

August 18, 2025

To National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 NSE Scrip Symbol: SaiLife	To BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400001 BSE Scrip Code: 544306
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Sub: Notice of the 26th Annual General Meeting (“AGM”) of the Company.

Dear Sir/Madam,

Pursuant to Regulation 30 read with para A of Part A of Schedule III of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), attached herewith is the Notice of the 26th Annual General Meeting of the Company to be held on Thursday, September 11, 2025 at 10:30 AM (IST) through Video Conference/Other Audio Visual Means. The said Notice forms part of the Annual Report for the financial year 2024-25 and is being sent through electronic mode to the shareholders of the Company.

The Notice of the 26th Annual General Meeting forming part of the Annual Report is also available on the website of the Company at: [26th-Annual-Report-SLS-FY2024-25.pdf](#)

This is for your information and records.

Thank you.

For **Sai Life Sciences Limited**

Runa Karan
Company Secretary & Compliance Officer
Membership No.: A13721

Encl: As above

Sai Life Sciences Limited (CIN: L24110TG1999PLC030970)

Corporate office

L4-01 & 02, SLN Terminus, Survey
#133, Gachibowli Miyapur Road,
Gachibowli, Hyderabad – 500032,
Telangana, India.

Registered office

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Science-Led. Globally Connected. Future-Focused.

2024-25
Annual Report



Sai

Make it
better together

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To download this report online and to know more about us, please visit: www.sailife.com

Sai Life Sciences IPO Listing

A defining moment



On December 18, 2024, Sai Life Sciences took a significant step forward in its growth journey with a successful listing on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Our initial public offering (IPO) received a strong response, with an overall subscription of 10.27 times. We received bids for 39.85 Cr shares against 3.87 Cr shares on offer – a clear endorsement of

investor confidence in our business model and long-term vision. The offering saw healthy participation across categories: 1.39x in the retail segment, 4.99x from non-institutional investors (NII), and a remarkable 29.78x from qualified institutional buyers (QIB).

Sai shares debuted at ₹ 650 on the NSE, a premium of 18.4% over the issue price. On the BSE, they opened at ₹ 660, reflecting a 20.22% premium.

We are deeply grateful for the trust placed in us by our new and existing investors. As of March 31, 2025, our number of shareholders stands at 1,41,023.

Our listing marks a new chapter – one that strengthens the foundation for long-term, science-led growth. Backed by our shareholders, we move ahead with confidence and purpose.

Science-led. Globally connected. Future-focused.

AT SAI LIFE SCIENCES, SCIENCE IS OUR DRIVING FORCE.

With deep capabilities across discovery, development, and manufacturing, we partner with global pharmaceutical and biotech companies to help bring innovative medicines to life. Whether solving complex chemistry challenges or accelerating integrated programs, we deliver with precision, speed, and purpose.



**OUR GLOBALLY
CONNECTED PLATFORM
EMPOWERS
EFFICIENT EXECUTION.**

With discovery and development laboratories in the US and UK, and large-scale R&D and manufacturing facilities in India, we combine

scientific proximity with cost-effective scalability. This model supports faster decision-making, better continuity, and smooth transitions from early development to commercial scale – all backed by a diverse global talent base.



**WE ARE INVESTING
FOR THE FUTURE – IN
INFRASTRUCTURE,
INNOVATION, AND IMPACT.**

We continue to expand capacity, deepen scientific expertise, and adopt advanced technology platforms to drive efficiency and scale. These efforts, along

with ongoing digitalization, are strengthening our ability to support complex programs and evolving customer needs. By extending our capabilities to emerging modalities like ADCs, oligonucleotides, peptides, and mRNA therapeutics, we remain focused on delivering tomorrow’s scientific needs today.

As the industry continues to evolve, we are poised to be a long-term partner to innovators worldwide – delivering science-led, globally connected, and future-focused solutions that help shape the future of healthcare.



Introducing Sai Life Sciences

A trusted partner in accelerating science

Founded in 1999, Sai Life Sciences is among the largest and fastest-growing integrated CRDMOs listed in India – uniquely positioned to partner with innovators in bringing new medicines to life.

Sai Life Sciences is a fully integrated, science-led contract research, development, and manufacturing organization (CRDMO) focused on small molecule new chemical entities (NCEs). We serve global pharmaceutical and biotechnology companies with customized solutions that accelerate the journey of molecules from discovery to the market for a healthier tomorrow.

We operate a differentiated global delivery model – with discovery and development laboratories near key innovation hubs in the US and UK, and large-scale R&D and manufacturing facilities in India. This structure allows us to work closely with customers during development while seamlessly transferring technologies for cost-efficient commercial-scale manufacturing in India. Our business development teams, based in the US, UK, Europe, and India, strengthen client engagement and drive long-term partnerships.

Over the years, we have built a strong track record of advancing a wide range of NCE development programs, consistently delivering value through scientific rigor,

a collaborative mindset, operational excellence, and responsiveness. This has helped us forge long-term partnerships with a diverse global customer base – including many of the world's top pharmaceutical innovators.

Our capabilities are built on the strength of a qualified and experienced team and powered by globally accredited R&D and manufacturing facilities. With a commitment to quality and compliance, we continue to invest in capabilities, capacity, and talent to meet the evolving needs of our customers.

Sustainability is central to our growth philosophy. We are the first India-headquartered CRDMO to join the Pharmaceutical Supply Chain Initiative (PSCI), and have earned a Silver rating from EcoVadis for our ESG performance.

THE SAI WAY

We are driven by a belief in our purpose of 'Science for a healthier future' and perseverance towards our promise to 'Make it better together' for our customers, partners and employees. We stay the course on these two cardinal principles with a strong commitment to our values.

OUR VALUES

INTEGRITY

Doing what is fundamentally right

TRANSPARENCY

Having the confidence to share full knowledge of a problem openly

OWNERSHIP

Taking pride in our contribution to a project, while performing as an owner

RESPECT

Treating people as we would like to be treated

COLLABORATION

Delivering as a team

RELIABILITY

Demonstrating consistent behavior and striving to fulfill our commitment each time



CORPORATE HIGHLIGHTS

Innovator - focused CRDMO
serving highly regulated
markets such as US, UK, EU
& Japan

300+
Innovator Clients including
18 of the top 25 big Pharma

25+ Years
Track Record of Delivery

3,400+
Employees

10+ Years
Enduring Customer
Relationships

4 Global Locations

FY 2024-25 HIGHLIGHTS

30

Molecules forming part
of Commercial APIs

₹ 425 Cr

EBITDA

6

Molecules forming part
of Filed/Phase III APIs

₹ 170 Cr

Profit after Tax

₹ 1,695 Cr

Revenue



Powering innovation with expertise

Our people form the foundation of our success – a global team energized by shared values, scientific excellence, and a deep commitment to customer success.

Our scientists, researchers, engineers, managers, technicians, and sales professionals across India, the US, the UK, and EU work together as one team, delivering to the highest international standards. We are united by the Sai way of working – a culture rooted in quality, reliability, and accountability.

We proudly call ourselves Saimers. Inspired by the idea of isomers – distinct forms with shared structures – Saimers represent the diverse strengths, experiences, and personalities that power our organization. Anchored by shared values, we strive to make it better, together, for a healthier tomorrow.

A STRONG SCIENTIFIC CORE

Our scientific depth is a core differentiator. Of our 3,401 employees, 2,605 are scientists. Our scientific talent average over eight years of industry experience, with multidisciplinary expertise spanning discovery, development, and manufacturing. This wealth of knowledge drives our ability to deliver consistently high-quality outcomes and stay at the forefront of a dynamic R&D environment.

DEVELOPING TALENT FOR TOMORROW

We invest significantly in developing our people. Initiatives like Sai Gurukul, our digital learning platform, and Sai Academy provide continuous learning, mentoring, and scientific upskilling. These programs support role-based capability building across functions— from the bench to the shop floor - and levels. Our efforts have been recognized internationally, including winning two awards at ATD Excellence in Practice awards and a Gold Award from Brandon Hall Group for excellence in learning technology implementation.

Through structured campus recruitment, lateral hiring, and referrals, we continue to grow our talent pool – with a focus on scientific excellence and leadership development. Our transparent performance evaluation system, visible career progression, and performance-based rewards help us attract, develop, and retain high-performing talent.

CULTURE OF COLLABORATION AND EXCELLENCE

At Sai, culture is not an initiative – it's how we work. Rooted in transparency, empowerment, and scientific integrity, our culture enables bold thinking and accountability at every level.

Our senior leadership team brings an average of 25+ years of global industry experience across India, the US, and the UK – providing both strategic depth and hands-on insight. This leadership, combined with the passion of our teams, enables us to deliver customer-centric innovation at speed and scale. As our workforce continues to grow and become more diverse, strengthening our people and culture continues to be a critical priority for the organization.

Key Highlights

Data as on 31 Mar 2025

3,400+ globally

TOTAL EMPLOYEES

2,605 scientists, including

1,650 Masters and **340** PhDs

SCIENTIFIC TALENT

8+ years average for scientific and technical staff

INDUSTRY EXPERIENCE

25+ years average global experience

LEADERSHIP EXPERIENCE



GLOBAL CUSTOMER FOCUS

Our business development team – comprising scientifically trained professionals across the US, UK, Europe, and India – keeps us closely aligned with our customers. Together with our project management and delivery leads, they provide a continuous bridge between customers and execution teams. This active engagement sharpens our understanding of global best practices and strengthens long-term partnerships.

Global strength for seamless delivery

Designed to support the full spectrum of drug discovery and development – from laboratory to life, our globally located facilities emphasize flexibility, compliance, and scientific excellence, with access to best talent from across the world.

We operate a strategically integrated CRDMO platform, combining a presence in global innovation hubs with large-scale capabilities in India. Proximity to customers enables close collaboration, while our one-stop model ensures efficient technology transfer and high-quality delivery at scale, supported by access to top-tier scientific talent across geographies.

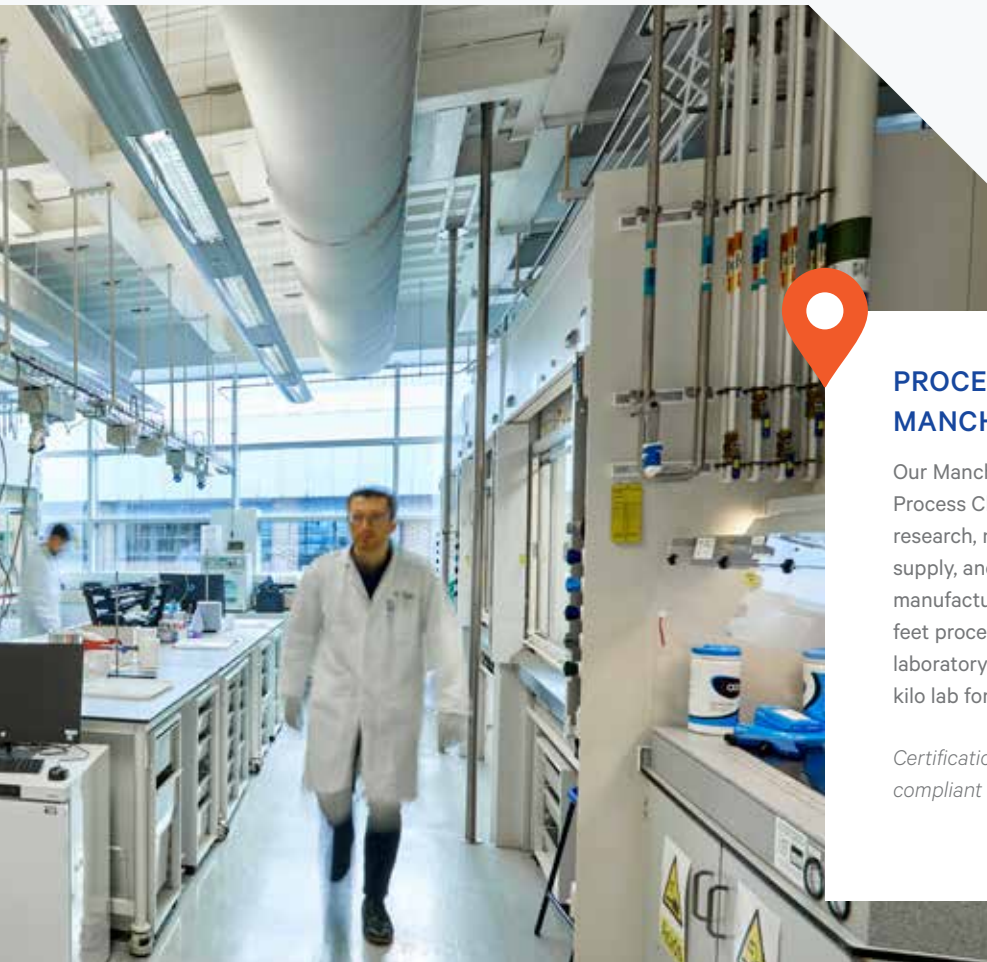
Our facilities feature flexible manufacturing setups, including large scale reactors for high-volume products and some production areas specifically designed to accommodate products that are required in relatively smaller quantities.





DISCOVERY BIOLOGY LAB, GREATER BOSTON, USA

Our 11,000+ sq. ft. Discovery Biology Lab in Greater Boston supports exploratory biology with advanced cellular and biochemical platforms. The facility plays a critical role in assay development and customer onboarding for larger discovery programs in India. It supports the delivery of consistently high-quality outcomes and staying at the forefront of a dynamic R&D environment.



PROCESS R&D LABORATORY, MANCHESTER, UK

Our Manchester facility is a Centre of Excellence in Process Chemistry, supporting advanced process research, novel process development, clinical API supply, and technology transfer to India-based manufacturing sites. The site includes a 20,000 square feet process chemistry R&D, analytical, and scale-up laboratory, as well as a cGMP-compliant pilot and GMP kilo lab for clinical trial supply and scale-up activities.

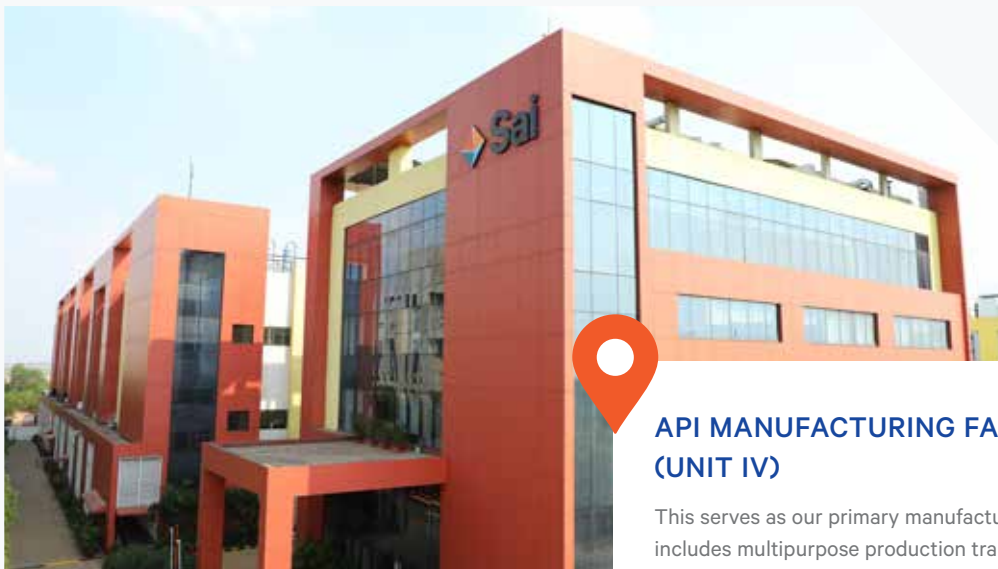
Certifications: ISO 9001:2015; 21 CFR Part 11 compliant systems.



INTEGRATED DISCOVERY & DEVELOPMENT FACILITY, HYDERABAD (UNIT II)

This 12-acre campus houses 199 chemistry laboratories and pilot manufacturing facilities, supporting discovery R&D, CMC process development, and clinical phase manufacturing. The team offers a comprehensive suite of services – including process R&D, analytical R&D, process safety, quality control, process engineering, and scale-up and pilot plant operations. The facility has been inspected by the USFDA and holds GMP certifications from regional authorities. We recently launched a dedicated peptide research center at the campus to meet the growing demand for complex peptide synthesis and conjugation.

Certifications: ISO 14001, ISO 45001, ISO 27001



API MANUFACTURING FACILITY, BIDAR (UNIT IV)

This serves as our primary manufacturing site. The facility includes multipurpose production trains for quick process transitions, serving regulated markets such as the US, EU, and Japan for both clinical and commercial APIs and intermediates. It has received approvals from USFDA, PMDA Japan, and COFEPRIS Mexico, and has undergone over 250 customer audits.

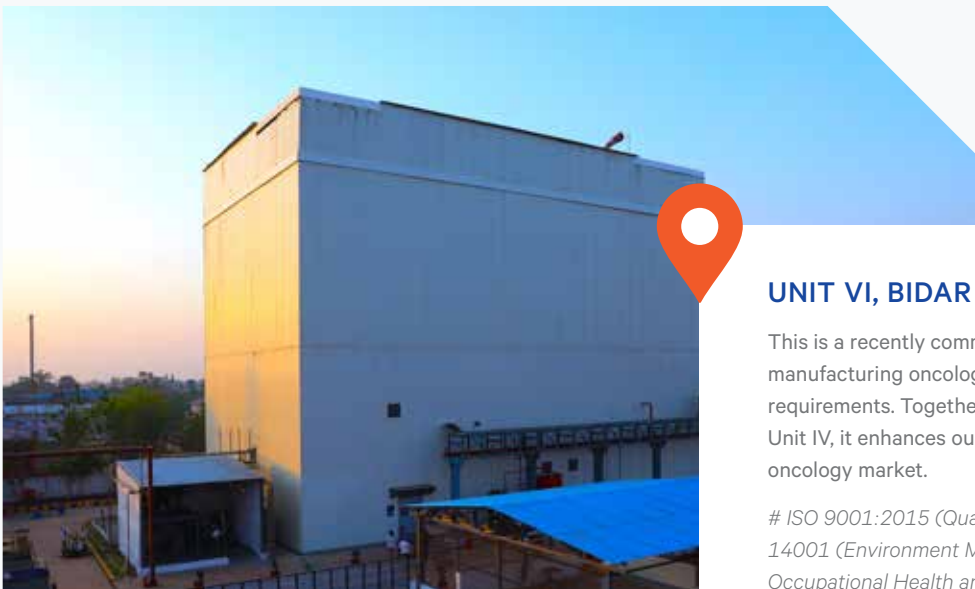
Certifications: ISO 14001, ISO 45001, ISO 50001, ISO 27001



INTERMEDIATE MANUFACTURING FACILITY – BOLLARAM (UNIT III)

Located near Hyderabad, the Bollaram site includes 44 KL reactor capacity and hydrogenators ranging from 2.5 L to 1,000 L. It supports intermediate production across early-stage programs.

Certifications: GMP (regional regulatory authorities)



UNIT VI, BIDAR

This is a recently commissioned site for manufacturing oncology APIs with high containment requirements. Together with the HPAPI block in Unit IV, it enhances our ability to serve the growing oncology market.

ISO 9001:2015 (Quality Management Systems), ISO 14001 (Environment Management Systems), ISO 45001 Occupational Health and Safety Management Systems), ISO 50001 (Energy Management Systems), ISO 27001 (Information Management Systems)

Integrated solutions for end-to-end impact

As a one-stop solution provider, we accelerate collaboration, streamline technology transfer, and help customers bring innovations to market with greater speed, agility, and success.

We offer an integrated platform that spans the full drug development lifecycle – from discovery and process development to early-phase supplies, commercial production, and lifecycle management, uniquely combining the capabilities of a contract research organization (CRO) and a contract development and manufacturing organization (CDMO).



ONE-STOP PLATFORM FOR INTEGRATED DRUG DISCOVERY AND DEVELOPMENT



Our flexible model allows customers to engage with us at any stage of development while also enabling end-to-end partnerships through the 'follow the molecule' approach. By establishing early partnerships during the discovery phase, we are able to provide continuity across subsequent stages – enabling faster transitions, stronger project outcomes, and enhanced cost efficiency.

Revenue Contribution (for FY 2024-25)



Engagement Models

We engage with our customers through two primary commercial models – full-time equivalent (FTE) and fee-for-service (FFS) – providing flexibility to align with diverse project needs.

FTE Model: Under FTE contracts, we deploy dedicated scientific resources based on customer project

requirements. This model enables close collaboration, operational flexibility, and deeper integration with customer R&D programs.

FFS Model: Under FFS contracts, we execute defined project scopes via purchase orders or long-term supply agreements. Deliverables include

APIs, intermediates, or other materials over multi-year periods, offering customers flexibility for specific or recurring requirements.

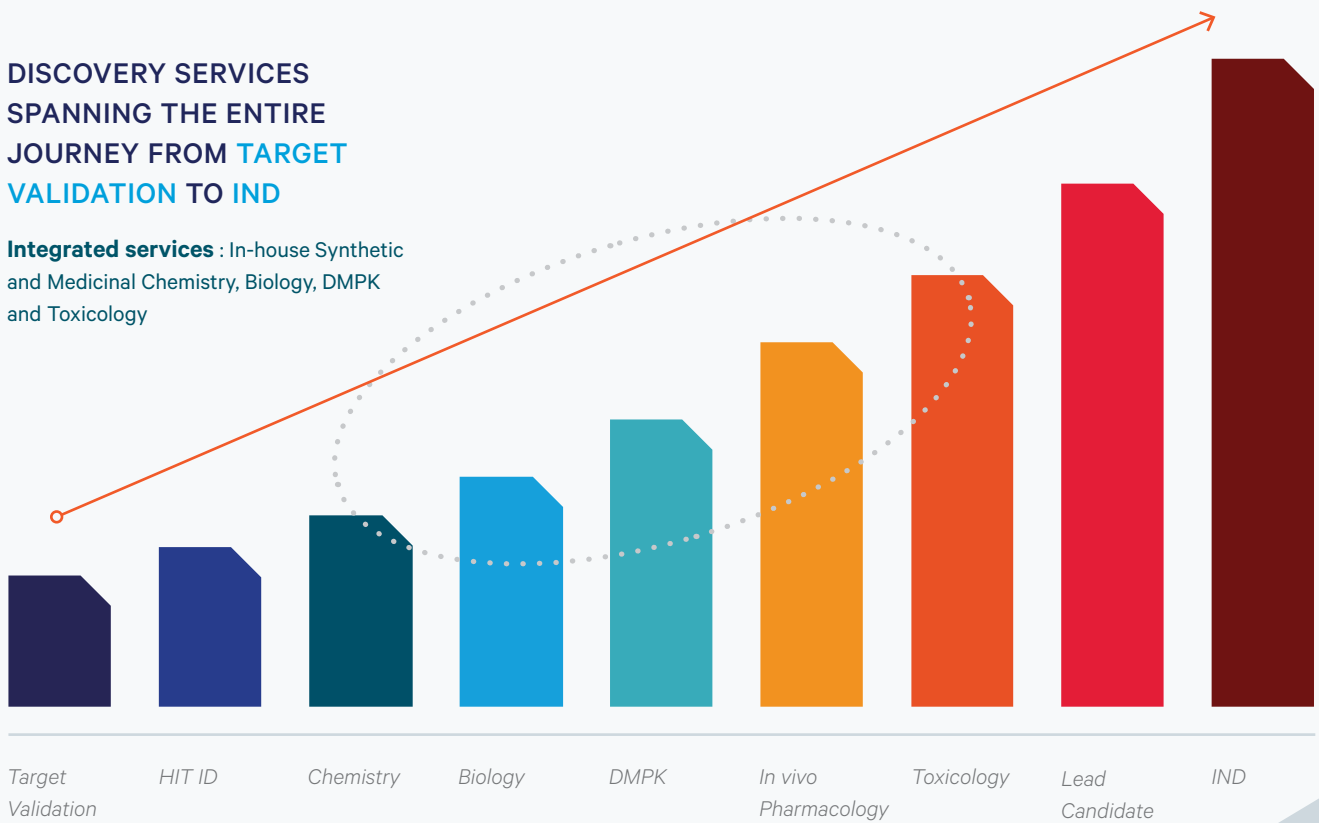
CRO Services

Our CRO services encompass integrated discovery capabilities across biology, chemistry, and drug metabolism and pharmacokinetics (DMPK). We partner with global pharmaceutical and biotech companies to support drug discovery programs from target identification to IND-enabling studies, advancing molecules across a diverse range of therapeutic areas including oncology, CNS disorders, inflammation, antivirals, and rare diseases.

We are among the few CROs to operate a dedicated R&D facility established in partnership with a global pharmaceutical innovator. Located within our campus and staffed by a team of 90 professionals, the facility reflects our ability to offer customized, integrated discovery capabilities and the trust placed in us for long-term collaboration.

DISCOVERY SERVICES SPANNING THE ENTIRE JOURNEY FROM TARGET VALIDATION TO IND

Integrated services : In-house Synthetic and Medicinal Chemistry, Biology, DMPK and Toxicology



DISCOVERY CAPABILITIES

Target Identification and Validation:
Identifying and validating biological targets through advanced laboratory techniques.

Hit Identification (Hit ID):

Discovering new chemical entities (NCEs) that bind to biological targets and modify their function, laying the foundation for successful R&D.

Biological Assay Development:

Designing and executing biochemical, cellular, biophysical, and pharmacological assays to evaluate drug candidates.

Medicinal Chemistry and Computer-Aided Drug Design (CADD):

Leveraging medicinal chemistry expertise and cutting-edge CADD software to design novel molecules.

Synthetic Chemistry and Small-Scale Compound Delivery:

Dedicated synthetic chemistry teams prepare sample quantities of designed compounds, with experience across macrocycles, peptides, sugars, degraders, and more.

DMPK and Toxicology Studies:

Providing comprehensive in-vitro and in-vivo DMPK and toxicology services to assess pharmacokinetics, safety, and toxicity – both standalone and integrated into discovery programs.

Lead Candidate Selection:

Optimizing molecules for pharmacological efficacy, selectivity, and favorable drug-like properties to progress into development.

IND-Enabling Studies:

Conducting essential assays and studies, including cross-species DMPK profiling, drug-drug interaction studies, and toxicology evaluations to support regulatory filings.



CDMO Services

We provide comprehensive development and manufacturing services for intermediates and active pharmaceutical ingredients (APIs), spanning pre-clinical supply through to commercial production.

Our strong capabilities in complex chemistry, advanced synthetic approaches (including chiral chemistry, chemo- and bio-catalysis), and technologies such as flow chemistry, chromatography, lyophilization, cryogenics, and high-pressure reactions enable us to support a broad range of needs – from conventional small molecules to highly potent oncology APIs (HPAPIs), peptide APIs, contrast agents, and oligonucleotide building blocks.

