62)	(281)	0.09	(1)	(0.64)	(282)
Liva Investment Limited	-	-	-	-	-	-	-	-
Liva Nutritions Limited	0.01	24	(0.00)	(0)	-	-	(0.00)	(0)
Zydus Animal Health and Investments Limited	9.95	23,843	2.88	1,304	0.18	(2)	2.94	1,302
Dialforhealth Unity Limited	(0.00)	(3)	(0.00)	(0)	-	-	(0.00)	(0)
Dialforhealth Greencross Limited	0.00	0	0.00	0	-	-	0.00	0
Violio Healthcare Limited	0.00	0	0.00	0	-	-	0.00	0
Zydus Pharmaceuticals Limited	3.03	7,260	(0.25)	(115)	0.26	(3)	(0.27)	(117)
Biochem Pharmaceutical Private Limited	0.00	0	(0.00)	(0)	-	-	(0.00)	(0)
Zydus Strategic Investments Limited	0.00	12	0.00	1	-	-	0.00	1
Zydus VTEC Limited	0.94	2,260	(0.70)	(318)	-	-	(0.72)	(318)
LM Manufacturing India Private Limited	0.01	16	(0.00)	(1)	(0.01)	0	(0.00)	(1)
Recon Pharmaceuticals and Investments	0.00	7	0.00	1	-	-	0.00	1
Zydus Medtech Private Limited	0.50	1,206	(0.42)	(189)	-	-	(0.43)	(189)
Naturell (India) Private Limited	0.06	147	0.12	56	0.22	(2)	0.12	54
Foreign:								
Zydus Lanka (Private) Limited	0.01	17	(0.02)	(8)	-	-	(0.02)	(8)
Zydus International Private Limited	2.89	6,929	0.68	309	-	-	0.70	309
Zydus Netherlands B.V.	2.78	6,649	(3.06)	(1,385)	-	-	(3.13)	(1,385)
Zydus France, SAS	(0.11)	(261)	(0.32)	(146)	-	-	(0.33)	(146)
Laboratorios Combix S.L.	0.33	800	1.06	479	-	-	1.08	479
Etna Biotech S.R.L.	(0.03)	(81)	0.14	64	-	-	0.14	64
Zydus Healthcare (USA) LLC	0.02	49	0.01	3	-	-	0.01	3
Zydus Pharmaceuticals (USA) Inc.	5.03	12,044	3.33	1,507	-	-	3.41	1,507
ZyVet Animal Health Inc.	(0.07)	(179)	0.12	56	-	-	0.13	56
Sentynl Therapeutics, Inc.	(3.06)	(7,326)	(4.13)	(1,867)	-	-	(4.22)	(1,867)

Notes to the Consolidated Financial Statements

NOTE: 46-STATUTORY GROUP INFORMATION: [Continued]

	As at and for the year ended March 31, 2025							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / [Loss]		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consoli- dated Net Assets	₹ in Million	As % of Consoli- dated Profit / [Loss]	₹ in Million	As % of Consoli- dated other Compre- hensive income	₹ in Million	As % of total Compre- hensive income	₹ in Million
Viona Pharmaceuticals INC	0.18	433	0.13	59	-	-	0.13	59
Zydus Therapeutics Inc.	(2.85)	(6,825)	(6.72)	(3,043)	-	-	(6.88)	(3,043)
Zynext Ventures USA LLC, USA	0.32	767	(0.02)	(8)	-	-	(0.02)	(8)
Zydus Pharmaceuticals UK Limited	3.17	7,591	0.29	132	-	-	0.30	132
LM Manufacturing Limited	(0.83)	(1,977)	(1.22)	(551)	-	-	(1.25)	(551)
Medsolutions (Europe) Limited	0.00	10	0.00	2	-	-	0.00	2
LiqMeds Worldwide Limited	0.74	1,779	3.35	1,516	-	-	3.43	1,516
LiqMeds Limited	(0.12)	(297)	0.40	180	-	-	0.41	180
LiqMeds Lifecare Limited	0.06	146	0.29	132	-	-	0.30	132
Zynext Ventures PTE. LTD.	0.33	791	(0.01)	(4)	-	-	(0.01)	(4)
Zydus Pharmaceuticals (Canada) Inc.	0.00	2	(0.17)	(76)	-	-	(0.17)	(76)
Zydus Wellness BD Private Limited	-	-	(0.03)	(16)	0.00	(0)	(0.04)	(16)
Zydus Worldwide DMCC	7.92	18,970	(7.15)	(3,235)	0.00	(0)	(7.31)	(3,235)
Zydus Lifesciences Global FZE	3.59	8,597	(3.49)	(1,579)	0.08	(1)	(3.57)	(1,580)
Zydus Wellness International DMCC	(0.12)	(279)	(0.41)	(185)	0.08	(1)	(0.42)	(186)
Zydus Nikkho Farmaceutica Ltda.	0.16	375	(2.65)	(1,201)	-	-	(2.71)	(1,201)
Zydus Healthcare SA (Pty) Ltd.	0.30	727	0.14	64	-	-	0.14	64
Alidac Pharmaceuticals SA Pty. Ltd.	(0.20)	(472)	(0.00)	(0)	-	-	(0.00)	(0)
Script Management Services (Pty) Ltd.	0.00	3	0.00	0	-	-	0.00	0
Zydus Healthcare Philippines Inc.	0.26	613	0.14	62	0.02	(0)	0.14	61
Alidac Healthcare (Myanmar) Limited	0.25	596	0.31	140	-	-	0.32	140
Zydus Pharmaceuticals Mexico SA De C.V.	(0.09)	(214)	(0.39)	(175)	(0.81)	8	(0.38)	(167)
Zydus Pharmaceuticals Mexico Service Company SA De C.V.	(0.00)	(3)	0.00	0	-	-	0.00	0
Naturell Inc. [USA]	-	-	-	-	-	-	-	-
Minority Interests in all subsidiaries	(10.04)	(24,053)	(3.25)	(1,471)	-	-	(3.32)	(1,471)
Share of Joint Ventures [as per equity method]	-	-	2.62	1,184	1.80	(18)	2.63	1,166
Total Eliminations/ Consolidation Adjustments	(68.33)	(163,683)	(34.07)	(15,419)	97.66	(975)	(37.04)	(16,394)
Grand Total	100.00	239,531	100.00	45,255	100.00	(998)	100.00	44,257

Notes to the Consolidated Financial Statements

NOTE: 47-RELATED PARTY TRANSACTIONS:

A Name of the Related Parties and Nature of the Related Party Relationship:	
a Entity having control over the Parent:	Zydus Family Trust (Holding 74.96 % in the Parent)
b Joint Venture Companies:	
Zydus Hospira Oncology Private Limited	Bayer Zydus Pharma Private Limited (Upto May 2, 2024)
Zydus Takeda Healthcare Private Limited	Oncosol Limited
Sterling Biotech Limited (w.e.f. August 29, 2024)	
c Key Managerial Personnel (KMP):	
Mr. Pankaj R. Patel	Non-Executive Chairman
Dr. Sharvil P. Patel	Managing Director & son of Chairman
Mr. Ganesh N. Nayak	Director
Mr. Mukesh M. Patel	Non-Executive Director
Mr. Apurva S. Diwanji	Independent Director
Mr. Nitin R. Desai	Independent Director (upto August 9, 2024)
Ms. Dharmishtaben N. Raval	Independent Director (upto August 9, 2024)
Mr. Bhadresh K. Shah	Independent Director
Mr. Akhil Monappa	Independent Director
Ms. Upasana Konidela	Independent Director
Ms. Shelina Parikh	Independent Director (w.e.f. May 17, 2024)
Mr. Nitin D. Parekh	Executive Officer (Chief Financial Officer) (upto August 31, 2025)
Mr. Tushar D. Shroff	Executive Officer (Chief Financial Officer) (w.e.f. September 1, 2025)
Mr. Dhaval N. Soni	Executive Officer (Company Secretary)
d Enterprises significantly influenced by KMP and/or their relatives with whom transactions have taken place:	
Cadmach Machinery Company Private Limited	Mukesh M. Patel & Co.
Zydus Hospitals and Healthcare Research Private Limited	M/s. International Tax and Investments Consultants
Aleta Hospitals LLP	Oneiro Chemicals Private Limited
Zydus Infrastructure Private Limited	TUV India Private Limited
Vitely Corp Private Limited (Formerly known as Vitely Bio LLP)	Apollo Healthco Limited
Ramanbhai Foundation	Zydus Foundation
Indifoss Analytical Private Limited	
e Post Employment Benefits Plans with whom transactions have taken place:	
Cadila Healthcare Limited Employees Group Gratuity Scheme	Zydus Wellness Limited Employees Group Gratuity Scheme
Cadila Healthcare Limited Managerial Cadre EPF	Zydus Wellness Sikkim Employees Group Gratuity Scheme
Zydus Healthcare Limited Employees Group Gratuity Scheme	Heinz India Private Limited Provident Fund
German Remedies Pharmaceuticals Private Limited Emp Group Gratuity Scheme	Heinz India Private Limited Employee Provident Fund
Zydus Animal Health And Investment Ltd. Employees Group Gratuity Scheme	Heinz India Private Limited Pension Fund
Zydus Pharmaceuticals Limited Employees Group Gratuity Scheme	

Notes to the Consolidated Financial Statements

NOTE: 47-RELATED PARTY TRANSACTIONS: (Continued)

a Details relating to parties referred to in Note-47-A (a & b)

Nature of Transactions	Value of Transactions (₹ in Million)	
	Entity having control over the Parent	
	Year ended March 31	
	2026	2025
Dividend Paid:		
Zydus Family Trust	8,343	2,301

b Details relating to parties referred to in Note-47-A (b & d)

Nature of Transactions	Value of Transactions (₹ in Million)			
	Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	Year ended March 31			
	2026	2025	2026	2025
Purchases:				
Goods:				
Oneiro Chemicals Private Limited	-	-	740	718
Others	85	61	14	15
Total	85	61	754	733
Property, Plant and Equipment:				
Zydus Infrastructure Private Limited	-	-	2,565	-
Others	-	-	20	14
Total	-	-	2,585	14
Reimbursement of Expenses Paid:				
Apollo Healthco Limited	-	-	104	-
Others	3	56	-	-
Total	3	56	104	-
Services:				
Apollo Healthco Limited	-	-	156	15
Zydus Infrastructure Private Limited	-	-	157	141
Others	6	-	48	33
Total	6	-	361	189

Notes to the Consolidated Financial Statements

NOTE: 47-RELATED PARTY TRANSACTIONS: (Continued)

Nature of Transactions	Value of Transactions (₹ in Million)			
	Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	Year ended March 31			
	2026	2025	2026	2025
Sales:				
Goods:				
Zydus Takeda Healthcare Private Limited	172	37	-	-
Apollo Healthco Limited	-	-	373	-
Zydus Hospitals and Healthcare Research Private Limited	-	-	64	66
Others	-	18	6	2
Total	172	55	443	68
Reimbursement of Expenses Recovered:				
Zydus Hospira Oncology Private Limited	9	11	-	-
Services:				
Oncosol Limited	5	140	-	-
Zydus Hospitals and Healthcare Research Private Limited	-	-	2	3
Total	5	140	2	3
Contribution for CSR:				
Zydus Foundation	-	-	543	886
Capital Advances:				
Sterling Biotech Limited	250	-	-	-
Investments made:				
Sterling Biotech Limited	-	6,708	-	-
Investments redemption:				
Bayer Zydus Pharma Private Limited	-	60	-	-
Zydus Foundation	-	-	-	900
Total	-	60	-	900
Finance:				
Interest Income:				
Bayer Zydus Pharma Private Limited	-	1	-	-
Zydus Foundation	-	-	-	1
Total	-	1	-	1

Notes to the Consolidated Financial Statements

NOTE: 47-RELATED PARTY TRANSACTIONS: (Continued)

Nature of Transactions	Value of Transactions (₹ in Million)			
	Joint Venture Companies		Enterprises significantly influenced by KMP and/ or their relatives	
	Year ended March 31			
	2026	2025	2026	2025
Outstanding:				
Payable:				
Sterling Biotech Limited	16	7	-	-
Zydus Infrastructure Private Limited	-	-	38	17
Oneiro Chemicals Private Limited	-	-	67	113
Others	2	2	5	1
Total	18	9	110	131
Receivable:				
Zydus Takeda Healthcare Private Limited	80	-	-	-
Apollo Healthco Limited	-	-	56	-
Oncosol Limited	40	126	-	-
Others	-	-	16	16
Total	120	126	72	16

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
c Details relating to persons referred to in Note-47-A (c) above:		
(i) Salaries and other employee benefits to Managing Director, Executive Director and other executive officers	560	602
(ii) Commission and Sitting Fees	30	38
(iii) Outstanding payable to above (i) and (ii)	289	301
d Details relating to persons referred to in Note-47-A (f) above:		
(i) Contributions (including Employee's share and contribution)	2,239	1,391

Notes to the Consolidated Financial Statements

NOTE: 48-EXCEPTIONAL ITEMS:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
1 Impairment of Goodwill related to Brazil business pursuant to assessment of recoverability due to changes in external and internal economic indicators	-	1,350
2 Impairment of a product related intangible held by Zydus Worldwide DMCC, a wholly owned subsidiary, on account of decreased market potential	-	846
3 Expenses related to acquisition of Comfort Click Limited [Refer Note-54 B]	245	-
4 Expenses related to liquidation of Naturell (India) Private Limited, a subsidiary on a going concern basis	97	-
5 One time impact of New Labour Codes [*]	849	-
6 One time settlement payment [**]	3,975	-
7 Total	5,166	2,196

[*] Effective November 21, 2025, the Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the "New Labour Codes". The Group has assessed the financial implications of these changes, which has resulted in one time increase in gratuity and leave encashment liability mainly on account of past service cost by ₹ 849 Million. Such increase is primarily arising due to change in the definition of "wages" for employees and contract labours.

The Group continues to monitor the developments pertaining to the New Labour Codes and the impact, if any, will be accounted in accordance with applicable accounting standards.

[**] On February 10, 2026, Zydus Pharmaceuticals USA, Inc. [ZPUI], a wholly owned subsidiary, and the Parent entered into a Settlement and License Agreement with the innovator concluding all litigations among them. In terms of the said agreement, ZPUI has paid to the innovator ₹ 3,975 Million [USD 45 Million] towards one time settlement cost, which has been disclosed as Exceptional Item.

NOTE: 49-MATERIAL PARTLY-OWNED SUBSIDIARIES:

₹ in Million

	Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	Year ended March 31		As at March 31	
	2026	2025	2026	2025
Zydus Wellness Limited *	835	1,471	24,708	24,053
Individually immaterial subsidiaries with non-controlling interests	-	-	-	-
Total	835	1,471	24,708	24,053

Notes to the Consolidated Financial Statements

NOTE: 49-MATERIAL PARTLY-OWNED SUBSIDIARIES: (Continued)

Financial information of a subsidiary that have material non-controlling interests (NCI) is provided below:

₹ in Million

Name of Subsidiary	Zydus Wellness Limited *	
Place of Incorporation and operations	India	
	As at March 31, 2026	As at March 31, 2025
% of Ownership	57.59%	57.59%
Summarised balance sheet:		
Current assets	13,667	11,042
Current liabilities	7,285	7,455
Net current assets	6,382	3,587
Non-current assets	89,411	53,377
Non-current liabilities	37,533	248
Net non-current assets	51,878	53,129
Net assets	58,260	56,716
Accumulated NCI	24,708	24,053

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Summarised statement of profit and loss:		
Revenue	39,674	27,225
Expenses	36,961	23,696
Profit after Tax	1,972	3,469
Other Comprehensive Income	(46)	(10)
Total comprehensive income	1,926	3,459
Profit allocated to NCI	835	1,471
Dividends paid to NCI	162	135
Summarised Cash Flow Statement:		
Net cash inflow from operating activities	2,264	3,800
Net cash (outflow) from investing activities	(29,099)	(2,236)
Net cash inflow/(outflow) from financing activities	26,984	(1,863)

* Consolidated financial information of Zydus Wellness Limited

NOTE: 50-FINANCIAL INSTRUMENTS:

A Fair values hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data relying as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data.

Notes to the Consolidated Financial Statements

NOTE: 50-FINANCIAL INSTRUMENTS: (Continued)

B Financial assets and liabilities measured at fair value - recurring fair value measurements:

₹ in Million

	As at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial Assets at FVTPL:				
Mutual funds	2,760	-	-	2,760
Bonds	2,749	-	-	2,749
Government Securities	23,709	-	-	23,709
Derivative Financial Asset	-	238	-	238
Financial Investments at FVTOCI:				
Quoted equity instruments	1,962	-	-	1,962
Unquoted equity instruments	-	-	151	151
Unquoted preferred stock	-	-	551	551
Unquoted Investments in Partnership Firm	-	-	524	524
Total financial assets	31,180	238	1,226	32,644
Financial liabilities :				
Financial Liabilities at FVTPL:				
Financial liability related to contingent consideration [Refer Note-54]	-	-	14,200	14,200
Total financial liabilities	-	-	14,200	14,200
	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial Assets at FVTPL:				
Mutual funds	3,254	-	-	3,254
Bonds	2,374	-	-	2,374
Government Securities	23,814	-	-	23,814
Derivative Financial Asset	-	178	-	178
Financial Investments at FVTOCI:				
Quoted equity instruments	888	-	-	888
Unquoted equity instruments	-	-	29	29
Unquoted preferred stock	-	-	325	325
Unquoted Investments in Partnership Firm	-	-	408	408
Total financial assets	30,330	178	762	31,270
Financial liabilities :				
Financial Liabilities at FVTPL:				
Derivative Financial Liability	-	191	-	191
Financial liability related to contingent consideration	-	-	11,427	11,427
Total financial liabilities	-	191	11,427	11,427

Notes to the Consolidated Financial Statements

NOTE: 50-FINANCIAL INSTRUMENTS: (Continued)

C Fair value of instruments measured at amortised cost:

Financial Assets:

The carrying amounts of loans, trade receivables, other financial assets (other than derivatives), cash and cash equivalents, investment in preference shares, debentures, bonds, commercial papers and certificate of deposits are considered to be the approximately equal to the fair values.

Financial Liabilities:

Fair values of borrowings, other financial liabilities except financial liability related to contingent consideration and trade payables are considered to be approximately equal to the carrying values.

D Valuation process and technique used to determine fair value:

Specific valuation techniques used to value financial instruments include the use of quoted market prices for similar instruments. The valuation has been derived using the Present Value technique under Income Approach.