Our ability to efficiently absorb technologies and deliver across the development continuum provides multiple entry points for collaboration and strengthens customer partnerships over time. Notably, 12 of our 50 late-phase products were successfully transferred from other facilities, underscoring our expertise in seamless technology transfer and lifecycle management.

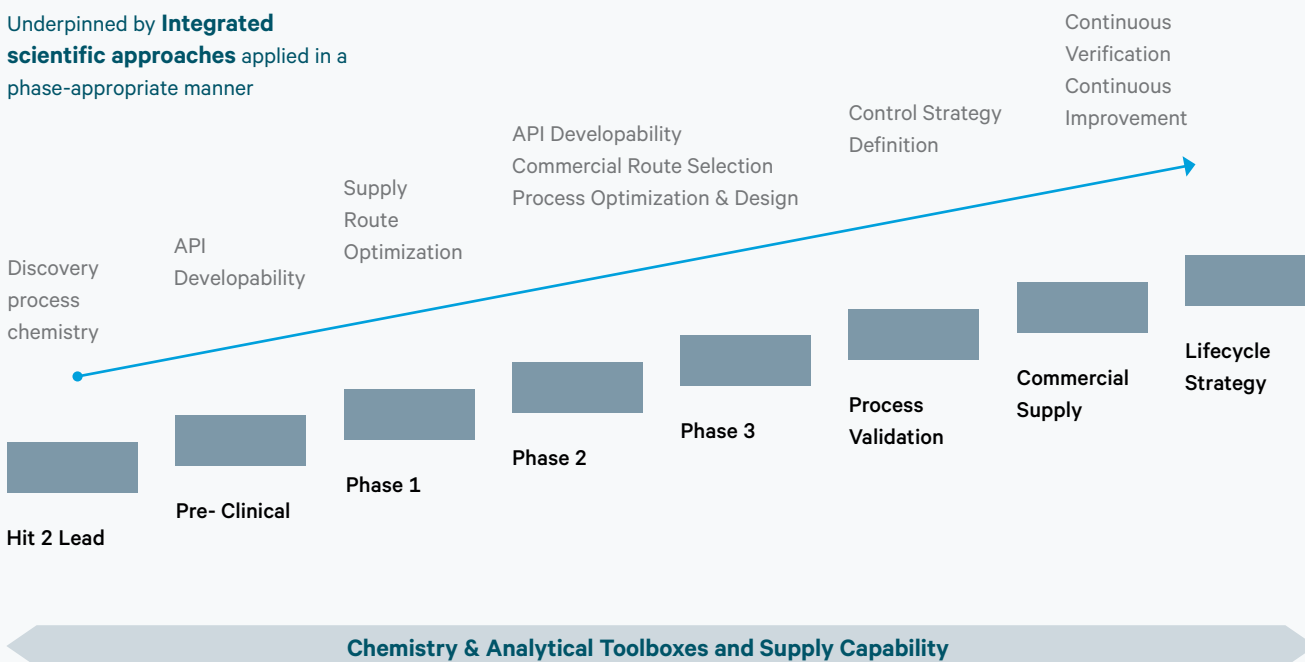
We have established master service agreements (MSAs) with eight pharmaceutical companies, providing a steady flow of early-phase molecules into our development portfolio. These collaborations create additional opportunities to support programs through

to commercial scale, strengthening our ability to “follow the molecule” and expand our commercial product pipeline.

With a diversified product portfolio spanning commercial, late-stage, and early-stage CMC molecules and discovery programs, we maintain a resilient customer base. Further, we have a sizeable share of APIs in our product portfolio, reflecting our customers’ confidence in our quality and regulatory compliance.

PROCESS CHEMISTRY SERVICES FROM H2L TO COMMERCIAL SUPPLY

Underpinned by **Integrated scientific approaches** applied in a phase-appropriate manner



CDMO CAPABILITIES

Process Research, Route Development, and Optimization:

Development of scalable, cost-effective manufacturing processes for clinical and commercial use, supported by strong analytical R&D and advanced crystallization capabilities.

Early-Phase Material Supply:

Delivery of APIs and intermediates for pre-clinical, Phase I, and Phase II trials through efficient laboratory-to-plant technology transfer.

Late-Phase Material Supply and NDA Filing Support:

Finalization and validation of manufacturing processes to meet regulatory standards for Phase III trials and new drug application (NDA) submissions.

Commercial Material Supply and Lifecycle Management:

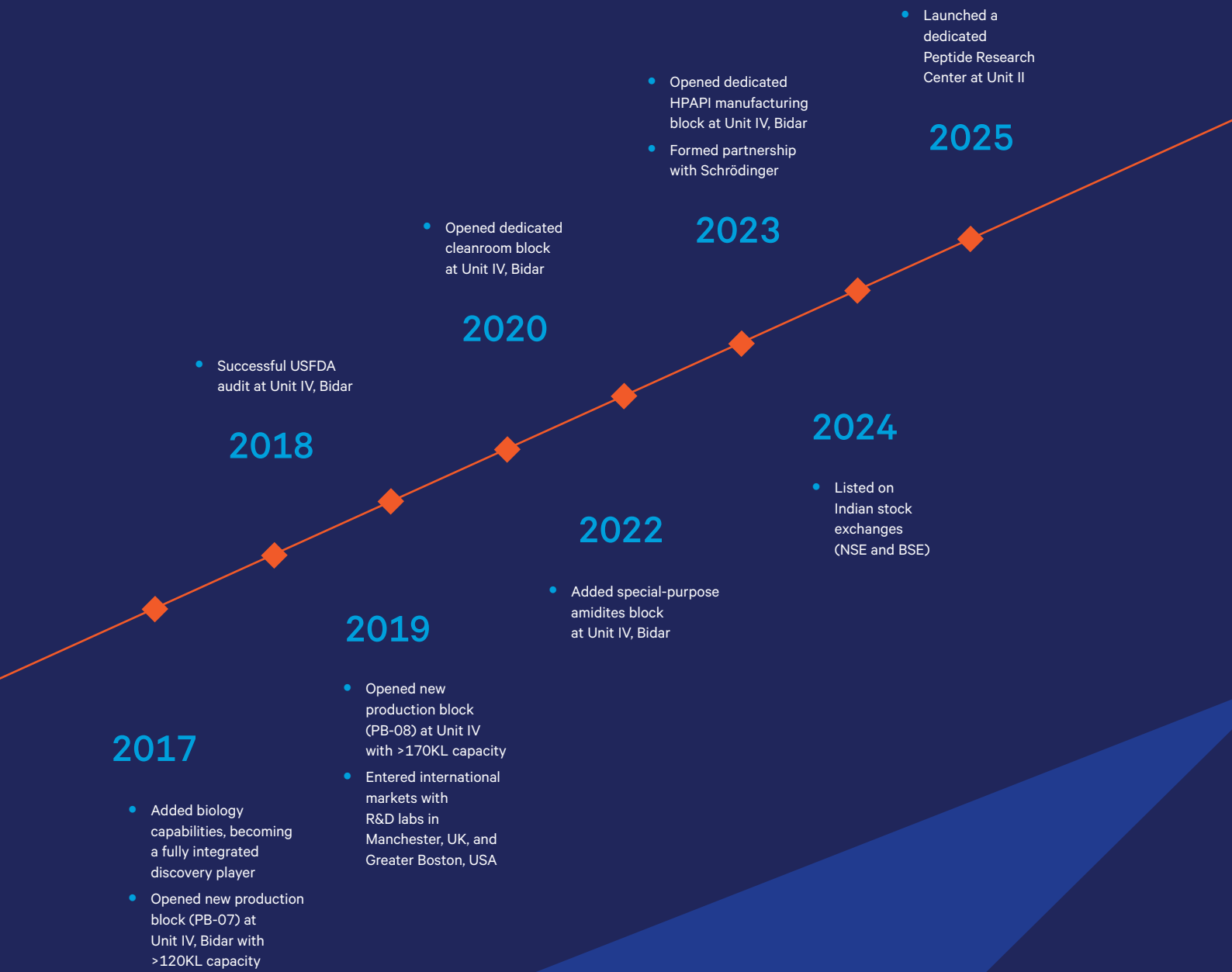
Ongoing API and intermediate manufacturing under long-term supply agreements, with continuous focus on process optimization and cost improvement.



Scaling success with scientific excellence

Evolving from a focused discovery services provider to a fully integrated science-driven global CRDMO, our timeline is defined by capability enhancements, global expansion, and sustained growth.





Charting the next phase of growth



Dear Shareholders,

It is with great pride that I present Sai Life Sciences' first annual report as a publicly listed company. Our successful IPO in FY 2024-25 marked a defining milestone – a testament to our long-term vision, the strength of our global platform, and the trust placed in us by our investors. On behalf of the entire team, I thank all shareholders who participated in the offering. Your support strengthens our purpose and deepens our responsibility to build long-term value – with science at the core, execution at scale, and growth that benefits all stakeholders.

Sai Life Sciences was founded in 1999 with a vision to become a trusted partner to pharmaceutical and biotech innovators worldwide. From our beginnings as a chemistry services provider, we have evolved into a fully integrated CRDMO, delivering end-to-end solutions from discovery to commercial manufacturing.

As one of the few Indian CRDMOs operating a globally distributed model, we combine onshore discovery and development laboratories in the US and UK with large-scale R&D and manufacturing infrastructure in India. This approach brings us closer to customers while enabling high-quality, cost-efficient delivery. Over the years, we have built enduring partnerships with large pharmaceutical companies and emerging biotechs alike.

As we step into this new chapter, our ambition is clear: to evolve into a science-led, fully integrated solutions provider supporting multiple modalities. Achieving this vision requires continued investment in scientific capabilities, global talent, and the agility to navigate an evolving R&D landscape. By combining our strong base in India with a global delivery model, we aim to drive innovation, improve efficiency, and deliver sustained value.

Performance Review

We are pleased to report a strong performance in FY 2024-25, reflecting the momentum of our integrated platform and continued focus on execution. Revenue grew by 16% year-over-year, driven by increased business from both existing and new customers across our CRO and CDMO segments. Growth was supported by investments in capacity expansion, new technology adoption, and deeper customer engagement.

EBITDA rose by 42%, with a margin expansion of 4.6%, supported by operational efficiency, cost discipline, and improved leverage. Net profit increased by 105%, bolstered by revenue growth and

stable financing costs. Importantly, we utilized IPO proceeds to reduce debt and strengthen our balance sheet, enhancing financial flexibility for future investments.

Business Opportunities

India is entering a transformative decade in global pharmaceutical innovation. With just 5% of the global CRDMO market, there is significant headroom for growth as innovators diversify beyond China in search of scalable, cost-efficient partnerships. India's scientific depth, operational resilience, and growing credibility position it as a long-term strategic destination for global pharmaceutical and biotech companies.

Small molecules continue to dominate the global pharmaceutical landscape, accounting for over 65% of market value – a trend that underscores the continued relevance of CRDMOs with deep chemistry expertise. At the same time, outsourcing is expanding across the pharmaceutical value chain, with growing demand for integrated partners who can support discovery, development, and manufacturing seamlessly under one roof.

At Sai Life Sciences, our integrated platform enables us to engage customers across the development continuum while creating multiple entry points and enabling deeper, strategic partnerships. Over the past five years, we have consistently invested in scientific talent, infrastructure, and advanced technology. These efforts are now yielding strong results with greater project flow, higher customer retention, and an expanding commercial pipeline.

Business Strategy

Our strategy remains anchored in science. We continue to deepen our investments in high-end R&D and emerging modalities – including peptides, amides, ADCs, and conjugation technologies – driven by customer demand and our proven ability to deliver differentiated solutions with speed and precision.

We are also scaling with purpose.

This includes expanding our infrastructure across India and global sites, strengthening our leadership and scientific talent, and embedding digital technologies across the value chain. By building an agile, efficient platform, we are positioning ourselves to meet evolving customer needs, manage cost pressures, and deliver high-impact solutions at scale.

Business Sustainability

Sustainability remains a key pillar of our long-term strategy. Our organizational sustainability goals, aligned with the United Nations Sustainable Development Goals, guide our environmental, social, and governance priorities. As we grow, we are committed to reducing our environmental footprint, enabling green innovation, advancing social impact, and creating long-term stakeholder value. For us, progress and responsibility go hand in hand.

Gratitude

As we reflect on this pivotal year, I extend my heartfelt thanks to all our stakeholders – customers, business partners, bankers, and investors – for your continued trust and support. Most importantly, I want to thank the entire Sai Life Sciences team. Your dedication and expertise are the foundation of everything we have achieved.

Looking ahead, we are confident in our ability to build on the momentum we have established. We enter the next phase of our journey with optimism and a shared commitment to shaping the future of healthcare.

Sincerely,

Krishna Kanumuri

Managing Director and Chief Executive Officer

Responding to a dynamic industry landscape

Combining deep science, integrated services, and global presence, Sai Life Sciences is built to deliver high-impact solutions that help shape the future of healthcare in a rapidly evolving world.



RISING PREFERENCE FOR OUTSOURCING R&D AND MANUFACTURING

Rising complexity and costs are reshaping pharmaceutical and biotech R&D. As pipelines move toward targeted, tech-intensive therapies, companies face mounting pressure to boost efficiency, manage risk, and reduce capital outlay. Outsourcing has become a key enabler – offering faster timelines, specialized expertise, and flexible capacity across discovery, development, and manufacturing – allowing innovators to focus on core science while improving speed and scalability.

Our Response

We are strategically positioned to support this shift through our fully integrated CRDMO platform. With discovery, development, and manufacturing capabilities housed across India, the US, and the UK, we provide global

pharmaceutical innovators with end-to-end solutions that reduce handoffs, accelerate timelines, and improve cost efficiency.

RISING NUMBER OF MOLECULES IN R&D, WITH SMALL MOLECULES MAINTAINING A STRONG SHARE

Despite the growth of biologics, small molecules remain dominant – comprising 65% of pharmaceutical revenues in 2023 and projected at 62% in 2028. Advances in synthetic chemistry and targeting mechanisms continue to fuel their relevance. Between 2018–2023, 72% of USFDA approvals were small molecule NCEs. Nearly 20,000 molecules were under development globally in 2023, with small molecules maintaining a strong share.

Our Response

Our deep expertise in small molecule NCEs — from synthetic route design to commercial scale-up — positions us as a trusted partner for innovators. Building on this strong foundation we are augmenting our capabilities in new modalities including Peptides, Oligos, ADCs and more. We support the full molecule journey, leveraging global scientific teams and a robust development engine.

GROWING DEMAND FOR INTEGRATED, ONE-STOP SOLUTIONS

Pharmaceutical innovators are increasingly preferring integrated, end-to-end CRDMO models that combine discovery, development, and manufacturing. This reduces time, cost, and risk tied to technology transfer across multiple vendors, while improving scientific continuity and project execution. Integrated delivery also supports better scientific alignment, especially in early discovery projects where chemistry, biology, and DMPK functions must work in tandem.

Our Response

With co-located cross-functional teams and a 'follow-the-molecule' approach, we offer true integration. From early R&D through to manufacturing, our seamless delivery model helps customers accelerate development while ensuring consistency and quality across stages.

GEOPOLITICAL SHIFTS DRIVING OUTSOURCING DIVERSIFICATION

Geopolitical uncertainty and the China+1 strategy are prompting global pharmaceutical companies to diversify

outsourcing and rebalance their supply chain. India has emerged as a preferred destination, backed by strong scientific talent, cost-effective operations, and a mature pharmaceutical ecosystem. With projected CRDMO growth to US\$14.1 Bn by 2028, India is gaining traction as a stable, scalable, high-quality partner for innovators focused on supply chain resilience and long-term value.

Our Response

We are strategically positioned to meet this evolving global need. Our model combines onshore scientific expertise and customer proximity – with R&D operations in the US and UK – with the scalability, agility, and cost efficiency of large-scale delivery out of India. This balanced footprint enables us to support customers seeking to diversify their outsourcing base while maintaining high-touch engagement and operational excellence.

Where science meets systems

By embedding rigorous quality frameworks, intelligent systems, robust supply chain capabilities, and a strong safety culture across our value chain, we enable our teams to deliver high-impact science with greater efficiency, reliability, and value for our customers.

QUALITY

Quality is a core enabler of our business – embedded in our systems, culture, and people. We operate through a robust governance framework that spans our facilities, procedures, and values, ensuring that our work consistently aligns with global regulatory expectations.

Our quality systems are built to meet the demands of highly regulated markets such as the US, EU, and Japan. A dedicated global quality team ensures rigorous oversight across all functions. Our phase-appropriate GMP approach provides flexibility in early-stage development, while enabling strong, compliant controls as molecules progress to commercial scale.

Electronic systems form the backbone of our quality operations. A proprietary, GMP-enabled digital platform integrates all core processes – from R&D and analytical labs to production, engineering, materials management, and QMS. These systems enhance data integrity, enable real-time tracking, and reinforce compliance at every stage.

TECHNOLOGY

Technology plays a central role in enabling our scientific excellence, operational efficiency, and ability to deliver smarter, faster outcomes for our customers.

Through a combination of advanced digital tools, automation, and data-driven systems, we continue to enhance our R&D and manufacturing capabilities at scale.

Our Digital, Analytics, and Automation strategy underpins a wide range of initiatives across the organization. From electronic laboratory notebooks and automated liquid handling to paperless quality management systems and real-time data acquisition, our digital infrastructure ensures traceability, data integrity, and speed. Today, the majority of our R&D and manufacturing activities are fully tracked and managed on digital platforms.

We are also integrating AI and machine learning into our scientific workflows. These models draw on the large volumes of data generated by our electronic systems to accelerate problem-solving, optimize processes, and reduce cost. Our Computer-Aided Drug Design (CADD)

capabilities and our AI-driven proprietary platform— helps us make strategic decisions through rich data-driven insight.

SUPPLY CHAIN

A responsive, resilient supply chain is essential for our ability to deliver high-quality outcomes across discovery, development, and manufacturing. Our supply chain function is designed to support the diverse, often complex material requirements of an innovator-focused CRDMO.

We operate across sourcing, procurement, and logistics – with dedicated teams aligned to the distinct needs of our Discovery and CMC services. Our lean sourcing approach is built for speed, accuracy, and supplier risk management, ensuring that material readiness keeps pace with project execution.

As our work involves highly customized programs, we source a wide variety of raw materials from a global supplier base. We continue to invest in strengthening this network, while also working to expand our indigenous sourcing for critical materials.



In addition, we maintain a local presence in China to support supplier identification, delivery tracking, and market intelligence – including updates on availability, pricing trends, and production status.

Over the past few years, we have strategically reduced our dependence on China-based sourcing from 33% to 28% – a key step in de-risking supply continuity and building a more balanced, future-ready procurement ecosystem.

HEALTH, SAFETY AND ENVIRONMENT

Health, Safety, and Environment (HSE) are not just a regulatory imperative for us, but a shared responsibility and strategic priority. We believe that good HSE is good business, and that every incident is preventable.

We are committed to upholding the highest safety and industrial hygiene standards across all our facilities. This begins with thoughtful design – from advanced fire protection systems and chemical containment infrastructure to integrated effluent and waste management practices. Our zero liquid discharge plant at Unit IV Bidar exemplifies our commitment to environmental stewardship.

Our occupational health and safety protocols follow a strict hierarchy of controls, prioritizing elimination, substitution, engineering, and administrative measures before relying on personal protective equipment. We proactively assess risks through systematic hazard identification and mitigation processes.

A dedicated process safety team – composed of chemical engineers and scientists – oversees safety design, including in-house screening of thermal and powder hazards. Our monitoring systems track noise, heat stress, and exposure to gases and solids. Additional safeguards such as vapor and oxygen detection, hydrogenation interlocks, and targeted fire suppression systems reinforce a culture of prevention.

Our commitment to HSE excellence has earned external recognition, including a Silver rating from EcoVadis for sustainability. More importantly, it continues to earn the trust of our people – whose safety is the foundation of our performance.

Driving responsible growth for a shared future

Guided by our belief in “Make it Better Together”, we are building an inclusive, responsible, and environmentally conscious organization – one that creates lasting value for all stakeholders.

Our approach to sustainability integrates environmental stewardship, social impact, and good governance into the core of how we operate. Our sustainability framework is aligned with global ESG protocols and the United Nations Sustainable Development Goals, ensuring we contribute meaningfully to both local and global priorities.

ENVIRONMENTAL STEWARDSHIP

We are committed to proactive environmental management, continuously working to minimize water use, energy consumption, greenhouse gas emissions, and waste generation. Our Unit IV Bidar facility exemplifies our energy conservation efforts, with 89% green energy usage. Energy-saving initiatives across production, utilities, and effluent treatment – such as centralized air compression and energy-efficient pumping – have helped further lower our carbon emissions.

We were honoured with GSK’s Environmental Sustainability Supplier Award in the ‘Primary Manufacturing’ category. The award acknowledged our efforts in integrating green chemistry

principles into process development, reflecting our strong commitment to sustainability.

We follow Green Chemistry principles from the earliest stages of process development – selecting optimal synthetic routes, reducing hazardous inputs, and minimizing environmental impact. Our high environmental standards and containment systems further reduce any negative externalities.

Our commitment to sustainability is reflected in our affiliations and goals:

- Member of the Science Based Targets initiative, committed to emissions reduction aligned with climate science
- First India-headquartered company to join the Pharmaceutical Supply Chain Initiative (PSCI) for responsible supply chain practices



CSR initiative: Restoration of a 17th Century Stepwell



CREATING SHARED VALUE

At Sai Life Sciences, sustainability is equally about positively impacting the people and communities we serve. We aim to foster a safe, inclusive, and empowering workplace, while also investing in social initiatives focused on education, livelihood development, community wellbeing and healthcare.

One highlight from the year was the restoration of the historic Manchirevula Stepwell near Hyderabad, in collaboration with SAHE. This 17th-century structure, now revitalized, not only preserves cultural heritage but also supports rainwater harvesting with a capacity of 3,00,000 liters, improving groundwater recharge and regional water resilience.

Guiding our strategic direction



DR KANUMURI RANGA RAJU
Chairman and Whole-time Director

Dr Kanumuri Ranga Raju holds a Bachelor's degree in Pharmacy from the University of Mysore, and both a bachelor's and a master's degree in pharmaceutical sciences from the Massachusetts College of Pharmacy, Boston. He previously served as a director on the board of Chemrich Fine Chemicals Private Limited. He has more than four decades of experience in the pharmaceutical industry and has been associated with our Company since January 25, 1999.



MR KRISHNAM RAJU KANUMURI
Managing Director and Chief Executive Officer

Mr Krishnam Raju Kanumuri holds a bachelor's degree in chemical engineering from Manipal University and an MBA from the University of Kansas, USA. He also attended the 1995 summer school in financial markets at the London School of Economics and Political Science. He has over 25 years of experience in business management and has been associated with our Company since May 1, 2004. Prior to Sai Life Sciences, he worked at Fortune 100 telecom companies, Sprint and Telmex.



MR SIVARAMAKRISHNAN CHITTOR
Whole-Time Director and Chief Financial Officer

Mr Siva is a Chartered Accountant, Cost Accountant & Company Secretary. Over a three-decade long career, Siva has had extensive experience in large scale outsourcing, M&A, integration, financial management and restructuring across geographies. In recent years, he has set himself apart as an operations leader helping create processes, governance structures, operating efficiencies and reporting mechanisms that are imperative for sustainable growth. Siva joined Sai Life Sciences in 2010.



DR RAMESH GANESH IYER
Independent Director

Dr Ramesh Ganesh Iyer holds a Doctor of Letters degree from ITM Vocational University, Vadodara. He has previously worked with the Finance Industry Development Council. He has also been associated with Mahindra and Mahindra Financial Services Limited, Mahindra Manulife Investment Management Private Limited, and MFC Auto Parts Private Limited as Director. He has over 23 years of experience in the financial services industry.



MS SUCHITA SHARMA
Independent Director

Ms Suchita Sharma holds a Bachelor of Arts degree in economics (honors) from the University of Delhi and a Master's degree in commerce from Chaudhary Charan Singh University, Meerut. She is a Fellow member of the Institute of Chartered Accountants of India. She was previously associated with Price Waterhouse Chartered Accountants LLP as Partner and with B B S R & Associates LLP as Director. She has over 22 years of experience in audit and finance.



DR DINESH V PATEL
Independent Director

Dr Dinesh Patel has 39 years of global entrepreneurship, executive, and scientific experience spanning the pharmaceutical, biotechnology, and biopharmaceutical industries. He is currently the Chief Executive Officer of Protagonist Therapeutics, where he is focused on innovating and developing new medicines to address serious unmet medical needs. His experience reflects a strong commitment to biotech entrepreneurship, innovation, and drug development. He has significant global exposure, with involvement across Australia, India, Canada, Europe, and China, and is deeply engaged with both the science and business of biotechnology, creating value for all stakeholders.



Corporate Information

Company

Sai Life Sciences Limited

**Corporate Identification
Number**

L24110TG1999PLC030970

Registered Office

**DS-7, IKP Knowledge Park,
Turkapally Village,
Shameerpet Mandal,
Medchal-Malkajgiri
District-500078,
Telangana, India**

Managing Director

Krishnam Raju Kanumuri

Chief Financial Officer

Sivaramakrishnan Chittor

**Company Secretary &
Compliance Officer**

Runa Karan

Statutory Auditors

Deloitte Haskins & Sells LLP

Secretarial Auditors

DSMR & Associates

Registrars & Transfer Agents

KFin Technologies Limited





Management Discussion & Analysis

Economic Review

Global Economy

In 2024, the world economy grew 3.2% maintaining the pace of growth amidst ongoing geopolitical tensions. The growth was not uniform across countries with robust momentum in the US in contrast to slower growth witnessed in the Euro region. Global disinflation continued, with progress stalling in some countries while elevated inflation persisting in a few cases.

Region	2023	2024	2025	2026
Global economy	3.3	3.3	2.8	3.0
Advanced economies	1.7	1.8	1.4	1.5
Emerging markets and developing economies	4.4	4.3	3.7	3.9

Growth is expected to moderate to 2.8% in 2025 and 3% in 2026, reflecting the impact of significant trade barriers, tighter financial conditions, and increased policy uncertainty. Global headline inflation is expected to decline at a slightly slower pace, reaching 4.3% in 2025 and 3.6% in 2026. Persistent inflation could delay expected cuts in interest rates.