NOTE: 51-FINANCIAL RISK MANAGEMENT:

A Financial instruments by category:

₹ in Million

	As at March 31, 2026			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets:				
Investments:				
Equity instruments (other than investment in Equity of a subsidiary)	-	2,113	-	2,113
Preference shares	-	551	9	560
Debentures	-	-	29	29
Bonds	2,749	-	1,596	4,345
Partnership Firm	-	524	-	524
Mutual funds	2,760	-	-	2,760
Commercial Papers	-	-	29,445	29,445
Certificate of Deposits	-	-	248	248
Government Securities	23,709	-	-	23,709
Non Current Other Financial Assets	-	-	344	344
Trade receivables	-	-	54,157	54,157
Cash and Cash Equivalents	-	-	14,166	14,166
Loans	-	-	39	39
Derivative Financial Asset	238	-	-	238
Other Current Financial Assets	-	-	1,931	1,931
Total	29,456	3,188	101,964	134,608
Financial liabilities:				
Borrowings (including current maturities and interest accrued but not due)	-	-	117,765	117,765
Financial liability related to contingent consideration	14,200	-	-	14,200
Lease liabilities	-	-	7,265	7,265
Non Current Other Financial Liabilities	-	-	943	943
Trade payables	-	-	28,451	28,451
Payable for Capital Goods	-	-	4,177	4,177
Book Overdraft	-	-	186	186
Other Current Financial Liabilities	-	-	20,234	20,234
Total	14,200	-	179,021	193,221

Notes to the Consolidated Financial Statements

NOTE: 51-FINANCIAL RISK MANAGEMENT: (Continued)

₹ in Million

		As at March 31, 2025			Total
		FVTPL	FVTOCI	Amortised Cost	
Financial assets:					
Investments:					
Equity instruments (other than investment in Equity of a subsidiary)	-	917	-		917
Preference shares	-	325	9		334
Debentures	-	-	28		28
Bonds	2,374	-	1,088		3,462
Partnership Firm	-	408	-		408
Mutual funds	3,254	-	-		3,254
Commercial Papers	-	-	12,714		12,714
Certificate of Deposits	-	-	5,749		5,749
Inter Corporate Deposits	-	-	2,011		2,011
Government Securities	23,814	-	-		23,814
Non Current Other Financial Assets	-	-	409		409
Trade receivables	-	-	40,848		40,848
Cash and Cash Equivalents	-	-	29,568		29,568
Loans	-	-	771		771
Derivative Financial Asset	178	-	-		178
Other Current Financial Assets	-	-	4,307		4,307
Total	29,620	1,650	97,502		128,772
Financial liabilities:					
Borrowings (including current maturities and interest accrued but not due)	-	-	31,700		31,700
Financial liability related to contingent consideration	11,427	-	-		11,427
Lease liabilities	-	-	437		437
Non Current Other Financial Liabilities	-	-	480		480
Trade payables	-	-	22,807		22,807
Payable for Capital Goods	-	-	1,269		1,269
Book Overdraft	-	-	48		48
Derivative Financial Liability	191	-	-		191
Other Current Financial Liabilities	-	-	17,766		17,766
Total	11,618	-	74,507		86,125

Financial Assets:

The carrying amounts of loans, trade receivables, other financial assets (other than derivatives), cash and cash equivalents, investment in preference shares, debentures, bonds, commercial papers and certificate of deposits are considered to be the approximately equal to the fair values.

Notes to the Consolidated Financial Statements

NOTE: 51-FINANCIAL RISK MANAGEMENT: (Continued)

Financial Liabilities:

Fair values of borrowings, other financial liabilities except financial liability related to contingent consideration and trade payables are considered to be approximately equal to the carrying values.

B Risk Management:

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the financial statements.

The Group's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Group's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below:

a Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle its obligations as agreed. The Group is exposed to credit risk from investment measured at amortised cost, loans, trade receivables, bank deposits and other financial assets. The Group periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual customer limits are set accordingly.

- i Investments at Amortised Cost : The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any significant losses from non-performance by these counterparties, and does not have any significant concentration of exposures.
- ii Bank deposits : The Group maintains its Cash and cash equivalents and Bank deposits with reputed and highly rated banks. Hence, there is no significant credit risk on such deposits.
- iii Loans to others: They are given for business purposes. The Company reassesses the recoverability of loans periodically. Interest recoveries from these loans are regular and there is no event of defaults.
- iv Trade Receivables: The Group trades with recognized and credit worthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to credit losses is not significant.

The Group is exposed to credit risk in the event of non-payment by customers. Credit risk concentration with respect to trade receivables is mitigated by the Group's large customer base. Adequate expected credit losses are recognized as per the assessments.

As at March 31, 2026, there is one customer [as at March 31, 2025, there was one customer] [wholesaler based in USA] whose outstanding balance exceed 10% of the total receivables. The Group has used lifetime expected credit loss [ECL] model for assessing the impairment loss. For the purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Notes to the Consolidated Financial Statements

NOTE: 51-FINANCIAL RISK MANAGEMENT: (Continued)

Financial assets for which loss allowances is measured using the expected credit loss:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Trade Receivables:		
Less than 180 days (including not due)	54,101	40,450
180 - 365 days	501	306
Above 365 days	630	829
Total	55,232	41,585
Movement in the expected credit loss allowance on trade receivables:		
Balance at the beginning of the year	737	456
Acquired subsidiaries	95	-
Addition	251	309
Recoveries	(46)	(16)
Exchange rate differences	38	(12)
Balance at the end of the year	1,075	737

Other than trade receivables, the Group has no significant class of financial assets that is past due but not impaired.

b Liquidity risk:

- a Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.
- b Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the group operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes to the Consolidated Financial Statements

NOTE: 51-FINANCIAL RISK MANAGEMENT: (Continued)

Maturities of financial liabilities:

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in Million

	< 1 year	1-2 year	2-3 year	> 3 years	Total
As at March 31, 2026					
Non-derivatives Financial Liabilities:					
Borrowings (including current maturities and interest)	86,568	187	30,467	1,226	118,448
Financial liability related to contingent consideration	4,379	6,265	-	3,556	14,200
Other non current financial liabilities	-	-	-	943	943
Trade payables	28,451	-	-	-	28,451
Accrued Expenses	18,290	-	-	-	18,290
Payable for Capital Goods	4,177	-	-	-	4,177
Unpaid dividend	46	-	-	-	46
Lease liabilities	582	1,220	658	4,805	7,265
Other Current Financial Liabilities	2,084	-	-	-	2,084
Total	144,577	7,672	31,125	10,530	193,904
As at March 31, 2025					
Non-derivatives Financial Liabilities:					
Borrowings (including current maturities and interest)	31,978	-	-	-	31,978
Financial liability related to contingent consideration	3,184	5,442	2,801	-	11,427
Other non current financial liabilities	-	-	-	480	480
Trade payables	22,807	-	-	-	22,807
Accrued Expenses	17,726	-	-	-	17,726
Payable for Capital Goods	1,269	-	-	-	1,269
Unpaid dividend	40	-	-	-	40
Lease liabilities	116	110	68	143	437
Other Current Financial Liabilities	239	-	-	-	239
Total	77,359	5,552	2,869	623	86,403

c Foreign currency risk:

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group's operations in foreign currency create natural foreign currency hedge.

Notes to the Consolidated Financial Statements

NOTE: 51-FINANCIAL RISK MANAGEMENT: (Continued)

Foreign currency risk exposure:

The groups exposure to foreign currency risk at the end of the reporting period expressed in ₹ in Million, are as follows:

₹ in Million

	Exposure of USD	
	2026	2025
Financial assets:		
Trade and other receivable	76,631	77,667
Cash and Cash equivalents	2,840	1,150
Investment in quoted equity instruments	1,352	137
Total exposure to foreign currency risk (assets)	80,823	78,954
Financial liabilities:		
Foreign currency loan along with interest	4,745	-
Trade and other payable	10,601	9,406
Total exposure to foreign currency risk (liabilities)	15,346	9,406
Net exposure to foreign currency risk	65,477	69,548

₹ in Million

	Exposure of Other Foreign Currency	
	2026	2025
Financial assets:		
Trade and other receivable	4,404	2,844
Cash and Cash equivalents	64	163
Total exposure to foreign currency risk (assets)	4,468	3,007
Financial liabilities:		
Trade and other payable	2,438	1,531
Total exposure to foreign currency risk (liabilities)	2,438	1,531
Net exposure to foreign currency risk	2,030	1,476

Sensitivity *:

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

₹ in Million

Currency	As at March 31, 2026			As at March 31, 2025		
	Movement in Rate	Impact on PAT (*)	Impact on OCI (*)	Movement in Rate	Impact on PAT (*)	Impact on OCI (*)
USD	11.00%	5,278	149	2.50%	1,129	3
USD	-11.00%	(5,278)	(149)	-2.50%	(1,129)	(3)
Others	20.00%	304	-	4.00%	38	-
Others	-20.00%	(304)	-	-4.00%	(38)	-

* Holding all other variables constant.

Notes to the Consolidated Financial Statements

NOTE: 51-FINANCIAL RISK MANAGEMENT: (Continued)

d Interest rate risk:

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2026, the Group is exposed to changes in market interest rates through borrowings at variable interest rates. The Group's investments in Fixed deposits, commercial papers, certificate of deposits, inter corporate deposits, bonds and debentures are at fixed interest rates.

Sensitivity *:

Below is the sensitivity of profit or loss and equity to changes in interest rates:

₹ in Million

	Movement in Rate	As at March 31, 2026	As at March 31, 2025
Interest rates	+0.50%	(356)	(33)
Interest rates	-0.50%	356	33

* Holding all other variables constant

e Price risk:

Exposure:

The group's exposure to price risk arises from investments in Equity and Mutual Funds, Bonds, Government Securities held by the group and classified in the balance sheet as fair value through OCI and at fair value through profit or loss respectively. To manage its price risk arising from these investments, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

Sensitivity *:

The table below summarises the impact of increases/ decreases of the index on the group's equity and profit for the period.

₹ in Million

	Movement in Rate	As at March 31, 2026		As at March 31, 2025	
		Impact on PAT	Impact on OCI	Impact on PAT	Impact on OCI
Equity Instruments (Quoted)					
Increase	+10.00%	-	196	-	89
Decrease	-10.00%	-	(196)	-	(89)
Mutual Funds (Unquoted)					
Increase	+2.00%	55	-	65	-
Decrease	-2.00%	(55)	-	(65)	-
Bonds (Quoted)					
Increase	+2.00%	55	-	47	-
Decrease	-2.00%	(55)	-	(47)	-
Government Securities (Quoted)					
Increase	+2.00%	474	-	476	-
Decrease	-2.00%	(474)	-	(476)	-

* Holding all other variables constant

Notes to the Consolidated Financial Statements

NOTE: 52-CAPITAL MANAGEMENT:

The Group's capital management objectives are:

- a To ensure the Group's ability to continue as a going concern
- b To provide an adequate return to shareholders; and
- c To maintain an optimal capital structure to reduce the cost of capital.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Gross debts	117,695	31,695
Total equity attributable to equity holders of the Parent	271,114	239,531
Gross debt to equity ratio (No. of times)	0.43	0.13

Loan covenants:

The group has complied with all the applicable financial covenants as agreed with external Lenders during the reporting period.

NOTE: 53: ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE:

Considering the long term objective, the management of Zydus Wellness Products Limited, a subsidiary of the Group, has decided in last quarter of the previous financial year to reclassify assets located at Sitarganj in Uttarakhand from Asset Held for Sale to Property Plant and Equipment, refer note 3 [A].

NOTE: 54-BUSINESS COMBINATION:

A Pursuant to the share purchase agreement entered into by the Zydus Wellness Limited [ZWL], a subsidiary of the Parent, on October 30, 2024 to acquire Naturell (India) Private Limited [NIPL]. ZWL had completed the acquisition of 100% shares of NIPL on December 2, 2024.

The acquisition provides immense opportunity to broaden the Group's portfolio and invest in brands and products that the Group believes are most relevant to health-conscious consumers. Acquired brands and products will significantly enhance the operating scale and widen the marketing network.

The cost of acquisition was ₹ 3,900 Million. The same comprises of ₹ 3,690 Million as upfront consideration and additional consideration of ₹ 210 Million was paid on the achievement of agreed milestones for the financial year 2024-25.

Notes to the Consolidated Financial Statements

NOTE: 54-BUSINESS COMBINATION: (Continued)

The assets and liabilities recognized as a result of the acquisition are as follows:

Particulars	₹ in Million
Inventories	101
Trade Receivables	177
Cash and cash equivalents	166
Property, Plant and Equipment	6
Other intangible assets	2,902
Other Assets	63
Current Liabilities	(406)
Non-Current Liabilities	(14)
Identifiable net assets acquired	2,995
Goodwill	905
Purchase consideration paid	3,690
Financial liability related to additional consideration	210
Total acquisition cost	3,900
Acquisition cost settled in Cash	
Consideration	3,690
Less: Cash and cash equivalents acquired	166
Net Cash outflow on acquisition	3,524
The fair value of trade and other receivables acquired as part of the business combination amounted to	177

The above is the same as the Contractual amount of such receivables.

The excess of the acquisition cost paid over the fair value of assets acquired had been attributed to Goodwill and the same shall not be amortised.

The Goodwill recognised under the business combination represents the above stated benefits along with synergetic benefits estimated by the Group.

For measuring the fair value of intangible assets Multi-period Excess Earning Method was applied.

- B** Pursuant to the Share Purchase Agreement (SPA) entered into by Alidac UK Limited [Alidac], a wholly owned subsidiary of Zydus Wellness Limited, on August 29, 2025, to acquire Comfort Click Limited [CCL], Alidac has successfully completed the acquisition of CCL on August 29, 2025. Alidac acquired 100% outstanding ordinary shares of Class A and Class B, 71.43% of non-controlling ordinary shares of Class C and 66.67% of non-controlling ordinary shares of Class D of CCL. The cost of acquisition is GBP 239 Million plus the agreed profit ticker of GBP 2.64 Million, in accordance with the terms of SPA.

CCL's acquisition aligns with the strategic vision of expanding the Group's international footprint while deepening the capabilities in consumer-centric health, presence in digital health and personalised wellness.

The financial statements for the year ended March 31, 2026 include the operations of CCL for the period from August 29, 2025 with provisional purchase price allocation (PPA) figures. The PPA figures shall be finalised within the measurement period as provided by Ind AS 103.

Notes to the Consolidated Financial Statements

NOTE: 54-BUSINESS COMBINATION: (Continued)

The assets and liabilities recognised as a result of the acquisition were as follows:

Particulars	₹ in Million
Inventories	1,634
Trade Receivables	209
Cash and cash equivalents	271
Property, Plant and Equipment	66
Other intangible assets	24,828
Other Assets	369
Total Assets	27,377
Current Liabilities	(1,167)
Non-Current Liabilities	(38)
Deferred tax liability on intangible assets (*)	(6,207)
Total Liabilities	(7,412)
Identifiable net assets acquired (*)	19,965
Goodwill (*)	8,804
Purchase consideration paid	28,493
Financial liabilities related to deferred consideration	276
Total acquisition cost	28,769
Acquisition cost settled in Cash	
Consideration	28,769
Less: Cash and cash equivalents acquired	271
Net Cash outflow on acquisition	28,498
The fair value of trade and other receivables acquired as part of the business combination amounted to	209

The above is the same as the Contractual amount of such receivables.

(*) Pursuant to recognition of assets and liabilities at fair value, the Group recognised a deferred tax liability, amounting to ₹ 6,207 Million, for difference between their books base and tax base with a corresponding effect as part of Goodwill.

The excess of the acquisition cost paid over the fair value of assets acquired has been attributed to Goodwill and the same shall not be amortised.

The Goodwill recognised under the business combination represents the above stated benefits along with synergetic benefits estimated by the Group.

For measuring the fair value of Trademark, Multi-period Excess Earning method is applied.

From the date of acquisition, CCL has contributed to consolidated revenue by ₹ 11,864 Million and consolidated profit before tax by ₹ 1,674 Million. If the business combination had taken place at the beginning of the year, CCL's contribution to the consolidated revenue would have been ₹ 18,900 Million and contribution to consolidated profit before tax would have been ₹ 2,056 Million.

- C** On March 11, 2025, the Board of Directors of the Parent had approved entering into a put-option agreement with PAI Partners and two share purchase agreements with two minority shareholders, to acquire, directly or through its affiliates, a controlling stake i.e. 85.6% equity shares ["Block Acquisition"] of Amplitude Surgical SA, France [Amplitude] at a price of Euro 6.25 per equity share aggregating to a consideration value of Euro 256.8 Million [equivalent to ₹ 23,798 Million]. After conducting the mandatory information and consultation process with the Social and Economic Committee [employee representative body] of Amplitude and obtaining a positive opinion from the said committee

Notes to the Consolidated Financial Statements

NOTE: 54-BUSINESS COMBINATION: (Continued)

and after obtaining approval of French Minister of Economy as part of the control of foreign investments in France, the Parent had signed a share purchase agreement on April 25, 2025 to acquire 75.4% of the share capital of Amplitude from PAI Partners, Olivier Jallabert [CEO of Amplitude] and other managers of Amplitude, which together with the two share purchase agreements already signed on March 11, 2025 with two minority shareholders represent 85.6% of the share capital of Amplitude. All the conditions precedent to the completion have been fulfilled and the Block Acquisition has been completed on July 29, 2025. As a result, Zydus MedTech France, SAS (ZMF), a wholly owned subsidiary of the Group, holds 85.6% of the share capital and voting rights of Amplitude.

On July 30, 2025, ZMF has filed a simplified mandatory tender offer ["the Offer"] with French Financial Market Authority [Autorité des marchés financiers, "AMF"] for acquiring all the remaining outstanding shares of Amplitude at a price of Euro 6.25 per share, identical to the price paid for the Block Acquisition.

Pursuant to the Offer and subsequent squeeze-out, ZMF has acquired the balance 14.4% of outstanding share capital and voting rights of Amplitude by October 24, 2025, Amplitude became wholly owned subsidiary of ZMF and following which Amplitude was delisted from Euronext Stock Exchange, Paris.

The acquisition shall act as a platform to execute global MedTech strategy and a natural extension for Group. The acquisition will also provide an opportunity to leverage Amplitude's strengths in the attractive orthopedics markets with its extensive distribution footprint backed by high-quality products meeting highest quality standards and regulations. The reach is expected to be enhanced by ongoing product development pipeline and computer assisted program.

The financial statements for the year ended March 31, 2026 include the operations of Amplitude for the period from July 29, 2025 with provisional purchase price allocation (PPA) figures. The PPA figures shall be finalised within the measurement period as provided by Ind AS 103.

The assets and liabilities recognized as a result of the acquisition are as follows:

Particulars	₹ in Million
Inventories	4,931
Trade Receivables	1,470
Cash and cash equivalents	1,631
Property, Plant and Equipment	4,296
Capital work-in-progress	1,502
Other intangible assets	18,229
Intangible Assets under Development (IAUD)	9,364
Other Assets	1,163
Total Assets	42,586
Current Liabilities	(6,391)
Non-Current Liabilities	(11,355)
Deferred tax liability on intangible assets (*)	(6,247)
Total Liabilities	(23,993)
Non-Controlling Interest	(4,324)
Identifiable net assets acquired (*)	14,269

Notes to the Consolidated Financial Statements

NOTE: 54-BUSINESS COMBINATION: (Continued)

Particulars	₹ in Million
Goodwill (*)	11,429
Total acquisition cost	25,698
Acquisition cost settled in Cash	
Consideration	25,698
Less: Cash and cash equivalents acquired	1,631
Net Cash outflow on acquisition	24,067
The fair value of trade and other receivables acquired as part of the business combination amounted to	1,470

The above is the same as the Contractual amount of such receivables.

(*) Pursuant to recognition of assets and liabilities at fair value, the Group recognised a deferred tax liability, amounting to ₹ 6,247 Million, for difference between their books base and tax base with a corresponding effect as part of Goodwill.

The excess of the acquisition cost paid over the fair value of assets acquired has been attributed to Goodwill and the same shall not be amortised.

The Goodwill recognised under the business combination represents the above stated benefits along with new growth opportunities and synergetic benefits estimated by the Group.

For measuring the fair value of Brand relief from royalty method is applied, for IAUD discounted cash flow method is applied, for other intangible assets such as customer relationship and non compete agreement multi period excess earning method and with or without methods are applied respectively.

From the date of acquisition, Amplitude has contributed to consolidated revenue by ₹ 7,721 Million and consolidated profit before tax by ₹ 1,044 Million. If the business combination had taken place at the beginning of the year, Amplitude's contribution to the consolidated revenue would have been ₹ 11,582 Million and contribution to consolidated profit before tax would have been ₹ 1,566 Million.

- D** Zylidac Bio LLC [Zylidac], USA, a wholly owned subsidiary, has entered into Definitive Agreement with Agenesis West LLC, and Agenesis Inc., USA [collectively referred to as "Agenesis"], to acquire two U.S. based biologics manufacturing facilities of Agenesis, one in Emeryville, CA and another in Berkeley, CA [collectively referred to as "Agenesis facilities"]. The transaction has been completed on January 15, 2026. The cost of acquisition is USD 75 Million as upfront consideration, subject to certain closing adjustments, and contingent payment of up to USD 50 Million over three years subject to achievement of certain revenue milestones.

Emeryville facility is an end-to-end development and clinical and commercial offering cell line development, banking and storage, upstream and downstream process development, analytical and formulation development, labelling and packaging, release and stability testing and warehousing and distribution. Berkeley facility is clinical facility offering upstream process development, potential for analytical and quality control operations, cell banking and storage and drug substance manufacturing.

The acquisition will help the Group gain immediate entry into the global biologics contract development and manufacturing organization [CDMO] space with advanced manufacturing capabilities in California, strengthening its U.S. and global presence by leveraging strong supply chain and geopolitical advantages.

The financial statements for the year ended March 31, 2026 include the operations of Agenesis facilities for the period from January 15, 2026 with provisional purchase price allocation [PPA] figures. The PPA figures shall be finalised within the measurement period as provided by Ind AS 103.

Notes to the Consolidated Financial Statements

NOTE: 54-BUSINESS COMBINATION: (Continued)

The assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	₹ in Million
Property, Plant and Equipment	8,880
Capital work-in-progress	18
Other intangible assets	1,394
Net Identifiable assets acquired	10,292
Goodwill	507
Purchase consideration paid	7,225
Contingent consideration payable	3,574
Total acquisition cost	10,799
Acquisition cost settled in Cash	
Consideration	7,225
Less: Cash and cash equivalents acquired	-
Net Cash outflow on acquisition	7,225

The excess of the fair value of assets acquired over the acquisition cost paid has been attributed to Goodwill.

The excess of the acquisition cost paid over the fair value of assets acquired has been attributed to Goodwill and the same shall not be amortised.

For measuring the fair value of intangible assets Net Present Value Method is applied.

NOTE: 55-SUBSEQUENT EVENT:

On May 13, 2026, Zydus Worldwide DMCC (ZWD), a wholly owned subsidiary of the Parent, has signed a definitive agreement, through its wholly owned acquisition subsidiary Zara Merger Sub Inc., with Assertio Holdings, Inc., USA [Assertio], to acquire all outstanding shares of Assertio for USD 23.50 per share in cash for consideration of approximately USD 166.4 Million on a fully-diluted basis, calculated using the treasury stock method. This transaction is structured as a tender offer to be followed by a merger, subject to customary closing conditions and regulatory approvals.

The acquisition will help the Group to secure an immediate U.S. specialty oncology commercial footprint and use it as a platform to expand an oncology specialty portfolio.

Notes to the Consolidated Financial Statements

NOTE: 56-OTHER STATUTORY INFORMATION:

- a Following are the details of the funds loaned and invested by the Parent to intermediaries for further loan or investment to the ultimate beneficiaries:

For the details of the funds loaned by the subsidiary to the Parent, refer note [b] below.

Amount in ₹ Million

Name of the intermediary to which the funds are advanced/ invested	Date of loan and investment to intermediary	Amount of loan and investment to intermediary	Date on which funds are further loaned and invested by intermediary to ultimate beneficiary	Amount of fund further loaned and invested by intermediary to ultimate beneficiary	Ultimate beneficiary
Zydus Pharmaceuticals UK Ltd	27-Jun-25	2,138	03-Jul-25	2,138	Erstwhile selling shareholders of LM Manufacturing Limited
Zydus Medtech Private Limited	28-Jul-25	202	28-Jul-25	202	Zydus Medtech (France) SAS
Zynext Ventures PTE. LTD. and Zynext Ventures USA LLC	30-Mar-26	1,353	31-Mar-26	1,348	Agenus Inc. [Refer Note-5 (1)]

Complete details of the intermediary and ultimate beneficiary:

Name of entity	Registered address	Relationship with the Company
Zydus Pharmaceuticals UK Ltd	First Floor, Templeback, 10, Templeback, Bristol, United Kingdom, BS1 6FL	Wholly owned subsidiary
Erstwhile selling shareholders of LM Manufacturing Limited	Sandretto Building Cavalry Hill Industrial Park, Weedon, Northampton, England, NN7 4PP	Erstwhile selling shareholders of Wholly owned subsidiary
Zydus Medtech Private Limited	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj (Gandhinagar), S.G. Highway, Ahmedabad, Gujarat, India.	Wholly owned subsidiary
Zydus MedTech (France) SAS, France	Lot No. 25 Rue des Peupliers-Zac Les Hautes Pâtures -Parc d'Activités des Peupliers 92000 Nanterre	Wholly owned subsidiary
Zynext Ventures PTE. LTD.	8 Cross Street, #24-03/04, Manulife towers, 048424, Singapore	Wholly owned subsidiary
Zynext Ventures USA LLC	73 Route 31 N, Pennington, NJ 08534, USA	Wholly owned subsidiary
Agenus Inc.	3 Forbes Road, Lexington, Massachusetts 02421, USA	Not a related party

Notes to the Consolidated Financial Statements

NOTE: 56-OTHER STATUTORY INFORMATION: (Continued)

- b** Following are the details of the funds received by the Parent from the funding party for further loan or investment to the ultimate beneficiaries:

Amount in ₹ Million

Name of Funding Party	Date on which funds are received	Amount of funds received	Date on which funds are further loaned to ultimate beneficiaries	Amount of funds further loaned to ultimate beneficiaries	Ultimate beneficiary
Zydus Healthcare Limited	11-Apr-25	1,079	11-Apr-25	386	Zydus Lifesciences Global FZE
Total		1,079		386	

Complete details of the intermediary and ultimate beneficiary:

Name of entity	Registered address	Relationship with the Company
Zydus Healthcare Limited	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj (Gandhinagar), S.G. Highway, Ahmedabad, Gujarat, India.	Wholly owned subsidiary
Zydus Lifesciences Global FZE	FZ JO B2601 Jebel Ali Free zone, Dubai, U.A.E	Wholly owned subsidiary

The Parent has complied with relevant provisions of the Foreign Exchange Management Act, 1999 [42 of 1999] and Companies Act, 2013 and the transactions are not violative of the Prevention of Money-Laundering act, 2002 [15 of 2003].

- c** The Group has defined process to take daily back-up on server physically located in India of books of account maintained electronically and complied with the provisions of the Companies [Accounts] Rules, 2014 [as amended]. In case of Zydus Takeda Healthcare Private Limited [Takeda] [JV of the Group], such backup is kept on servers physically located outside India w.e.f November 17, 2025.
- d** The Parent and Indian Subsidiaries have used accounting software for maintaining its books of account for the year ended on March 31, 2026 which has a feature of recording audit trail [edit log] facility and the same has been operational throughout the year for all relevant transactions recorded in the software. In case of Takeda, the audit trail was not enabled for certain changes which were performed by users having privileged access rights. Audit trail has been preserved by the Parent and Indian Subsidiaries as per the statutory requirements for record retention. In case of Takeda, audit trail has not been preserved as per the statutory requirements for record retention.
- e** The Parent and Indian Subsidiaries have not traded or invested in Crypto currency or Virtual currency during the financial year.
- f** No proceedings have been initiated or pending against the Parent and Indian Subsidiaries for holding any benami property under the Benami Transactions [Prohibition] Act, 1988 (45 of 1988) and the rules made thereunder.
- g** The Parent and Indian Subsidiaries have not been declared as willful defaulter by any bank or financial Institution or other lender.
- h** The Parent and Indian Subsidiaries do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- i** The Parent and Indian Subsidiaries 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.
- j** No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Notes to the Consolidated Financial Statements

NOTE: 56-OTHER STATUTORY INFORMATION: (Continued)

- k The Parent and Indian Subsidiaries do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 [such as, search or survey or any other relevant provisions of the Income Tax Act, 1961].

NOTE: 57-DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES:

The Group did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.

NOTE: 58:

Figures of previous year have been regrouped/ reclassified to conform to current year's classification.

Signatures to Material Accounting Policies and Notes 1 to 58 to the Consolidated Financial Statements

For and on behalf of the Board

Pankaj R. Patel

Chairman

DIN: 00131852

Tushar D. Shroff

Chief Financial Officer

Dhaval N. Soni

Company Secretary

Dr. Sharvil P. Patel

Managing Director

DIN: 00131995

Ahmedabad

May 19, 2026

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES

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

Part: "A" - Subsidiaries:

Sr. No.	Name of the Subsidiary	Date of incorporation/ acquisition	Reporting year ended	Reporting Currency	Exchange Rate	₹ in Million										% of share-holding
						Share Capital	Reserves	Total Assets	Total Liabilities	Investments other than subsidiaries	Turnover & Other income from Operations *	Profit/ (Loss) before Taxation *	Provision for Taxation *	Profit/ (Loss) after taxation *	Proposed Dividend	
1	Zydus Wellness Limited	08-Jun-06	March 31, 2026	₹	100	636	39,690	42,733	2,407	2	5,821	488	112	376	382	57.59%
2	Zydus Wellness Products Limited	28-Feb-19	March 31, 2026	₹	100	2,188	23,070	32,681	7,423	7	26,162	(1,398)	(1,589)	191	-	57.59%
3	Zydus Healthcare Limited	11-Aug-03	March 31, 2026	₹	100	217	62,625	73,255	10,413	15,148	42,415	12,851	1,951	10,900	-	100.00%
4	Zydus Pharmaceuticals Limited	26-Dec-19	March 31, 2026	₹	100	10,000	(1,106)	12,461	3,567	5	1,991	(799)	(136)	(663)	-	100.00%
5	Biochem Pharmaceutical Private Limited (#)	27-Nov-19	March 31, 2026	₹	100	1	(0)	0	0	-	-	(0)	0	(0)	-	100.00%
6	Dialforhealth Unity Limited	23-Jun-05	March 31, 2026	₹	100	1	(4)	0	3	-	-	(0)	0	(0)	-	55.00%
7	Dialforhealth Greencross Limited	08-Jul-05	March 31, 2026	₹	100	3	(2)	0	0	-	-	0	0	0	-	100.00%
8	German Remedies Pharmaceuticals Private Limited	29-Mar-18	March 31, 2026	₹	100	35	3,231	4,137	871	1,804	5,194	758	195	563	-	100.00%
9	Liva Nutritions Limited	21-Dec-18	March 31, 2026	₹	100	31	(7)	24	0	-	-	(0)	0	(0)	-	57.59%
10	Violo Healthcare Limited (#)	20-Mar-18	March 31, 2026	₹	100	1	(0)	0	0	-	-	0	0	0	-	100.00%
11	Zydus Animal Health and Investments Limited	10-May-18	March 31, 2026	₹	100	12,644	10,498	23,559	417	260	1,087	794	208	586	-	100.00%
12	Zydus Strategic Investments Limited	10-Jul-20	March 31, 2026	₹	100	10	2	12	0	-	-	1	0	1	-	100.00%
13	Zydus VTEC Limited	08-Sep-20	March 31, 2026	₹	100	3,065	(1,094)	2,300	329	19	7	(291)	(2)	(289)	-	100.00%
14	Zydus Medtech Private Limited	31-May-24	March 31, 2026	₹	100	1,605	(1,025)	5,206	4,626	501	103	(957)	(121)	(836)	-	100.00%
15	LM Manufacturing India Private Limited	06-Nov-23	March 31, 2026	₹	100	1	24	53	28	-	74	11	3	9	-	100.00%
16	Comfort Click Softech Private Limited (**)	29-Aug-25	March 31, 2026	₹	100	0	96	134	38	42	272	74	19	55	-	57.59%

Sr. No.	Name of the Subsidiary	Date of incorporation/acquisition	Reporting year ended	Reporting Currency	Exchange Rate	₹ in Million										% of share-holding
						Share Capital	Reserves	Total Assets	Total Liabilities	Investments other than investments in subsidiaries	Turnover & Other income from Operations *	Profit/ (Loss) before Taxation *	Provision for Taxation *	Profit/ (Loss) after taxation *	Proposed Dividend	
17	Zydus Lanka (Private) Limited	11-Apr-11	March 31, 2026	LKR	0.32	12	41	128	75	-	176	46	14	32	-	100.00%
18	Zydus Healthcare Philippines Inc	12-Jul-13	December 31, 2025	PHP	1.55	403	221	1,289	665	-	1,815	110	31	79	-	100.00%
19	Zydus International Private Limited	30-Apr-98	December 31, 2025	Euro	105.61	7,407	309	20,228	12,512	-	1,010	(301)	-	(301)	-	100.00%
20	Zydus Netherlands B.V.	18-Jan-07	December 31, 2025	Euro	105.61	10,260	(2,632)	8,996	1,368	-	-	(1,367)	-	(1,367)	-	100.00%
21	Zydus France, SAS	01-Oct-03	December 31, 2025	Euro	105.61	32	216	3,082	2,835	-	3,655	70	-	70	-	100.00%
22	Laboratorios Comib S.L.	23-Jul-08	December 31, 2025	Euro	105.61	790	(19)	2,077	1,305	-	2,226	195	15	180	-	100.00%
23	Etna Biotech S.R.L.	26-Nov-08	December 31, 2025	Euro	105.61	10	(106)	7	104	-	-	66	-	66	-	100.00%
24	Zydus MedTech (France) SAS	10-Apr-25	March 31, 2026	Euro	108.78	22	(629)	41,481	42,088	-	-	(1,009)	(252)	(757)	-	100.00%
25	Amplitude Surgical SAS (***)	29-Jul-25	March 31, 2026	Euro	108.78	52	10,747	29,951	19,152	-	7,721	731	92	640	-	100.00%
26	Alidac UK Limited	05-Aug-25	March 31, 2026	Euro	108.78	0	(145)	30,912	31,057	-	-	(135)	-	(135)	-	57.59%
27	Comfort Click Limited (Ireland) (**)	29-Aug-25	March 31, 2026	Euro	108.78	(0)	153	159	6	-	66	1	-	1	-	57.59%
28	Zydus Pharmaceuticals (USA) Inc. (†)	18-Nov-03	March 31, 2026	USD	94.87	285	12,313	118,224	105,626	-	101,746	3,367	751	2,616	-	100.00%
29	Viona Pharmaceuticals (USA) Inc	11-May-18	March 31, 2026	USD	94.87	474	66	5,994	5,453	-	6,232	73	17	56	-	100.00%
30	Zydus Healthcare (USA) LLC	18-Nov-03	March 31, 2026	USD	94.87	256	38	357	63	-	277	5	3	2	-	100.00%
31	Sentynl Therapeutics, Inc.	19-Jan-17	March 31, 2026	USD	94.87	2,847	(13,075)	6,713	16,941	-	3,585	(671)	0	(671)	-	100.00%
32	Zydus Worldwide DMCC	21-Apr-14	March 31, 2026	USD	94.87	2,183	45,418	51,384	3,783	-	1,723	442	89	353	-	100.00%
33	Zydus Wellness International DMCC	28-May-19	March 31, 2026	USD	94.87	6	(411)	347	752	-	711	(113)	(28)	(85)	-	57.59%
34	Zydus Lifesciences Global FZE	20-Feb-24	March 31, 2026	USD	94.87	11,403	(10,255)	32,539	31,392	-	9,398	(7,809)	4	(7,813)	-	100.00%
35	Zydus Therapeutics Inc.	18-Feb-21	March 31, 2026	USD	94.87	32,208	(50,742)	1,595	20,129	-	-	(4,661)	0	(4,661)	-	100.00%

Sr. No.	Name of the Subsidiary	Date of incorporation/ acquisition	Reporting year ended	Reporting Currency	Exchange Rate	₹ in Million								% of share-holding		
						Share Capital	Reserves	Total Assets	Total Liabilities	Investments other than subsidiaries	Turnover & Other income from Operations *	Profit/ (Loss) before Taxation *	Provision for Taxation *		Profit/ (Loss) after taxation *	Proposed Dividend
36	Zynext Ventures PTE. LTD. (#)	21-Feb-23	March 31, 2026	USD	94.87	2,239	(6)	2,234	1	-	-	(2)	-	(2)	-	100.00%
37	Zynext Ventures USA LLC (#)	03-Mar-23	March 31, 2026	USD	94.87	2,227	(867)	1,360	0	1,226	-	(1)	-	(1)	-	100.00%
38	Naturell Inc. (USA)	02-Dec-24	March 31, 2026	USD	94.87	0	0	1	0	-	-	(0)	-	(0)	-	57.59%
39	Comfort Click LLC (USA) (**)	29-Aug-25	March 31, 2026	USD	94.87	0	(0)	0	0	-	-	(0)	-	(0)	-	57.59%
40	Zydus Healthcare S.A. (Pty) Ltd	27-Jul-98	December 31, 2025	ZAR	5.45	766	166	3,305	2,374	-	2,865	85	24	61	-	100.00%
41	Alidac Pharmaceuticals SA (Pty) Ltd	02-Jul-08	December 31, 2025	ZAR	5.45	0	(551)	-	551	-	-	(0)	-	(0)	-	100.00%
42	Script Management Services (Pty) Ltd	14-Oct-09	December 31, 2025	ZAR	5.45	0	4	24	20	-	884	0	0	0	-	100.00%
43	Zydus Nikkho Farmaceutica Ltda.	19-Jul-07	December 31, 2025	BRL	16.44	4,477	(4,486)	3,222	3,231	-	3,284	(242)	59	(301)	-	100.00%
44	Alidac Healthcare (Myanmar) Limited	17-Jun-16	March 31, 2026	MMK	0.02	861	610	1,641	169	-	1,606	701	78	623	-	100.00%
45	Zydus Pharmaceuticals Mexico SA De CV	25-Aug-10	December 31, 2025	MXN	5.02	850	(917)	1,595	1,662	-	2,543	221	-	221	-	100.00%
46	Zydus Pharmaceuticals Mexico Services Company SA De C.V.	09-Sep-10	December 31, 2025	MXN	5.02	28	(23)	5	0	-	0	8	-	8	-	100.00%
47	Zydus Wellness BD Pvt Ltd	18-Nov-21	March 31, 2026	BDT	0.79	29	(28)	39	38	-	81	(36)	1	(37)	-	57.59%
48	Zydus Pharmaceuticals Canada Inc	06-Sep-23	March 31, 2026	CAD	68.15	92	(125)	193	227	-	150	(46)	(13)	(33)	-	100.00%
49	Zydus Pharmaceuticals UK Limited	08-Feb-23	March 31, 2026	GBP	125.12	8,746	(1,717)	20,367	13,338	-	2,183	(298)	83	(381)	-	100.00%
50	LiqMeds Worldwide Limited	06-Nov-23	March 31, 2026	GBP	125.12	0	4,604	4,786	182	-	2,677	2,541	85	2,456	-	100.00%
51	LiqMeds Limited	06-Nov-23	March 31, 2026	GBP	125.12	13	(186)	818	991	-	273	205	51	154	-	100.00%
52	Medsolutions (Europe) Limited	06-Nov-23	March 31, 2026	GBP	125.12	0	7	19	12	-	-	(1)	4	(4)	-	100.00%
53	LiqMeds Lifecare Limited	06-Nov-23	March 31, 2026	GBP	125.12	0	156	177	21	-	-	(9)	-	(9)	-	100.00%

Sr. No.	Name of the Subsidiary	Date of incorporation/ acquisition	Reporting year ended	Reporting Currency	Exchange Rate	Share Capital	Reserves	Total Assets	Total Liabilities	Investments other than investments in subsidiaries	Turnover & Other income from Operations *	Profit/ (Loss) before Taxation *	Provision for Taxation *	Profit/ (Loss) after taxation *	Proposed Dividend	% of share- holding
54	LM Manufacturing Limited	06-Nov-23	March 31, 2026	GBP	125:12	1	(3796)	1692	5487	-	282	(1214)	264	(1478)	-	100.00%
55	Comfort Click Limited (UK) (**)	29-Aug-25	March 31, 2026	GBP	125:12	0	1834	3067	1233	-	11,819	1,599	221	1,378	-	57.59%

Notes:

(#) Subsidiaries are yet to commence commercial operations.