(Source: IMF – World Economic Outlook April 2025)

Indian Economy

Indian economy has exhibited strong resilience amidst global uncertainty and emerged as one of the fastest-growing major economies in the world. Robust domestic demand, structural reforms and policy support are the major drivers for economic growth. As per the Second Advance Estimates of GDP, India's real GDP growth is expected at 6.5% in FY 2024-25, much lower than 9.2% GDP growth in FY 2023-24. Manufacturing, services and infrastructure investment sectors witnessed good traction. Strong export growth was seen in pharmaceuticals, textiles and engineering goods.

Inflation continued to persist in FY 2024-25 led by global supply chain disruptions and commodity price volatility. To rein in inflation while supporting growth, the Reserve Bank of India's Monetary Policy Committee reduced the repo rate by a cumulative 100 basis points over three successive cuts. By June 2025, the rate had reached 5.5%, aiming to enhance liquidity, ease price pressures, and sustain the recovery momentum. Consumer Price Index (CPI) inflation for FY 2024-25 is projected at 4.9% as compared to 5.4% in FY 2023-24. Inflation in November 2024 at 5.8% was well above RBI's target of 4%.

Led by the government's push for digital transformation, financial inclusion, substantial investment and ease of doing business, the Indian economy has exhibited strong resilience. The RBI has

estimated the Indian economic growth rate of 6.7% in FY 2025-26. Healthy agricultural incomes from normal monsoons, a recovery in industrial activity, and stronger household consumption aided by tax reliefs in Union Budget 2025-26 are expected to support economic growth in FY 2025-26.

Industry Review

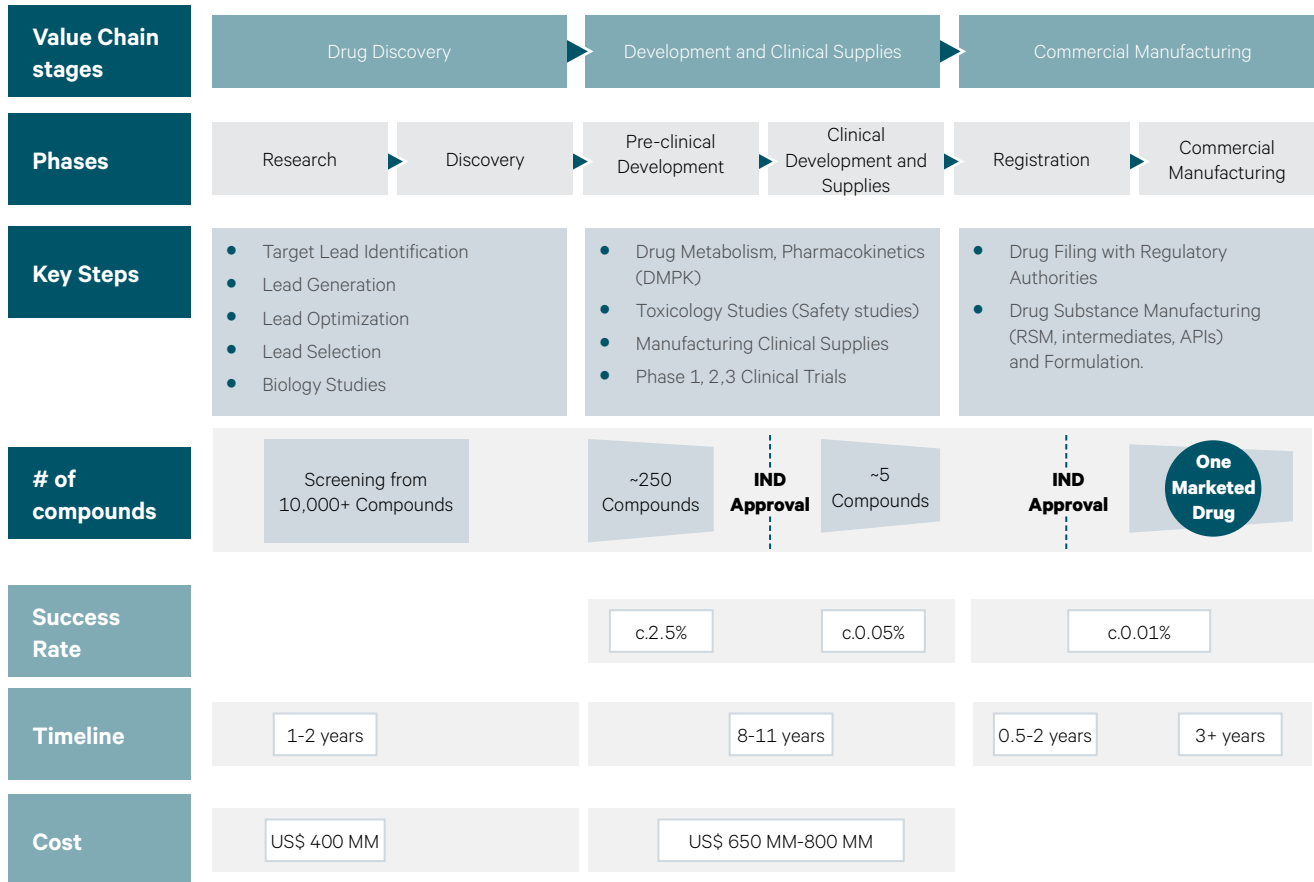
Global Pharmaceutical Industry

The global pharmaceutical industry has witnessed resilient and sustainable long-term growth driven by an increase in chronic diseases, sedentary lifestyles, growth of the geriatric population, and increasing health consciousness. Despite facing inherent challenges, the industry has demonstrated remarkable agility and delivered ground-breaking innovations, particularly highlighted during the COVID-19 pandemic. In 2023, the global pharmaceutical market was estimated at US\$ 1,451 Bn and is projected to grow at 6.2% CAGR to US\$ 1,956 Bn by 2028. The global pharmaceutical industry is undergoing a profound transformation across its entire value chain, driven by a strong emphasis on product innovation, healthcare equity, technological advancements, operational efficiency, enhanced engagement with healthcare providers and patients, and favorable policies.

Innovator drugs, the first drugs created containing specific active ingredients with patents, are gaining market share with breakthrough science and expanded utilization to new therapy areas. With more global pharmaceutical and emerging biotech companies investing heavily on innovative drug R&D and with the increasing trend of personalized medicine, the size of the global innovator drugs market increased from US\$ 564 Bn in 2018 to US\$ 737 Bn in 2023. The innovator drug market is expected to grow at 7.3% CAGR 2023-2028F to US\$ 1,046 Bn by 2028. Strong and increasing focus on R&D is a key driver for the growth of innovator drug market.

Biotechnology and pharmaceutical research advancements have led to the discovery of novel drugs that offer improved efficacy, safety, and convenience compared to existing treatments. Growing healthcare spending has provided new opportunities for drug manufacturers to introduce innovative therapies and providing treatment for unmet medical needs. Precision medicine and personalized therapies have become more prevalent, driven by advancements in genomics and molecular diagnostics, enabling the development of targeted treatments tailored to individual patients.

The pharmaceutical and biotech industry face certain challenges, like the R&D expertise and associated costs required to develop portfolio of increasingly complex drugs, high capital expenditure, technical expertise and trained workforce, increasing pricing pressure from payors and governments alike, disruptions within the supply



chain, and regulatory compliance, among others. As a result of these challenges, global pharmaceutical companies resort to R&D outsourcing to control costs and improve efficiency. The overall penetration of the global R&D outsourcing services market increased from 36.7% in 2018 to 41.1% in 2023 and is further expected to grow to 46.6% by 2028.

Global CRDMO industry

Contract research development and manufacturing organizations (CRDMOs) are playing an increasingly prominent role in the pharmaceutical value chain, providing end-to-end services from drug discovery to commercialization across multiple geographies. This shift is driven by growing outsourcing demands from pharmaceutical innovators. They provide pharmaceutical innovators with economically viable and tailored solutions for the various challenges they face across the value chain. By leveraging their expertise, infrastructure, and resources, pharmaceutical innovators can accelerate the drug development process, reduce costs, and access specialized capabilities that may not be available in-house.

CRDMO industry comprises CRDMOs (Contract Research Development and Manufacturing Organizations), Contract Research Organizations (CROs) and Contract Development and Manufacturing Organizations (CDMOs). CROs specialize in offering various scientific functions of the discovery, preclinical and clinical stages of pharmaceutical R&D. CDMOs provide commercialization

manufacturing as well as process/formulation development to support the preclinical and clinical stages. In 2023, the global CRDMO industry was estimated at US\$ 197 Bn and is anticipated to expand at 9.1% CAGR to US\$ 302 Bn by 2028. The global CRDMO industry, in 2023, was dominated by the global CDMO industry constituting ~60% share amounting to US\$ 120 Bn, while the CRO industry constituted the remaining ~40% share amounting to US\$ 76.5 Bn.

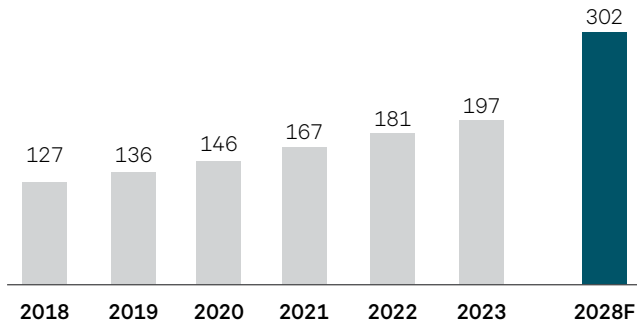
The global pharma market comprises of two types of drugs by modality, small and large molecule drugs. Small molecule drugs have been the mainstay of the pharmaceutical industry for over a century. The global pharmaceutical market is dominated by small molecules, accounting for over 65% of the market by revenue, in 2023. Advances in technology, synthetic methodology, and new areas of biology have opened up more opportunities for innovative and creative small-molecule drugs. The dominance of small molecules is anticipated to persist, led by ongoing research and development (R&D) efforts in small molecules, such as modulating RNA splicing, stimulating specific types of stem cells, and developing drugs with antibody or peptide conjugates, to name a few. The pharmaceutical industry is also witnessing a rise of large molecules or biologics in recent years. While the biologics market is expected to grow faster than the overall pharmaceutical market over 2023-2028 driven by the increasing adoption of innovations such as immunotherapies antibody-drug conjugates, and gene and cell therapies, small molecules are expected to continue comprising 62% of the overall pharma market in 2028.

Furthermore, the dominance of small molecules in new drug approvals underscores their prominence. Over 2018-2023, an aggregate of 302 drugs were approved by the US FDA, of which 72% were small molecule NCEs.

The global CRDMO industry encompasses over 1,000 global players with a diverse range of players, including various CROs and CDMOs and limited number of pure-play full-service CRDMOs. North America is the dominant geography for CRDMOs, being the largest pharmaceutical market by consumption as well as the global innovation hub. Various global CROs and CDMOs have established bases in the region to cater to local needs. Due to the region's strong R&D infrastructure, thriving pharmaceutical sector, and welcoming regulatory climate, North America will continue to account for largest share of the global industry for CRDMOs. APAC is

(Source: Global CRDMO Industry, 2018 - 2028)

Global CRDMO Market, US\$ Bn



Source: Frost & Sullivan

Exhibit 2.3A: Global CRDMO Industry by Modality, 2018-2028F

Global CRDMO Industry, US\$ Bn

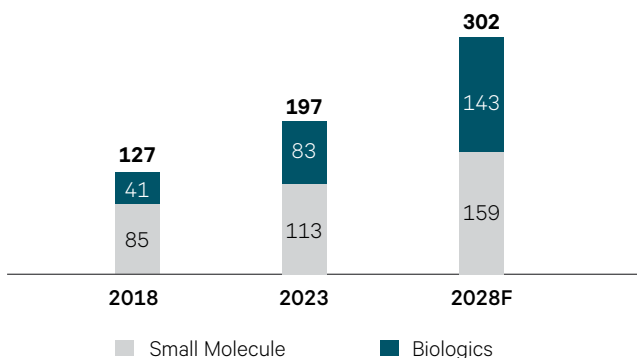
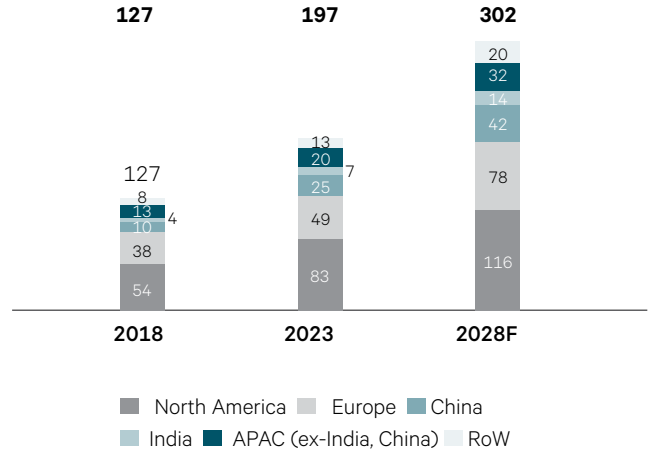


Exhibit 2.4A: Global CRDMO Industry by Region, 2018-2028F

Global CRDMO Industry, US\$ Bn



the highest contributor to overall growth in CRDMOs. The region's CRDMO industry is expected to grow at a much faster rate of 11.2% during 2023-28 driven by of cost-effective manufacturing capabilities, availability of skilled manpower, and regulatory compliance capabilities. Major regions for growth in CRDMO services include China, India, South Korea, and Singapore, which provide a blend of technical know-how, trained labor, and affordable prices. Amongst, these regions India is expected to be highest contributor of growth for APAC region as it become an emerging hub for the pharmaceutical innovators.

Integrated, one-stop service solutions are increasingly being preferred by pharma innovators as it eliminates the need for them to select different contract service providers for different stage of R&D and manufacturing respectively, reducing the cost, time, and risk of technology transfer among different outsourcing organizations. The CRDMO industry faces pressure to adapt and innovate in the competitive pharmaceutical sector. Shortage of skilled staff, excessive production capacity and associated costs, and complex global supply chains are some of the key risks that can hamper the overall efficiency. CRDMOs can gain competitive advantage by adopting a balanced approach that combines onshore research expertise and customer proximity with the scalability and cost advantages of offshore delivery. A global presence enables CRDMOs to cater to a diverse global client base, leveraging their expertise and resources to meet clients' unique requirements in different regions and maintaining the requisite connection and trust.

Global CDMO industry

CDMOs offer various benefits to pharmaceutical innovators including cost efficiencies, specialist knowledge, and the latest manufacturing technologies, among others. The growing pipeline of sophisticated pharmaceutical products and the increased focus on efficiency and innovation drives the global outsourcing of research and

manufacturing tasks to CDMOs. The reliance on CDMOs is expected to increase for commercially feasible solutions for a wide range of drug development and manufacturing services, such as pharmaceutical formulation, analytical development, process optimization, and scaleup manufacturing. Strong technical and R&D infrastructure capabilities, availability of skilled scientific talent and quality manufacturing with clean track record of regulatory compliance, are some of the key success factors for a CDMO.

The global CDMO industry size is expected to reach US\$ 176 Bn in 2028, at 7.9% CAGR. Within CDMO industry, small molecules, a fundamental component of pharmaceutical markets, currently dominate with over 80% share, due to their applicability across a wide range of diseases and disorders. With increase in outsourcing and growing complexity and diversity of small molecules, the small molecule CDMO industry is expected to grow at a faster rate of 6.8% during 2023-2028 to reach US\$ 137 Bn by 2028, as compared the historical growth rate of 5.4% during 2018-2023.

Global CRO industry

With strengthening IP protection laws and increasing focus on R&D productivity, pharmaceutical companies are increasingly relying on CROs for early discovery and preclinical studies. During the last decade, there has been a noticeable increase in the outsourcing of non-clinical services due to the emergence of smaller pharmaceutical businesses and biotechs that rely more on CROs and enhanced IP protection procedures at CROs. By 2028, the preclinical and discovery industries are projected to have grown to a combined value of US\$ 37.3 Bn, at 10% CAGR. The discovery related outsourcing penetration at 25% in 2018 is expected to reach 35% by 2028. Similarly pre-clinical activities are poised to see significant growth from 30% in 2018 to 42.5% in 2028.

There are two CRO player archetypes, namely, non-clinical CROs and Clinical CROs. In the early drug discovery stages of clinical research, non-clinical CROs are responsible for identifying potential drug candidates, designing and conducting laboratory tests, analyzing the resulting data, and confirming that the safety of the potential drug is suitable to proceed to the next stage of development and human clinical trials. Clinical CROs, in contrast, are involved in the later stages of drug development, encompassing the stages of clinical research that involve testing a drug on human subjects from phase I to phase III or IV trials. Within the non-clinical CRO industry (by modality), small molecule non-clinical CRO is expected to grow at 7.8% CAGR during 2023-2028 to reach US\$ 6.7 Bn. Apart from increasing technical expertise of CROs to take more complex project, the intertwined nature of the small and large molecule sector such as the use of small molecules with increased complexity (new solubility profile, highly potent, target new disease pathways) in combination with large molecules, such as antibody-drug conjugates (ADC) is expected to drive further growth of small molecule CRO industry.

Indian CRDMO industry

India has a legacy in pharmaceutical manufacturing for regulated markets with presence of over 3,000 drug companies and 10,500 manufacturing units. It contributes to 20% of the global pharmaceutical supply chain and meets almost 60% of the global vaccine demand. It also meets 40% of the generic demand in the US and provides 25% of all medicines in the UK. Indian companies have extensive experience working with regulatory agencies like the FDA and EMA, and India has the highest number of US-FDA-approved plants outside the US. This allows Indian firms to use transferrable knowledge of working at global standards with different regulatory bodies and offer superior services. India is increasingly becoming a favorable partner for global companies.

Over 2018-2023, the India CRDMO industry was amongst the fastest growing industries in APAC. Shift in geopolitical factors, with pharmaceutical companies increasingly adopting China plus one policy bodes well for the Indian CRDMO industry. Additionally, new draft policy such as the Biosecure Act, aims to prevent Chinese manufacturers from accessing US federal funding, will further divert business to Indian CRDMOs. As diplomatic and trade relations strengthen between India and developed economies, collaborative opportunities in contract services are poised to expand further.

Indian CRDMOs have demonstrated enhanced capabilities including availability of skilled talent, economical cost base, quality infrastructure and systems adhering to GLP and cGMP standards, positioning them to benefit from increased R&D and manufacturing outsourcing by pharmaceutical innovators. Tightening of IP protection laws have further strengthened confidence in Indian CRDMO providers among global pharmaceutical companies. Geographically, Indian CRDMOs are strategically best positioned to be part of a de-risked supply chain sought by European and American companies.

India CRDMO industry stood at US\$ 4 Bn in 2018 and reached US\$ 7.3 Bn in 2023, growing at 12.6% CAGR. Between 2023 and 2028, growth of the Indian CRDMO is expected to continue at 14% CAGR, faster than the growth of APAC industry and the global CRDMO industry, reaching an estimated value of US\$ 14.1 Bn in 2028. Amongst the value chain functions, pre-clinical development is expected to grow at a significantly faster pace at 15.7% during 2023-2028, driven by significant improvement in technical capabilities of Indian companies driving R&D outsourcing demand from global pharma innovator companies. Bolstering of integrated offerings by Indian companies with increase in Biology and DMPK capabilities is driving significant growth in discovery and pre-clinical segments.

Indian CRDMO industry has largely been dominated by small molecules, constituting over 90% of the total industry in 2023. With increasing prominence of Indian CRDMOs in the global markets and increased outsourcing of small molecules, the dominance of small molecules is expected to continue despite increasing demand

Source: All industry data is from Frost & Sullivan Report

of large molecules. The Indian small molecule CRDMO industry size is estimated to increase to US\$ 12.8 Bn by 2028 at 13.7% CAGR from 2023 to 2028.

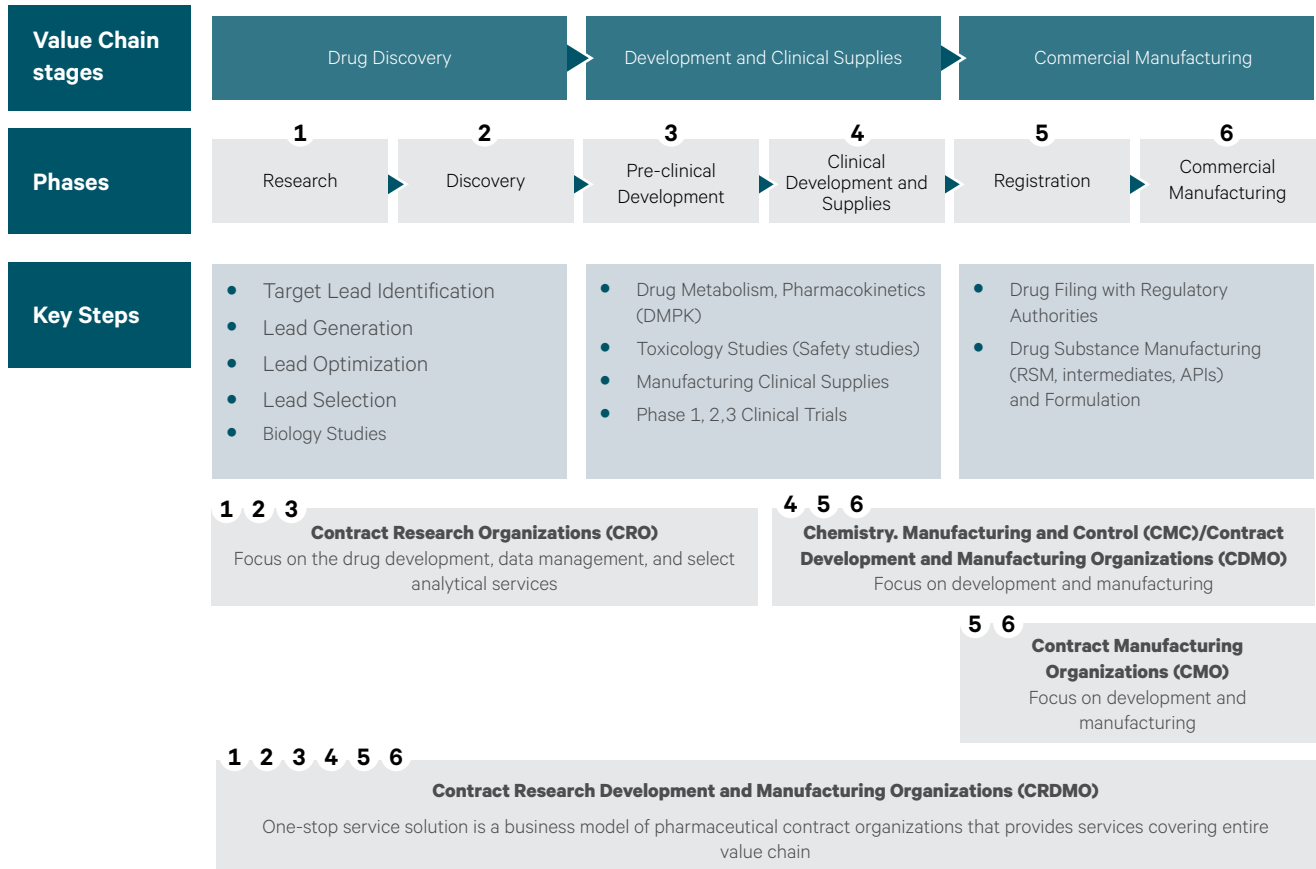
Conducive government policies play a pivotal role in bolstering the India pharmaceutical sector, offering tax incentives, and expediting regulatory processes. Several governmental efforts are aimed to incentivize pharmaceutical manufacturing. Schemes such as the Production Linked Incentive (PLI) scheme offer for bulk drug park development, aiming to spur local formulation and active pharmaceutical ingredient (API) manufacturing.

The Indian CRDMO industry constitutes a limited number of scaled up companies, expected to be the biggest beneficiaries of increasing preference by pharmaceutical companies and biotechs, driving up their market share. Also, companies with large and marquee pharmaceutical innovators as clients have a strong competitive edge due to significant opportunities to cross-sell and have higher growth. Increase in scale and market share is expected to attract more companies to increase their outsourcing from Indian companies leading to a sustainably higher demand.

Source: All industry data is from Frost & Sullivan Report

Company Overview

Headquartered in Hyderabad, India, Sai Life Sciences Limited (hereafter referred to as 'the Company' or 'Sai Life Sciences') with a rich 25+ years experience has emerged as one of the largest integrated Indian Contract Research, Development, and Manufacturing Organization (CRDMO) with global scale of operations. Sai Life Sciences, an innovator-focused CRDMO, is the only entity of scale in India to possess both CRO and CDMO capabilities for small molecules. With a unique global delivery model, the company acts as a one-stop solution to accelerate the discovery, development, and commercialization for small molecule new chemical entities (NCE) for innovator pharmaceutical and biotech companies. The Company offers integrated solutions spanning medicinal chemistry, process development, clinical and commercial manufacturing, and advanced technology platforms across the globe. Sai Life Sciences is committed to delivering high-quality, cost effective, and scalable solutions while upholding the highest standards of safety, compliance, and integrity. Its Quality and Sustainability practices benchmark with the best-in-class globally.



The Company serves a diverse and global innovator customer base that includes multinational pharmaceutical companies and biotechnology firms, including 18 out of the top 25 pharmaceutical companies (in terms of revenue in CY 2024), across regulated markets including the US, Europe and Japan. The Company is one of the few Indian CRDMOs to combine discovery and development operations in the US, the UK and India, with manufacturing capabilities in India. The Company has strategic presence, located in close proximity to innovation clusters in Boston, US and Manchester, UK. Presence in innovation hubs facilitates access to the latest research trends, talented global workforce, and potential collaboration within innovation hubs, while facilities in India offer a cost-competitive advantage for conducting drug discovery research activities at scale, development and large-scale commercial production of products.

The Company owns globally accredited manufacturing and R&D facilities with quality systems that are supported by a qualified pool of scientists, engineers, and other scientific staff. As of March 31, 2025, there were 2605 scientific staff, with majority of the scientific team holding advanced degrees, including 340 PhDs and 1650 master's degrees. The two manufacturing facilities at Bidar and Bollaram, are approved by the United States Food and Drug Administration (USFDA), the Pharmaceuticals and Medical Devices Agency, Japan (PMDA) and the state-level drug control departments which are arms of the Central Drug Standards Control Organization, India (CDSCO). These facilities feature flexible manufacturing setups, including large scale reactors for high-volume products and some production areas specifically designed to accommodate modern drug development pipelines that produce relatively smaller quantities but involve more intricate chemical processes. The R&D facilities include discover

biology laboratory at Great Boston, process R&D laboratory at Manchester and Integrated Discovery and Development Facility at Hyderabad. In addition, the Company is one of the few CROs to have a dedicated R&D facility with a team of 90 professionals for one of its customers.