* Converted using average exchange rates prevailing during the year.

(**) Financial is for the period from acquisition date (i.e. August 29, 2025) to March 31, 2026.

(***) Consolidated accounts for the period from acquisition date (i.e. July 29, 2025) to March 31, 2026 of Amplitude Surgical SAS including Amplitude Surgical SA, SCI Les Tilleuls, Amplitude SAS, Duotech Amplitude SAS, Amplitude Ile de France, Amplitude Nord SAS, Orthosante, SCI Sofab Falla, Amplitude Orthopedics Corporation, Amplitude Benelux, Amplitude Australia Pty, Amplitude Suisse SA, Amplitude Latin America SA, Amplitude South Africa Pty, Limited, Amplitude New Zealand Limited and Mediconseil.

(-) Consolidated accounts of Zydus Pharmaceuticals (USA) Inc. including Zylidac Bio LLC and ZyVet Animal Health Inc.

Pursuant to the voluntary liquidation process, as approved in extra ordinary general meeting of Naturell (India) Private Limited (NIPL) on July 1, 2025, effective from September 20, 2025, the Liquidator of NIPL has distributed the Business Undertaking of NIPL on a going concern basis to Zydus Wellness Limited.

STATEMENT PURSUANT TO SECTION 129[3] OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

Ahmedabad
May 19, 2026

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Pankaj R. Patel
Chairman
DIN: 00131852

For and on behalf of the Board

Part: "B" – Joint Ventures:

Sr. No.	Name of the Joint Venture	Date of incorporation/ acquisition	Latest Audited Balance Sheet Date	Shares held by the Company			Description of how there is significant influence	Reason why the Joint Venture is not consolidated	Net worth attributable to Shareholding as per latest audited balance sheet (₹ in Million)	Profit for the year	
				No. of Shares	Amount invested (₹ in Million)	Extent of holding (%)				Considered in consolidation (₹ in Million)	Not considered in consolidation (₹ in Million)
1	Zydus Hospira Oncology Private Limited	13-Jun-05	March 31, 2025	7,500,000	75	50.00%	N.A.	N.A.	1,945 *	221 *	-
2	Zydus Takeda Healthcare Private Limited	30-Mar-99	March 31, 2026	10,000,000	100	50.00%	N.A.	N.A.	2,497	445	-
3	Oncosol Limited (UK)	06-Nov-23	March 31, 2025	50	0.01	50.00%	N.A.	N.A.	42 *	53 *	-
4	Sterling Biotech Limited	29-Aug-24	March 31, 2025	3,216,730,980	6,708	50.00%	N.A.	N.A.	5,011 *	252 *	-

(*) Based on unaudited financial statements for the year ended March 31, 2026.

For and on behalf of the Board

Ahmedabad
May 19, 2026

Tushar D. Shroff
Chief Financial Officer

Dhaval N. Soni
Company Secretary

Dr. Sharvil P. Patel
Managing Director
DIN: 00131995

Pankaj R. Patel
Chairman
DIN: 00131852

Notice

ZYDUS LIFESCIENCES LIMITED

Corporate Identification Number: L24230GJ1995PLC025878

Registered Office: "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad-382481 Gujarat, India

E-mail: companysecretary@zyduslife.com • **Website:** www.zyduslife.com

Phone Number: +91 79 48040000, +91 79 71800000

Notice is hereby given that the Thirty First Annual General Meeting ("AGM") of the members of **Zydus Lifesciences Limited** ("the **Company**") will be held on Tuesday, August 11, 2026, at 10.00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The venue of the AGM shall be deemed to be the Registered Office of the Company. The following businesses will be transacted at the AGM:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2026, and the reports of the Board of Directors and the Auditors thereon:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2026, together with the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted."

- To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2026, and the report of the Auditors thereon:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2026, together with the report of the Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted."

- To declare dividend of ₹ 1/- (100%) per equity share of ₹ 1/- (Rupee One only) each for the Financial Year ended on March 31, 2026:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT approval of the members be and is hereby accorded to declare and pay final dividend of ₹ 1/- (Rupee One only) (100%) per equity share of the face value of ₹ 1/- (Rupee One only) each fully paid up, of the Company, as recommended by the Board of Directors for the Financial Year ended on March 31, 2026."

- To re-appoint Mr. Pankaj R. Patel (DIN: 00131852) as a director liable to retire by rotation:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 152(6) and other applicable provisions, if any, of The Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) and / or re-enactment(s) thereof, for the time being in force) read with article 66 of the Articles of Association of the Company, as recommended by the Board of Directors, Mr. Pankaj R. Patel (DIN: 00131852) who, retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment, be and is hereby re-appointed as a director of the Company liable to retire by rotation."

- To re-appoint Mr. Mukesh M. Patel (DIN: 00053892) as a director liable to retire by rotation:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 152(6) and other applicable provisions, if any, of The Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) and / or re-enactment(s) thereof, for the time being in force) read with article 66 of the Articles of Association of the Company, as recommended by the Board of Directors, Mr. Mukesh M. Patel (DIN: 00053892) who, retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment, be and is hereby re-appointed as a director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

6. To ratify remuneration of R. Nanabhoy & Co., Cost Accountants, appointed as the cost auditors:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148(3) and other applicable provisions, if any, of The Companies Act, 2013 read with rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014 and applicable provisions, if any, of The Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) and / or re-enactment(s) thereof, for the time being in force) based on the recommendation of the Audit Committee and the Board of Directors ("the **Board**"), consent of the members of the Company be and is hereby accorded to ratify the remuneration of ₹ 1 million (Rupees One Million only) plus applicable Goods and Services Tax and out of pocket expenses at actuals for the Financial Year ending on March 31, 2027, to R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), who are appointed as cost auditors to conduct the audit of cost records maintained by the Company pertaining to drugs and pharmaceuticals being manufactured by the Company for the Financial Year ending on March 31, 2027.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

7. To re-appoint Dr. Sharvil P. Patel (DIN: 00131995) as the Managing Director:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 2(51), 2(54), 196, 197, 203 and other applicable provisions, if any, of The Companies Act, 2013, ("the **Act**") read with Schedule V of the Act and rules framed thereunder, applicable provisions, if any, of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") (including any statutory modification(s) and / or re-enactment(s) thereof, for the time being in force) and articles 89 and 90 of the Articles of Association of the Company, as recommended by the Nomination and Remuneration Committee ("the **NRC**") and Board of Directors ("the **Board**"), consent of the members be and is hereby accorded to re-appoint Dr. Sharvil P. Patel (DIN: 00131995), whose existing term expires on March 31, 2027, who is also one of the promoters of the Company, as the Managing Director

(Designated as a Key Managerial Personnel) of the Company ("the **Managing Director**") for a further period of 5 (five) years effective April 1, 2027 to March 31, 2032, whose appointment shall be liable to retire by rotation, on payment of remuneration and perquisites as may be recommended by the NRC and approved by the Board based on the performance of the Company and his individual performance, which shall be always within the limits prescribed under the Act and the Listing Regulations, and upon such terms and conditions as set out in the draft agreement proposed to be executed between the Company and the Managing Director, with an authority to the Board or any committee constituted or to be constituted by the Board to alter and vary the terms and conditions of the said re-appointment and / or agreement in such a manner as may be agreed to between the Board and the Managing Director.

RESOLVED FURTHER THAT the remuneration payable to the Managing Director, in each financial year during the currency of his tenure of appointment shall not exceed the overall ceiling of the total managerial remuneration as provided under the provisions of section 197 read with Schedule V of the Act and the Listing Regulations, or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, wherein in any financial year during the currency of tenure of the Managing Director, the Company has no profits or the profits are inadequate, the Managing Director will be paid minimum remuneration within the ceiling limit prescribed under section II of part II of Schedule V of the Act or any modification(s) and / or re-enactment(s) thereof subject to requisite compliance and disclosure.

RESOLVED FURTHER THAT in addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling of minimum remuneration stated hereinabove:

- (a) Contribution to provident fund, superannuation fund or annuity fund, if any, to the extent these either singly or put together are not taxable under the Income Tax Act, 2025,
- (b) Gratuity payable as per Company policy at the rate not exceeding half a month's salary for each completed year of service,
- (c) Encashment of leave at the end of the tenure, and
- (d) (i) personal accident insurance policy as per Company policy, (ii) medical premiums for self and family as per Company policy, (iii) car with driver for official and personal purposes and (iv) any other benefits as per Company policy.

RESOLVED FURTHER THAT the Board or any committee constituted or to be constituted by the Board be and is hereby authorised to delegate the powers to any officer of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient or desirable in order to give effect to this resolution or otherwise considered by the Board in the best interest of the Company, as it may deem fit."

8. To appoint Mr. Kulin S. Lalbhai (DIN: 05206878) as an Independent Director:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 2(47), 149(4), 150, 152 and 160 and other applicable provisions, if any, of The Companies Act, 2013, ("the **Act**"), The Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV of the Act and regulations 16(1)(b), 17(1C) and 25(2A) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**"), (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force) applicable provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors ("the **Board**"), Mr. Kulin S. Lalbhai (DIN: 05206878), who was appointed by the Board as an Additional Director as well as an Independent Director ("**ID**") of the Company and who has submitted a declaration that he meets the criteria for independence as provided in the Act and the Listing Regulations and who holds the office till the conclusion of the Thirty First Annual General Meeting in terms of section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under section 160(1) of the Act, proposing his candidature for the office of director, be and is hereby appointed as an ID of the Company, for the term of 5 (five) years from the date of approval of Board i.e. May 19, 2026, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

9. To pay commission to non-executive directors:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 197(1) and other applicable provisions, if any, of The Companies Act, 2013, ("the **Act**") and rules framed thereunder, regulation 17(6)(a) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") (including any statutory modification(s) and / or re-enactment(s) thereof, for the time being in force) and article 76(a) of the Articles of Association of the Company, as recommended by the Nomination and Remuneration Committee and Board of Directors ("the **Board**"), a sum not exceeding 1% (one percent) per annum of the net profits of the Company calculated in accordance with the provisions of section 198 of the Act be paid and distributed amongst the non-executive directors of the Company or some or any of them in such amounts or proportion and in such manner and in all respects as may be decided and directed by the Board and such payments shall be made in respect of the profits of the Company for each financial year, for a period of 5 (five) years commencing from April 1, 2026 upto and including financial year ending on March 31, 2031, provided that the commission to all the non-executive directors shall not exceed in aggregate ₹ 40 million (Rupees Forty Million only) in any financial year.

RESOLVED FURTHER THAT the above commission shall be in addition to the fees payable to the directors for attending the meetings of the Board or any committee thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings."

By order of the Board of Directors

Dhaval N. Soni

Company Secretary and Compliance Officer
Membership No. FCS7063

Ahmedabad, May 19, 2026

NOTES:

1. The Explanatory Statement pursuant to the provisions of section 102 of The Companies Act, 2013 ("the **Act**"), in respect of the businesses under Item Nos. 6 to 9 of the Notice is annexed hereto. The Board of Directors ("the **Board**") have considered and decided to include Item Nos. 6 to 9 given above in the Thirty First Annual General Meeting ("**AGM**"), as they are unavoidable in nature. Further, the relevant details with respect to Item Nos. 4, 5, 7 and 8 pursuant to regulation 36(3) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ("the **ICSI**"), in respect of the directors seeking appointment / re-appointment at the AGM are also annexed.

2. Dividend:

Members may note that the Board at its meeting held on May 19, 2026, has recommended a dividend of ₹ 1/- (Rupee One only) (100%) per equity share of ₹ 1/- (Rupee One only) each. The members holding shares as on Friday, July 24, 2026, will be entitled to receive the dividend declared, if any, for the Financial Year ended on March 31, 2026, by the members at the AGM, (i) as per the list of Beneficial Owners provided by National Securities Depository Limited ("**NSDL**") or Central Depository Services (India) Limited ("**CDSL**") (NSDL and CDSL are collectively referred to as "the **Depositories**") in respect of shares held in demat mode and (ii) as per the Register of Members of the Company after giving effect to valid transmission / transposition in physical mode lodged with MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar and Transfer Agent of the Company ("the **RTA**") on or before the aforesaid date i.e. Friday, July 24, 2026. The transmission / transposition request, complete in all respects, should reach the RTA well before the above date. The final dividend, once approved by the members in the AGM, will be paid on or around Friday, August 14, 2026, and in any case within the statutory time limit, to those members whose names appear on the Company's Register of Members or List of Beneficial Owners as received from the Depositories on Friday, July 24, 2026 i.e. the Record Date fixed for this purpose. The dividend will be paid electronically through various online transfer modes to those members who have updated their bank account details. **Members are hereby notified that as per the SEBI Circular dated November 17, 2023 and SEBI directive vide email to all the Registrar and Transfer Agents dated January 17, 2024, in case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or**

Bank Account Details or Specimen Signature in respect of physical folios, dividend / interest etc. shall be paid only through electronic mode with effect from April 1, 2024 upon furnishing all the aforesaid details in entirety. If a security holder updates the PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signature after April 1, 2024, then the security holder would receive all the dividend / interest etc. declared during that period (from April 1, 2024, till date of updation) pertaining to the securities held after the said updation automatically.

The Company has sent letters to the members to register / update the above details, whose details are either pending and / or incomplete.

3. The Ministry of Corporate Affairs ("**MCA**") vide its general circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and other relevant circulars, the latest being General Circular dated September 22, 2025 ("**MCA Circulars for General Meetings**") and The Securities and Exchange Board of India ("**SEBI**") vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023, and October 3, 2024 ("**SEBI Circulars for General Meetings**") (MCA Circulars for General Meetings and SEBI Circulars for General Meeting are collectively referred to as "the **MCA and SEBI Circulars**"), permitted the holding of the general meetings through VC / OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Act, the Listing Regulations, the MCA and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.

As the AGM is being held pursuant to the MCA and SEBI Circulars through VC / OAVM, the facility to appoint proxy will not be available for the AGM and hence the Proxy Form and the Attendance Slip are not annexed to this Notice. However, a Body Corporate is entitled to appoint authorised representative to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.

Further, pursuant to the provisions of sections 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their vote through e-voting.

As the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

4. Institutional / Corporate members (i.e. other than individual / HUF, NRI etc.) are required to send a scanned copy (PDF / JPG format) of their Board or governing body resolution / authorization etc. authorizing the representative to attend the AGM through VC / OAVM

on their behalf and to vote through remote e-voting. The said resolution / authorization shall be sent to Mr. Ashish Doshi, the Scrutinizer appointed by the Company, by e-mail on his registered e-mail address at csdoshiac@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.

5. Unclaimed dividend and shares:

Those members who have not encashed their dividend cheques pertaining to the following financial years are requested to approach the Company for the payment thereof as the same will be transferred to

the Investor Education and Protection Fund ("IEPF") on the respective dates mentioned there against, pursuant to provisions of section 125 of the Act and the rules framed thereunder. Members are requested to note that after such date, they may apply for refund of any unclaimed dividend which has been transferred to IEPF, under section 125(4) or under proviso to section 125(3), as the case may be, to the IEPF authority by making an online application in the prescribed web Form No. IEPF-5 available on website www.mca.gov.in along with the prescribed documents and fees as may be decided by the IEPF authority.

Financial Year ended	Date of declaration of dividend	Dividend payment %	Expected date of transfer of unpaid dividend to the IEPF Account
March 31, 2019	August 9, 2019	350%	September 15, 2026
March 31, 2020	March 16, 2020	350% @	April 22, 2027
March 31, 2021	August 11, 2021	350%	September 17, 2028
March 31, 2022	August 10, 2022	250%	September 16, 2029
March 31, 2023	August 11, 2023	600%	September 17, 2030
March 31, 2024	August 9, 2024	300%	September 15, 2031
March 31, 2025	August 12, 2025	1100%	September 18, 2032

@ Interim dividend

Pursuant to and in compliance with the provisions of section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ("the IEPF Rules"), during the Financial Year ended on March 31, 2026, the Company has transferred 84,370 (eighty four thousand three hundred seventy) equity shares held by 131 (one hundred thirty one) members whose dividend remained unclaimed / unpaid for a consecutive period of 7 (seven) years to the IEPF.

Any member who wishes to claim his / her shares or unclaimed dividend may apply to the IEPF authority by making an online application in the prescribed web Form No. IEPF-5 available on website www.mca.gov.in along with the prescribed documents and fees.

Pursuant to and in compliance with provisions of rule 5(8) of the IEPF Rules, the Company has uploaded the information in respect of the unclaimed dividends as on March 31, 2025, within the prescribed time, on the websites of the Company and IEPF. The links are as under:

Company	https://www.zydustrlife.com/investor/admin/uploads/18/128/Statement-of-Unclaimed-Dividend-account-March-31-2025.pdf
IEPF	www.iepf.gov.in

6. Payment of dividend only through electronic mode:

The members holding shares in physical mode are requested to intimate MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the RTA at 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad-380006, changes, if any, in their names, registered address along with pin code number, email address, telephone / mobile number, Permanent Account Number ("PAN"), mandates, nominations, power of attorneys, bank details such as name of the bank and branch details, bank account number, 9 digit MICR code, 11 digit IFSC, etc. and relevant evidences. Members holding shares in electronic mode shall update such details with their respective Depository Participant ("DP").

Pursuant to the amendment in the Listing Regulations, SEBI has omitted the provisions relating to issuance of 'payable-at-par' warrants / cheques effective November 19, 2025. Accordingly, all the dividend payments shall be made only through electronic mode of payment facility approved by the Reserve Bank of India and no dividend payment shall be made through physical mode. The members who have not registered or updated their complete bank account details will not be able to receive dividend until such details are duly registered / updated with the DP / RTA.

The members holding shares in physical mode are requested to update their KYC details by submitting the Investor Service Request (ISR) Forms, duly complete and signed by the registered holder(s) so as to reach the RTA, on or before Monday, July 20, 2026, so that the KYC can be updated in the folios before the cut-off date i.e. Friday, July 24, 2026.

As per the provisions of section 72 of the Act, the facility of making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to the DP in case the shares are held by them in demat mode and to the Company / RTA, in case the shares are held in physical mode.

Members holding shares in physical mode, in identical order of names, in more than 1 (one) folios are requested to send to the Company / RTA, the details of such folios together with the share certificates for consolidating their holdings in 1 (one) folio. A letter of confirmation will be issued to such members after making requisite changes.

In case of joint holders, the members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

7. **Special window for re-lodgement of transfer deeds for physical transfer of shares:**

Pursuant to the provisions of regulation 40 of the Listing Regulations, requests for effecting transfer of securities shall not be processed unless the securities are held in demat mode, except for transmission or transposition and re-lodged for transfer of securities. Further, SEBI vide its circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020, had fixed March 31, 2021, as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider dematerialising their holdings at the earliest, as it will not be possible to transfer shares held in a physical mode. The members can contact the Company / RTA for assistance in this regard.

In terms of SEBI circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 2, 2025, a special window was opened only for re-lodgement of transfer deeds, which were lodged prior to the deadline of

April 1, 2019 (which was extended till March 31 2021), and rejected / returned / not attended due to deficiency in the documents / process / or otherwise, for a period of 6 (six) months from July 7, 2025 till January 6, 2026. Subsequently, another special window has been opened for a period of 1 (one) year from February 5, 2026, to February 4, 2027. The Company has uploaded the summary of the circulars on the website of the Company at <https://www.zyduslife.com/shareholderservices.html#contactdetails>.

During this period, any securities re-lodged for transfer including those currently pending with the Company / RTA shall be processed and issued only in dematerialized form, subject to verification and approval of all documents and due process for such transfer-cum-demat requests shall be followed. The members who are eligible for this are requested to take advantage of the special window and complete the process of shares transfer in their name(s).

8. The information of the directors seeking appointment / re-appointment at the AGM is provided at **Annexure-"A"** to the Notice as prescribed under regulation 36(3) of the Listing Regulations and standard 1.2.5 of Secretarial Standard on General Meetings issued by the ICSI.
9. In compliance with the MCA and SEBI Circulars, Notice of the AGM of the Company, *inter-alia*, indicating the process and manner of e-voting and the Integrated Annual Report 2025-2026 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / RTA / DP. The Company shall send a letter providing the web-link, including the exact path, where complete details of the Integrated Annual Report is available to those members who have not registered their email IDs. The Company shall send the hard copy of the Integrated Annual Report to those members, who request for the same.
10. In order to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical mode are requested to demat their holdings at the earliest.
11. **Mandatory furnishing of KYC details and nomination by holders of physical securities:**

SEBI, vide its circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/655 dated November 3, 2021, has prescribed certain mandatory provisions with regard to "Common and Simplified Norms for processing investor's request by RTAs and norms for furnishing PAN, KYC details and Nomination", where the shares are held in physical mode. Said SEBI circular prescribes the following norms:

- i. Common and simplified norms for processing any service request from the holder, pertaining to the captioned items, by the RTAs.
- ii. Electronic interface for processing investor's queries, complaints and service requests.
- iii. Mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities.
- iv. Freezing of folios without valid PAN, KYC details and Nomination and
- v. Compulsory linking of PAN and Aadhaar by all holders of physical securities.

Members of the Company holding shares in physical mode shall provide the following documents / details to the RTA of the Company:

- i. PAN.
- ii. Nomination (for all eligible folios) in Form No. SH-13 or submit declaration to "Opt-Out" in Form No. ISR-3.

Note: Any cancellation or change in nomination shall be provided in Form No. SH-14.

- iii. Contact details including postal address with pin code, mobile number, e-mail address.
- iv. Bank account details including bank name and branch, bank account number and IFSC.
- v. Specimen signature.

Please provide the above documents / details to the RTA of the Company along with other basic details like name of the member, folio number, certificate number and distinctive numbers.

As per the said SEBI circular, the Company has uploaded the following documents (along with the SEBI circular) on the website of the Company:

- i. Form No. ISR-1-request for registering PAN, KYC details or changes / updation thereof.
- ii. Form No. ISR-2-confirmation of signature of securities holder by the Banker.
- iii. Form No. ISR-3-declaration form for opting-out of nomination by holders of physical securities in listed companies.
- iv. Form No. SH-13-nomination form.
- v. Form No. SH-14-cancellation or variation of nomination.

Further, the contact details of the Company and the RTA are also available on the website of the Company.

SEBI has issued a circular No. SEBI/HO/MIRSD/PoD-1/CIR/2023/37 dated March 16, 2023 (subsumed as part

of the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated May 7, 2024) on 'Common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination' which is applicable from April 1, 2023. The norms / procedural requirements for processing service requests of investors are provided in the said SEBI Circular.

The link to view the said SEBI Circular dated (i) November 3, 2021, along with the various forms and (ii) March 16, 2023, is as under:

<https://www.zyduslife.com/shareholderservices.html#contactdetails>

[https://www.zyduslife.com/public/pdf/SEBI%20Circular Simplified-norms-for-processing-investors-service-requests 16-03-2023.pdf](https://www.zyduslife.com/public/pdf/SEBI%20Circular%20Simplified-norms-for-processing-investors-service-requests%2016-03-2023.pdf)

Pursuant to the said SEBI Circular dated March 16, 2023, the Company has sent letters to all members holding shares in physical mode, whose KYC is pending, to complete their KYC.

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 July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the members can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

12. Issue of shares in demat mode only:

SEBI vide its notification dated January 24, 2022, amended certain provisions of the Listing Regulations, inter-alia, pertaining to issue of shares in demat mode only. Further, SEBI vide its circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, issued operational guidelines for demat of securities received for processing investor's service request.

Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft, and mutilation of share certificate. It also substantially reduces the risk of fraud. **Therefore, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.**

For more details, please visit our website at <https://www.zyduslife.com/shareholderservices.html#contactdetails>.

13. SEBI vide its circular dated April 20, 2018, directed all the listed companies to record the PAN and bank account details of all their members holding shares in physical mode. All those members who are yet to update their details with the Company / RTA are requested to do so at the earliest. This will help the members to receive the dividends declared by the Company, directly in their respective bank accounts.
14. The members who have not registered their e-mail address so far are requested to register their e-mail address to receive all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.

The e-mail address can be registered with the DP in case the shares are held in demat mode and with the RTA in case the shares are held in physical mode.

The members may also note that the Notice of the AGM and the Integrated Annual Report 2025-2026 are uploaded and available on the website of the Company, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and CDSL at www.zyduslife.com, www.bseindia.com, www.nseindia.com and www.evotingindia.com respectively. The copies of the documents will also be available for inspection during normal business hours on working days from the date of circulation of the Notice upto the date of AGM. For any communication, members may also send requests to the Company's investor e-mail id companysecretary@zyduslife.com or dhavalsoni@zyduslife.com.

The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested are available for inspection by the members electronically during the AGM.

15. Members may note that the Income Tax Act, 2025, ("the **IT Act**") mandates that dividends paid or distributed by a company after April 1, 2026, shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("**TDS**") at the time of making the payment of dividend.

The Company will send an e-mail which will contain the details of prescribed tax rates for various categories of members (Resident Indian, Non-Resident Indian, FIIs, FPIs, etc.), the link to download various blank forms / documents and separate link and e-mail id to upload the signed forms and various documents by

the members to enable the Company to determine the appropriate TDS / withholding tax rate applicable.

For the information of the members, it is hereby clarified that no tax will be deducted on payment of dividend to the resident individual members if the total dividend to be paid during a financial year does not exceed ₹ 0.01/- million (Rupees Ten Thousand only), or if an eligible resident member has provided a valid declaration in Form No. 121 or other documents as may be applicable to different categories of members. The rate of TDS would vary depending on the residential status of the member and documents registered with the Company.

In case TDS is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, an option is still available with the member to file the Return of Income and claim an appropriate refund. No claim shall lie against the Company for such tax deducted.

In the event of any income tax demand (including interest, penalty, etc.) on the Company arising due to any misrepresentation, inaccuracy or omission of information provided by the member(s), such member(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any assessment / appellate proceedings before the Tax / Government Authorities.

This communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

If you are a member of the Company as on Friday, July 24, 2026, and the dividend receivable by you is taxable under the IT Act, the Company shall be obligated to deduct tax at source on the dividend payable as per the applicable provisions under the IT Act.

16. E-voting (voting through electronic means):

- i. The businesses as set out in the Notice may be transacted through electronic voting system. In compliance with the provisions of section 108 of the Act read with rule 20 of The Companies (Management and Administration) Rules, 2014, standards 7.2 and 8 of the Secretarial Standard on General Meetings, regulation 44 of the Listing Regulations and pursuant to the MCA and SEBI Circulars, the Company is pleased to offer the facility of voting through electronic means, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with CDSL to facilitate the members

to cast their votes from a place other than venue of the AGM ("**remote e-voting**"). The facility for voting shall be made available during the AGM through electronic voting and the members participating in the AGM who have not cast their votes by remote e-voting shall be able to exercise their right during the AGM. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

As the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM in terms of provisions of section 107 of the Act.

- ii. Pursuant to the MCA and SEBI Circulars, physical attendance of the members at the AGM venue is not required and AGM can be held through VC / OAVM.
- iii. The members can join the AGM through VC / OAVM mode 15 (fifteen) minutes before the scheduled time of the AGM and within 15 (fifteen) minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1,000 (one thousand) members on first come first served basis. This will be in addition to large members (members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iv. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
- v. A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the Depositories as on Tuesday, August 4, 2026, being the cut-off date, shall be entitled to avail the facility of remote e-voting or e-voting during the AGM. Persons who are not members as on the cut-off date, but have received this Notice, should treat receipt of this Notice for information purpose only.

The members who have cast their votes by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their votes again.

The members whose names appear in the Register of Members / List of Beneficial Owners as on Tuesday, August 4, 2026, are entitled to vote on the resolutions set forth in the Notice. Eligible members who have acquired shares after sending the Notice electronically and holding shares as on the cut-off date may approach the Company for seeking assistance for issuance of the User Id and Password for exercising their right to vote by electronic means.

vi. **Process for those members whose e-mail ids / mobile numbers are not registered with the Company / RTA / Depositories:**

- I. **The members holding shares in physical mode**-please provide to the Company / RTA, duly filled and signed Form No. ISR-1 and ISR-2, format of which is available on the website of the Company / RTA.
- II. **The members holding shares in demat mode**-please update your e-mail id and mobile number with your respective DP.
- III. **Individual members holding shares in demat mode**-please update your e-mail id and mobile number with your respective DP which is mandatory for e-voting and joining the AGM through VC / OAVM through Depository.

vii. **Instructions for members for remote voting, e-voting during AGM and joining the AGM through VC / OAVM are as under:**

- I. The remote e-voting period commences at **9:00 a.m. (IST) on Saturday, August 8, 2026, and ends at 5:00 p.m. (IST) on Monday, August 10, 2026**. During this period members of the Company, holding shares either in physical mode or in demat mode, as on the cut-off date i.e. Tuesday, August 4, 2026, may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- II. The members who have already voted prior to the AGM date would not be entitled to vote during the AGM.
- III. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under regulation 44 of the Listing Regulations, listed companies are required to provide remote e-voting facility to its members in respect of all members' resolutions.

Currently there are multiple e-voting service providers ("**ESPs**") providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance

of multiple user ids and passwords by the members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, SEBI has decided to enable e-voting for all the demat account holders by way of a single login credential, through their demat accounts / websites of Depositories / DPs. Demat account holders would be able to cast their votes without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.

- IV. In view of the aforesaid SEBI Circular dated December 9, 2020, individual members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. **Members are advised to update their mobile number and e-mail id in their demat accounts in order to access e-voting facility.** Pursuant to the aforesaid SEBI Circular, login method for e-voting and joining virtual meetings for individual members holding shares in demat mode is given below:

Type of members	Login methods
Individual member holding shares in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and My Easi New (Token) Tab. 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 company. On clicking the e-voting option, the user will be able to see e-Voting page of the ESP for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all ESPs, so that the user can visit the website of ESPs directly. 3. If the user is not registered for Easi/Easiest, option to register is available at the website of CDSL www.cdslindia.com and click on login and My Easi New (Token) Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile number & e-mail id as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress during or before the AGM.

Type of members	Login methods
Individual member holding shares in demat mode with NSDL	1. If you are already registered for NSDL IDeAS facility, please 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. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. 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. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 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. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN, verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on company name or ESP name and you will be re-directed to ESP website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 5. Members can also download NSDL mobile app "NSDL Speed-e" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on    
Individual member (holding shares in demat mode) login through their DPs	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website 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 Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for individual members holding securities in demat mode for any technical issues related to login through Depositories:

Login type	Helpdesk numbers
Individual members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 21 09911.
Individual members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or contact at 022-48867000.

V. Login method for e-voting and joining AGM through VC / OAVM for members holding shares in physical mode and members other than individual members holding shares in demat mode is as under:

- The members should login on to the remote e-voting website www.evotingindia.com.
- Click on Shareholders.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID, (e.g. if your beneficiary ID is 12***** , then your user ID is 12*****)
 - For NSDL: 8 Character DP ID followed by 8 digits Client ID, (e.g. if your DP ID is IN300*** and Client ID is 12***** , then your user ID is IN300***12*****)
 - Members holding shares in physical mode should enter Folio Number registered with the Company (e.g. if your folio number is 1***** , then your user ID is 1*****)
- Next enter the Image Verification as displayed and click on Login.
- If you are holding shares in demat mode and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

For members holding shares in physical mode and members other than individual members holding shares in demat mode

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (applicable for both, members holding shares in physical mode and members other than individual members holding shares in demat mode).
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank details or Date of Birth (DOB) (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical mode will then directly reach the Company selection screen. However, members holding shares in demat mode will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other company in which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person
- and take utmost care to keep your password confidential.
- For members holding shares in physical mode, the details can be used only for e-voting on the resolutions contained in the Notice.
- Click on the EVSN for **ZYDUS LIFESCIENCES LIMITED** on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent (agree) to the Resolution and option NO implies that you dissent (disagree) to the Resolution.

12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the vote cast by clicking on "Click here to print" option on the Voting page.
16. If demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
17. For members other than individual members, there is also an optional provision to upload Board Resolution ("BR") / Power of Attorney ("POA") which if uploaded, will be made available to scrutinizer for verification.
18. Note for Non-Individual members and Custodians (For Remote Voting only):
 - Non-Individual members (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance Users would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
 - A scanned copy of the BR and POA which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual members are required to send the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorised signatory who are authorised

to vote, to the scrutinizer at his email id i.e. csdoshiac@gmail.com and to the Company at the email id i.e. companysecretary@zyduslife.com or dhavalsonia@zyduslife.com, if they have voted from individual tab and not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

A member can opt for only one mode of voting i.e. either through remote e-voting or during the AGM. If a member cast votes by both modes, then voting done through remote e-voting shall prevail.

The Company has appointed Mr. Ashish Doshi, Practicing Company Secretary, to act as the Scrutinizer for conducting the remote e-voting and e-voting during the AGM in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the resolutions at the AGM shall be announced by the Chairman or any other person authorised by him immediately after the results are declared.

The results declared along with the Scrutinizer's Report, will be posted on the website of the Company www.zyduslife.com and on the website of CDSL www.cdslindia.com and will be displayed on the Notice Board of the Company at its registered office immediately after the declaration of the results by the Chairman or any other person authorised by him and communicated to the Stock Exchanges.

viii. Instructions for members attending the AGM through VC / OAVM and e-voting during AGM are as under:

- I. The procedure for attending the AGM and e-voting on the day of AGM is same as the instructions mentioned above for remote e-voting.
- II. The link for VC / OAVM to attend AGM will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
- III. The members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.
- IV. The members are encouraged to join the AGM through Laptops / I-Pads for better experience.
- V. Further, members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

- VI. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio / video loss due to fluctuation in their network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.
- VII. The members who would like to express their views / ask questions during the AGM may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to the AGM mentioning their name, demat account number / folio number, e-mail id, mobile number at the Company's e-mail id. The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to the AGM mentioning their name, demat account number / folio number, e-mail id, mobile number at the Company's e-mail id. These queries will be replied to by the Company suitably.
- VIII. Those members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM.
- IX. Only those members, who are present in the AGM through VC / OAVM facility and have not cast their votes on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

- X. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the AGM through VC / OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the AGM is available only to the members attending the AGM.

If you have any queries or issues regarding attending AGM and e-voting from the e-voting system, you can write an e-mail to helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an e-mail to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

Request to the members:

The members desiring any relevant information on the Audited Financial Statements or any matter to be placed at the AGM are requested to write to the Company at least 7 (seven) days in advance of the date of AGM through e-mail on companysecretary@zyduslife.com or dhavalsoni@zyduslife.com. The same will be replied to by the Company suitably.

ZYDUS LIFESCIENCES LIMITED

Corporate Identification Number: L24230GJ1995PLC025878

Registered Office: "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad-382481 Gujarat, India

E-mail: companysecretary@zyduslife.com • **Website:** www.zyduslife.com

Phone Number: +91 79 48040000, +91 79 71800000

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013:

The following statement sets out all material facts relating to the business under Item Nos. 6 to 9 of the accompanying Notice dated May 19, 2026.

Item No. 6:

In accordance with the provisions of section 148(2) of The Companies Act, 2013 ("the **Act**") and rule 14 of The Companies (Audit and Auditors) Rules, 2014 ("the **Rules**") and The Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the Company pertaining to drugs and pharmaceuticals manufactured by the Company.

As a good governance, it was decided to rotate the cost auditors. On the recommendation of the Audit Committee, the Board of Directors ("the **Board**") had approved the appointment of R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010) as the cost auditors of the Company to conduct audit of cost records of the Company for the Financial Year ending on March 31, 2027, at a remuneration of ₹ 1 million (Rupees One Million only) plus applicable Goods and Services Tax and out of pocket expenses at actuals. The profile of R. Nanabhoy & Co., Cost Accountants is uploaded on Company's website and the weblink of the same is provided in a separate section of Corporate Governance Report on Page No. 253, which forms a part of this Integrated Annual Report.

The members of the Company at the Thirtieth AGM held on August 12, 2025, approved payment of remuneration of ₹ 1 million (Rupees One Million only) plus applicable Goods and Services Tax and out of pocket expenses at actuals to Dalwadi & Associates, Cost Accountants, to conduct audit of cost records of the Company for the Financial Year ended on March 31, 2026.

R. Nanabhoy & Co., Cost Accountants, have furnished a certificate regarding their eligibility for appointment as cost auditors of the Company. As per the provisions of section 148(3) of the Act, read with rule 14(a)(ii) of the Rules, the remuneration payable to the cost auditors shall be ratified by the members of the Company.

None of the directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the passing of the resolution as an Ordinary Resolution as set out at Item No. 6 of the Notice.