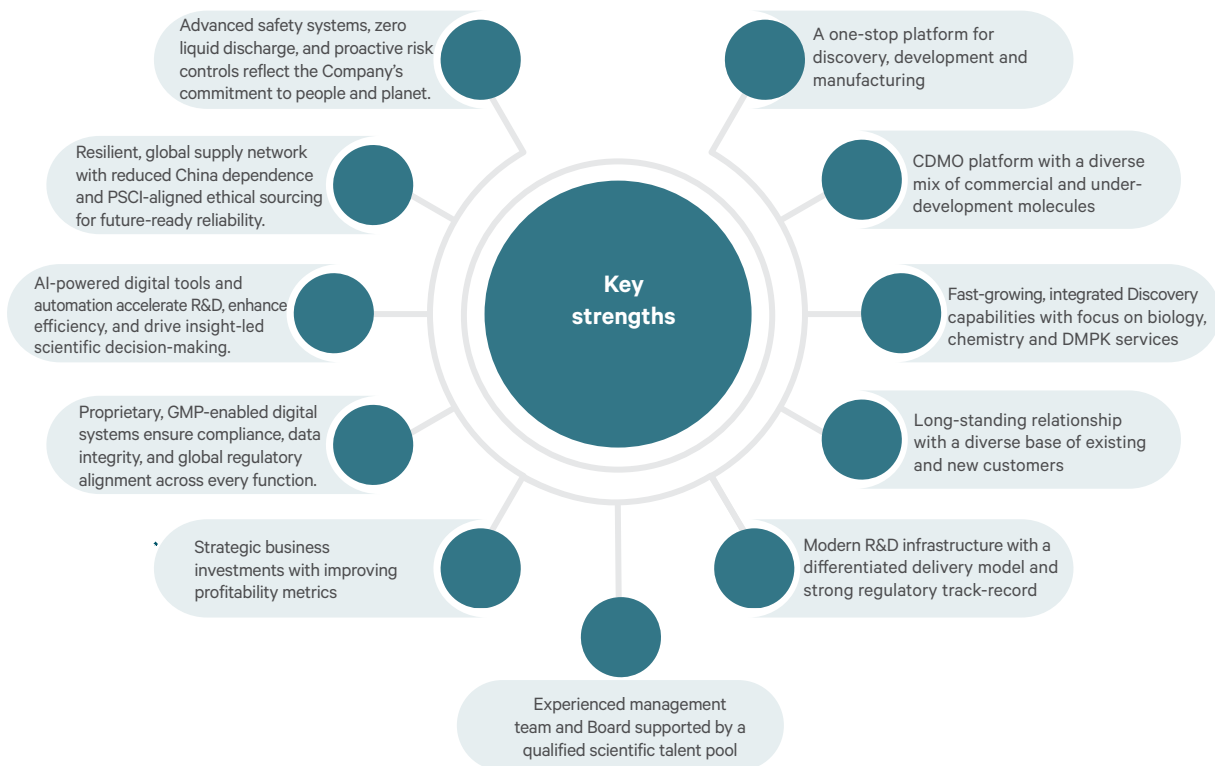
The Company is led by a distinguished management team, with senior management having an average of 25+ years' experience in the global CRDMO industry. The Company has a 16-member business development team, distributed across US, UK, Europe, and India responsible for continuing and expanding customer relationships. The highly proficient scientific talent pool and advanced laboratory infrastructure support diverse therapeutic areas such as oncology, immuno-oncology, CNS, autoimmune diseases, metabolic disorders, fibrosis, rare diseases, etc. The CRDMO platform provides multiple entry points to acquire customers in the intermediate stages of their new drug discovery to commercialization journey.

With greater access to capital, biotechnology and small pharmaceutical firms are increasingly outsourcing services especially discovery and development to contract service providers. Sai Life Sciences is well-positioned to capitalize on the expansion of the CRDMO segment.

Business Overview

CRO

The Company's CRO services include integrated discovery capabilities across biology, chemistry, and drug metabolism and pharmacokinetics (DMPK). The Company has provided services for over 200 small



molecule discovery programs in the past five years with 5 of the discovery programs culminating drug approval and commercialization and 40 programs having resulted in Investigational New Drug (IND) filings.

CDMO

The Company's CDMO services include comprehensive capabilities that support customers in the development and scaling up production of active pharmaceutical ingredients (APIs) and intermediates for clinical phase and commercial phase supplies. The CDMO product portfolio includes more than 170 innovator pharmaceutical products, including 30* APIs and intermediates used in the manufacturing of commercial drugs, including seven blockbusters (drug products with annual sales of over US\$ 1 Bn in FY 2024-25) and 6 APIs and intermediates that were used in drugs that were either undergoing or had completed Phase III clinical trials. The commercial and late phase products typically offer higher potential for return and a stable source of revenue given that they are commercialized or close to commercialization. The portfolio also consists of more than 140 products in various stages of development across pre-clinical, Phase I and Phase II clinical trial stages. These CMC services are provided through Unit IV Bidar Facility, Unit II Hyderabad Facility and Manchester Facility. CMC services are broadly classified as early-phase (pre-clinical to Phase II) and late phase (commercial, Phase III and post-Phase-III products). The product portfolio and customer base are diversified, encompassing commercial, late-stage and early-stage CMC molecules and discovery programs.

Operational Performance

During FY 2024-25

- Both CRO and CDMO businesses continue to demonstrate growth momentum, supported by increased business from existing customers and new collaboration
- CRO segment contributed 37% to total revenue while CDMO segment constituted the remaining 63%
- Served 63 customers for their integrated drug discovery programs
- Served more than 280 innovator pharmaceutical companies, including 18 of the top 25 pharmaceutical companies (in terms of revenue for CY 2024), across regulated markets, including the US, the UK, Europe and Japan
- The Company added an additional 100 KL to its manufacturing capacity in November 2024
- The Company has expanded its Discovery R&D capacity in Hyderabad by addition of laboratory spaces for chemistry by 15%
- Average capacity utilization for FY 2024-25 was 67%

*Excluding products under destocking by the customer and products with limited revenue potential.

Financial Performance

In ₹ Cr	FY 2024-25	FY 2023-24	Growth in % YoY
Total income	1,731.35	1,494.27	15.9%
COGS	465.76	445.73	4.5%
Employee costs	549.12	494.91	11.0%
Other expenses	274.03	239.05	14.6%
EBITDA	424.74	300.11	41.5%
EBITDA margin	25.0%	20.4%	-
Depreciation	138.57	119.44	16.0%
EBIT	303.87	195.14	55.7%
EBIT margin	17.9%	13.3%	-
Finance costs	76.16	85.91	(11.3%)
PBT	227.70	109.23	108.5%
Tax	57.57	26.43	117.9%
PAT	170.13	82.81	105.5%
PAT margin	10.0%	5.7%	-

During FY 2024-25, total consolidated income grew by 15.9% YoY to ₹ 1,731.35 Cr from ₹ 1,494.27 Cr in FY 2023-24. The Company delivered a strong growth, supported by demand across both our CDMO and CRO segments. The growth is driven by consistent execution and growing traction across our integrated service offering. Our CRDMO model continues to be a key differentiator, enabling us to provide seamless support from discovery to development and manufacturing.

EBITDA grew by 41.5% YoY to ₹ 424.74 Cr in FY 2024-25 as compared to ₹ 300.11 Cr in FY 2023-24. EBITDA margin expanded 460 basis points to a healthy 25.1% in FY 2024-25 as compared to 20.5% in FY 2023-24. The EBITDA margin expansion is attributable to 290 basis points increase in gross margin and operating leverage due to higher growth.

Depreciation and amortization expenses increased to ₹ 138.57 Cr as compared to ₹ 119.44 Cr in FY 2023-24. The consolidated effective tax rate for FY 2024-25 was at 25.3%.

Finance costs were down 11.3% YoY to ₹ 76.16 Cr due to repayment of ₹ 720 Cr debt from IPO proceeds. Profit after tax (PAT) grew 105.5% YoY to ₹ 170.13 Cr in FY 2024-25 as compared to ₹ 85.91 Cr in FY 2023-24. PAT margin expanded 430 bps to 10.0%.

Total equity as on March 31, 2025 stood at ₹ 2128.35 Cr against ₹ 975.14 Cr as on March 31, 2024.

Outlook

With a focus on innovation and operational excellence, the Company continues to strengthen its capabilities to support emerging therapeutic modalities and meet the evolving needs of the life sciences industry. The Company remains committed to expanding capacities and enhancing technological capabilities to drive long-term growth. Its ongoing investments in digitization and automation are key to improving operational efficiencies and positioning the business for sustained success.

As part of its strategic financial management, the proceeds from the IPO were utilized to repay debt, strengthen balance sheet and reduce financial leverage. This proactive approach supports long-term growth and operational flexibility.

Over the past five years, the Company has consistently invested in expanding capabilities, including advanced technology platforms, scientific expertise, and infrastructure enhancements. These investments are translating into higher customer retention, an increasing share of projects and a growing pipeline of opportunities.

Human Resources

At the heart of our progress as a CRDMO lies a simple truth: science thrives when people do. In FY 2024-25, our Human Resources function continued to play a pivotal role in aligning talent strategy with business growth, fostering a culture of agility, collaboration, and innovation across our global operations.

With a deep focus on building future-ready capabilities, we invested in upskilling programs, strengthened leadership pipelines, and introduced digital platforms to enhance the employee experience. Our commitment to diversity, equity, and inclusion took further root through focused initiatives, while our robust engagement and recognition frameworks helped nurture a high-performance, purpose-driven culture.

As we continue our journey of scientific excellence and global expansion, our people remain our strongest differentiator—driving breakthroughs, sustaining partnerships, and delivering on our promise to make it better together.

As on March 31, 2025, the Company had 3,401 permanent employees across domestic and overseas operations.

Risk Management

The Company has adequate risk management processes to identify, assess and communicate potential risks that could have an adverse impact on the Company's operations. The internal processes and procedures are structured to enable timely and effective response to the emerging risks. Risk oversight processes are embedded across all functional areas which enables the Company to act in a time bound manner to manage the risks. The Company has adequate internal controls and takes appropriate protections and preventive measures across all functional areas from time to time.

Internal Control Systems

The Company's robust internal control framework is in accordance to the size of business and nature of business operations. The policies and procedures of the internal control framework enable the Company to safeguard assets, prevent and detect fraud and errors, and ensure accuracy and completeness of accounting records. The internal control framework ensures orderly and efficient conduct of business operations. The internal control framework is monitored and periodically assessed for effectiveness and adequacy by the Board of Directors. The internal controls are regularly evaluated to ensure strict adherence to regulatory norms and to monitor effectiveness of governance processes.

Cautionary Statement

This report contains statements that may be 'forward looking' including, but without limitation, statements relating to the implementation of strategic initiatives and other statements relating to Company's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with your Company, legislative developments and other key factors that could affect our business and financial performance. The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

Board's Report

The Members,

Sai Life Sciences Limited

The Board of Directors ("Board") are pleased to present the 26th Annual Report on the business and operations of the Sai Life Sciences Limited ("Company"/"Sai Life Sciences") along with the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on March 31, 2025 ("FY 2024-25"). This being the first report after the Initial Public Offer ("IPO") and listing of the equity shares on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE hereinafter collectively referred as "Stock Exchanges"), the Board extends a warm welcome to all our public shareholders and looks forward to your continued trust and support in the future.

FINANCIAL RESULTS

(₹ in million)

Particulars	Standalone		Consolidated	
	2024-2025	2023-2024	2024-2025	2023-2024
Revenue from Operations	16,420.48	14,186.82	16,945.70	14,651.78
Other Income	373.35	293.32	367.79	290.91
Profit / Loss before Depreciation, Finance Costs, Exceptional Items and Tax Expense	4,277.81	3,159.42	4,424.40	3,145.80
Less: Depreciation	(1,260.33)	(1,072.13)	(1,385.73)	(1,194.36)
Profit / Loss before Finance Costs, Exceptional Items and Tax Expense	3,017.48	2,087.29	3,038.67	1,951.44
Less: Finance Cost	(700.32)	(797.24)	(761.64)	(859.10)
Profit / Loss before Exceptional Items and Tax Expense	2,317.16	1,290.05	2,277.03	1,092.34
Add / Less: Exceptional Items	-	-	-	-
Profit / Loss before Tax Expense	2,317.16	1,290.05	2,277.03	1,092.34
Less: Tax Expense (Current & Deferred)	(582.54)	(337.74)	(575.71)	(264.25)
Profit / Loss for the year (1)	1,734.62	952.31	1,701.32	828.09
Total Comprehensive Income / Loss (2)	9.15	0.15	11.89	10.22
Total (1+2)	1,743.77	952.46	1,713.21	838.31

The operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Section, which forms part of this Annual Report.

The standalone, as well as the consolidated financial statements, have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act"), Indian Accounting Standards ("Ind AS") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Financial highlights of the Company for FY 2024-25 is as under:

During the current financial year on Consolidated basis, your Company has registered a total income of ₹17,313.49 million, a growth of 15.87% as compared to the previous year. The profit after tax was ₹1,701.32 million as against the profit of ₹ 828.09 million as reported in the previous year. On Standalone basis, your Company has registered a total income of ₹ 16,793.83 million, a growth of 15.98% as compared to the previous year. The profit after tax was ₹1,734.62 million as against the profit of ₹ 952.31 million as reported in the previous year.

DIVIDEND

The Board has not recommended any dividend for the financial year under review.

TRANSFER TO GENERAL RESERVES

The Company retained the entire surplus in the Profit and Loss Account and hence no transfer to General Reserve was made during the year.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company.

SHARE CAPITAL

a) Status of Shares

As the Members are aware, the equity shares of the Company were listed on the Stock Exchanges on December 18, 2024 and the Company's shares are compulsorily tradable in electronic form. As on March 31, 2025 and as on the date of this report, entire (i.e. 100%) paid-up capital are in dematerialized form.

b) Authorized Share Capital

The authorized share capital of the company has been increased from ₹21,40,00,000, divided into:

- o 20,30,00,000 Equity Shares of ₹1 each, aggregating ₹20,30,00,000 (Rupees Twenty Crore Thirty Lakh Only),
- o 6,00,000 Optionally Convertible Preference Shares (OCPS) of ₹10 each, aggregating ₹60,00,000 (Rupees Sixty Lakh Only),
- o 5,00,000 Compulsory Convertible Preference Shares (CCPS) of ₹10 each, aggregating ₹50,00,000 (Rupees Fifty Lakh Only),

to ₹25,00,00,000 (Rupees Twenty-Five Crore Only), divided into:

- o 23,90,00,000 Equity Shares of ₹1 each, aggregating ₹23,90,00,000 (Rupees Twenty-Three Crore Ninety Lakh Only),
- o 6,00,000 Optionally Convertible Preference Shares (OCPS) of ₹10 each, aggregating ₹60,00,000 (Rupees Sixty Lakh Only),
- o 5,00,000 Compulsory Convertible Preference Shares (CCPS) of ₹10 each, aggregating ₹50,00,000 (Rupees Fifty Lakh Only).

- ◆ During the year under review, each equity shares of face value of ₹ 10/- was subdivided into 10 equity shares of face value of ₹ 1/- with the approval of shareholders in their EGM held on June 11, 2024.

c) Paid-up Capital

As on March 31, 2025, the paid-up capital of the company is ₹ 20,84,14,389 dividend into 20,84,14,389 Equity Shares of ₹ 1/- Each.

ALLOTMENT DURING FY 2024-25

Sr. No.	Date of Allotment	Type of Allotment	No. of Shares Allotted
1.	21-05-2024	Conversion of ESOPs	36,500
2.	04-06-2024	Conversion of ESOPs	42,500
3.	04-07-2024	Preferential Allotment	5,00,000
4.	04-07-2024	Conversion of CCPS into Equity	48,00,000
5.	04-07-2024	Conversion of OCPS into Equity	12,00,000
6.	05-09-2024	Conversion of ESOPs	65,000
7.	05-11-2024	Conversion of ESOPs	1,37,000
8.	05-11-2024	Conversion of CCPS into Equity	48,00,000
9.	07-11-2024	Conversion of ESOPs	1,13,000
10.	12-11-2024	Conversion of ESOPs	40,000
11.	17-11-2024	Conversion of ESOPs	4,15,000
12.	20-11-2024	Conversion of ESOPs	11,95,000
13.	Allotment under IPO dated December 18, 2024		1,73,04,189
14.	13-02-2025	Conversion of ESOPs	79,860

Sr. No.	Date of Allotment	Type of Allotment	No. of Shares Allotted
15.	10-03-2025	Conversion of ESOPs	30,000
16.	20-03-2025	Conversion of ESOPs	3,03,000
17.	24-03-2025	Conversion of ESOPs	12,000

LISTING OF EQUITY SHARES

The equity shares of the Company are listed on the following stock exchanges with effect from December 18, 2024:

- (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001; and
- (ii) National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

The Company has paid the annual listing fee for the financial year under review.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

The Company does not have any Joint Ventures or Associates. Below are the details of the Subsidiary Companies:

Name of Subsidiary	% of holding by Parent Company	Country of incorporation
Sai Life Sciences Inc	100	USA
Sai Life Pharma Private Limited	100	India
Sai Life Sciences GmbH	100	Germany

As per Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company and all its Subsidiaries and Associates prepared in accordance with the applicable accounting standards and forms part of this Annual Report, further a statement containing salient features of the financial statements of our subsidiaries and associates in the prescribed Form in AOC-1 is annexed to this Board's Report as **Annexure - 1**. Your Company does not have any material subsidiary as on March 31, 2025.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the audited financial statements of the Company including consolidated financial statements and related information of the Company and audited accounts of the subsidiaries, are available on the website of the company and a copy of separate Audited financial statements of its subsidiaries will be provided to shareholders upon their request.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2025, your Company's Board had 5 Board Members comprising one Managing Director, one Whole-time Director and three Independent Directors. The details of Board and Committees composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

Change in the composition of the Board of Directors and Key Managerial Personnel during FY 2024-25

Date of Event	Name of Directors and KMPs	Details
21-05-2024	Mr Ramesh Ganesh Iyer (DIN: 00220759)	Appointed as an additional Director, in the category of Independent Director
06-06-2024	Ms Manjusha Ambadas Joshi (DIN: 08616508)	Resigned from position of Independent Director
06-06-2024	Mr Raju Penmasta (DIN: 00897301)	Resigned from position of Director
07-06-2024	Mr Puneet Bhatia (DIN: 00143973)	Resigned from the position of Investor Director
10-06-2024	Ms Suchita Sharma (DIN: 10656028)	Appointed as an additional director in the category of Independent Director
11-06-2024	Ms Suchita Sharma (DIN: 10656028)	Regularized as an Independent director of the Company
14-06-2024	Mr Ramesh Ganesh Iyer (DIN: 00220759)	Regularized as Independent Director of the Company
10-07-2024	Ms Runa Karan	Appointed as Compliance officer of the Company
10-03-2025	Mr Mitesh Daga (DIN: 08189217)	Resigned from position of Investor Director
24-03-2025	Dr Dinesh V Patel (DIN: 11010657)	Appointed as additional Director in the category of Independent Director
25-03-2025	Mr Rajagopal Sriram Tatta (DIN: 00988348)	Cessation from the position of Independent Director upon Completion of second and final term of appointment

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Dr Ranga Raju Kanumuri (DIN: 00043186) being longest in the office from the date of his last re-appointment shall retire by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended his re-appointment.

As on the date of this report, the Company has the following Key Managerial Personnel as per section 2(51) and 203 of the Companies Act 2013:

Sr. No.	Name	Designation
1.	Mr Krishnamraju Kanumuri	Managing Director & CEO
2.	Dr Ranga Raju Kanumuri	Whole-Time Director
3.	Mr Sivaramkrishnan Chittor	Wholetime Director and CFO
4.	Ms Runa Karan	Company Secretary and Compliance Officer

COMMITTEES OF BOARD AND NUMBER OF MEETINGS OF THE BOARD AND BOARD COMMITTEES

During the year under review and pursuant to the SEBI Listing Regulations, the Board had reconstituted certain existing committees and constituted certain new Committees and amended / adopted the terms of reference of the said Committees.

As on the date of this report, the Board has the following committees:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Stakeholders' Relationship Committee
- (iv) Risk Management Committee
- (v) Corporate Social Responsibility Committee

The IPO Committee was constituted specifically for the purpose of IPO. Pursuant to the listing of equity shares of the Company on the Stock Exchanges, the IPO-related matters were concluded on December 18, 2024.

The Board of Directors met 15 (Fifteen) times during the year under review. The details of meetings of Board and Committees and the attendance thereto and composition of Committees are provided in the Corporate Governance Report, which forms part of this Annual Report.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on December 05, 2024 without the attendance of Non-Independent Directors and members of the management. The Independent Directors in their meeting held on December 05, 2024 reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole, along with the performance of the Chairman of the Company, taking into account the

views of Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

A note on the familiarization program for orientation and training of the Directors undertaken in compliance with the provisions of the Act and the SEBI Listing Regulations is provided in the Corporate Governance Report, which forms part of the Annual Report.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from Dr Dinesh V Patel (DIN: 11010657), Mr Ramesh Ganesh Iyer (DIN: 00220759), Ms Suchita Sharma (DIN: 10656028), Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act, including compliance of relevant provisions of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 25 of SEBI Listing Regulations.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, skills, experience and expertise and they hold highest standards of integrity (including the proficiency) and fulfill the conditions specified in the Act and SEBI Listing Regulations and are independent of the management.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, your Directors state that:

- a) In the preparation of the Annual Accounts for the year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures from the same;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profits of the Company for the year ended on that date;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the Annual Accounts of the Company on a going concern basis;

- e) They have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY

The Board has framed and adopted a Nomination and Remuneration Policy ("NRC Policy") in terms of Section 178 of the Act. The NRC Policy, inter-alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of Directors, Key Managerial Personnel and Senior Management employees and other matters as provided under Section 178 of the Act. The NRC Policy was amended during the year under review to align with the provisions of SEBI Listing Regulations. The remuneration paid to the Directors is as per the terms laid out in the NRC Policy of the Company.

The salient features of the NRC Policy are as follows:

- To formulate the criteria for determining qualification, competencies, positive attributes and independence for appointment of Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management positions, Key Managerial Positions and recommend to the Board, policies relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees;
- To lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management;
- To recommend the remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management of the Company and provide a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; and
- To specify the manner for effective evaluation of performance of Board, its committees and individual directors and review its implementation and compliance.

The NRC Policy is available on the website of the Company [Nomination-and-Remuneration-Policy.pdf](#)

DIRECTORS AND OFFICERS INSURANCE ('D&O')

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O') for all its directors.

BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Company. The exercise was carried out annually through a structured evaluation process covering

various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

FAMILIARIZATION PROGRAMS

The Members of the Board of the Company have been provided opportunities to familiarize themselves with the Company, its Management, and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations, and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Key Management Personnel of the Company present to the Audit Committee on a periodical basis, an update on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time.

The detail policy on the familiarization program is available on the website at <https://www.sailife.com/wp-content/uploads/2025/04/Familiarisation-Programme-for-Id.pdf>.

CODE OF CONDUCT

The Company has laid down a Code of Conduct which has been effectively adopted by the Board Members and Senior Management Personnel of the Company.

The detail policy on the Code of Conduct is available on the website at <https://sailife.com/files/investors/Code-of-Conduct-for-BoD-and-SMPs.pdf>

EMPLOYEES STOCK OPTION PLAN

The disclosure as mandated under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the ESOP Schemes namely ESOP 2008 and Management ESOP 2018 are as follows. The number of options and exercise price per option has been adjusted proportionately to reflect the sub-division:

Sr. No.	Particulars	Details
1	Options granted	44,45,000
2	Options vested (including options that have been exercised)	46,53,360
3	Options exercised	31,79,860
4	The total number of equity shares of face value of ₹ 1 each arising as a result of exercise	31,79,860
5	Options forfeited/lapsed/canceled	14,33,920
6	The exercise price per equity share of face value of ₹ 1 each	8.3/23.2/28.4/127.3/188.9
7	Variation of terms of options	Yes
8	Money realized by exercise of options	26,06,80,138

Employee-wise details of options granted during FY 2024-25

	Name	Designation	No. of Options Granted	Exercise Price
i. Key Managerial Personnel	1. Ms Runa Karan	Company Secretary	25,000	188.90
	2. Mr Sivaramakrishnan Chittor	Chief Financial Officer	11,00,000	127.3 & 188.9
ii. Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	NIL			
iii. Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL			

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of investments made and/or loans or guarantees given and/or security provided, if any, are given in the notes to the Standalone and Consolidated financial statements which form part of the Annual Report.

TRANSACTIONS WITH RELATED PARTIES

In line with the requirements of the Act and SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions, which is available on the website of the Company at <https://sailife.com/files/investors/Policy-on-Related-Party-Transactions.pdf>

All related party transactions entered into during FY 2024-25 were on an arm's-length basis and in the ordinary course of business. No material related party transactions were entered into during the financial year by the Company. All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's-length basis. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 entered by the Company during the financial year ended March 31, 2025 in prescribed Form AOC-2 is annexed to this Board's Report as **Annexure - 2**.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The information required to be disclosed in the Board's Report pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure - 5** to this report.

ANNUAL RETURN

The Annual Return of the Company in form MGT-7 as required under Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at [Disclosures under Regulation 46](#) | Sai Life Sciences.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, (as amended) the Board has constituted a Corporate Social Responsibility ("CSR") Committee. The composition, terms of reference of the CSR Committee and the salient features of the Corporate Social Responsibility Policy ("CSR Policy") is provided in the Corporate Governance Report, which forms part of the Annual Report.

During the year under review, the CSR Policy was amended to align with the provisions of the SEBI Listing Regulations/applicable CSR Rules and the same is available on the website of the Company at Corporate Social Responsibility Policy.

A report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Board's Report as **Annexure - 3**.

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

In accordance with the requirements of Section 134 of the Companies Act, 2013, statement showing the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed to this Board's Report as **Annexure - 6**.

PUBLIC DEPOSITS

Your Company has not accepted any deposits falling within the meaning of Chapter V of the Companies Act, 2013 read with the Rule 8(5)(v) of Companies (Accounts) Rules 2014, during the financial year under review.