Item No. 7:

Dr. Sharvil P. Patel (DIN: 00131995) was appointed as the Managing Director of the Company ("the **Managing Director**") for a period of 5 (five) years effective April 1, 2022. His appointment will expire on March 31, 2027.

To continue to avail the benefits of the expertise and experience of the dynamic young Managing Director to achieve the new milestones, the Board, based on the recommendation of the Nomination and Remuneration Committee ("the **NRC**"), at its meeting held on May 19, 2026, re-appointed Dr. Sharvil P. Patel, as the Managing Director of the Company for a further period of 5 (five) years effective April 1, 2027 to March 31, 2032, subject to approval of shareholders, at a remuneration which shall not exceed 2.5% of the net profits of the Company. The remuneration of the Managing Director shall be subject to revision every year, based on his individual performance and performance of the Company, which shall be within the statutory limits prescribed under the Act and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**").

In addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling of minimum remuneration stated hereinabove;

- Contribution to provident fund, superannuation fund or annuity fund, if any, to the extent these either singly or put together are not taxable under the Income Tax Act, 2025,
- Gratuity payable as per Company policy at the rate not exceeding half a month's salary for each completed year of service,
- Encashment of leave at the end of the tenure, and
- (i) personal accident insurance policy as per Company policy, (ii) medical premiums for self and family as per Company policy, (iii) car with driver for official and personal purposes and (iv) any other benefits as per Company policy.

Based on the recommendation of the NRC, the Board has approved payment of following remuneration to the Managing Director for the Financial Year 2026-2027:

Fixed pay: ₹ 25 million (Rupees Twenty Five Million only) per month i.e. ₹ 300 million (Rupees Three Hundred Million only) per annum.

Variable pay: shall not exceed 75% of the fixed pay. Accordingly, the upper limit of the variable pay shall be ₹ 225 million (Rupees Two Hundred Twenty Five Million only) (₹ 300 million * 75%) and it is proposed that the variable remuneration shall not exceed ₹ 200 million (Rupees Two Hundred Million only), provided however, that the aggregate remuneration (fixed + variable) shall not exceed 2.5% of the net profits of the Company.

Notwithstanding anything to the contrary herein contained, wherein in any financial year during the currency of his tenure, the Company has no profits or the profits are inadequate, the Managing Director will be paid minimum remuneration within the ceiling limit prescribed under section II of part II of Schedule V of the Act or any modification or re-enactment thereof, subject to necessary compliance and disclosure.

The remuneration proposed to be paid in the Financial Year 2026-2027 is within the limits prescribed under regulation 17(6)(e) of the Listing Regulations. In case, during the term of re-appointment, the remuneration is in excess of the limits prescribed under regulation 17(6)(e) of the Listing Regulations, approval of the members of the Company will be specifically sought from time to time as and when necessary.

For determining the quantum of remuneration of an executive director, certain performance indicators are considered, which *inter-alia* includes the revenue growth, EBITDA growth, ESG goals, creation of stakeholders' long-term value and return on investment.

The Managing Director fulfills the conditions specified in the Act and rules framed thereunder and the Listing Regulations. The re-appointment of the Managing Director is in compliance with the provisions of the proviso to sub-section (2) of section 196 of the Act. The Managing Director is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. The Company has received a notice in writing from a member of the Company under section 160(1) of the Act, proposing the candidature for re-appointment of Dr. Sharvil P. Patel as the Managing Director.

The Company has received the following documents from the Managing Director:

- (i) consent to act as the Managing Director in prescribed Form No. DIR-2 pursuant to the provisions of section 152(5) of the Act read with rule 8 of The Companies

(Appointment and Qualification of Directors) Rules, 2014,

- (ii) intimation that he is not disqualified to act as a director in prescribed Form No. DIR-8 pursuant to the provisions of section 164(2) of the Act read with rule 14(1) of The Companies (Appointment and Qualification of Directors) Rules, 2014 and
- (iii) notice of disclosure of interest in prescribed Form No. MBP-1 pursuant to the provisions of section 184(1) of the Act read with rule 9(1) of The Companies (Appointment and Qualification of Directors) Rules, 2014.

During his tenure, the Company has achieved sustained organic growth through operational excellence, customer centric initiatives, efficiencies and improvements. In addition, under his leadership, the Company has successfully executed inorganic growth strategies, including acquisitions and strategic alliances, expanding into new geographies and product segments, thereby strengthening Company's market position.

Recognizing emerging opportunities in healthcare technology, the Managing Director has spearheaded the Company's diversification into the MedTech sector. This strategic initiative has broadened the Company's business portfolio and positioned the Company to leverage innovation driven growth in a high potential industry.

During his tenure, the Company has recorded a significant improvement in its ESG (Environmental, Social, and Governance) score. Initiatives undertaken under his leadership include adoption of sustainable practices, strengthening of governance frameworks, and enhanced social responsibility programs, aligning the Company with global standards and investor expectations.

The Managing Director has consistently demonstrated foresight in steering the Company towards innovation, digital transformation, and responsible business practices. His vision ensures that the Company remains competitive and well positioned to capitalize on emerging opportunities in the evolving global business environment.

Considering the experience and knowledge in the field of pharmaceutical business, it would be in the interest of the Company that Dr. Sharvil P. Patel be re-appointed as the Managing Director of the Company for a further period of 5 (five) years effective April 1, 2027, upto March 31, 2032. His re-appointment shall be liable to retire by rotation.

In terms of the provisions of section 203 of the Act, the Managing Director shall continue to be designated as the Key Managerial Personnel of the Company.

The Company and the Managing Director are entitled to terminate the agreement of appointment by giving not less than 6 (six) months' notice in writing to either party.

If Company terminates the agreement without giving aforesaid notice, the Managing Director shall be entitled to receive 6 (six) months' remuneration in lieu of notice.

Save and except Dr. Sharvil P. Patel and his father Mr. Pankaj R. Patel and their relatives, none of the directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board recommends the passing of the resolution as an Ordinary Resolution as set out at Item No. 7 of the Notice.

Item No. 8:

Pursuant to the recommendation of the NRC, the Board at its meeting held on May 19, 2026, appointed Mr. Kulin S. Lalbhai (DIN: 05206878) as an Additional Director as well as an Independent Director ("ID") effective May 19, 2026, for the term of 5 (five) years subject to approval of members by way of a special resolution.

Pursuant to the provisions of regulation 17(1C) of the Listing Regulations, approval of members for appointment of person on the Board should be taken at the next general meeting or within a period of 3 (three) months from the date of appointment, whichever is earlier. Further, as per the provisions of regulation 25(2A) of Listing Regulations, the appointment of an ID shall be subject to approval of members by way of a special resolution.

As per the provisions of section 149(13) read with explanation to section 152(6) of the Act, the period of office of an ID will not be liable to retire by rotation at an annual general meeting.

The Company has received a notice in writing from a member of the Company under section 160(1) of the Act, proposing the candidature for appointment of Mr. Kulin S. Lalbhai as the ID. He meets the criteria of independence as provided in section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations and is not disqualified from being appointed as a director in terms of section 164 of the Act and has given his consent to act as a director. He has declared that he is not restrained from acting as a director by virtue of any order passed by SEBI or any such authority.

He fulfils the conditions for appointment as an ID as specified in the Act and the Rules framed thereunder and the Listing Regulations and is independent of the management.

He has also confirmed that he is in compliance with The Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of IDs maintained by The Indian Institute of Corporate Affairs. He is exempt from appearing the online proficiency self-assessment test.

The NRC reviewed the skills and capabilities of Mr. Kulin S. Lalbhai vis-a-vis the role and capabilities required as decided by the NRC based on the evaluation of balance of skills, knowledge and experience of the existing Board and considered appropriate, to recommend the appointment of Mr. Kulin S. Lalbhai as an ID, for a term of 5 (five) years effective May 19, 2026. In the opinion of the NRC and the Board, he possesses appropriate skills, knowledge and expertise required for the efficient functioning of the Company, more particularly in the areas of business, management and administration.

In the opinion of the Board, the Company will benefit from his valuable experience, knowledge and counsel.

Accordingly, it is proposed to appoint Mr. Kulin S. Lalbhai as an ID of the Company, not liable to retire by rotation for a term of 5 (five) years effective May 19, 2026.

Copy of the draft letter for appointment setting out the terms and conditions applicable to an ID as applicable to Mr. Kulin S. Lalbhai is available on the Company's website www.zyduslife.com and shall be available for inspection, during the normal business hours, upto the date of AGM, basis the request being sent by member on companysecretary@zyduslife.com or dhavalsoni@zyduslife.com, mentioning their name, Folio no. / DP ID and Client ID with a self-attested copy of their PAN Card or Aadhar Card attached to the email.

Mr. Kulin S. Lalbhai is currently serving as an ID on the Board of Zydus Wellness Limited ("ZWL"), a listed subsidiary. His term of 10 (ten) years as an ID on the Board of ZWL is scheduled to conclude in November 2026.

The resolution contained in Item No. 8 of the accompanying Notice, accordingly, seeks approval of members for appointment of Mr. Kulin S. Lalbhai as an ID on the Board of the Company on the terms and conditions as specified in the draft letter of appointment.

Save and except Mr. Kulin S. Lalbhai himself and his relatives, none of the directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the passing of the resolution as a Special Resolution as set out at Item No. 8 of the Notice.

Item No. 9:

The members of the Company at the Twenty Sixth Annual General Meeting held on Wednesday, August 11, 2021 approved by way of Special Resolution under section 197 of the Act, the payment of commission to the non-executive directors of the Company, within the maximum limit of 1% (one percent) of net profits of the Company, calculated

in accordance with the provisions of the Act subject to maximum in aggregate of ₹ 40 million (Rupees Forty Million only) for each financial year for a period of 5 (five) years commencing from April 1, 2021, upto and including financial year of the Company ending on March 31, 2026.

The non-executive directors play a significant role in the growth of the Company and taking into account the roles and responsibilities of the directors, it is proposed that the non-executive directors be paid remuneration in accordance with the provisions of section 197 of the Act for an amount not exceeding 1% (one percent) of the net profits of the Company computed in accordance with the provisions of section 198 of the Act, subject to maximum limit of ₹ 40 million (Rupees Forty Million only) in aggregate for each financial year for 5 (five) years commencing from April 1, 2026, upto and including financial year ending on March 31, 2031. This remuneration will be distributed amongst all or some of the non-executive directors in accordance with the directions given by the Board for each financial year and subject to such other applicable requirements under the Act. Within the ceiling approved by the members, the Board will decide and pay the commission to each of the non-executive directors. This remuneration shall be in addition to the fee payable for attending the meetings of the Board or committee thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

Regulation 17(6)(a) of the Listing Regulations provides that all fees / commission paid to the non-executive directors

shall be fixed by the Board and shall require approval of the members. In this context, it is proposed to take this Special Resolution for payment of commission to the non-executive directors for a period of 5 (five) years effective April 1, 2026, as may be determined by the Board or its committee authorised for the purpose for each financial year at a rate such that the total remuneration does not exceed 1% (one percent) of the net profit of the Company as specified in the Act, subject to maximum limit of ₹ 40 million (Rupees Forty Million only) in aggregate for each financial year, calculated in accordance with section 197 read with section 198 and any other applicable provisions of the Act.

Details of commission paid to the non-executive directors during the Financial Year ended March 31, 2026 are provided in point no. 3(B)(IV) of the Corporate Governance Report on page no. 237 which forms a part of this Integrated Annual Report.

The Board recommends the passing of the resolution at Item No. 9 of the Notice as a Special Resolution.

All the non-executive directors of the Company are concerned or interested in this resolution to the extent of commission, which they may receive during the course, for each of the financial years for which this approval is sought. The executive director(s) and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financially or otherwise, in the resolution at Item No. 9 of the Notice.

By order of the Board of Directors

Dhaval N. Soni
Company Secretary and Compliance Officer
Membership No. FCS7063

Ahmedabad, May 19, 2026

Annexure-A

Details of directors seeking appointment / re-appointment at the Thirty First Annual General Meeting

(Pursuant to the Listing Regulations and Secretarial Standard on General Meetings issued by the ICSI)

Name of the director	Mr. Pankaj R. Patel Non-Executive Non-Independent Director, Chairman
DIN	00131852
Date of Birth	March 16, 1953
Age	73 years
Date of first appointment on the Board	May 15, 1995
Date of re-appointment by the members	August 9, 2024
Qualifications	M. Pharm
Expertise in functional area	Knowledge and expertise in pharmaceuticals (including medical, pharmacology and research), manufacturing, marketing, business, and management
Achievements	Mr. Pankaj Patel has been awarded the "Padma Bhushan" by the President of India, in recognition of his contributions to the healthcare industry in India. Mr. Pankaj Patel is a recipient of several awards including the Acharya PC Ray Memorial Gold Medal Award and the Eminent Pharmacist Award, the India Innovator Award at the India Business Leaders Awards instituted by CNBC. For his entrepreneurial vision, Mr. Pankaj Patel was awarded the Ernst & Young Entrepreneur of the Year Award in the Life Sciences category.
Brief resume	Mr. Pankaj Patel is the Chairman of Zydus Lifesciences Limited, a discovery-driven, global Lifesciences company with operations in over 90 countries worldwide. A stalwart and a visionary, Mr. Pankaj Patel combines both research and techno-commercial expertise. He has published over 100 research papers in peer reviewed journals and is a co-inventor in more than 64 patents. He has been conferred with D. Sc. (Honoris Causa) by Dr. A.P.J. Abdul Kalam Technical University, Lucknow. Mr. Pankaj Patel has been appointed as the Part Time Non-official Director in Central Board of the Reserve Bank of India. He is on the board of several institutions, including Chairman of the Board of Governors of IIM Ahmedabad and Chairman of IIM Udaipur and Invest India. He is also a Member of the Governing Board of India Pharmacopoeia Commission (IPC), Ministry of Health & Family Welfare, Government of India. He is also a Member of the CEO Advisory Committee of International Generics and Biosimilars Association (IGBA). Mr. Pankaj Patel is a Past President of the Federation of Indian Chamber of Commerce & Industry (FICCI). He also officiates on the board of several Not-for-Profit & charitable institutions. Mr. Pankaj Patel is the Executive Chairman of the Gujarat Cancer Society and Chairman of the Gujarat Cancer and Research Institute, a Regional Cancer Centre and one of the largest cancer centres of India, reaching out to the needy and underprivileged cancer patients. He also officiates as the Chairman of the Deaf and Mute School, Ahmedabad. He is also the Chairman of Zydus Foundation which has set up Zydus Hospital and Medical College, Dahod.
Relationship with other directors and Key Managerial Personnel	Dr. Sharvil P. Patel, Managing Director, is son of Mr. Pankaj R. Patel.

Name of the director	Mr. Pankaj R. Patel Non-Executive Non-Independent Director, Chairman																													
Name of companies (except foreign companies) in which Mr. Pankaj R. Patel holds directorships and memberships of committees of the Board	A. Directorships in listed companies:																													
	1. Zydus Lifesciences Limited 2. Bayer Cropscience Limited																													
	Mr. Pankaj R. Patel has not resigned from any listed company in the past 3 (three) years.																													
	B. Directorships in unlisted public companies:																													
	1. Zydus Foundation 2. Great Eastern Energy Corporation Limited 3. Zydus MedTech Private Limited (a deemed public company) 4. Invest India																													
	C. Directorships in private companies:																													
	1. Pripan Investment Private Limited 2. Cadmach Machinery Company Private Limited 3. Zydus Hospitals and Healthcare Research Private Limited 4. Cadila Laboratories Private Limited 5. Cadila Lifesciences Private Limited 6. Western Ahmedabad Effluent Conveyance Company Private Limited 7. VINS Hospital Private Limited 8. GCS Foundation 9. Shri Bhupendra V. Patel Education Foundation																													
	Mr. Pankaj R. Patel is also a part-time non-official director on the Central Board of the Reserve Bank of India.																													
	D. Committee positions in companies:																													
	<table> <tr> <th data-bbox="638 1234 675 1293">Sr. No.</th><th data-bbox="686 1249 935 1276">Name of the company</th><th data-bbox="979 1249 1240 1276">Name of the committee</th><th data-bbox="1349 1249 1442 1276">Position</th></tr> <tr> <td rowspan="5">1.</td><td rowspan="5">Zydus Lifesciences Limited</td><td>Corporate Social Responsibility and Environment Social and Governance Committee</td><td>Chairman</td></tr> <tr> <td>Stakeholders' / Investors' Relationship Committee</td><td>Member</td></tr> <tr> <td>Risk Management Committee</td><td>Chairman</td></tr> <tr> <td>Share Transfer Committee</td><td>Chairman</td></tr> <tr> <td>Finance and Administration Committee</td><td>Chairman</td></tr> <tr> <td rowspan="3">2.</td><td rowspan="3">Bayer CropScience Limited</td><td>Corporate Social Responsibility Committee</td><td>Member</td></tr> <tr> <td>Audit Committee</td><td>Member</td></tr> <tr> <td>Stakeholders' / Investors' Relationship Committee</td><td>Chairman</td></tr> <tr> <td>3.</td><td>Pripan Investment Private limited</td><td>Corporate Social Responsibility Committee</td><td>Chairman</td></tr> </table>			Sr. No.	Name of the company	Name of the committee	Position	1.	Zydus Lifesciences Limited	Corporate Social Responsibility and Environment Social and Governance Committee	Chairman	Stakeholders' / Investors' Relationship Committee	Member	Risk Management Committee	Chairman	Share Transfer Committee	Chairman	Finance and Administration Committee	Chairman	2.	Bayer CropScience Limited	Corporate Social Responsibility Committee	Member	Audit Committee	Member	Stakeholders' / Investors' Relationship Committee	Chairman	3.	Pripan Investment Private limited	Corporate Social Responsibility Committee
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		Audit Committee	Member																											
		Stakeholders' / Investors' Relationship Committee	Chairman																											
3.	Pripan Investment Private limited	Corporate Social Responsibility Committee	Chairman																											

Name of the director	Mr. Pankaj R. Patel Non-Executive Non-Independent Director, Chairman			
	Sr. No.	Name of the company	Name of the committee	Position
	4.	Zydus Hospitals and Healthcare Research Private Limited	Corporate Social Responsibility Committee	Chairman
	5.	Cadmach Machinery Company Private Limited	Corporate Social Responsibility Committee	Chairman
	6.	Great Eastern Energy Corporation Limited	Nomination and Remuneration Committee	Chairman
			Audit Committee	Chairman
Number of shares held in the Company	754,401,994* (seven hundred fifty four million four hundred one thousand nine hundred ninety four) (74.97% of the total paid-up share capital of the Company)			
Terms and conditions of re-appointment	- Re-appointment pursuant to the provisions of section 152 of the Act - Liable to retire by rotation - Entitled to receive sitting fees for attending board and committee meetings He has voluntarily decided not to receive commission.			
Total remuneration drawn in Financial Year ended on March 31, 2026	Refer point no. 3(B)(IV) of the Corporate Governance Report on page no. 237 which forms a part of this Integrated Annual Report.			
Attendance in Board, committee and general meetings in Financial Year ended on March 31, 2026	Mr. Pankaj R. Patel has attended all the Board, committee and general meetings held during the Financial Year ended on March 31, 2026.			
Declaration	Mr. Pankaj R. Patel is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.			

*including (a) 754,313,343 shares held as a trustee of Zydus Family Trust, (b) 29,550 shares held as a Karta of Pankaj R. Patel HUF, (c) 14,700 shares held as a trustee of R B Patel Will Pankaj Trust, (d) 14,775 shares held as a Karta of Pankaj R. Patel Smaller HUF, (e) 14,775 shares held as a trustee of Taraben Patel Family Will Trust, and (f) 14,851 shares held in individual capacity.

Name of the director	Mr. Mukesh M. Patel Non-Executive Non-Independent Director
DIN	00053892
Date of Birth	January 22, 1954
Age	72 years
Date of first appointment on the Board	August 1, 1997
Date of re-appointment by the members	August 9, 2024
Qualifications	Law graduate
Expertise in functional area	Knowledge and expertise in taxation
Achievements	Mr. Mukesh M. Patel has been acclaimed with the Honour as 'Champion of Tax Payer Education' at the All-India Tax Congress. He enjoys the honour of having been conferred with several International Awards and Recognitions, including the highest Decoration from the Emperor of Japan-'Order of the Rising Sun.' In 2024, Mukesh Patel has come to be appointed as the First Honorary Consul of Japan in India.
Brief resume	An eminent Advocate and a leading International Tax Expert, Mukesh Patel enjoys close to five decades of experience as a Veteran in the legal profession, during which he has also been passionately committed to the causes of Teaching Law and promoting Tax Payer Education, both through the Print and Electronic Media. A prolific writer and speaker, his tally of over 5,000 Weekly Columns in English and Gujarati, close to 50 editions of his Book Titles and more than 500 TV Shows on Tax and Investment Planning with leading Print and Electronic Media have come to be acknowledged as a unique and unprecedented record. In recognition of the same, he has been acclaimed with the Honour as 'Champion of Tax Payer Education' at the All-India Tax Congress. Closely involved with the analysis of Union Budgets since 1977, his studied and thought-provoking annual presentations are eagerly looked forward to. He was appointed by the Government of India to serve as a Member on the Justice Easwar Committee for Simplification of the Income-tax Act, Rules and Procedures and as an Expert on the Six Member Task Force entrusted with the key assignment of drafting a New Income-Tax Law. He is a Director on the Board of a number of reputed Public Companies. He has served as President of Ahmedabad Management Association, Gujarat Chamber of Commerce & Industry, Indian Red Cross Society, Indo-Japan Friendship Association and All Gujarat Federation of Tax Consultants. He enjoys the honour of having been conferred with several International Awards and Recognitions, including the highest Decoration from the Emperor of Japan-'Order of the Rising Sun.' In 2024, Mukesh Patel has come to be appointed as the First Honorary Consul of Japan in India.
Relationship with other directors and Key Managerial Personnel	None

Name of the director	Mr. Mukesh M. Patel Non-Executive Non-Independent Director			
Name of companies in which Mr. Mukesh M. Patel holds directorships and memberships of committees of the Board	A. Directorships in listed companies:			
	1. Zydus Lifesciences Limited			
	2. Force Motors Limited			
	Mr. Mukesh M. Patel has not resigned from any listed company in the past 3 (three) years.			
	B. Directorships in unlisted public companies:			
	1. Desai Brothers Limited			
	2. Cliantha Research Limited			
	3. Jade Blue Lifestyle India Limited			
	4. Gulmohar Greens-Golf and Country Club Limited			
	C. Directorships in private companies:			
	1. Desai Foods Private Limited			
	D. Committee positions in companies:			
	Sr. No.	Name of the company	Name of the committee	Position
	1.	Zydus Lifesciences Limited	Stakeholders' / Investors' Relationship Committee	Chairman
Risk Management Committee			Member	
Share Transfer Committee			Member	
2.	Force Motors Limited	Audit Committee	Chairman	
		Nomination and Remuneration Committee	Member	
		Corporate Social Responsibility Committee	Chairman	
3.	Desai Brothers Limited	Audit Committee	Chairman	
		Nomination and Remuneration Committee	Member	
4.	Clantha Research Limited	Audit Committee	Member	
		Nomination and Remuneration Committee	Member	
		Corporate Social Responsibility Committee	Chairman	
5.	Jade Blue Lifestyle India Limited	Audit Committee	Chairman	
		Nomination and Remuneration Committee	Member	
Number of shares held in the Company	11,687 (eleven thousand six hundred eighty seven) (0.0012% of the total paid-up share capital of the Company)			
Terms and conditions of re-appointment	• Liable to retire by rotation • Entitled to receive sitting fees for attending board and committee meetings • Entitled to receive commission as may be decided by the Board			

Name of the director	Mr. Mukesh M. Patel Non-Executive Non-Independent Director
Total remuneration drawn in Financial Year ended on March 31, 2026	Refer point no. 3(B)(IV) of the Corporate Governance Report on page no. 237 which forms a part of this Integrated Annual Report.
Attendance in Board, committee and general meetings in Financial Year ended on March 31, 2026	Mr. Mukesh M. Patel has attended all the Board, committee and general meetings held during the Financial Year ended on March 31, 2026.
Declaration	Mr. Mukesh M. Patel is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

Name of the director	Dr. Sharvil P. Patel Managing Director
DIN	00131995
Date of Birth	October 13, 1978
Age	47 years
Date of first appointment on the Board	August 1, 1997
Date of re-appointment by the members	Re-appointed as the Managing Director for a period of 5 (five) years effective April 1, 2022, till March 31, 2027, by the shareholders on February 18, 2022. His re-appointment is liable to retire by rotation. He was lastly re-appointed as a director liable to retire by rotation on August 12, 2025.
Qualifications	Bachelor's degree in chemical and pharmaceutical sciences and Doctorate in philosophy (on Breast Cancer) from University of Sunderland, United Kingdom
Expertise in functional area	Knowledge and expertise in pharmaceuticals (including medical, pharmacology and research), manufacturing, marketing, business and management
Achievements	Dr. Sharvil Patel is the Honorary Consul of Belgium and also the President of the Indian Pharmaceutical Alliance. He is an Independent Director of Gujarat Mineral Development Corporation Limited (GMDC). He has been conferred with the Businessperson of Year 2025 by BioSpectrum Excellence Awards for standout contributions to the lifesciences sector. Dr. Sharvil P. Patel has been conferred the ET Pharma leader of the year at the ET Healthworld India Pharma Awards 2022. He has also been conferred the 'The Economic Times Most Promising Business Leaders of Asia 2020-21' Award,' GenNext Entrepreneur of the Forbes India Leadership Awards (FILA) 2020-21' by the Forbes India and 'Young Turks Award' by India Pharma Awards 2021. He received the '40 Under 40 Most Influential Asians' Award by the Asian Business & Social Forum 2018 (ABSF) and the Young Business Leader '40 under Forty' Award by ET Now in 2017. Dr. Sharvil P. Patel has been recognised as the Best CEO in the lifesciences sector by Fortune India magazine. Nearly 350 companies across 26 sectors were shortlisted for their leadership vision and excellence, over a 3-year period. Dr. Sharvil P. Patel has also been recognised as the Most Valuable CEOs by the Business World Magazine for the group's strong performance for FY24, overseas expansion and its unwavering commitment to ESG.

Name of the director	Dr. Sharvil P. Patel Managing Director
Brief resume	Dr. Sharvil Patel is the Managing Director of Zydus Lifesciences Limited. He also officiates as the Chairman on the Board of Zydus Wellness Limited, which is creating several novel experiences for the health-conscious consumers and has a basket of niche products and iconic brands such as Sugar Free, Everyuth and Nutralite, Complan, Glucon D, and Nycil. With a specialisation in Chemical and Pharmaceutical Sciences from the University of Sunderland, U.K., and a doctorate also from the same university for his research work in Breast Cancer at Johns Hopkins, Bayview Medical Centre, USA, Dr. Sharvil Patel combines both pharma and research expertise. Dr. Sharvil Patel's leadership inspires people to look at an expansive canvas of thoughts and ideas while focusing on a well-defined implementation roadmap. The Company is the only Indian lifesciences company to launch its own patented NCE Lipaglyn, the novel drug to be approved for the treatment of diabetic dyslipidemia. The group offers path-breaking discoveries for diseases such as Metabolic Associated Fatty Liver Disease (MAFLD), Metabolic dysfunction-associated Steato Hepatitis (MASH), Cancer, Chronic Kidney Disease, amongst others. Through its U.S. entity, the group also has an expanding portfolio focused on specialty and rare diseases. Supporting the nation first-in-India, first-in-the world therapies, Zydus is at the forefront manufacturing lifesaving drugs, exploring new therapy options through research, discovering vaccines, biologicals, therapeutics, MedTech and complex pharmaceutical technologies.
Relationship with other directors and Key Managerial Personnel	Mr. Pankaj R. Patel, Non-Executive Chairman, is father of Dr. Sharvil P. Patel.
Name of companies (except foreign companies) in which Dr. Sharvil P. Patel holds directorships and memberships of committees of the Board	A. Directorships in listed companies: 1. Zydus Lifesciences Limited 2. Zydus Wellness Limited 3. Gujarat Mineral Development Corporation Limited Dr. Sharvil P. Patel has not resigned from any listed company in the past 3 (three) years. B. Directorships in unlisted public companies: 1. Zydus Healthcare Limited 2. Zydus Wellness Products Limited 3. Zydus Foundation 4. Liva Nutritions Limited C. Directorships in private companies: 1. Pripan Investment Private Limited 2. Cadmach Machinery Company Private Limited 3. Zydus Hospitals and Healthcare Research Private Limited 4. Cadila Laboratories Private Limited 5. Cadila Lifesciences Private Limited 6. Western Ahmedabad Effluent Conveyance Company Private Limited 7. VINS Hospital Private Limited

Name of the director	Dr. Sharvil P. Patel Managing Director			
D. Committee positions in companies:				
	Sr. No.	Name of the company	Name of the committee	Position
	1.	Zydus Lifesciences Limited	Corporate Social Responsibility and Environment Social and Governance Committee	Member
			Stakeholders' / Investors' Relationship Committee	Member
			Risk Management Committee	Member
			Share Transfer Committee	Member
			Finance and Administration Committee	Member
	2.	Zydus Wellness Limited	Corporate Social Responsibility and Environment Social and Governance Committee	Chairman
			Risk Management Committee	Chairman
			Share Transfer Committee	Chairman
			Finance and Administration Committee	Chairman
	3.	Zydus Healthcare Limited	Nomination and Remuneration Committee	Member
			Corporate Social Responsibility Committee	Chairman
			Finance and Administration Committee	Chairman
	4.	Zydus Wellness Products Limited	Corporate Social Responsibility Committee	Chairman
	5.	Gujarat Mineral Development Corporation Limited	Audit Committee	Member
			Nomination and Remuneration Committee	Member
			Risk Management Committee	Member
			Stakeholders' Relationship Committee	Chairman
			Corporate Social Responsibility Committee	Member
	6.	Pripan Investment Private limited	Corporate Social Responsibility Committee	Member
7.	Zydus Hospitals and Healthcare Research Private Limited	Corporate Social Responsibility Committee	Member	
Number of shares held in the Company	14,775 (fourteen thousand seven hundred seventy five) (0.0015% of the total paid-up share capital of the Company)			
Terms and conditions of re-appointment	Liable to retire by rotation			

Name of the director	Dr. Sharvil P. Patel Managing Director
Total remuneration drawn in Financial Year ended on March 31, 2026	Refer point no. 3(B)(III)(c) of the Corporate Governance Report on page no. 235 which forms a part of this Integrated Annual Report.
Attendance in Board, committee and general meetings in Financial Year ended on March 31, 2026	Dr. Sharvil P. Patel has attended all the Board, committee and general meetings held during the Financial Year ended on March 31, 2026.
Declaration	Dr. Sharvil P. Patel is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

Name of the director	Kulin S. Lalbhai
DIN	05206878
Date of Birth	August 13, 1985
Age	40 years
Date of first appointment on the Board	May 19, 2026
Date of re-appointment by the members	Not applicable
Qualifications	B. Sc. in Electrical Engineering and MBA
Expertise in functional area	Management, business and administration
Brief resume	Mr. Kulin S. Lalbhai is currently the Executive Director of Arvind Limited, which is in textile industry. He is driving new initiatives in the consumer business of Arvind Group. Mr. Lalbhai also spearheads Arvind's foray in to e-commerce space. He plays an active role in the overall corporate strategy for the group with particular focus on B2C businesses. Prior to the current position in Arvind Limited, Mr. Lalbhai worked with management consulting firm McKinsey & Co., Mumbai.
Relationship with other directors and Key Managerial Personnel	None
Name of companies (except foreign companies) in which Mr. Kulin S. Lalbhai holds directorships and memberships of committees of the Board	A. Directorships in listed companies: - Arvind Limited - Arvind Smartspaces Limited - Arvind Fashions Limited - The Anup Engineering Limited - Zydus Wellness Limited B. Directorships in unlisted public companies: Nil C. Directorships in private companies: - PVH Arvind Fashion Private Limited - Arvind Youth Brands Private Limited

Name of the director	Kulin S. Lalbhai			
	D. Committee positions in companies:			
	Sr. No.	Name of the company	Name of the committee	Position
	1.	Zydus Wellness Limited	Audit Committee	Member
			Nomination and Remuneration Committee	Chairman
			Corporate Social Responsibility and Environment, Social and Governance Committee	Member
			Risk Management Committee	Member
	2.	Arvind Fashions Limited	Stakeholders Relationship Committee	Chairman
			Corporate Social Responsibility Committee	Chairman
	3.	Arvind Smartspaces Limited	Stakeholders Relationship Committee	Chairman
			Nomination and Remuneration Committee	Member
	4.	Zydus Lifesciences Limited	Audit Committee	Member
			Nomination and Remuneration Committee	Member
			Risk Management Committee	Member
Number of shares held in the Company	Nil			
Terms and conditions of re-appointment	Fixed term of 5 (five) years from May 19, 2026, to May 18, 2031			
Total remuneration drawn in Financial Year ended on March 31, 2026	Not applicable			
Attendance in Board, committee and general meetings in Financial Year ended on March 31, 2026	Not applicable			
Declaration	Mr. Kulin S. Lalbhai is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.			

INFORMATION AT A GLANCE

Particulars	Details
Day, Date and time of AGM	Tuesday, August 11, 2026, at 10.00 a.m. (IST)
Mode	Video Conferencing / Other Audio Visual Means
E-voting website of CDSL	www.evotingindia.com
Record Date for dividend	Friday, July 24, 2026
Dividend payment date	On or around Friday, August 14, 2026
Cut-off date for e-voting	Tuesday, August 4, 2026
E-voting start date and time	Saturday, August 8, 2026, at 9.00 a.m. (IST)
E-voting end date and time	Monday, August 10, 2026, at 5.00 p.m. (IST)
Last date for speaker registration and sending questions	Tuesday, August 4, 2026
Date of declaration of voting results	Tuesday, August 11, 2026
Name, address and contact details of e-voting service provider	Central Depository Services (India) Limited A Wing, 25 th Floor, Marathon Futurex, Mafatlal Mills Compound, N M Joshi Marg, Lower Parel, Mumbai-400001. Mr. Rakesh Dalvi Sr. Manager-CDSL Toll free number: 1800 21 09911 Email address: helpdesk.evoting@cdslindia.com Website: www.evotingindia.com
Name, address, and contact details of Registrar and Share Transfer Agent	MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) C-101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083 Tel No.: +91 810 811 8484 Email address: ahmedabad@in.mpms.mufg.com Website: https://in.mpms.mufg.com

Alignment with GRI and other Global ESG Frameworks

- Zydus Lifesciences Limited has reported in reference to the GRI standards for the period 01st April 2025 to 31st March 2026
- GRI Foundation 2021

GRI Standard	Disclosure Title	Report Reference	Page No.	UNSDG	BRSR	SASB
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate Information About Zydus	1-2 10-11		Section A(I), (II.16), (II.17), (III.18), (III.19)	
	2-2 Entities included in the organization's sustainability reporting	About the Report	4-5	12.6	Section A (III.18)	
	2-3 Reporting period, frequency and contact point	About the Report	4	12.6	Section A(I)	
	2-4 Restatements of information	No Restatements in FY 2025-26	-			
	2-5 External assurance	About the Report	5	12.6	Section A(I)	
	2-6 Activities, value chain and other business relationships	Corporate Information Value Creation Model Intellectual Capital	1-2 20-21 46-55	12.6	Section A(II.16), (II.17)	
	2-7 Employees	Human Capital	82	5.5, 5.1, 10.2, 17.18	Section A.IV.(20), (21)	
	2-8 Workers who are not employees	Human Capital	82			
	2-9 Governance structure and composition	Our Board of Directors	160-164	5.5, 16.6, 16.7	Section A (21), Principle 1(L.2)	
	2-10 Nomination and selection of the highest governance body	Board's Report	194, 230	5.5, 16.6, 16.7	Section A, Section B	
	2-11 Chair of the highest governance body	Our Board of Directors	160	16.6, 16.7		
	2-12 Role of the highest governance body in overseeing the management of impacts	Board's Report	196	12.6, 16.6, 16.7	Section B.8, B.9	
	2-13 Delegation of responsibility for managing impacts	Our Board of Directors	160-164	16.6, 16.7		
	2-14 Role of the highest governance body in sustainability reporting	About the Report Board's Report	4-5 160-164	12.6, 16.6	Section B.8, B.9	
	2-15 Conflicts of interest	Corporate Governance	225	16.5, 16.6	Principle 1(L.2)	
	2-16 Communication of critical concerns	About the Report	4-5	16.6, 16.7	Section A(I)	
	2-17 Collective knowledge of the highest governance body	Board's Report	160-164	16.6, 16.7	Principle 1(E.1)	
	2-18 Evaluation of the performance of the highest governance body	Board's Report	194, 230	16.6, 16.7		
	2-19 Remuneration policies	Board's Report	194	8.5, 16.6	Principle 5(3.a)	
	2-20 Process to determine remuneration	Board's Report	194	8.5, 16.6		
	2-21 Annual total compensation ratio	Board's Report	218	8.5, 10.4		

GRI Standard	Disclosure Title	Report Reference	Page No.	UNSDG	BRSR	SASB
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Chairman Message	14-17	12.6, 13.2, 16.6	Section B.7	
	2-23 Policy commitments	Board's Report	253	8.8, 12.6, 13.2, 16.6	Section B.1, B.2, B.10	
	2-24 Embedding policy commitments	Board's Report	253	12.6, 16.6	Section B.1, B.2, B.10	
	2-25 Processes to remediate negative impacts	Board's Report	253	8.8, 16.3, 16.6	Section A(VII.25)	
	2-26 Mechanisms for seeking advice and raising concerns	Board's Report	199, 253	16.3, 16.5, 16.6	Section A(VII.25)	
	2-27 Compliance with laws and regulations	Board's Report	199, 253	16.3, 16.5	Principle 1(E.7), (E.2)	
	2-28 Membership associations	BRSR	296	17.16, 17.17, 17.19	Principle 7(E.1)	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	22-26	16.7, 17.17	Principle 4(L.1), Principle 4(L.2), Section A. VII. 26	
	2-30 Collective bargaining agreements	Human Capital	100	8.8, 10.3		
GRI 3:Material Topics 2021	3-1 Process to determine material topics	Materiality	27-28	6.3, 6.4, 6.5, 6.6, 7.2, 7.3, 8.2, 8.3, 8.5, 8.7, 8.8, 12.5, 12.6, 12.7, 13.2, 16.5, 9.4, 9.5	Principle 4(L.1), Principle 4(L.2), Section A. VII. 26	
	3-2 List of material topics	Materiality	29			
GRI 3:Material Topics 2021	3-3 Management of material topics	Intellectual Capital	44			
GRI 3:Material Topics 2021	3-3 Management of material topics	Financial Capital	58			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Capital	59-60	8.1, 9.1		
GRI 3: Material Topics 2021	3-3 Management of material topics	Relationship Capital	122			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Relationship Capital	125	17.16, 17.17	Principle 2(E.2a, 2b)	
GRI 3: Material Topics 2021	3-3 Management of material topics	Board's Report	191			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Board's Report	198	16.3, 16.5, 17.13, 17.14	Principle 1 (E.4), (E.5), (E.7), (L.2), Section B(1.a)	HC-BP-510a.1, HC-BP-510a.2
	205-2 Communication and training about anti-corruption policies and procedures	Board's Report	199			
	205-3 Confirmed incidents of corruption and actions taken	Board's Report	199			