AUDITORS

a. Statutory Auditors and their report

The Members of the Company in accordance with Section 139 of the Companies Act, 2013 have passed resolution in 25th Annual General Meeting for re-appointment of M/s Deloitte Haskins & Sells LLP (117366W/W-100018) as Statutory Auditors of the Company for second term from the FY 2023 to 2028. The Statutory Auditors have presented their Audit Report on the financial statements of the Company for FY 2024-25. The report of the Statutory Auditors forms part of this Annual Report. Their report does not contain any qualification, reservation or adverse remark. The notes on financial statement are self-explanatory and do not call for any further comments. The Statutory Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

b. Secretarial Auditor and their report

Pursuant to the provisions of Section 134(3) (f) and Section 204 of the Act, the Board had appointed M/s. DSMR & Associates, Company Secretaries as Secretarial Auditor who have undertaken Secretarial Audit of the Company for the FY 2024-25. The report of the Secretarial Auditor is enclosed herewith vide **Annexure – 4A** of this Report. The Secretarial Audit Report does not contain any qualification, reservation, observation or adverse remarks. However, noted the following delays in filing:

- **MSME Form-1:** Delay in filing the half-yearly return with the registrar regarding outstanding payments to Micro or Small Enterprises for the half-year ended September 30, 2024.
- **PAS-3:** Delay in filing the Return of Allotment related to the Initial Public Offering (IPO) made by the Company.
- **AOC-4 (XBRL):** Delay in filing the Financial Statements for the financial year 2023-24.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2024-25 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by Mr Devata Sri Manikya Ram, Practising Company Secretary, Hyderabad has been submitted to the Stock Exchanges within the specified time and same is annexed herewith as **Annexure – 4B**.

c. Internal Auditor and their report

M/s. PricewaterhouseCoopers Private Limited was re-appointed as Internal Auditors of the Company for FY 2024-25. The reports submitted by the Internal Auditors have been reviewed by the Audit Committee from time to time.

d. Cost Audit

Central Government has notified rules for Cost Audit and as per new Companies (Cost Records and Audit) Rules, 2014 issued by Ministry of Corporate Affairs. Your Company is not falling under the industries which will be subject to Cost Audit. Therefore, filing of cost audit report for FY 2024-25 is not applicable to the Company. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013, and the prescribed cost records have been made and maintained by the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors have adopted a Vigil Mechanism Policy. The Vigil Mechanism Policy aims for conducting the affairs of the Company in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

A mechanism has been established for stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of stakeholders who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases.

Employees have numerous ways to voice their concerns and are encouraged to report the same internally for resolution. The said Policy provides for adequate safeguards against retaliation and access to the Audit Committee. The policy is uploaded on the Company's website at [Whistle-Blower-Policy.pdf](#).

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to providing a safe and conducive work environment to all its employees and associates. The Company has a policy on Prevention of Sexual Harassment at Workplace in place, which is available on the Company website at <https://sailife.com/files/investors/Anti-Sexual-Harassment-Policy.pdf>. The Company has constituted Internal Complaints Committee as

per the Sexual Harassment of Women & Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, two complaints were received and attended under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SECRETARIAL STANDARDS

The Company is in regular compliance of the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

PREVENTION OF INSIDER TRADING CODE

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at: <https://www.sailife.com/wp-content/uploads/2025/03/SAI-LIFE-Insider-Trading-Policy.pdf>. During the year under review, there has been due compliance with the said code.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms an integral part of this Report and provides details about the overall industry structure, developments, performance and state of affairs of the Company and other material developments during the financial year.

CAUTIONARY STATEMENT

Statements in this Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

CORPORATE GOVERNANCE REPORT

The Company is committed to maintaining the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India. The Report of Corporate Governance as stipulated under the SEBI Listing Regulations forms part of this Annual Report. A certificate from M/s. DSMR & Associates, Company Secretaries, confirming compliance with corporate governance norms, as stipulated under the SEBI Listing Regulations, is annexed to the Corporate Governance Report.

CEO & CFO CERTIFICATE

In accordance with the provisions of Regulation 17(8) of the SEBI Listing Regulations, certificate of Chief Executive Officer and Chief Financial Officer in relation to the Financial Statements for the year ended March 31, 2025, is part of the Annual Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no significant and material orders passed by regulators, courts or tribunals impacting the going concern status and the Company's operations in future.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

The Company confirms that there has been no application or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 ("the Code") during the year under review. The Company further confirms there are no past applications or proceeding under the Code.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report, except the following –

Appointment of Mr Sivaramkrishnan Chittor (DIN: 01092158) as an Additional Director of the Company, effective from April 28, 2025. This appointment is in addition to his existing role as Chief Financial Officer ("CFO") of the Company. His appointment as a Wholetime Director was regularized by the Shareholders through Postal Ballot on June 16, 2025.

RISK MANAGEMENT

The Board had constituted the Risk Management Committee. The composition of Risk Management Committee is given in the Corporate Governance Report, forming part of the Annual Report. Further, pursuant to Section 134(3)(n) of the Act and Regulation 17(9) of SEBI Listing Regulations, the Company has formulated and adopted the Risk Management Policy inter-alia including the details/process about identification of elements of risks of any, which in the opinion of the Board may threaten the existence of the Company.

The aforesaid Risk Management Policy establishes the philosophy of the Company towards risk identification, analysis and prioritization of risks, development of risk mitigation plans and reporting on the risk environment of the Company. This Risk Management Policy is applicable to all the functions, departments and geographical locations of the Company. The purpose of this policy is to define, design and implement a risk management framework across the Company to identify, assess, manage and monitor risks. Aligned to this, purpose is also to identify potential events that may affect the Company and manage the risk within the risk appetite and provide reasonable assurance regarding the achievement of the Company's objectives.

The Risk Management Policy is available on the website of the Company [Risk-Management-Policy.pdf](#).

INTERNAL FINANCIAL CONTROLS SYSTEM AND THEIR ADEQUACY

The Company has laid down adequate internal financial controls commensurate with the scale, size and nature of the business of the Company. The Company has in place adequate policies and procedures for ensuring the orderly and effective control of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. Effectiveness of internal financial controls is ensured through management reviews, management reviews of controls and independent testing by the internal auditor.

INTERNAL CONTROL SYSTEMS

The Company has established and maintained a framework of internal financial controls and compliance systems. Based on the same and the work performed by the internal auditors, statutory auditors and the reviews performed by Top Management team and the Audit Committee, your Directors are of the opinion that your Company's Internal Financial Controls were adequate and effective during the financial year 2024-25.

Further, the Statutory Auditors of your Company have also issued an attestation report on internal control over financial reporting (as defined in section 143 of Companies Act, 2013) for the financial year ended March 31, 2025, which forms part to the Statutory Auditors Report.

INSURANCE

All properties and insurable interests of the Company have been insured.

CREDIT RATING

India Ratings and Research (Ind-Ra) has issued Sai Life Sciences Limited (Company) Credit Rating is IND A+.

HEALTH, SAFETY & ENVIRONMENT (HSE)

The Company considers Health, Safety and Environment (HSE) as an integral part of long-term business strategy and a driver for sustainable growth. We strive to ensure that our facilities are safe by design and are committed to protecting the environment and actively seek to identify means of minimizing water use, energy use, greenhouse gas emissions & waste generation.

Our R&D and manufacturing facility in India is certified for ISO 14001 – Environment management system standard and ISO 45001 – Occupational health & safety system standards ensuring our facility follows highest standard of HSE systems. The manufacturing facility is also certified for ISO 50001, Energy management standards driving the energy conservation efforts. With continuing investment on building environment and safe practices, we have established state-of-the-art wastewater treatment facilities, containment capabilities, process safety, fire protection and emergency management at site. The implementation of these has ensured that we improve our environmental & safety performance through:

- Adherence to compliance requirement
- Water recycling & reuse
- Responsible disposal of waste diverting from landfills
- Reducing our energy consumption and emissions
- Process safety studies and risk assessment
- Equipment validation and personnel exposure monitoring
- Reduction of safety incidents

Our efforts to build safe and environment-friendly facilities were recognized through 5-star rating for EHS Excellence by CII, National Award for Energy Excellence by CII and GSK's Environmental Sustainability Supplier Award.

Sustainability:

Sustainability is an integral part of our business and decision-making framework. We are committed to conducting business in a way that it creates positive impact on all our stakeholders and the environment at large. We renewed our Sustainable Development Goals (SDG) charting out the roadmap to achieve specific environmental, social and governance (ESG) targets by the financial year ending March 31, 2027. We have joined the Science Based Targets initiative (SBTi), a global body enabling businesses to set ambitious emission reduction targets in line with the latest climate science. Accordingly, we have committed to set near-term company-wide emission reductions in line with climate science with the SBTi.

To drive our sustainability agenda, we became signatory to Ten principles of United Nations Global Compact (UNGC) on human rights, labor, environment, and anti-corruption reinforcing the company's commitment to corporate responsibility and sustainability. We have strengthened our company's commitment to social accountability through the implementation of robust policies addressing labor and human rights.

The performances and initiatives against the three pillars of sustainability i.e., Environment, Social and Economic are highlighted in our Sustainability Report (latest being report of FY 2024) published annually. Our association with Pharmaceutical Supply Chain Initiatives (PSCI) as a member is helping us leverage the industry standards and best practices in the areas of sustainability. Our efforts towards improving sustainability practices are rewarded in EcoVadis assessment, the world's most trusted business sustainability rating where we achieved and sustained silver medal this year.

On every front, be it water management, cutting down on the usage of traditional modes of energy and replacing it with renewable sources, or increasing the Diversity, Equity and Inclusion (DEI) quotient at our workplaces, we are pushing the envelope to make the overall journey of drug discovery and development integrated with sustainability. We further intend to exemplify our sustainability progress and reinforce Sai Life Sciences' position as a frontrunner in the pursuit of environmentally conscious and socially responsible business practices.

HUMAN RESOURCES

The Company believes that the quality of its employees is the key to its success and is committed to providing necessary human resource development and training opportunities to equip employees with additional skills to enable them to adapt to contemporary technological advancements.

Industrial relations during the year continued to be cordial and the Company is committed to maintaining good industrial relations through effective communication, meetings and negotiation.

OTHER DISCLOSURES

During the financial year under review:-

- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- Except as disclosed in this report, there were no material changes and commitments which occurred after the close of the year till the date of this report, which may affect the financial position of the Company.
- There was no instance of one-time settlement with any Bank or Financial Institution.
- The Company does not have any shares in unclaimed suspense demat account.

ACKNOWLEDGMENTS

Your Directors wish to place on record the appreciation to Customers, Vendors, Central Government, State Governments and other regulatory bodies / authorities, banks, business partners, Shareholders and Investors, medical practitioners and other stakeholders for the assistance, co-operation and encouragement extended to the Company. Your Directors also like to place on record the deep sense of appreciation to the employees for their contribution and services.

For and on behalf of the Board of SAI LIFE SCIENCES LIMITED

K. Ranga Raju
Chairman
DIN: 00043186

Krishnam Raju
Managing Director
DIN: 00064614

Date : July 11, 2025
Place : Hyderabad

Annexure - 1

FORM- AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A" – SUBSIDIARIES

(₹ in Million)

Sr. No.		1	2	3
1.	Name of the Subsidiary Company	Sai Life Sciences Inc.	Sai Life Pharma Private Limited	Sai Life Sciences GmbH
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
3.	Date of Investment in Subsidiary	August 10, 2004	October 25, 2019	December 06, 2021
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiary	1 US\$ = ₹ 85.48 (BS) 1 US\$ = ₹ 84.56 (P&L)	N.A.	1 Euro = ₹ 92.09 (BS) 1 Euro = ₹ 90.79 (P&L)
5.	Share Capital	17.73	115.10	2.11
6.	Reserves & Surplus	612.67	(1.37)	(14.66)
7.	Total Assets	1,448.37	122.90	3.47
8.	Total Liabilities	1,448.37	122.90	3.47
9.	Investments	Nil	Nil	Nil
10.	Turnover	1,191.38	30.22	43.40
11.	Profit before Taxation	(42.91)	0.42	2.02
12.	Provision for Taxation	(7.15)	0.10	-
13.	Profit/Loss after Taxation	(35.76)	0.32	2.02
14.	Proposed Dividend	Nil	Nil	Nil
15.	% of Shareholding	100.00	100.00	100.00

Notes:

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

Part “B”: Associates & Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NIL

Name of Associates or Joint Ventures	Name 1
1. Latest audited Balance Sheet Date	-
2. Date on which the Associate or Joint Venture was associated or acquired	-
3. .Shares of Associate or Joint Ventures held by the company at the year end	-
Amount of Investment in Associates or Joint Venture	-
Extent of Holding (in percentage)	-
Description of how there is significant influence	-
Reason why the Joint Venture is not consolidated	-
Networth Attributable to shareholding as per latest audited Balance Sheet	-
Profit or (Loss) of the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations - Nil

2. Names of associates or joint ventures which have been liquidated or sold during the year - Nil

For and on behalf of

M/s Deloitte Haskins & Sells LLP

Chartered Accountants

Sathya P. Koushik

Partner

Membership No: 206920

For and on behalf of the Board

Sai Life Sciences Limited

K Ranga Raju

Chairman

DIN: 00043186

Sivaramakrishnan Chittor

Director & Chief Financial Officer

DIN: 01092158

Krishnam Raju

Managing Director

DIN: 00064614

Runa Karan

Company Secretary
& Compliance Officer

M.No. A13721

Annexure - 2

FORM 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 Companies Act, 2013 including certain arm's-length transactions under third proviso thereto.

- There are no contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 which are not at arm's-length basis.
- Contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 which are at arm's-length basis:

(₹ in millions)

Name(s) of the related party and nature of relationship	Nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Sai Life Sciences Inc, USA	Wholly-Owned Subsidiary Company	Consultancy charges	Ongoing	496.89	21/05/2024	Nil
Sai Life Sciences Inc, USA	Wholly-Owned Subsidiary Company	Investment	Ongoing	338.39	13/04/2022	Nil
Sai Life Sciences GmbH	Wholly-Owned Subsidiary Company	Investment and Consultancy charges	Ongoing	43.81	19/05/2023	Nil
Sai Life Pharma Private Limited	Wholly-Owned Subsidiary Company	Rent Expenses	Ongoing	1.42	10/06/2020 & 29/09/2020	Nil
Sai Life Pharma Private Limited	Wholly-Owned Subsidiary Company	FTE cross charge	Ongoing	28.78	21/05/2024	Nil
TPG Asia VII SF Pte Ltd.	Entity having significant influence on the Company	-	One time	-	25/03/2019	Nil
Clean Max Orion Power LLP	Entity in which company made an investment	Contribution of Capital	Ongoing	18.5	13/04/2022	Nil
Dr K Ranga Raju	Whole Time Director	Managerial Remuneration	Ongoing	29.12	21/05/2024	Nil
K Krishnam Raju	Managing Director	Managerial Remuneration	Ongoing	62.04	21/05/2024	Nil
Rajagopal S Tatta	Independent Director	Commission & Sitting fees and Reimbursement of expenses	Ongoing	6.46	13/04/2022	Nil
Ramesh Ganesh Iyer	Independent Director	Commission & Sitting fees	Ongoing	3.58	21/05/2024	Nil
Suchita Sharma	Independent Director	Commission & Sitting fees	Ongoing	3.37	10/06/2024	Nil

For and on behalf of the Board
Sai Life Sciences Limited

K. Ranga Raju
Chairman
DIN: 00043186

Krishnam Raju
Managing Director
DIN: 00064614

Annexure - 3

Report on Corporate Social Responsibility (CSR) as per sub-section (3) of section 134 of the Act Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 (For FY 2024-25)

1. A brief outline of the Company's CSR Policy:

The Objective of Sai's CSR Policy is:

- To enable a comprehensive and systematic framework for the CSR activities which Sai is currently engaged with at different locations
- Demonstrate commitment to the common community through responsible business practices and good governance
- Actively support the state development agenda to ensure sustainable change and attain development of the nearby society
- Engender a sense of empathy and equity among employees of Sai to motivate them to give back to the society

2. The Composition of the CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year- May 21, 2024	Number of Meetings of CSR Committee attended during the year
1.	Rajagopal S Tatta (Cessation w.e.f. 25-03-2025)	Chairman - Independent Director	1	1
2.	K. Krishnam Raju	Member - Executive Director	1	1
3.	Manjusha Ambadas Joshi (Resigned w.e.f. 06.06.2024)	Member - Independent Director	1	1
4.	Puneet Bhatia (Resigned w.e.f. 07.06.2024)	Member - Investor Director	1	0
5.	Suchita Sharma (Appointed w.e.f. 11.06.2024)	Chairman - Independent Director	1	NA
6.	Ramesh Ganesh Iyer (Appointed w.e.f. 11.06.2024)	Member - Independent Director	1	NA
7.	Mitesh Daga (Resigned w.e.f. 10.03.2025)	Member - Investor Director	1	NA
8.	Dinesh V Patel (Appointed w.e.f. 24.03.2025)	Member - Independent Director	1	NA

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

<https://www.sailife.com/compliance/>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable - as the Company does not have an average CSR obligation of ₹100 Million or more in the three immediately preceding financial years.

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2023-24	NIL	NIL
2	2022-23	NIL	NIL
3	2021-22	NIL	NIL

6. Average net profit of the company for last three financial years:

2021-22	2022-23	2023-24
16,42,06,000	34,40,59,000	1,30,42,70,000
Average- ₹60,41,78,333		

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ **1,20,83,567**
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **Nil**
 (c) Amount required to be set-off for the financial year, if any: **Nil**
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **1,20,83,567**

8. a) CSR amount spent or unspent for the financial year:

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

b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Nil												

c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Ch Venkatalaxmi	ii (i) Promoting education	Yes	Telangana	Sangareddy	36,000	Yes	N.A	N.A
2	JLIB Program at 20 School	ii (i) Promoting education	No	Telangana	Hyderabad	21,27,267	No	Janyaa Foundation	CSR00003041
3	M. Anitha Kumari	ii (i) Promoting education	Yes	Telangana	Hyderabad	48,000	Yes	NA	NA
4	Career Development Program	ii (i) Promoting education	Yes	Telangana	Hyderabad	14,61,204	No	NIIT Foundation	CSR00001037
5	Cultural Program At Venugopal Swamy Temple	v (i) Promoting art, cultural heritage	Yes	Telangana	Hyderabad	4,00,000	No	Parampara Foundation	CSR00000654
6	Funds towards repainting of a high school	ii (i) Promoting education	No	Karnataka	Bidar	30,000	Yes	NA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
7	Psychiatry at your Doorstep program	i (iv) promoting health care including preventive health care	Yes	Telangana	Hyderabad	12,10,000	No	Roshini Trust	CSR00000664
8	Support for Zilla Parishad schools with inadequate teaching staff, by funding salaries for additional teachers, aka, Vidya Volunteers	ii (i) Promoting education	Yes	Telangana	Kolthur	52,600	Yes	NA	NA
9	Support for Zilla Parishad schools	ii (i) Promoting education	Yes	Telangana	Medchal	63,785	Yes	N.A.	N.A.
10	Restoration of Stepwell at Venugopala Swamy Temple	(v): Preservation of National Heritage, Art and Culture	Yes	Telangana	Hyderabad	40,50,150	No	Society For Advancement of Human Endeavor	CSR00003786
11	Construction of Compound wall at Govt Degree College, Sangareddy	ii (i) Promoting education	Yes	Telangana	Sangareddy	5,00,000	Yes	NA	NA
12	Skill Development Training for Rural areas	ii (i) Promoting education	Yes	Telangana	Hyderabad	12,06,874	No	Udyogwardhini Shikshan Sanstha	CSR00006418
13	Children Welfare	i (iv) promoting health care including preventive health care	Yes	Telangana	Telangana	5,00,000	No	Divya Deepa Charitable Trust	CSR00010683
14	Bringing libraries' and reading program conducted at Govt Schools	ii (i) Promoting education	Yes	Telangana	Telangana	2,00,000	No	Ansh Foundation	CSR00003041
15	Leap For Word	ii (i) Promoting Education	Yes	Telangana	Hyderabad	1,97,687	No	Leap for Word	CSR00003041
	Total					1,20,83,567			

- d) Amount spent in Administrative Overheads: ₹ Nil
- e) Amount spent on Impact Assessment, if applicable: ₹ Nil
- f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 1,20,83,567

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

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,20,83,567
(ii)	Total amount spent for the financial year	1,20,83,567
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	-

(h) Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)*	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2023-24	Nil	NA	NA	NA	NA	NA
2.	2022-23	Nil	NA	NA	NA	NA	NA
3.	2021-22	Nil	NA	NA	NA	NA	NA
	Total		NA				

* Disclosure with regard to CSR unspent amount is being provided in the respective FY's Board's report as per CSR compliance.

(i) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
---- Not Applicable ----								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- Date of creation or acquisition of the capital asset(s): None
- Amount of CSR spent for creation or acquisition of capital asset: ₹ Nil
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable

For and on behalf of the Board of
Sai Life Sciences Limited

Suchita Sharma
Chairman of CSR Committee
DIN: 10656028

Krishnam Raju
Managing Director
DIN: 00064614

Annexure – 4A

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2025

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

To The Members,

SAI LIFE SCIENCES LIMITED,

Plot No. Ds-7, IKP Knowledge Park,
Turkapally Shameerpet Mandal, Medchal,
Hyderabad, Telangana - 500078

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SAI LIFE SCIENCES LIMITED bearing CIN: U24110TG1999PLC030970 (hereinafter called “the Company”) for the year ended March 31, 2025.

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 my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, 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, 2025 according to the provisions of

I. The Companies Act, 2013 (the Act’) and the rules made thereunder to the extent

However, we have noted the following delays in filing:

- **MSME Form-1:** Delay in filing the half-yearly return with the registrar regarding outstanding payments to Micro or Small Enterprises for the half-year ended September 30, 2024.
- **PAS-3:** Delay in filing the Return of Allotment related to the Initial Public Offering (IPO) made by the Company.
- **AOC-4 (XBRL):** Delay in filing the Financial Statements for the financial year 2023-24.

II. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

III. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct

Investment and Overseas Direct Investment and External Commercial Borrowings.

The Company got listed its Equity Shares on both the Stock Exchange on December 18, 2024, and thus, the reporting period is relating to compliance with the SEBI Regulations is from December 18, 2024 to March 31, 2025.

- I. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
 - i. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
 - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

During the Quarter Ended December 31, 2024:

- Failure to disclose complete details of demat accounts, specifically the demat account with DPID – IN302902 & CL ID – 48664876
- Failure to obtain pre-clearance for a trade involving the purchase of more than 1,000 equity shares of the Company on December 19, 2024
- Violation of the Code with a contra trade in the Company’s securities between December 19, 2024 and December 27, 2024, in contravention of the restrictions
- Failure to disclose details of securities traded exceeding ₹ 1 million in value during the calendar quarter (September – December 2024)
- The company could not implement SDD (Structured Digital Database) prior to its listing, which resulted in delay in intimation to the Stock Exchange relating to certain sale transactions under the PIT Regulation

During the Quarter Ended March 31, 2025:

- Execution of Contra Trade in violation of the Code.

The Company has recovered the profits made from the mentioned contra trade and credited it to the Investor Protection and Education Fund (IPEF)

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

- v. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- vi. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable to the Company during the period under review)
- vii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with the client;
- viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable to the Company during the period under review.
- ix. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; - Not applicable to the Company during the period under review.
- x. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for:
 - We are given to understand that since the company's shares have been listed on the exchanges only on December 18, 2024 the company was not required to hold the meeting of Stakeholders Relationship committee.
 - The Company has also carried out the evaluation of its Board including the evaluation of Independent Directors after the closure of the financial year.
 - The Company published quarterly financial results and other statutory notices in two newspapers as mandate; However, in the regional language edition, the content was published in English instead of the regional language.

The Company is engaged in the business of contract research and manufacturing services of drugs. Accordingly, some of the following applicable Industry Specific Acts are covered under the purview of our audit, in consultation with the Management and on the basis of the Guidance Note issued by the ICSI. Based on our verification and also reliance on the Compliance Certificate, we are of the view that the company has generally complied with the following Industry Specific Laws in line with amendments from time to time:

- Drugs and Cosmetics Act, 1940 read with the Drugs and Cosmetics Rules, 1945
- Petroleum Act, 1934
- Inflammable Substances Act, 1952
- Explosives Act, 1884 read with Explosives Rules, 1983

- Water (Prevention and Control of Pollution) Act, 1974
- Air (Prevention and Control of Pollution) Act, 1981
- Indian Boilers Act, 1923

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

- a) The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India. We observed that while the minutes of committee meetings were not circulated, they were confirmed and noted in the subsequent Board meeting.
- b). Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - The Company got listed on both the stock Exchange on December 18, 2024, and thus, the reporting period relating to compliance with the SEBI Regulations is from December 18, 2024 to March 31, 2025.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines and standards etc., mentioned above.

We further report, that the compliance by the company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit, since the same have been subject to review by Statutory Financial Auditor and other designated professionals. We have not verified the correctness and authenticity of the Books of Accounts and also compliance with the accounting standards, hence we would not be able to express our opinion on the same.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Women Director and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review has been carried out in compliance with the provisions of the Act.

The following changes in the Key Managerial Personnel during the year under review:

- (i) Ms. Runa Karan, Company Secretary of the Company appointed as Compliance officer w.e.f. July 10, 2024, as per the requirement of Reg 6 of SEBI (LODR) Regulation 2015,

The following changes have occurred in the composition of the Directors:

Date of Event	Name of Directors and KMPs	Details
21-05-2024	Mr Ramesh Ganesh Iyer (DIN: 00220759)	Appointed as an additional Director, in the category of Independent Director
06-06-2024	Ms Manjusha Ambadas Joshi (DIN: 08616508)	Resigned from position of Independent Director
06-06-2024	Mr Raju Penmasta (DIN: 00897301)	Resigned from position of Director
07-06-2024	Mr Puneet Bhatia (DIN: 00143973)	Resigned from the position of Investor Director
10-06-2024	Ms Suchita Sharma (DIN: 10656028)	Appointed as an additional director in the category of Independent Director
11-06-2024	Ms Suchita Sharma (DIN: 10656028)	Regularized as an Independent director of the Company
14-06-2024	Mr Ramesh Ganesh Iyer (DIN: 00220759)	Regularized as Independent Director of the Company
10-07-2024	Ms Runa Karan	Appointed as Compliance officer of the Company
10-03-2025	Mr Mitesh Daga (DIN: 08189217)	Resigned as Investor Director
24-03-2025	Dr Dinesh V Patel (DIN: 11010657)	Appointed as Additional Director in the category of Independent Director
25-03-2025	Mr Rajagopal Sriram Tatta (DIN: 00988348)	Cessation from the position of Independent Director upon completion of second and final term of appointment

Adequate notice to the extent possible (since all the meetings held during the financial year were convened at shorter notice) was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent before time (since all the meetings held during the financial year were convened at shorter notice). 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.

All decisions at the Board meetings were carried out unanimously and there were no dissenting views by the members.

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

We further report that during the audit period, the Company has the following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines and standards:

- The Company reclassified its Optionally Convertible Preference Shares (OCPS) into Compulsorily Convertible Preference Shares (CCPS) with the approval of the members in the EGM held on July 04, 2024. Later these shares were converted into equity shares to meet the mandatory requirements for the IPO.
- During the period under review, the Company has made an Initial Public Offer of Equity Shares 5,54,21,123 of face value of ₹1 each for cash at price of ₹549 per Equity Share (including a premium of ₹ 548 per Equity Share) aggregating to ₹ 30,426.20 million of which-
 - Fresh Issue- 1,73,04,189 Equity Shares of face value of ₹1 each aggregating to ₹9,500.00 million.
 - Offer for Sale- 3,81,16,934 Equity Shares of face value of ₹1 each aggregating to ₹20,926.20 million.

- During the course of our audit Equity Shares, under the different ESOP Schemes, have been allotted to the following persons on different dates after obtaining the necessary statutory and regulatory approvals.

Date of Allotment	No. of Equity shares issued @ value per share (In ₹)
ALLOTMENT BEFORE LISTING BEFORE SUB DIVISION IN THE FACE VALUE	
21-05-2024	Conversion of ESOPs 20,000@ ₹ 1,273 each 16,500@ ₹ 284 each
04-06-2024	Conversion of ESOPs 27,500@ ₹ 1,273 each 15,000@ ₹ 284 each
ALLOTMENT BEFORE LISTING AFTER SUB DIVISION IN THE FACE VALUE	
04-07-2024	Preferential issue 5,00,000@ ₹ 190 each Conversion of OCPS and CCPS to Equity 60,00,000@ ₹ 1 each
05-09-2024	Conversion of ESOPs 50,000 @ ₹ 12 each 15,000 @ ₹ 188.9 each
05-11-2024	Conversion of ESOPs 1,00,000 @ ₹ 28.4 each 25,000 @ ₹ 127.3 each 12,000 @ ₹ 188.9 each Conversion of CCPS to Equity 48,00,000 @ ₹ 1 each
07-11-2024	Conversion of ESOPs 1,00,000 @ ₹ 127.3 each 13,000 @ ₹ 188.9 each
12-11-2024	Conversion of ESOPs 40,000 @ ₹ 188.9 each
17-11-2024	Conversion of ESOPs 2,35,000 @ ₹ 28.4 each 1,50,000 @ ₹ 127.3 each 30,000 @ ₹ 188.9 each

Date of Allotment	No. of Equity shares issued @ value per share (In ₹)
20-11-2024	Conversion of ESOPs 7,75,000 @ ₹ 28.4 each 3,60,000 @ ₹ 127.3 each 60,000 @ ₹ 188.9 each

ALLOTMENT AFTER LISTING UNDER CONVERSION OF ESOPs

13-02-2025	79,860 @ ₹ 8.3 each
10-03-2025	30,000 @ ₹ 188.9 each
20-03-2025	3,00,000 @ ₹ 127.3 each 3,000 @ ₹ 188.9 each
24-03-2025	7,000 @ ₹ 23.3 each 5,000 @ ₹ 188.9 each

- The Company adopted a new set of Articles of Association as per SEBI (LODR) Regulations with the approval of members in their meeting held on July 04, 2024.
- The company subdivided the face value of its equity shares from ₹ 10 to ₹ 1 each, with the approval of members at the Extraordinary General Meeting held on June 11, 2024.
- The Authorized Share Capital of the Company increased from ₹ 21,40,00,000 to ₹ 25,00,00,000 with the approval of members on June 11, 2024.
- The Company has made modifications to its existing Employee Stock Option Plans (ESOPs), specifically the ESOP 2008 and Management ESOP 2018, to ensure alignment with the provisions of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations. The modifications were approved by the members

of the Company at the Extraordinary General Meeting (EGM) held on 4th July 2024.

Further, these modified ESOP schemes have been extended to cover eligible employees not only within the Company but also in the Holding Company(ies) and Subsidiary Companies, whether located in India or abroad.

- The Company has filed adjudication application with the Registrar of Companies, Telangana in relation to delay in filing of forms as mentioned below, which were subsequently filed in the month of July 2024.
 - MGT 14 relating to the EGM held on January 15, 2001 for issue of 2,07,900 Equity Shares of ₹10/- each on Preferential basis.
 - MGT 14 relating to the EGM held on September 04, 2001 for issue of 28,900 Equity Shares of ₹10/- each on Preferential basis.
 - MGT 14 relating to the meeting of members held on November 16, 2019 convened by Hon'ble NCLT, Hyderabad Bench for approving the Scheme of Arrangement between the Company and Sai Syn Quest Private Limited.

For DSMR & Associates

Company Secretaries

Date: July 11, 2025

Place: Hyderabad

D S M Ram

C. P. No. 4239

Proprietor

UDIN: A014939G000723328

Peer Review Certificate No. 1252/2021

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,
SAI LIFE SCIENCES LIMITED,
Plot No. Ds-7, IKP Knowledge Park,
Turkapally Shameerpet Mandal, Medchal,
Hyderabad, Telangana- 500078
Our report of even date is to be read along with this letter:

Management's responsibility:

- Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

Auditor's Responsibility:

- I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for my opinion.
- Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

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

Disclaimer:

- 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and compliance with the applicable accounting standards since the same has been subject to review by the Statutory Auditors.

For DSMR & Associates

Company Secretaries

Date: July 11, 2025

Place: Hyderabad

D S M Ram

C. P. No. 4239

Proprietor

UDIN: A014939G000723328

Peer Review Certificate No. 1252/2021

Annexure - 4B

Annual Secretarial Compliance Report

of
SAI LIFE SCIENCES LIMITED

for the year ended March 31, 2025

We, DSMR & Associates, Secretarial Auditor have examined:

- (a) All the documents and records made available to us and explanation provided by **SAI LIFE SCIENCES LIMITED**
- (b) The filings/ submissions made by the listed entity to the Stock Exchanges,
- (c) Website of the listed entity,
- (d) Any other document/filing, as may be relevant, which has been relied upon to make this Report.

For the financial year ended March 31, 2025 in respect of compliance with the provisions of :

- (a) The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the regulations, circulars, guidelines issued thereunder; and
- (b) The Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the SEBI;

Since the shares of the Company were listed on December 18, 2024, this report covers the period from December 18, 2024 to March 31, 2025.

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (LODR) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

During the period of our Audit, the Company has not done any buy back of its securities. Hence, the reporting of compliance under these regulations does not arise.

- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

During the period of audit, the Company has not issued any non-convertible Securities. Hence, the reporting of Compliance under these regulations does not arise.

- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

The Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (detail mentioned in the table given below).

- (h) Other regulations as applicable and circulars/guidelines issued thereunder and based on the above examination, I/We hereby report that, during the Review Period:

And circulars/ guidelines issued thereunder;

And based on the above examination, I/We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below-

Sr. No.	Compliance Requirement	Regulations /Circular No.	Deviation	Action taken by	Type of action	Details of Violation	Fine Amount	Observations/ Remarks of the PCS	Management Response	Remarks
1.	Code of Conduct	SEBI (PIT) Regulations, Circulars thereunder	*Failure to Disclose the trading & obtaining Preclearance. * Executed Contra Trade * Delay in submission of few sale transaction under Reg 6 & 7	Internal Disciplinary Action	Listed Entity	During the Quarter Ended December 31, 2024: <ul style="list-style-type: none"> Failure to disclose complete details of demat accounts, specifically the demat account with DPID – IN302902 & CL ID – 48664876 Failure to obtain pre-clearance for a trade involving the purchase of more than 1,000 equity shares of the Company on December 19, 2024 Violation of the Code with a contra trade in the Company's securities between December 19, 2024 and December 27, 2024, in contravention of the restrictions Failure to disclose details of securities traded exceeding ₹ 1 million in value during the calendar quarter (September – December 2024) The company could not implemented SDD (Structured Digital Database) prior to its listing, which resulted in delay in intimation to the Stock Exchange relating to certain sale transactions under the PIT Regulation During Quarter Ended March 31, 2025 Execution of Contra Trade in violation of the Code 	NA	<ul style="list-style-type: none"> Profits from contra trade credited to the IPEF. Appropriate disclosures subsequently made. SDD system implemented from December 27, 2024 	Corrective actions taken and system compliance now established.	Nil
2.	Publication of Notices & Results in Newspapers	Regulation 47(4) of SEBI (LODR) Regulations, 2015 and relevant circulars	-	-	-	-	NA	We observed that the Company published quarterly financial results and other statutory notices in two newspapers as mandated; however, in the regional language edition, the content was published in English instead of the regional language.	Going forward, the company will ensure all publications in the regional edition are in the appropriate regional language .	Nil

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr.	Observations/ Remarks Of the Practicing Company Secretary (in the previous reports) (PCS)	Observations made in the secretarial compliance report for the year ended 31.03.2024	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
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NOT APPLICABLE- This is the first reporting period post listing of the Company's shares.

I hereby report that, during the review period, the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes, the company is in compliance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) to the extent possible.	The Company is largely in compliance with applicable Secretarial Standards (SS) issued by ICSI. However, it was observed that the minutes of committee meetings were not circulated separately but were confirmed and noted in the subsequent Board meeting. It is further noted that as the Company's shares were listed only on December 18, 2024, it was not mandated to hold meetings of the Stakeholders Relationship Committee and the Risk Management Committee during FY 2024-25.
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI 	Yes, the Company has adopted all the applicable policies with the approval of the Board of Directors of the Company and it is in conformity with SEBI Regulations and have been reviewed and updated.	NA
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website 	The Company has maintained proper records under the provisions of the above and Circulars/Guidelines issued, thereunder, so far as it appears from my examination of those records.	NA
4.	Disqualification of Director(s): None of the director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Based on the declarations received from the Directors, none of the Directors are disqualified under section 164 of the Companies Act 2013.	NA

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
5.	Details related to subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	During the audit period, the company has three subsidiaries, none are material subsidiaries.	NA
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per policy of preservation of documents and archival policy prescribed under SEBI LODR Regulations, 2015.	As per the verification of the records, we state that the Company is preserving and maintaining records as per the policy.	NA
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, independent directors and the committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	The Company has carried out the evaluation of its Board including the evaluation of Independent Directors after the closure of the financial year.
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of audit committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the audit committee.	The listed entity has obtained the prior approval of the Audit Committee for all the related party transactions.	NA
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	The company is providing required disclosure under Regulation 30 along with Schedule III of SEBI (LODR) Regulation 2015 within the prescribed time limit.	NA
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Company has a Structured Digital Database (SDD) in place that comply all the condition mentioned under this regulation and Company has submitted timely reports on this. However, this system has been implemented effective from December 27, 2024, following the listing of the Company's shares. Further during the Quarter ended December 31, 2024: <ul style="list-style-type: none"> Failure to disclose complete details of demat accounts, specifically the demat account with DPID – IN302902 & CL ID – 48664876 Failure to obtain pre-clearance for a trade involving the purchase of more than 1,000 equity shares of the Company on December 19, 2024 Violation of the Code with a contra trade in the Company's securities between December 19, 2024 and December 27, 2024, in contravention of the restrictions 	NA

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
		<ul style="list-style-type: none"> Failure to disclose details of securities traded exceeding ₹ 1 million in value during the calendar quarter (September – December 2024). The company could not implemented SDD (Structured Digital Database) prior to its listing, which resulted in delay in intimation to the Stock Exchange relating to certain sale transactions under the PIT Regulation. During Quarter Ended March 31, 2025: Execution of Contra Trade in violation of the Code. 	
11.	Actions taken by SEBI or Stock Exchange(s), if any:	No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	As reported by the Management of the Company, there were no action taken against the listed entity/ its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder.
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	Not Applicable	During the period of our Audit there has been no instance of Resignation of the Statutory Auditor. We further note that the Statutory Auditors of the Company are peer-reviewed as per the guidelines issued by the Institute of Chartered Accountants of India (ICAI).
13.	Additional Non-compliances, if any: No additional non-compliances observed for any SEBI regulation/circular/guidance note etc. except as reported above.		During our Audit Period no non-compliance observed for any SEBI regulation/circular/guidance note etc.

Assumptions & limitation of scope and review:

- Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
- Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
- This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For DSMR & Associates
Company Secretaries

Date: May 26, 2025
Place: Hyderabad

D S M Ram
C. P. No. 4239
Proprietor
UDIN: A014939G000425723
Peer Review Certificate No. 1252/2021 dated 15th May, 2021

Annexure - 5

Particulars of employees pursuant to Section 134 (3) (q) and Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2025.

Sl. No.	Requirements of Rule 5 (1)	Details
1.	Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2024-25.	Dr K Ranga Raju 36.45 Mr K. Krishnam Raju 107.14
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary and Manager, if any, in the financial year 2024-25	DIRECTORS Dr K Ranga Raju 10.83% Mr K. Krishnam Raju 63.02% COMPANY SECRETARY Runa Karan 10.00% CFO Sivaramakrishnan Chittor 8.00%
3.	The percentage increase in the median remuneration of employees in the financial year 2024-25	10.02%
4.	The number of permanent employees on the rolls of the Company as on March 31, 2025	3,401
5.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentage increase in salaries of employees other than the managerial personnel in the last financial year is 9.12%. At senior leadership, variable pay forms a significant part of the compensation. The increase in remuneration of the Managing Director is due to increase in variable pay which is linked with the Net Profit of the Company
6.	Affirmation that the remuneration is as per the Remuneration Policy of the Company	Remuneration paid during the year ended March 31, 2025 is as per the remuneration policy of the Company.

The statement containing particulars of the top ten employees in terms of remuneration drawn along with their names and other details as required under section 197[12] of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 is open for inspection at the Registered Office of the Company during business hours on working days of the Company up to the date of the forthcoming Annual General Meeting. Any shareholder interested in obtaining a copy of the same may write an email at investors@sailife.com

For and on behalf of the Board of

Sai Life Sciences Limited

K. Ranga Raju

Chairman
DIN: 00043186

Krishnam Raju

Managing Director
DIN: 00064614

Annexure - 6

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. Conservation of Energy

(i) the steps taken or impact on conservation of energy	The Company continued periodic audit of all the installations internally to find new opportunities for conservation of energy. During the year, activities done towards conservation of energy include (i) Condensate recovery through flash vessel (ii) Connecting steam traps to condensate tank (iii) Other activities such as replacement of belts and old motors of IE1/IE2 with energy-efficient IE3 motors
(ii) the steps taken by the company for utilizing alternate sources of energy.	We are utilizing renewable energy as an alternative power source, with 54% of the total power consumption across all sites coming from renewable energy. The manufacturing facility at Bidar (Unit IV) has achieved 96% renewable energy utilization during FY 2024-25
(iii) the capital investment on energy conservation equipment	Not applicable

FORM-A

Form for disclosure of particulars with respect to conservation of energy:

A. Power and Fuel Consumption:

S. no.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
1	Electricity		
	a) Purchased		
	Units (kWh)	4,89,07,786	4,46,84,513
	Total amount (₹)	37,70,65,169	36,66,89,259
	Rate per unit (₹)	7.71	8.21
	(b) Own generation		
	Through diesel generator		
	Units (No's)	7,14,336	6,80,057
	Units per Ltr. of oil	3.04	3.29
	Cost/Unit (₹)	36.43	33.90
2	Coal		
	Quantity (tons)	6,374	6,722
	Total Cost (₹)	6,42,06,406	6,51,40,678
	Average rate per ton (₹)	10,074	9,691
3	Furnace Oil		
	Quantity – KL	223	232
	Total cost (₹)	1,16,07,638	1,12,37,032
	Average rate per KL(₹)	52,037	48,452

B. Consumption per Unit of Production

Products Electricity (Units) Coal Others (Specify)	Since the company manufactures different types of active pharmaceutical ingredients and intermediates, R&D Services and Custom Synthesis, it is not practicable to give consumption per unit of production
---	--

FORM-B

Form of disclosure of particulars with respect to Technology Absorption.

Technology Absorption, Adaptation and Innovation

The Company is engaged in providing CRDMO services to its innovator clients, therefore there is no technology acquired or imported from such customers. In view of the above, the following disclosures as prescribed under Rule 8 of The Companies (Accounts) Rules, 2014 are not applicable:

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development

FORM-C

Foreign Exchange Earnings and Outgo	(Amount ₹ in million)
Foreign Exchange Earnings	
Export of goods and services	15,868.39
Foreign Exchange Outgo	
CIF Value of Imports	2,193.74
Foreign Travel and others	1,662.04

For and on behalf of the Board of
Sai Life Sciences Limited

K. Ranga Raju

Chairman
DIN: 00043186

Krishnam Raju

Managing Director
DIN: 00064614

Corporate Governance Report

To comply with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the report containing details of Corporate Governance of Sai Life Sciences Limited ('the Company'/'SAILIFE') is as follows:

1. Company's Philosophy on Code of Governance:

Your company believes in providing highest transparency and ethical value in Corporate Governance. Your company also believes in taking into confidence all the stakeholders viz., Shareholders, Employees, Creditors, Customers etc. Your company is committed to taking the torch of Corporate Governance forward, so that every stakeholder of the company synergizes their efforts in their growth along with the growth of their company. The Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act, 2013 read with the Rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws.

2. Board of Directors:

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

As on March 31, 2025, the Board comprised 2 (Two) Executive Directors, 3 (Three) Non-executive Independent Directors including 1 (One) Woman Director, which is compliant with the requirements of the Companies Act, 2013 ("the Act") and SEBI Listing Regulations, and is also in line with the best practices of corporate governance.

a. Composition of Board of Directors as at March 31, 2025 is given below:

Category of Directors	Designation	Name of the Directors	Inter-se Relationship between Directors
Promoter	Chairman and Whole-time Director	Dr Ranga Raju Kanumuri	Father of Mr Krishnamraju Kanumuri
	Managing Director & CEO	Mr Krishnamraju Kanumuri	Son of Dr Ranga Raju Kanumuri
Non-Promoter	Non-Executive- Independent Director	Ms Suchita Sharma	Not related to any of the Directors
		Mr Ramesh Ganesh Iyer	
		Dr Dinesh V Patel	

Number of Board Meetings held during the year ended March 31, 2025

The Board of Directors met 15 (Fifteen) times during the Financial Year 2024-25. The dates on which the meetings were held during the year ended March 31, 2025 are as follows: May 21, 2024, June 10, 2024, June 11, 2024, July 04, 2024, July 10, 2024, July 29, 2024, September 05, 2024, November 12, 2024, November 25, 2024, November 26, 2024, December 05, 2024, December 13, 2024, February 6, 2025, March 10, 2025 and March 24, 2025.

Number of Board meetings the Directors were entitled to attend, attendance of each Director at the Board meetings and at the last Annual General Meeting ("AGM") and number of other Directorships and Chairmanships/Memberships of Committee of each Director for the year under review, is given below:

Name of Directors	Board Meetings during the year		Attendance at the last AGM	Membership(s) of other Board Committees		Directorships in other Companies		Shareholding in Sai Life
	Held	Attended		Chairman	Member	Board	Committee	
Executive Director (Chairman)								
Dr Ranga Raju Kanumuri (DIN: 00043186)	15	9	Yes	-	-	4	-	169,340
Executive Director (Managing Director)								
Mr Krishnamraju Kanumuri (DIN: 00064614)	15	15	Yes	-	4	2	NA	30,08,400
Non-Executive (Independent Director)								
Mr Ramesh Ganesh Iyer * (DIN: - 00220759)	15	13	No	4	3	6	8	Nil

Name of Directors	Board Meetings during the year		Attendance at the last AGM	Membership(s) of other Board Committees		Directorships in other Companies		Shareholding in Sai Life
	Held	Attended		Chairman	Member	Board	Committee	
Ms Suchita Sharma** (DIN: 10656028)	15	13	No	3	3	-	-	Nil
Dr Dinesh V Patel*** (DIN: 11010657)	15	NA	NA	-	4	1	-	3,92,160

* Appointed as an additional Director, in the category of Independent Director, w.e.f. May 21, 2024.

** Appointed as an additional Director, in the category of Independent Director, w.e.f. June 10, 2024

*** Appointed as an additional Director, in the category of Independent Director, w.e.f. March 24, 2025.

Notes:

- For the purpose of reckoning Directorships in other Companies, all public limited companies, whether listed or not, have been included and all other Companies including private limited Companies, deemed public Companies, foreign Companies, and Companies under Section 8 of the Act, have been excluded.
- Membership(s) of other Board Committees include membership / chairpersonship of Audit Committee and Stakeholders' Relationship Committee of public limited Companies, whether listed or not.
- No Director of the Company holds any preference shares issued by the Company and the Company has not issued any convertible instruments.

b. Names of other listed entities where a Director of the Company is a Director and the category of Directorship as on March 31, 2025, is as under:

Sr. No.	Name of Directors	Name of other Listed Entity	Category of Directorship
1.	Dr Ranga Raju Kanumuri (DIN: 00043186)	None	NA
2.	Mr Krishnamraju Kanumuri (DIN: 00064614)	None	NA
3.	Mr Ramesh Ganesh Iyer (DIN: 00220759)	NOCIL LIMITED	Independent Director
4.	Ms Suchita Sharma (DIN: 10656028)	None	NA
5.	Dr Dinesh V Patel (DIN: 11010657)	None	NA

c. Independent Directors and Familiarization Programs

Independent Directors are Non-Executive Directors as defined in the Act and LODR Regulations. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as prescribed in the Act and LODR Regulations and that they are independent of the management. Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs and either completed the proficiency test or are exempted from undergoing such test.

The Company has issued formal letters of appointment to the Independent Directors and their appointments are in compliance with the provisions of the Act and LODR Regulations. The terms and conditions of appointment of Independent Directors including their role, responsibilities and duties are available on the website of the Company at <https://www.sailife.com/wp-content/uploads/2025/04/Terms-and-Conditions-for-appointment-of-Independent-Director.pdf>.

In compliance with the provisions of the Act and LODR Regulations, a separate meeting of the Independent Directors was held on December 05, 2024, without the presence of non-Independent Directors and members of the management to evaluate the performance of non-Independent Directors, the Chairperson of the Board and the Board as a whole, and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Company has adopted a framework, duly approved by the Board of Directors for Familiarization Programs for Independent Directors. The objective of the framework is to ensure that the Independent Directors have a reasonable insight into the business of the Company, enabling them to contribute more effectively in decision-making. The details of the familiarization programs conducted by the Company are available the website of the Company at [Microsoft Word - Familiarization Programmes for Ids](#).

d. Skills / Expertise / Competence Matrix

Following is the matrix of core skills / expertise / competence as recognized by the Board as required in the context of its businesses and sector(s) for it to function effectively and those actually available with the Board:

Skills / Expertise / Competencies	Dr Ranga Raju Kanumuri (DIN: 00043186)	Mr Krishnamraju Kanumuri (DIN: 00064614)	Mr Ramesh Ganesh Iyer (DIN: 00220759)	Ms Suchita Sharma (DIN: 10656028)	Dr Dinesh V Patel (DIN: 11010657)
Business and Strategic Leadership	√	√	-	-	-
Business Strategies and Mergers & Amalgamations	√	√	-	-	-
Information Technology	-	√	-	-	-
Global Business Exposure	√	√	-	-	-
Industry Expertise	√	√	-	-	√
Risk Management	-	-	√	√	-
Financial Expertise	-	-	-	√	-
Human Resource	-	-	√	√	-
Board Governance and Regulatory Compliance	-	√	√	√	√

3. COMMITTEES OF THE BOARD

The Committees of the Board have been constituted with specific terms of reference as prescribed in the Act, LODR Regulations and other applicable laws. The key proceedings of the meetings of the Committees are briefed to the Board by the respective chairpersons of the Committees, at the subsequent meeting of the Board. The minutes of the meetings of the Committees are also placed before the Board for noting.

The Board has constituted the following statutory Committees in accordance with the Act, LODR Regulations :

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

The Board has also constituted the following non-statutory Committee with specific purpose:

- ◆ IPO Committee

1. Audit Committee

Brief description of terms of reference

The terms of reference of the Audit Committee are in line with the provisions of the Act and LODR Regulations and inter-alia includes oversight of the Company's financial reporting process; examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; reviewing, with the management, the quarterly, half-yearly and annual financial statements and auditor's report thereon before submission to the Board for approval; approval or any subsequent modification of transactions of the Company with related parties; scrutiny of inter-corporate loans and investments; evaluation of internal financial controls and risk management systems; discussion with internal auditors of any significant findings and follow-up thereon; reviewing the functioning of the whistle blower mechanism; reviewing the utilization of loans and / or advances from/investment by the holding company in the subsidiary exceeding the prescribed thresholds etc.

The Committee mandatorily reviews information such as statement of related party transactions on a quarterly basis; internal audit reports and other matters as prescribed in the Act and SEBI (LODR) Regulations. The Committee reviews the tracker on compliance calendar of the terms of reference of the Committee periodically.

Composition and Attendance of members at the meetings of the Committee

As on March 31, 2025, the Committee comprised three members (all are Independent Directors), all of whom are financially literate and have experience in financial matters. The Chairperson of the Committee is an Independent Director. During the financial year under review, the Committee met Nine times on May 21, 2024, June 10, 2024, July 07, 2024, July 29, 2024, September 05, 2024, November 25, 2024, November 26, 2024, December 05, 2024 and February 06, 2025.

The members of the Committee as on March 31, 2025, and the attendance of the members at the meetings of the Committee held during the financial year under review is as under:

Name of Directors	Category	Meetings	
		Held*	attended
Rajagopal S Tata Ceased to be Director	Chairman	9	9
Mitesh Daga (Resigned w.e.f. 10-03-2025)	Member	9	9
Suchita Sharma Independent Director (w.e.f. 11-06-2024)	Chairman (w.e.f. 24-03-2025)	9	7
Ramesh Ganesh Iyer Independent Director (w.e.f. 11-06-2024)	Member	9	6
Dinesh V Patel Independent Director (Appointed w.e.f. 24-03-2025)	Member	9	NA

* Out of the total of 9 meetings held during the year, 7 meetings were held post the appointment of Suchita Sharma and Ramesh Ganesh Iyer as members of the Audit Committee and the attendance is for those 7 meetings only.

2. Nomination and Remuneration Committee

Brief description of terms of reference

The terms of reference of the Nomination and Remuneration Committee are in line with the provisions of the Act and SEBI (LODR) Regulations and inter-alia includes formulation of the criteria for determining qualifications, positive attributes and independence of a Director; evaluating the balance of skills, knowledge and experience on the Board; formulation of criteria for evaluation of performance of independent Directors and the Board; devising a policy on Board diversity; analyzing, monitoring and reviewing various human resource and compensation matters; reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws; performing such functions as are required to be performed by the Compensation Committee as per the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, etc. The Committee reviews the tracker on compliance calendar of the terms of reference of the Committee periodically.