GRI Standard	Disclosure Title	Report Reference	Page No.	UNSDG	BRSR	SASB
GRI 3: Material Topics 2021	3-3 Management of material topics	Board's Report	191			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Board's Report	199	16.3, 16.5, 17.13, 17.14	Principle 1 (E.4), (E.5), (E.7), (L.2), Section B(1.a)	HC-BP-510a.1, HC-BP-510a.2
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	104			
GRI 301: Materials 2016	301-2 Recycled input materials used	Natural Capital	119	12.2, 12.4, 12.5, 12.A, 14.1, 14.2, 14.3	Principle 2(L.4), (L.5)	
	301-3 Reclaimed products and their packaging materials	Natural Capital	119			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	104			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Natural Capital	110	7.2, 7.3, 7.A, 13.2, 13.3	Principle 2(E.1), Principle 6(E.1), (E.8), (L.4)	
	302-3 Energy intensity	Natural Capital	110			
	302-4 Reduction of energy consumption	Natural Capital	110			
	302-5 Reductions in energy requirements of products and services	Natural Capital	111			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	104			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Natural Capital	113-114	6.4, 6.5, 6.6	Principle 6(E.5)	
	303-2 Management of water discharge-related impacts	Natural Capital	113-114			
	303-3 Water withdrawal	Natural Capital	114		Principle 6(L.1), (E.3), (E.4)	
	303-4 Water discharge	Natural Capital	116			
	303-5 Water consumption	Natural Capital	114			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	104			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Natural Capital	112	12.4, 12.5, 13.1, 13.2, 13.3, 7.2, 7.A	Principle 6(E.6), (E.7), (E.8), (L.2)	
	305-2 Energy indirect (Scope 2) GHG emissions	Natural Capital	112			
GRI 305 : Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Natural Capital	112			
	305-4 GHG emissions intensity	Natural Capital	112			
	305-5 Reduction of GHG emissions	Natural Capital	109, 112			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Capital	113			

GRI Standard	Disclosure Title	Report Reference	Page No.	UNSDG	BRSR	SASB
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	104			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Natural Capital	117-118	12.2, 12.4, 12.5, 12.7, 12.A	Principle 2(E.3), (E.4), (L.3), (L.4), (L.5), Principle 6(E.9), (E.10)	
	306-2 Management of significant waste-related impacts	Natural Capital	117-118			
	306-3 Waste generated	Natural Capital	117			
	306-4 Waste diverted from disposal	Natural Capital	118			
	306-5 Waste directed to disposal	Natural Capital	118			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	104			
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Natural Capital	120	12.8, 15.1, 15.2, 15.5, 15.6, 15.8, 15.9	Principle 6(E.11), (E.12), (L.3)	
	101-2 Management of biodiversity impacts	Natural Capital	120			
	101-4 Identification of biodiversity impacts	Natural Capital	120			
GRI 3: Material Topics 2021	3-3 Management of material topics	Relationship Capital	122			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Relationship Capital	124-125	17.16, 17.17	Principle 1(L.1), Principle 3(L.2), Principle 6(L.7), Principle 8(E.4)	HC-BP-430a.1
	308-2 Negative environmental impacts in the supply chain and actions taken	Relationship Capital	124-125			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	80			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Capital	83-84	4.4, 8.3, 8.5, 8.6, 10.3	Section A.IV.22	HC-BP-330a.1, HC-BP-330a.2
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital	93-98	3.8, 3.9	Principle 3(E.1), (E.5)	
GRI 401: Employment 2016	401-3 Parental leave	Human Capital	98			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes"	Human Capital	101	3.8, 8.7, 8.8, 10.3, 10.4	Principle 3(L.4), (E.2), (E.4), Principle 5(E2)	

GRI Standard	Disclosure Title	Report Reference	Page No.	UNSDG	BRSR	SASB
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Human Capital	102	3.9, 16.1, 17.13, 17.14	Principle 3(E.10), (E.11), (E.12), (E.13), (E.14), (E.15)	
	403-2 Hazard identification, risk assessment, and incident investigation	Human Capital	102			
	403-3 Occupational health services	Human Capital	102-103			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Human Capital	103			
	403-5 Worker training on occupational health and safety	Human Capital	103			
	403-6 Promotion of worker health	Human Capital	102-103			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital Relationship Capital	102-103 124			
	403-8 Workers covered by an occupational health and safety management system	Human Capital	102			
	403-9 Work-related injuries	Human Capital	102			
	403-10 Work-related ill health	Human Capital	102			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Capital	87	4.3, 4.4, 4.7, 8.5, 8.6	Principle 3(E.8), (E.9)	HC-BP-330a.1, HC-BP-330a.2
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital	87-91			
	404-3 Percentage of employees receiving regular performance and career development reviews	Human Capital	92	9.4, 8.2, 8.3	Principle 3(E.9)	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Human Capital	82 85	5.5, 5.1, 10.2, 17.18	Section A.IV.(20), (21)	
	405-2 Ratio of basic salary and remuneration of women to men	Human Capital	85	5.1, 5.5, 8.5, 10.3, 10.4	Principle 3(E.4), Principle 5(E.2a)	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Capital	100-101	5.1, 5.2, 5.5, 8.5, 8.8, 8.7, 10.3, 10.4, 16.7, 16.10, 16.1, 16.2, 16.8	Principle 3(E.6),(E.7), (E.8), Principle 5(E.1), (E.2), (E.5), (E.6), (E.7), (E.8), (E.10), (L.1), (L.2)	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Capital	100-101			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Capital	100-101			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Capital	100-101			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Capital	140			

GRI Standard	Disclosure Title	Report Reference	Page No.	UNSDG	BRSR	SASB
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Capital	142	3.8, 1.4, 9.1, 5.5, 4.1, 4.3, 13.3	Principle 4(L.3), Principle 8(E.1), (L.1), (L.2), (L.6), Section B(11)	
	413-2 Operations with significant actual and potential negative impacts on local communities	Social Capital	143-159			
GRI 3: Material Topics 2021	3-3 Management of material topics	Relationship Capital	122			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Relationship Capital	124-125	17.16, 17.17	Principle 1(L.1), Principle 5(L.4)	HC-BP-430a.1
	414-2 Negative social impacts in the supply chain and actions taken	Relationship Capital	124-125			
GRI 3: Material Topics 2021	3-3 Management of material topics	Manufactured Capital	64			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Manufactured Capital Relationship Capital	72-73 128	3.9, 3.B, 16.6	Principle 9(E.4)	HC-BP-250a.3, HC-BP-210a.2, HC-BP-210a.3, HC-BP-250a.5
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Manufactured Capital	73			
GRI 3: Material Topics 2021	3-3 Management of material topics	Relationship Capital	122			
GRI 417: Marketing and Labeling 2016	"417-1 Requirements for product and service information and labeling"	Relationship Capital	127	16.6, 10.5, 9.C	Principle 9 (L.1), (L.2), (L.4)	HC-BP-270a.1, HC-BP-270a.2, HC-BP-260a.1, HC-BP-260a.2, HC-BP-260a.3
	417-2 Incidents of non-compliance concerning product and service information and labeling	Relationship Capital	128			
	417-3 Incidents of non-compliance concerning marketing communications	Relationship Capital	128			
GRI 3: Material Topics 2021	3-3 Management of material topics	Intellectual Capital	44			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Intellectual Capital	56-57	9.5, 9.C, 16.10	Principle 9(E.3), (E.5), (E.6), (E.7)	

Glossary of Abbreviations

Abbreviations	Full Form
5R	Refuse, Reduce, Reuse, Recycle, and Recover
ACT	Artemisinin based Combination Therapies
ADC	Antibody Drug Conjugate
AE	Adverse Event
AERS	Adverse Event Reporting Systems
AFPRO	Action for Food Production
AGV	Automated Guided Vehicles
AHU	Air Handling Unit
AI	Artificial intelligence
ALS	Amyotrophic Lateral Sclerosis
AMR	Autonomous Mobile Robots
ANC	Antenatal Care
ANDA	Abbreviated New Drug Application
API	Active Pharmaceutical Ingredient
APQR	Paperless Annual Product Quality Review
ATFD	Agitated Thin Film Dryers
BEE	Bureau of Energy Efficiency
BIRAC	Biotechnology Industry Research Assistance Council
BLA	Biologics License Application
BLDC	Brushless Direct Current
BRF	Biodiversity Risk Filter
BRSR	Business Responsibility and Sustainability Report
CAGR	Compound Annual Growth Rate
CAPA	Corrective and Preventive Actions
CAPEX	Capital Expenditure
CBD	Convention on Biological Diversity
CCL	Comfort Click Ltd
CDMO	Contract Development and Manufacturing Organization
CDSCO	The Central Drugs Standard Control Organisation
CEA	Central Electricity Authority

Abbreviations	Full Form
CEDA	Comprehensive Environmental Data Archive
CFO	Chief Financial Officer
cGMP	Current Good Manufacturing Practices
CII	Confederation of Indian Industry
CISO	Chief Information Security Officer
CKD	Chronic Kidney Disease
CME	Continuing Medical Education
CMV	Cytomegalovirus
CO ₂	Carbon Dioxide
COP	Coefficient of Performance
COPD	Chronic obstructive pulmonary disease
CPCB	Central Pollution Control Boards
Cr	Crore
CRAFT	Cultivating Readiness and Agility for Future in Talent
CRO	Chief Risk Officer
CSA	Corporate Sustainability Assessment
CSR	Corporate Social Responsibility
CSV	Computer System Validation
CTMS	Clinical Trial Management Systems
DCGI	Drugs Controller General of India
DEFRA UK	Department of Environment, Food and Rural Affairs (United Kingdom)
DEI	Diversity, Equity and Inclusion
DPCO	Drug Price Control Order
DPDP	Digital Personal Data Protection Act
DPI	Dry Powder Inhalers
DR	Delayed Release
EASE	Experience, Accuracy, Speed, Engagement
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EC	Energy Conservation
EEIO Factors	Environmentally Extended Input-Output Factors
EHS	Environment, Health, and Safety
EPR	Extended Producer Responsibility
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESA	Erythropoiesis Stimulating Agents

Abbreviations	Full Form
ESG	Environment, Social, Governance
ESP	Electrostatic Precipitators
ETP	Effluent Treatment Plant
FDA	Food and Drug Administration
FICCI	Federation of Indian Chambers of Commerce & Industry
FMEA	Failure Modes and Effects Analysis
FSSC	Food Safety System Certification
FTF	First-to-File
GC	Gas Chromatography
GCCI	Gujarat Chamber of Commerce & Industry
GC-MS	Gas chromatography-mass spectrometry
GCP	Good Clinical Practices
G-CSF	Granulocyte Colony-Stimulating Factor
GHG	Greenhouse Gas
GJ	Gigajoule
GMC	Gandhinagar Municipal Corporation
GMP	Good Manufacturing Practices
GPP	Good Pharmacovigilance Practices
GRI	Global Reporting Initiative
HACCP	Hazard Analysis and Critical Control Points
HAEs	Hospital and Adult Vaccination Executives
HAZOP	Hazard and Operability Study
HCP	Healthcare Professional
HGPS	Hutchinson-Gilford Progeria Syndrome
HGPS	Hutchinson-Gilford Progeria Syndrome
HIF-PHIs	Hypoxia-inducible factor prolyl hydroxylase inhibitors
HIRA	Hazard Identification and Risk Assessment
HPLC	High Performance Liquid Chromatography
HR	Human Resource
HSD	High-Speed Diesel
IBD	Inflammatory Bowel Disease
ICAO	International Civil Aviation Organisation
ICMR	Indian Council of Medical Research
ICRS	Individual Case Safety Reports

Abbreviations	Full Form
IIM	Indian Institute of Management
IIRC	International Integrated Reporting Council
IM	International Markets
INASL	Indian National Association for Study of the Liver
INDC	Intended National Determined Contributions
INR	Indian National Rupees
IOT	Internet of Things
IP	Intellectual Property
IPA	Indian Pharmaceutical Association
IPC	Indian Penal Code
IPCC	Intergovernmental Panel on Climate Change
IPD	Inpatient Department
IR	Integrated Report
IR	Infrared
ISG	Indian Society of Gastroenterology
ISN	International Society of Nephrology
ISO	International Organization for Standardization
IT	Information Technology
ITSM	IT Service Management
JSY	Janani Suraksha Yojana
KL	Kilo Litres
KMGBF	Kunming-Montreal Global Biodiversity Framework
KOL	Key Opinion Leader
KPIs	Key performance indicators
KRAs	Key Responsibility Areas
KWF	Kidney Warrior Foundation
Kwh	Kilowatt Hour
LCA	Life Cycle Assessments
LC-MS/MS	Liquid Chromatography–Tandem Mass Spectrometry.
LCVAC	Lifecourse Vaccination Continuum
LDO	Light Diesel Oil
LEAP	Learn, Explore, Aspire, Perfrom
LIMS	Laboratory Information Management Systems
LMS	Learning Management System

Abbreviations	Full Form
mAb	monoclonal antibody
MAFLD	Metabolic Dysfunction-Associated Fatty Liver Disease
MASH	Metabolic Dysfunction-Associated Steatohepatitis
MASLD	Metabolic Dysfunction-Associated Steatotic Liver Disease
MBA	Masters of Business Administration
MBBS	Bachelor of Medicine, Bachelor of Surgery
MBO	Management by Objectives
MEE	Multi-Effect Evaporators
MMR	Measles, Mumps and Rubella
MMRV	Measles, Mumps, Rubella, and Varicella
Mn	Million
MNH	Maternal and Newborn Health
MOCD	Molybdenum Cofactor Deficiency
MR	Measles-Rubella
MSME	Micro, Small and Medium Enterprises
MT	Metric Ton
MVR	Mechanical Vapour Recompressors
MW	Megawatt
MWh	Megawatt-hour
NASH	Non-alcoholic steatohepatitis
NBE	New Biological Entity
NCE	New Chemical Entity
NDA	New Drug Application
NDDS	Novel Drug Delivery System
NGFC	Network for Greening the Financial System
NGOs	Non-governmental organization
NIR	Near Infrared
NOx	Nitrous Oxide
NPCDCS	National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Disease and Stroke
NPD	New Product Development
NPL	New Product Launch
NSE	National Stock Exchange
ODD	Orphan Drug Designation
OECD	Organization for Economic Co-operation and Development

Abbreviations	Full Form
OECMS	Online Continuous Emission Monitoring Systems
OEM	Original Equipment Manufacturer
OHCs	Occupational Health Centres
OHS	Occupational Health and Safety
OKRs	Objectives and Key Results
OPD	Outpatient Department
OPEP	Oscillating Positive Expiratory Pressure
OPEX	Operating Expenditure
OPS	Organ Perfusion Solutions
OSD	Oral Solid Dosage
PAHO	Pan American Health Organisation
PAT	Profit After Tax
PAT	Process Analytical Technology
PBC	Primary Biliary Cholangitis
PCV	Polypoidal Choroidal Vasculopathy
PLC	Programmable Logic Controllers
PM	Particulate Matter
PMMVY	Pradhan Mantri Matru Vandana Yojana
PNC	Postnatal Care
POSH	Prevention of Sexual Harassment
PRCA	Pure Red Cell Aplasia
PRIDE	Performance Review and Individual Development Evolution
PSSR	Pre-Start-up Safety Review
PTC	Pharmaceutical Technology Centre
PV	Pharmacovigilance
QbD	Quality-by-Design
QC	Quality Control
QRM	Quality Risk Management
QUEST	Quality Excellence by Sustainable Transformation
R&D	Research and Development
RCP	Representative Concentration Pathway
RE	Renewable Energy
RMC	Risk Management Committee
RO	Reverse Osmosis

Abbreviations	Full Form
ROCE	Return on Capital Employed
ROE	Return on Equity
RPA	Robotic Process Automation
S&P Global	Standard and Poor's Global
SA	Société Anonyme
SASB	Sustainability Accounting Standards Board
SCADA	Supervisory Control and Data Acquisition
SCD	Sickle Cell Disease
SDEA	Safety Data Exchange Agreement
SDGs	Sustainable Development Goals
SEZ	Special Economic Zone
SHRM	Society of Human Resource Management
SLIM	Strategic Lean Integrated Manufacturing
SMART	Specific, Measurable, Achievable, Relevant, and Time-bound
SOC	Security Operations Centre
SOP	Standard Operating Procedure
SOP	Standard Operating Procedure
SOx	Sulphur Oxide
SPCB	State Pollution Control Board
STEER	Strategic Talent Enhancement and Executive Readiness
STEM	Science, Technology, Engineering, and Mathematics
STEP UP	Strive Towards Excellence Programme
SVO	Subject-Verb-Object
TAVI	Transcatheter Aortic Valve Implantation
TCFD	Taskforce on Climate-related Financial Disclosures
tCO ₂ e	Tonnes of Carbon Dioxide Equivalent
TDM	Therapeutic Drug Monitoring
TDS	Total Dissolved Solids
TDS	Transdermal Drug Delivery Systems
TNFD	Taskforce on Nature-related Financial Disclosures
U.O.M	Unit of Measure
UACR	Urine Albumin-to-Creatinine Ratio
UC	Ulcerative Colitis
UCPMP	Uniform Code of Pharmaceutical Marketing Practices

Abbreviations	Full Form
UF	Ultrafiltration
UIP	Universal Immunisation Programme
UK	United States
UN	United Nations
UNICEF	United Nations International Children's Emergency Fund
US	United States
USA	United States of America
USEPA	United States Environmental Protection Act
USFDA	United States Food and Drug Administration
UV	Ultraviolet
VFD	Variable Frequency Drive
VILT _s	Virtual Instructor Led Trainings
VMS	Vitamins, Minerals, and Supplements
VTC	Vaccine Technology Centre
WHO	World Health Organisation
WINGS	Women's Initiative for Nurturing Growth and Success
WWF	Worldwide Fund for Nature
ZHL	Zydus Healthcare Limited
ZLD	Zero Liquid Discharge
ZLL	Zydus Lifesciences Limited
ZMCH	Zydus Medical College and Hospital
ZRC	Zydus Research Centre
ZTMP	Zydus Talent Management Programme



Zydus Lifesciences Limited

Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, S G Highway, Ahmedabad-382481