Composition and Attendance of members at the meetings of the Committee

As on March 31, 2025, the Committee comprised three members (all are Independent Directors). The Chairperson of the Committee is an Independent Director. During the financial year under review, the Committee met Seven times on May 21, 2024, June 10, 2024, June 11, 2024, July 04, 2024, September 05, 2024, November 12, 2024 and March 24, 2025.

The members of the Committee as on March 31, 2025, and the attendance of the members at the meetings of the Committee held during the financial year under review is as under:

Name of Directors	Category	Meetings	
		Held	Attended
Rajagopal S Tata (Cessation w.e.f. 25-03-2025)	Chairman	7	7
Mitesh Daga (Resigned w.e.f. 10-03-2025)	Member	7	3
Suchita Sharma Appointed w.e.f. 11-06-2024	Chairman (w.e.f. 24-03-2025)	7	7
Ramesh Ganesh Iyer Appointed w.e.f. 11-06-2024	Member	7	6
Dinesh V Patel Appointed w.e.f. 24-03-2025	Member	7	NA

Performance Evaluation Framework

The evaluation framework for the Board of Directors has been designed in accordance with the requirements of the Act and LODR Regulations and in consonance with the guidance note on Board evaluation issued by SEBI. The framework has been approved by the Board based on the recommendation of the Nomination and Remuneration Committee. The objective of the framework is to ensure corporate governance standards are maintained; to facilitate the identification of areas of concern and the areas to be focused upon for enhancing the functioning of the Board; to create awareness about the role of the Directors of the Company individually, and collectively, as a Board; and to steer the Board in direction of achieving the Company's mission and vision.

The Nomination and Remuneration Committee is primarily responsible for framing the criteria of evaluation (including for evaluation of the Board, and the Independent Directors). Such criteria may vary for different categories of individuals / groups depending on the functions, responsibilities, competencies required etc. The evaluation criteria for the Board as a whole includes aspects such as the structure of the Board, management and functions of the Board etc. The evaluation criteria for the Committees of the Board includes aspects such as composition of the Committee, effectiveness of the Committee, contributions to decisions of the Board etc. The evaluation criteria for Directors and chairperson includes aspects such as fulfillment of functions, knowledge and competency, effectiveness of leadership and ability to steer meetings etc. The evaluation criteria for Independent Directors includes aspects such as participation at Board / Committee meetings, managing relationship, knowledge and skill, personal attributes, etc.

The Board carried out an annual evaluation of its own performance, Board's committees, and individual Directors pursuant to the provisions of the Act and LODR Regulations. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees, Chairperson of the Board, and individual Directors. The questionnaires were uploaded on the online tool for the Directors to carry out the evaluation for the financial year under review. The outcome of the evaluation process forms a part of the Report of the Board of Directors.

3. Corporate Social Responsibility Committee

Brief description of terms of reference

The terms of reference of the Corporate Social Responsibility (CSR) Committee are in line with the provisions of the Act and inter-alia includes formulation and recommendation of Corporate Social Responsibility Policy to the Board; recommendation of the amount of CSR expenditure to be incurred on the CSR activities; monitoring the CSR Policy including monitoring the progress of CSR projects or programs etc. The Committee reviews the tracker on compliance calendar of the terms of reference of the Committee periodically.

Composition and Attendance of members at the meetings of the Committee

As on March 31, 2025, the Committee comprised Four members (including three Independent Directors). The Chairperson of the Committee is an Independent Director. During the financial year under review, the Committee met once on May 21, 2024.

The members of the Committee as on March 31, 2025, and the attendance of the members at the meetings of the Committee held during the financial year under review is as under:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year- May 21, 2024	Number of Meetings of CSR Committee attended during the year
1.	Rajagopal S Tatta (Cessation w.e.f. 25-03-2025)	Chairman- Independent Director	1	1
2.	K. Krishnam Raju	Member- Executive Director	1	1
3.	Manjusha Ambadas Joshi (Resigned w.e.f. 06-06-2024)	Member- Independent Director	1	1
4.	Puneet Bhatia (Resigned w.e.f. 07-06-2024)	Member- Investor Director	1	0
5.	Suchita Sharma (Appointed w.e.f. 11-06-2024)	Chairman- Independent Director	1	NA
6.	Ramesh Ganesh Iyer (Appointed w.e.f. 11-06-2024)	Member- Independent Director	1	NA
7.	Mitesh Daga (Resigned w.e.f. 10-03-2025)	Member- Investor Director	1	NA
8.	Dinesh V Patel (Appointed w.e.f. 24-03-2025)	Member- Independent Director	1	NA

The Chairperson of the Corporate Social Responsibility Committee was not present at the last Annual General Meeting of the Company due to personal exigencies.

4. Risk Management Committee

Brief description of terms of reference

The terms of reference of the Risk Management Committee are in line with the provisions of the (CSR) Regulations and inter-alia includes formulation of a detailed Risk Management Policy including framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks or any other risk, measures for risk mitigation including systems and processes for internal control of identified risks, business continuity plan; monitoring and overseeing implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems etc.

Composition and Attendance of members at the meetings of the Committee

As on March 31, 2025, the Committee comprised three members (including one Independent Director). The Chairperson of the Committee is an Independent Director. During the financial year under review, no meeting was conducted as the company got listed on December 18, 2024.

Name of Members	Category
Ramesh Ganesh Iyer - Independent Director	Chairman
Kanumuri Krishnam Raju - Executive Director	Member
Sivaramakrishnan Chittor - Chief Finance Officer	Member

5. Stakeholders' Relationship Committee

Brief description of terms of reference

The terms of reference of the Stakeholders' Relationship Committee are in line with the provisions of the Act and SEBI (LODR) Regulations and inter-alia includes reviewing of measures taken for effective exercise of voting rights by shareholders; investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities; Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares; reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services etc.

Composition and Attendance of members at the meetings of the Committee

As on March 31, 2025, the Committee comprised three members (including two Independent Directors). The Chairperson of the Committee is an Independent Director. During the financial year under review, no meeting was conducted as the company got listed on December 18, 2024.

The members of the Committee as on March 31, 2025 is as under:

Name of Directors	Category
Ramesh Ganesh Iyer - Independent Director	Chairman
Krishnam Raju - Executive Director	Member
Suchita Sharma - Independent Director	Member

Compliance Officer and Shareholders' Complaints

Mrs Runa Karan, Company Secretary and Compliance Officer is the Compliance Officer for resolution of shareholders' complaints. The details of shareholders' complaints received during the financial year under review are as under:

Particulars	No. of shareholders' complaints pending at the beginning of the financial year	No. of shareholders' complaints received during the financial year under review	No. of shareholders' complaints disposed of during the financial year under review	No. of shareholders' complaints pending at the end of the financial year
No. of Complaints	Nil	12	11	1

1. IPO Committee

The IPO Committee was constituted by the Board for overseeing the initial public offering and to take all decisions in relation to the IPO (except as are required under applicable law to be taken only at a Board Meeting). The terms of reference of the IPO Committee inter-alia included deciding in consultation with the selling shareholders and merchant bankers to the IPO, the size, timing, pricing and all other terms and conditions of the IPO, including the number of equity shares to be offered pursuant to the IPO; finalizing and amending the terms of participation by the selling shareholders in the offer for sale; to determine and finalise the IPO opening and IPO closing dates (including IPO opening and closing dates for anchor investors), floor price/price band for the IPO, the IPO price for anchor investors, approve the basis for allocation/allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the prospectus, in consultation with the merchant bankers to the IPO etc.

The members of the Committee, and the attendance of the members at the meetings of the Committee held during the financial year under review is as under:

Name of Directors	Category	Meetings	
		Held	Attended
Ramesh Ganesh Iyer Independent Director (w.e.f. 11-06-2024)	Chairman	5	5
Krishnam Raju Kanumuri (w.e.f. 11-06-2024)	Member	5	5
Mitesh Daga Investor Director (Resigned w.e.f. 10-03-2025)	Member	5	5
Suchita Sharma Independent Director (w.e.f. 11-06-2024)	Member	5	5

4. REMUNERATION OF DIRECTORS

The Remuneration Policy has been approved by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee with the objective that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully; that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; that the remuneration of Directors, Key Managerial Personnel, and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; to determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer Companies, in the industry; to ensure there is a principle of proportionality while determining the remuneration; to retain, motivate and promote talent and to ensure long-term sustainability of talented managerial persons and create a competitive advantage.

The Nomination and Remuneration Committee recommends the remuneration / compensation / profit-linked commission etc. to be paid to the Directors, to the Board of Directors, for its approval. The Remuneration Policy is available on the website of the Company at [Nomination-and-Remuneration-Policy.pdf](#)

The details of remuneration of Directors for the financial year under review, are as under:

(in ₹)

Name of Director	Salary and Allowances	Share-based payment	Commission / Bonus / Performance-based incentive	Sitting Fees	Total
Executive Director (Chairman)					
Dr Ranga Raju Kanumuri (DIN: 00043186)	2,25,53,404		65,65,398		2,91,18,802
Executive Director (Managing Director)					
Mr Krishnamraju Kanumuri (DIN: 00064614)	4,13,33,330		2,07,00,000		6,20,33,330
Non-Executive (Independent Director)					
Mr Rajagopal S Tatta (DIN: 00988348) Resigned w.e.f. 25-03-2025			37,02,698	17,10,470	54,13,168

Name of Director	Salary and Allowances	Share-based payment	Commission / Bonus / Performance-based incentive	Sitting Fees	Total
Mr Mitesh Daga (DIN: 08189217) Resigned w.e.f. 10-03-2025	-	-	-	-	-
Mr Ramesh Ganesh Iyer (DIN: 00220759) Appointed w.e.f. 21-05-2024	-	-	30,19,231	17,90,000	48,09,231
Ms Suchita Sharma (DIN: 10656028) Appointed w.e.f. 10-06-2024	-	-	28,26,923	17,70,000	45,96,923
Dr Dinesh V Patel (DIN: 11010657) Appointed w.e.f. 24-03-2025	-	-	-	-	-
Ms Manjusha Ambadas Joshi (DIN: 08616508) Resigned w.e.f. 06-06-2024	-	-	1,97,802	38,200	2,36,002

During the financial year under review, no options were granted to the Directors under the Employee Stock Option Plan ESOP 2008 & MESOP 2018. The details of options previously granted to Directors, as on March 31, 2025, are as under:

Name of Director	Scheme	Options granted	Options vested and exercised	Options vested and not yet exercised	Total
Executive Director (Chairman)					
Dr Ranga Raju Kanumuri (DIN: 00043186)		Nil		NA	
Executive Director (Managing Director)					
Mr Krishnamraju Kanumuri (DIN: 00064614)		Nil		NA	
Non-Executive (Independent Director)					
Mr Ramesh Ganesh Iyer (DIN: 00220759) Appointed w.e.f. 21-05-2024	NA				
Ms Suchita Sharma (DIN: 10656028) Appointed w.e.f. 10-06-2024	NA				
Dr Dinesh V Patel (DIN: 11010657) Appointed w.e.f. 24-03-2025	NA				

5. GENERAL BODY MEETINGS

Annual General Meeting

Details of last three Annual General Meetings and the summary of special resolutions passed therein are as under:

Financial Year ended	Date and Time	Venue / Mode	Special Resolution(s) passed
March 31, 2024	June 14, 2024 10.30 am	Physical - # L4-01 & 02, SLN Terminus, Survey #133, Gachibowli Miyapur Road, Gachibowli, Hyderabad – 500032, Telangana, India	1. Increase in the Remuneration of Dr K Ranga Raju (DIN: 00043186), Chairman and Whole-Time Director of the Company. 2. Increase in the Remuneration of Mr K Krishnam Raju (DIN: 00064614), Managing Director and CEO of the Company.
March 31, 2023	September 07, 2023 10.30 am	Physical - # L4-01 & 02, SLN Terminus, Survey #133, Gachibowli Miyapur Road, Gachibowli, Hyderabad – 500032, Telangana, India	1. Re-appointment of Dr K Ranga Raju (DIN: 00043186) as Whole-time Director of the company.

Financial Year ended	Date and Time	Venue / Mode	Special Resolution(s) passed
March 31, 2022	September 19, 2022 10.30 am	Physical- Plot No. DS-7, IKP Knowledge Park, Turkapally (V), Shameerpet Mandal, Medchal- Malkajgiri (Dist), Hyderabad -500078, Telangana, India	<ol style="list-style-type: none"> 1. Re-Appointment of Mr K Krishnam Raju as Managing Director and CEO (DIN: 00064614) of the Company 2. Modification of terms of approval for Payment of commission of Mr Rajagopal Srirama Tatta, Independent Director (DIN: 00988348). 3. Maintenance of the Register of Members and Other Statutory Registers, Returns And Records at a Place other than Registered Office of the Company

EGM held in the FY 2024-25

During the year under review, 3 EGMs were held dated – June 11, 2024, July 04, 2024 and November 14, 2024.

Postal Ballot

During the financial year under review, no resolution was passed by the Company through postal ballot.

6. MEANS OF COMMUNICATION

The Company regularly utilizes various means of communication to keep its stakeholders informed about its financial results, announcements, updates etc.

Financial Results

The quarterly financial results are intimated to the stock exchanges, and also circulated to all the shareholders of the Company whose email addresses are registered with Company / Depositories. The results are also uploaded on the website of the Company at <https://www.sailife.com/disclosures-under-regulation-46/> and is published in leading newspapers such as Business Standard and Mana Telangana.

Investor Calendar and Presentation

The Company regularly conducts / participates in Investor Conferences, Analysts / Institutional Investors' Meet, Investor Roadshow to discuss its performance. The schedule of the same is intimated to the stock exchanges, and also available on the website of the Company at <https://www.sailife.com/disclosures-under-regulation-46/>.

The presentations made at such conferences, meets, roadshows, are submitted to the stock exchanges in advance and are available on the website of the Company.

Press Release

The Company issues press releases for dissemination of its financial performance, business development updates, product launch etc. The press releases are intimated to the stock exchanges in advance, and are also available on the website of the Company.

Website

The Company's website [Sai Life Sciences](https://www.sailife.com) provides detailed information regarding its business segments, products, and highlights its key numbers including scale and leadership, apart from the quarterly key performance indicators.

7. GENERAL SHAREHOLDER INFORMATION

26th Annual General Meeting

Day, Date and Time	Thursday, September 11, 2025 at 10.30 am IST
Venue / Mode	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") without the physical presence of the Members.
Book Closure Dates	NA

Financial Year

The Company follows the financial year as per the provisions of the Act i.e., a period of twelve months from April 01 to March 31.

Dividend Payment Date

The Board has not recommended any dividend for the financial year under review.

Listing on Stock Exchanges and Stock Code

The equity shares of the Company are listed on the following stock exchanges with effect from December 18, 2024:

Name of Stock Exchange	Address	Stock Code
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.	544306
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.	SAILIFE

The ISIN of the Equity Shares of the Company is INE570L01029. The Company has paid the annual listing fee for the financial year under review and the financial year 2025-26 to both the stock exchanges.

During the financial year under review, the equity shares of the Company have not been suspended from trading on any of the stock exchanges on which they are listed.

Market Price Data

Market price data for the period December 18, 2024 to March 31, 2025, is as under:

Months	BSE Limited		National Stock Exchange of India Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
DEC 2024	808.20	651.20	803.70	646.95
JAN 2025	803.40	647.95	751.25	803.70
FEB 2025	764.85	639.60	765.00	639.15
MARCH 2025	782.00	782.00	783.00	675.75

Registrar and Share Transfer Agents

Name	KFin Technologies Limited
Address	Selenium Building, Tower-B, Plot No.- 31 & 32, Financial District, Nanakaramguda, Serilingampally, Hyderabad, Telangana-500032, India.
Investor Grievance Email ID	einward.ris@kfintech.com
Website	KFin Technologies Limited KFinTech

Share Transfer System

In terms of the SEBI (LODR) Regulations, transfer of securities in physical form shall not be processed unless the securities are held in the dematerialized mode with a depository participant.

Distribution of Shareholding

Distribution of shareholding by size as on March 31, 2025, is as under:

Categories (Shares)	No. of shareholders	Percentage of total shareholders	No. of shares	Percentage of total shares
1-500	1,40,349	99.52	48,17,880	2.31
501 to 1,000	275	0.20	2,04,452	0.10
1,001 to 2,000	89	0.06	1,36,719	0.07
2,001 to 3,000	38	0.03	98,544	0.05
3,001 to 4,000	23	0.02	81,801	0.04
4,001 to 5,000	13	0.01	60,950	0.03
5,001 to 10,000	32	0.02	2,50,100	0.12
10,001 to 9,99,99,99,999	204	0.14	20,27,51,943	97.29
TOTAL	1,41,023	100	20,84,02,389	

Distribution of shareholding by category as on March 31, 2025, is as under:

Categories	No. of shareholders	No. of shares	Percentage of total shares
Promoter/Promoter Group	12	7,32,94,675	35.17
Mutual Funds	21	2,40,42,959	11.54
Banks, Insurance & Other DIs	10	35,90,595	1.72
Foreign Portfolio Investors	73	2,57,60,797	12.36
Others	1,40,561	8,17,25,363	39.31

Dematerialization of shares and liquidity

As on March 31, 2025, 100% equity shares of the Company are in dematerialized form. The equity shares of the Company are liquid and traded on BSE Limited and National Stock Exchange of India Limited.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. As the Company is not into trading any commodity, there is no commodity price risk and there's no hedging activities undertaken by the Company during financial year 2024-2025.

Address for Correspondence

Registered Office	Plot No. DS-7, IKP Knowledge Park, Turkapally (V) Shameerpet Mandal, Medchal-Malkajgiri Dist, Rangareddi, Hyderabad-500078, Telangana, India.
Corporate Office	# L4-01 & 02, SLN Terminus, Survey #133, Gachibowli Miyapur Road, Gachibowli, Hyderabad-500032, Telangana, India.
Email ID	runa.k@sailife.com
Website	www.sailife.com

Credit Ratings

Rating Agency	Instrument Type	Rating	Remarks
India Ratings and Research Pvt Ltd	Term Loan	IND A+/Stable	Upgraded from 'IND A'
	Fund-based working capital limits	IND A+/Stable/IND A1+	Upgraded from 'IND A'
	Non-fund-based working capital limits	IND A1+	Upgraded from 'IND A1'

8. OTHER DISCLOSURES

Related party transactions

The Company has entered into various Related Party Transactions during the financial year which were in the ordinary course of business and made on terms equivalent to those that prevail in arm's-length transactions. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Company has formulated a policy on dealing with Related Party Transactions. The same is available on the Company's website at [Policy-on-Related-Party-Transactions.pdf](#)

The details of all the transactions with Related Parties are disclosed in the Notes to the Annual Accounts.

Penalties / Strictures

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets.

Vigil Mechanism / Whistle Blower Policy

The Company has established a Whistle Blower (Vigil) Mechanism and formulated a Whistle Blower/ Vigil Mechanism Policy. The details of the Policy is explained in the Corporate Governance Report, which forms part of this Annual Report and also hosted on the website of the Company at [Whistle-Blower-Policy.pdf](#)

Details of utilization of funds raised through preferential allotment or qualified institutions placement

Funds raised through preferential allotment, approved by members in the EGM on June 11, 2024, were utilized for general business purposes.

Certificate from Company Secretary in Practice

Certificate from DSMR & Associates, Practicing Company Secretaries certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or MCA or such other statutory authority, is enclosed to this Report.

Recommendation by Committees

During the financial year under review, all recommendations made by the Committees of the Board as mandatorily required have been accepted by the Board.

Consolidated Fees to Auditors

Details of fees (including out-of-pocket expenses) paid to the Auditors for all the services availed by the Company and its subsidiaries are provided in the notes to accounts forming part of this Annual Report.

Prevention of Sexual Harassment

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at workplace which is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder ("POSH"). All employees (permanent, contractual, temporary and trainees) are covered under this Policy. The Company has constituted an Internal Committee for its Registered Office & Corporate Office under Section 4 of the captioned Act. There has received two complaints by these committees during the year under review. The complaint has been addressed by the Committee as per the procedure laid down by the POSH and the same have been attended and resolved. The Company has filed an Annual Report with the concerned Authority.

Loans and Advances

During the financial year under review, no loans or advances were made by the Company or its subsidiaries in the nature of loans to firms / Companies in which Directors are interested.

Material Subsidiaries

In accordance with the SEBI (LODR) Regulations, the Company has adopted the policy on material subsidiaries and the same is available on the website of the Company at [Determining-Material-Subsidiaries.pdf](#)

None of the subsidiaries of the Company is considered to be a material subsidiary in terms of the said policy and the SEBI (LODR) Regulations.

9. DISCRETIONARY REQUIREMENTS

The status of adoption of the discretionary requirements as specified in Part E of Schedule II to the SEBI (LODR) Regulations is as under:

The Board

The Non-Executive Chairperson of the Board does not maintain a chairperson's office at the Company's expense.

Shareholder Rights

The quarterly financial results are intimated to the stock exchanges, and also circulated to all the shareholders of the Company whose email addresses are registered with Company / Depositories. The results are also uploaded on the website of the Company at [Investors | Sai Life Sciences](#) and is published in leading newspapers such as Business Standard (English) and Mana Telangana (Telugu).

Modified opinion(s) in audit report

The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

Reporting of Internal Auditor

The Internal Auditor reports to the Audit Committee and presents quarterly updates on the audit along with a summary of audit observations, if any and follow-up actions thereon.

10. DECLARATION BY THE CHIEF EXECUTIVE OFFICER

A declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management and the Policy on Code of Conduct and Business Ethics, respectively, as on March 31, 2025, is enclosed to this Report.

11. CEO AND CFO CERTIFICATION

The Chief Executive Officer and Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) SEBI (LODR) Regulations pertaining to CEO & CFO certification for the year ended March 31, 2025. The Certificate forms part of this Report.

12. CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from DSMR & Associates, Practicing Company Secretaries certifying the compliance of conditions of Corporate Governance, is enclosed to this Report.

13. CORPORATE GOVERNANCE REQUIREMENTS

During the financial year under review, the Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR Regulations.

14. PRACTISING COMPANY SECRETARY'S CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

A certificate has been issued by M/s. DSMR & Associates, Company Secretaries in practice, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this Report.

15. DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

As on March 31, 2025, the Company does not have any share in the demat suspense account or unclaimed suspense account.

16. OUTSTANDING GDRS / ADRs / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs, ADRs / Warrants or any convertible instruments.

DECLARATION

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2025.

For and on behalf of the Board of
Sai Life Sciences Limited

K. Ranga Raju

Chairman
DIN: 00043186

Krishnam Raju

Managing Director
DIN: 00064614

Date : August 07, 2025
Place : Hyderabad

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

The Members of
SAI LIFE SCIENCES LIMITED

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's Website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect for the Financial Year ended March 31, 2025.

For SAI LIFE SCIENCES LIMITED

Date: August 07, 2025
Place: Hyderabad

Krishnam Raju
Managing Director
DIN: 00064614

CEO AND CFO CERTIFICATE

We hereby certify that:

1. We have reviewed the standalone and consolidated financial statements for the financial year ended March 31, 2025.
2. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
3. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
4. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 have taken or propose to take to rectify these deficiencies.
6. We shall disclose to the Auditors as well as the Audit Committee deficiencies in the design or operation of internal controls, if any, and what they have done or propose to do to rectify these deficiencies.
7. We have indicated to the Auditors, the Audit Committee whether or not there were significant changes in internal control over financial reporting during the financial year.
8. We have indicated to the Auditors, the Audit Committee whether or not there were significant changes in accounting policies during the financial year.
9. We also have disclosed to the Auditors as well as the Audit Committee, instances of significant fraud, if any, that involves management or employees having a significant role in the company's internal control systems over financial reporting.

For Sai Life Sciences Limited

Krishnam Raju

Managing Director & CEO
DIN: 00064614

Sivamakrishnan Chittoor

CFO

Date: August 07, 2025

Place: Hyderabad

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE ON CORPORATE GOVERNANCE

To
The Members,
Sai Life Sciences Limited

We have examined the compliance of the conditions of Corporate Governance by Sai Life Sciences Limited ('the Company') for the year ended on 31st March 2025, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

We note the following based on the information and explanations provided to us:

We are given to understand that since the company's shares have been listed on the exchanges only on 18th December, 2024 the company was not required to hold the meeting of Stakeholders Relationship committee.

The Company has also carried out the evaluation of its Board including the evaluation of Independent Directors after the closure of the financial year.

The Company published quarterly financial results and other statutory notices in two newspapers as mandate; However, in the regional language edition, the content was published in English instead of the regional language.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2025.

We further state that such compliance 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.

For DSMR & Associates

Company Secretaries

Date : July 11, 2025
Place : Hyderabad

D S M Ram
C. P. No. 4239
Proprietor
UDIN: A014939G000723317
Peer Review Certificate No. 1252/2021

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

To
The Members,
Sai Life Sciences Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sai Life Sciences Limited having CIN: U24110TG1999PLC030970 and having registered office at Plot No. Ds-7, IKP Knowledge Park, Turkapally (V) Shameerpet Mandal, Medchal-Malkajgiri District, Rangareddi, Hyderabad, Telangana, India, 500078 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ('DIN') status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name	DIN	Date of Appointment in Company
1.	KRISHNAMRAJU KANUMURI	00064614	01/10/2010
2.	RANGA RAJU KANUMURI	00043186	25/01/1999
3.	RAMESH GANESH IYER	00220759	21/05/2024
4.	SUCHITA SHARMA	10656028	10/06/2024
5.	DINESH V PATEL	11010657	24/03/2025

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DSMR & Associates

Company Secretaries

Date : July 11, 2025
Place : Hyderabad

D S M Ram

C. P. No. 4239

Proprietor

UDIN: A014939G000723339

Peer Review Certificate No. 1252/2021

Notice of 26th Annual General Meeting

Notice is hereby given that the 26th (Twenty-Sixth) Annual General Meeting of the Members of Sai Life Sciences Limited will be held on Thursday, the 11th day of September, 2025 at 10.30 AM IST (“Notice”) through Video conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) facility, to transact the following businesses:

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

ORDINARY BUSINESS

1. **To receive, consider and adopt:**
 - a. the Audited Standalone Financial Statements of the Company for the year ended 31 March 2025, together with the reports of the Board of Directors and the auditors thereon, and
 - b. the Audited Consolidated Financial Statements of the Company for the year ended 31 March 2025 together with the report of the auditors thereon.
2. To appoint a director in place of Dr. Ranga Raju Kanumuri (DIN: 00043186), who retires by rotation and being eligible, offers himself for re-appointment

SPECIAL BUSINESS

3. To appoint the Secretarial Auditors of the Company

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 204 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, pursuant to recommendation of the Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for appointment of M/s. P S Rao & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for a period of 5 (Five) consecutive financial years commencing from commencing from 1 April 2025 till 31 March 2030, at such remuneration as may be determined by the Board of Directors of the Company (including its Committee thereof) in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof if any) be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

4. RE-APPOINTMENT OF MR. KRISHNAM RAJU KANUMURI (DIN: 00064614) AS MANAGING DIRECTOR & CEO OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other rules, regulations, guidelines of any / various authorities that are or may become applicable (including statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) (collectively referred to as “Applicable Laws”), subject to provisions of the Articles of Association of the Company and pursuant to the approval and recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, and subject to such other approvals as may be necessary, consent of the Members of the Company, be and is hereby accorded for the re-appointment of Mr. Krishnam Raju Kanumuri (DIN: 00064614) as Managing Director and CEO of the Company for a period of five (5) years effective from 1 September 2025 on such terms and conditions including remuneration, as set out in the explanatory statement no. 4 & 5 annexed to the notice issued to the Members of the Company, and approved by the Members of the Company.

RESOLVED FURTHER THAT Mr. Krishnam Raju Kanumuri (DIN: 00064614), being hereby re-appointed as a Director liable to retire by rotation, shall continue to hold his office of Managing Director and CEO, and the re-appointment as such director shall not be deemed to constitute a break in his office.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) or Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to this Resolution and delegate

to any Director(s) or any other Officer(s) of the Company for obtaining necessary permissions and approvals, if any, in this connection from any authorities.”

5. APPROVAL FOR REVISION IN REMUNERATION PAYABLE TO MR. KRISHNAM RAJU KANUMURI (DIN: 00064614) AS MANAGING DIRECTOR & CEO OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 198, 203 and other applicable provision(s), if any, of the Companies Act, 2013 (the “Act”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other rules, regulations, guidelines of any / various authorities that are or may become applicable (including any statutory modification(s) and re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) (collectively referred to as “Applicable Laws”), subject to the provisions of the Articles of Association of the Company and pursuant to the approval and recommendation of the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company, and subject to such other approvals as may be necessary, consent of the members, be and is hereby accorded for the revision in remuneration payable to Mr. Krishnam Raju Kanumuri (DIN: 00064614) as Managing Director & CEO of the Company as set out in the explanatory statement annexed to the notice issued to the Members of the Company, with effect from 01 April 2025 during his tenure as the Managing Director & CEO.

RESOLVED FURTHER THAT except for the aforesaid revision in remuneration, all other terms and conditions of his re-appointment as Managing Director & CEO of the Company, as previously approved by the members at the 23rd Annual General Meeting dated 19 September 2022, shall remain unchanged and continue to be in full force and effect.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof if any) or Company Secretary of the Company, be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

6. APPROVAL FOR REVISION IN REMUNERATION PAYABLE TO DR. RANGA RAJU KANUMURI (DIN: 00043186), WHOLE TIME DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 198, 203 and other applicable provision(s), if any, of the Companies Act, 2013 (the “Act”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other rules, regulations, guidelines of any / various authorities that are or may become applicable (including any statutory modification(s) and re-enactment thereof for the time being in force, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) (collectively referred to as “Applicable Laws”), subject to the provisions of the Articles of Association of the Company and pursuant to the approval and recommendation of the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company, and subject to such other approvals as may be necessary, consent of the members, be and is hereby accorded for the revision in remuneration payable to Dr. Ranga Raju Kanumuri (DIN: 00043186), Whole Time Director of the Company as set out in the explanatory statement annexed to the notice issued to the members of the Company, with effect from 01 April 2025, which remuneration shall be valid and payable for the remaining period of his tenure i.e till 31 July 2028 as the Chairman and Whole Time Director of the Company.

RESOLVED FURTHER THAT except for the aforesaid revision in remuneration, all other terms and conditions of his re-appointment as Whole Time Director, as previously approved by the members at the 24th Annual General Meeting dated 7 September 2023, shall remain unchanged and continue to be in full force and effect.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof if any) or Company Secretary of the Company, be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board
For Sai Life Sciences Limited

Sd/-
Runa Karan

Date: 7th August 2025 Company Secretary and Compliance Officer
Place: Hyderabad Membership No.13721

NOTES FOR MEMBERS' ATTENTION:

- The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), in respect of item Nos. 3 in the Notice of the 26th Annual General Meeting ('AGM' or 'Meeting'), is annexed hereto. The Board of Directors ('the Board') have considered and decided to include item nos. 4 to 6 as Special Business as they are unavoidable in nature. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standards on General Meetings, in respect of the Directors seeking appointment / re-appointment at the AGM is furnished as Annexure to this Notice.
- Meeting through VC/OAVM: Ministry of Corporate Affairs ('MCA') vide its Circular No. 09/2024 dated 19th September 2024 (In continuation with the Circulars issued earlier in this regard) ('MCA Circulars') and Securities and Exchange Board of India ('SEBI') Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023 (collectively as 'MCA and SEBI Circulars' or 'the Circulars') has allowed conducting AGM through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) without the physical presence of Members at a common venue till 30th September 2025. The MCA Circulars prescribe the procedures and manner of conducting the AGM through VC/OAVM. In compliance with the applicable provisions of the Act and MCA Circulars, the AGM of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only.
- Members who are shareholders as on 4th September, 2025, (₹ cut-off date) can join the AGM 30 minutes before the commencement of the AGM i.e. at 10.30 A.M. and till the time of the conclusion of the Meeting by following the procedure mentioned in this Notice.

The attendance through VC/OAVM is restricted and hence members will be allowed on first come first serve basis. However, as per the MCA Circulars, attendance of Members holding more than 2% of the shares of the Company, Institutional Investors as on the Cut-off Date, Directors, Key Managerial Personnel and Auditors will not be restricted on first come first serve basis.

Members attending the Meeting through VC/OAVM will be counted for the purposes of quorum under Section 103 of the Act.

- The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Plot No. DS-7, IKP Knowledge Park, Turkapally (V), Shameerpet Mandal, Medchal-Malkajgiri (Dist), Hyderabad -500078, Telangana, India, which shall be deemed venue of the AGM. The route

map for the venue of the AGM is therefore not annexed to this Notice.

- Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting through Board / Governing body resolution / Authorisation etc. They are requested to email certified copy of the Board / Governing body resolution / Authorisation etc authorizing their representatives to attend and vote on their behalf. The documents shall be emailed to evoting@kfintech.com with the subject line 'Sai Life Sciences Limited 26th AGM'.
- KFin Technologies Limited ('KFinTech' / 'RTA'), the Company's Registrar and Transfer Agent will provide the facility for voting through remote e-voting, for participating in the AGM through VC / OAVM and e-voting ('Insta-Poll') during the AGM.
- Dispatch of Annual Report through electronic mode in compliance with the Circulars, Notice of the AGM along with the Annual Report for the financial year 2024-25 is being sent only through electronic mode to those Members, whose e-mail IDs are registered with KFinTech/Depositories. Members may note that the Notice and the Annual Report for the financial year 2024-25 are available on the following websites:

Sr. No.	Particulars	Website
1.	Sai Life Sciences Limited	https://www.sailife.com
2.	BSE Limited	www.bseindia.com
3.	National Stock Exchange of India Limited	www.nseindia.com
4.	KFinTech	https://evoting.kfintech.com

The Audited Accounts of the Company's subsidiaries are available on the Company's website at <https://www.sailife.com/investors/>.

Members who have still not registered / updated their e-mail IDs are requested to register/ update at the earliest:

- Members holding shares in physical mode and who have not registered / updated their e-mail IDs with the Company are requested to register / update their e-mail IDs by sending duly filled in Form ISR-1 (Form for registering PAN, KYC details or changes / updation thereof) to KFinTech at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India

— 500 032. Form ISR-1 is available on the website of the Company at <https://www.sailife.com/investors/>

- b) Members holding shares in electronic mode are requested to register / update their e-mail IDs with the relevant Depository Participants.

We urge Members to support this Green Initiative effort of the Company and get their email IDs registered.

8. Procedure for Inspection of Documents

The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Secretarial Auditor of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the relevant documents referred to in this Notice will be available electronically for inspection by the Members during the AGM.

All documents referred to in this Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice upto the date of the AGM.

Members who seek to inspect such documents can send an e-mail to investors@sailife.com email id.

9. Procedure for Remote e-voting

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFinTech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of

single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period commences (9:00 a.m. IST) on 8th September, 2025 to (5:00 p.m. IST) on 10th September, 2025
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on 4th September, 2025, the cut-off date.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:
- Step 1:** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2:** Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
- Step 3:** Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

D) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of Member	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility:</p> <p>I. Visit URL: https://eservices.nSDL.com</p> <p>II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</p> <p>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</p> <p>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p>
	<p>2. User not registered for IDeAS e-Services</p> <p>I. To register click on link : https://eservices.nSDL.com</p> <p>II. Select “Register Online for IDeAS” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>III. Proceed with completing the required fields.</p> <p>IV. Follow steps given in point no.1</p>
	<p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <p>I. Open URL: https://www.evoting.nSDL.com/</p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e., KFintech.</p> <p>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</p>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <p>I. Visit URL: https://web.cdslindia.com/myeasitoken/home/login OR URL: www.cdslindia.com</p> <p>II. Click on New System Myeasi</p> <p>III. Login with your registered user id and password.</p> <p>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p>
	<p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasitoken/home/login OR URL: www.cdslindia.com</p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1</p>
	<p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <p>I. Visit URL: www.cdslindia.com</p> <p>II. Provide your demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress.</p>

Type of Member	Login Method
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of Kfintech for casting your vote during the remote e-Voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Members facing any technical issue – NSDL	Members facing any technical issue - CDSL
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from Kfintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
 - Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting the vote.
 - After entering these details appropriately, click on "LOGIN".
 - You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly

recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the "EVENT" i.e., 'Sai Life Sciences Limited – 26th Annual General Meeting 'and click on "Submit"
- On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- You may then cast your vote by selecting an appropriate option and click on "Submit".
- A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s),

you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id ram.devata@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Sai Life Sciences Limited "
- (B) Members whose email IDs are not registered with the Company/ Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37, dated March 16th, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

- c) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

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

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

- III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.
- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVENT of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM through VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops / Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id. Questions / queries received by the Company till 9th September, 2025 shall only be considered and responded during the AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting

system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for at least 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

- I. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will opened from Friday, 5th September, 2025 (9:00 a.m. IST) to Tuesday, 9th September, 2025 (5:00 p.m. IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from Friday, 5th September, 2025 (9:00 a.m. IST) to Tuesday, 9th September, 2025 (5:00 p.m. IST).
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Mr. Anandan, at evoting@kfintech.com or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 4th September, 2025, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

- V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- i) Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.
- VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

10. Information and instructions for e-voting facility (Insta Poll) at AGM

- I. Facility to cast vote through e-voting (Insta Poll) at the AGM will be made available on the Video Conference screen and will be activated once the e-voting (Insta Poll) is announced at the AGM.
- II. The 'Vote Now Thumb sign' on the left-hand corner of the video screen will be activated upon instructions of the Chairman during the AGM proceedings. Members shall click on the same to take them to the "Insta-poll" page and Members shall click on the "Insta-poll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- III. Those Members, who will be present in the AGM through VC/ OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility (Insta Poll) during the AGM. Members who have already cast their votes by remote e-voting are eligible to attend the AGM. However, those Members are not entitled to cast their vote again at the AGM.

Results of remote e-Voting and e-Voting (Insta Poll) at the 26th AGM

The Scrutiniser after the conclusion of e-voting at the Meeting, will scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman.

The Scrutiniser's decision on the validity of the vote shall be final. The result of e-voting along with the consolidated Scrutiniser's Report, will be displayed at the Registered

Office of the Company and will be placed on the following websites as under:

Particulars	Website
Sai Life Sciences Limited	www.sailife.com
BSE Limited	www.bseindia.com
National Stock Exchange of India Limited	www.nseindia.com
KFinTech	https://evoting.kfintech.com

11. General Information

- I. Members are requested to read the 'Shareholder Information' section of the Annual Report for useful information.
- II. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DPs, and those holding shares in physical form are requested to submit their PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers to the RTA.
- III. If there is any change in the e-mail address already registered with the Company, Members are requested to immediately notify such change to the Company's RTA, in respect of shares held in physical form, and to their DPs in respect of shares held in electronic form.
- IV. In terms of the amendments to the SEBI Listing Regulations, with effect from 1st April 2019, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in dematerialised Form with the depository, i.e. NSDL and CDSL. Members are, Therefore, requested to demat their physical holding for any Further transfer. Members can, however, continue to make Request for various services other than transfer for securities held in physical form but the processing will be done in demat form.
- V. Members who hold shares in the dematerialised form and desire a change / correction in the bank account details, should intimate the same to their concerned DPs and not to the Company's RTA. Members are also requested to give the MICR Code of their banks to their DPs. The Company / Company's RTA will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered as will be furnished by the DPs to the Company.
- VI. Members may utilise the facility extended by the RTA for redressal of queries. Members may visit <http://karisma.kfintech.com> and click on INVESTOR option for query registration through free identity registration process.
- VII. KPRISM — Mobile service application by KFinTech: Members are requested to note that KFinTech has launched a mobile application — KPRISM and website <https://kprism.kfintech.com/signin.aspx> online service to Members. Members can download the mobile application, register themselves (one time) for availing host of services viz., consolidated portfolio view serviced by KFinTech, dividend status and send requests for change of address, change / update bank mandate. Through the mobile application, Members can download annual reports, standard forms and keep track of upcoming general meetings and dividend disbursements. The mobile application is available for download from Android Play Store.
- VIII. Members holding shares in physical form need to ensure that before submitting any service request their folios are KYC compliant. If the folios of physical security holders are not KYC compliant then the security holders need to comply with SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May 2024, without which any investor service requests will not be processed. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.
- IX. Non-resident Indian Members are requested to inform the Company or RTA or to the concerned DPs, as the case may be, immediately:
 - a) the change in the residential status on return to India for permanent settlement.
 - b) the particulars of the NRE Account with a Bank in India, if not furnished earlier.
 - c) Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or KFinTech quoting their Folio number or their Client ID with DP ID, as the case may be.
- X. **Dispute Resolution Mechanism (SMART ODR)**

In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated 30th May 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated 31st July 2023 (updated as on 20th December 2023), introduced the Online Dispute Resolution (ODR) Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company: www.sailife.com

For ease of participation by Members, provided below are key details regarding the AGM for reference:

Sr. No.	Particulars	Details of access
1	Link for live webcast of the AGM and for participation through VC/OAVM	https://emeetings.kfintech.com by using e-voting credentials and clicking on video conference
2	Link for posting AGM queries and speaker registration and period of registration	https://emeetings.kfintech.com by using e-voting credentials and clicking on 'Speaker registration'. Period of registration: Friday, 5 th September, 2025 (9:00 a.m. IST) to Tuesday, 9 th September, 2025 (5:00 p.m. IST) https://emeetings.kfintech.com by using e-voting credentials and clicking on 'Post Your Queries'. The window will close on Tuesday, 9 th September, 2025 (5:00 p.m. IST)
3	Link for remote e-voting	https://evoting.kfintech.com
4	Username and password for VC	Members may attend the AGM through VC by accessing the link https://emeetings.kfintech.com by using the remote e-voting credentials. Please refer the instructions provided in the Notice.
5	Helpline number for VC participation and e-voting	Contact KFin Technologies Limited at 1800-3454-001 or write to them at evoting@kfintech.com Contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact on 022- 23058738 or 022-23058542-43 Contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call on toll free number: 1800 1020 990 and 1800 224 430
6	Cut-off date for e-voting	Thursday, 4 th September, 2025
7	Time period for remote e-voting	Monday 8 th September, 2025 (9.00 a.m. 1ST) and ends on Wednesday, 10 th September, 2025 (5:00 p.m. IST).
8	Link for Members to update email ID (for physical Members)	https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx or send email on einward.ris@kfintech.com
9	Registrar and Transfer Agent - Contact details	KFin Technologies Limited Selenium Building, Tower-B Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally Hyderabad, Rangareddy, Telangana India - 500 032 Email ID: einward.ris@kfintech.com Toll Free/Phone Number: 1800 309 4001 WhatsApp Number: (91) 910 009 4099 RTA Website: https://ris.kfintech.com
10	Sai Life Sciences Limited – Contact details	# L4-01 & 02, SLN Terminus, Survey #133, Gachibowli Miyapur Road, Gachibowli, Hyderabad – 500032, Telangana, India. Tel: +91 40 6815 6000 Email: investor@sailife.com

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

Item No. 3

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time, every listed public Company is required to annex with its Board's Report

made out in terms of Section 134(3) of the Companies Act, 2013, a Secretarial Audit Report given by a Company Secretary in practice.

M/s. P S Rao & Associates, Practicing Company Secretaries, being eligible, has consented to act as Secretarial Auditors of the Company for a period of five consecutive financial years i.e., from 2025-26 to 2029-30 as required under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. Based on the profile and experience of M/s P S Rao & Associates, Practicing Company Secretaries, the Audit Committee has recommended the appointment of M/s P S Rao & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for a period of five financial years i.e., for the Financial Year 1st April, 2025 – 31st March, 2026 to 1st April, 2029 - 31st March, 2030. The Board of Directors, based on the said recommendation of the Audit Committee, recommends resolution No. 4 for approval of members as set out in the Notice convening the annual general meeting.

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

Item No. 4

Mr. Krishnam Raju Kanumuri (DIN: 00064614) is the Managing Director and Chief Executive Officer of Sai Life Sciences Limited, a fast-growing global CRO-CDMO that partners with innovator pharmaceutical and biotechnology companies to accelerate the discovery, development, and manufacture of complex small molecules.

With over 25 years of cross-industry experience, Mr. Krishnam Raju Kanumuri has played a pivotal role in shaping Sai Life Sciences into one of India's most respected and capable CRDMOs, with a growing international presence. Since joining the company in 2004 as Vice President – Business Development, he has been instrumental in driving Sai Life Sciences' transformation from a domestic service provider into a trusted global partner for some of the world's leading drug innovators.

In early 2019, recognizing the growing shift toward integrated service models, Mr. Krishnam Raju Kanumuri proactively positioned Sai Life Sciences to capitalize on this trend. Under his guidance,

Sai Life Sciences made significant strategic investments, setting up R&D centres in Boston and Manchester. This not only brought the organization's scientific expertise closer to key customers but also helped attract world-class talent. Mr. Krishnam Raju Kanumuri led the Sai Life Sciences' early ventures into innovative modalities and technologies, laying a strong foundation for Sai Life Sciences to become a preferred, high-value partner for global innovators.

Under his leadership, Sai Life Sciences has made multiple strategic pivots, evolving from a services-focused company into a fully integrated, global CRDMO with scale and depth across both Discovery and CMC (Chemistry, Manufacturing and Controls) verticals. The Company has significantly expanded its R&D and manufacturing infrastructure, embraced global quality systems, attracted top scientific talent and built enduring relationships with clients across North America, Europe, and Asia. These strategic initiatives catalyzed a robust growth trajectory for the Company, resulting in a revenue CAGR of 25% between 2022 and 2025, as well as notable improvements in operating metrics. In December 2024, Mr. Krishnam Raju Kanumuri successfully led the Company through its Initial Public Offering (IPO), marking a major milestone in Sai Life Sciences' journey and reinforcing its position as a next-generation, science-led partner to global pharma and biotech companies. During this period, Sai Life Sciences increased large pharma clients from 15 to 18, added 10 new commercial molecules, partnered with a major US innovator to establish a dedicated R&D Center, and successfully passed regulatory audits by both the USFDA and the Japanese PMDA. At the time of the Initial Public Offering (IPO), the shares were priced at ₹ 549 per equity share, however, as of July 30, 2025, the share price of the Company was ₹ 846.3 per share representing 54% growth over a 7-month period.

Prior to joining Sai Life Sciences, Mr. Krishnam Raju Kanumuri worked in the telecommunications sector with Fortune 100 companies Sprint and Telmex, where he held key strategic roles involving product launches, marketing alliances, and M&A initiatives. This early experience honed his skills in managing business complexity, scaling operations, and building high-impact partnerships skills he later brought into the pharmaceutical services domain.

Mr. Krishnam Raju Kanumuri holds a bachelor's degree in chemical engineering from Mangalore University and an MBA in Finance from the University of Kansas, USA. His combined technical and business education enables him to bridge science and strategy effectively, contributing to Sai Life Sciences' consistent growth in a highly competitive global environment.

A passionate advocate of the company's promise, "Make it Better Together", Mr. Krishnam Raju Kanumuri continues to lead Sai Life Sciences on its mission to accelerate the development of complex,

life-changing medicines through collaborative innovation, scientific rigor, and a strong sense of purpose. Today, Mr. Krishnam Raju Kanumuri remains highly attuned to the evolving needs of customers, steering Sai Life Sciences with an unwavering focus on innovation, agility, and sustainable long-term value creation.

In view of Mr. Krishnam Raju Kanumuri's profile, knowledge, skills, valuable contribution to the Company and in line with the current industry standards, the nomination and remuneration committee of the Company ("NRC"), and the Board have approved and recommended his re-appointment as the Managing Director and CEO with effect from 01 September 2025 for a period of five (5) years.

While approving the proposed re-appointment, the NRC and the Board also considered the following factors, with an aim to recognise Mr. Krishnam Raju Kanumuri's for the past and continuing efforts and contributions and to ensure parity with prevailing market practices:

- (i) the remuneration paid to Mr. Krishnam Raju Kanumuri since financial year 2015 and noted that the compensation (comprising fixed salary and commission payable as a percentage of the net profits earned by the Company based on the audited financial statements approved by the Board);
- (ii) the nature of the Company's business, its growth trajectory, responsibilities entrusted to the Managing Director and Chief Executive Officer; Sai Life Sciences' revenue increased from ₹ 870 Crores in FY 2022 to ₹ 1695 Crores in FY 2025 at a CAGR of 25%, while EBITDA and profit after tax rose from ₹ 131 Crores and ₹ 6 Crores to ₹ 425 Cr and ₹ 170 Cr over the same period at a CAGR of 48% and 201%, respectively.
- (iii) Mr. Krishnam Raju Kanumuri having successfully achieved the performance targets that were set during his previous tenure resulting in significant value creation for the investors. Under Mr. Krishnam Raju's leadership, Sai Life Sciences completed its initial public offering in December 2024, at an initial price of ₹ 549 per equity share. As of July 30, 2025, the share price of the company of the company was ₹846.3 per share representing 54% growth over a 7-month period.
- (iv) prevailing trends and practice followed by peers in CDMO and pharmaceutical space for a position of this nature. Specifically, a comparative analysis was undertaken on the compensation paid by Indian companies such as Syngene International, Anthem Biosciences, Neuland Laboratories, Granules Indian Limited, Gland Pharma, Cohance Life Sciences (formerly Suven Pharma), Aragen, JB Pharma, Laurus Labs and international companies including Wuxi Apptec, Pharmaron; Charles River Laboratories; and
- (v) the increase in responsibilities and targets for his upcoming proposed tenure as the Managing Director and Chief Executive

Officer, which include managing growing complexities within the existing business, leading growth capabilities in newer modalities and areas of drug development while managing added responsibilities that come as a listed company.

The terms and conditions of re-appointment of Mr. Krishnam Raju Kanumuri with effect from 01 September 2025 are as follows:

❖ **Designation**

Mr. Krishnam Raju Kanumuri is proposed to be re-appointed as the Managing Director and CEO of the Company.

❖ **Effective date and tenure**

The re-appointment of Mr. Krishnam Raju Kanumuri as the Managing Director and CEO of the Company will be effective from 01 September 2025 for a period of five (5) years. He shall be liable for retirement by rotation, and the re-appointment as a Director shall not be deemed to constitute a break in his office of Managing Director and CEO.

❖ **Malus**

The Company reserves the right to reduce, cancel, or withhold any part of the variable compensation (including net profit-based commission) that has not yet been paid to Mr. Krishnam Raju Kanumuri due to willful misconduct, violation of applicable and breach of employment terms, or Company policies.

❖ **Clawback**

The Company shall have the right to recover any variable compensation already paid to Mr. Krishnam Raju Kanumuri, including net profit-based commission, if the Company's financial statements are restated due to fraud and any incentive was paid based on performance metrics that are subsequently found to be materially misstated or manipulated. The clawback may be enforced within 12 months from the date of payment, subject to applicable laws and after providing Mr. Krishnam Raju Kanumuri an opportunity to be heard.

❖ **Termination**

Board or Mr. Krishnam Raju Kanumuri shall be entitled to terminate the appointment by giving 6 months' notice.

Accordingly, the Board seeks the approval of the members of the Company for the re-appointment of Mr. Krishnam Raju Kanumuri.

The Board of Directors, considered the recommendation of the NRC and Audit Committee and further recommended to the members for Re-appointment of Mr. Krishnam Raju Kanumuri as Managing Director & CEO of the Company for a further period of five (5) years commencing effective 1 September 2025 on the terms and conditions of appointment and remuneration as set out in this Notice.

The Company has received a notice in writing from a member of the Company under Section 160(1) of the Act proposing his candidature

for the office of a Director of the Company and has also received the requisite consent/declarations from Mr. Krishnam Raju Kanumuri for his re-appointment under the Act.

Members approval is also being sought through this Special Resolution, pursuant to Regulation 17(6)(e) and other applicable provisions of the SEBI Listing Regulations in respect of payment of remuneration to Mr. Krishnam Raju Kanumuri in excess of limits mentioned in Regulation 17(6)(e) (if applicable), and the same will be valid till the expiry of his term as Managing Director and CEO for both the terms which is proposed to take effect from 01 September 2025.

Based on the recommendation of the NRC, the Board recommends the re-appointment and revision in the remuneration of Mr. Krishnam Raju Kanumuri as set out in the resolution in Item no. 5 and 6 of this Notice, for approval of the Members as a Special Resolutions.

Except Dr. Ranga Raju Kanumuri, Mr. Krishnam Raju Kanumuri and Mrs. Sudha Kanumuri and Mr. Akhil Kanumuri, who are relatives of the Directors and employees in the company, no other director or Key Managerial Personnel ("KMP") or relatives of directors and KMPs are interested or concerned in the resolution.

Information pursuant to the Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on general Meetings (SS-2), issued by the Institute of Company Secretaries of India in respect to Appointment/Re-appointment of Directors is as follows:

Name of the Director	Mr. Krishnam Raju Kanumuri
Category	Managing Director & CEO (Executive Director under Promoter category)
DIN	64614
Date of birth	10 th February 1970
Age	55 years
Qualification	Mr. Krishnam Raju Kanumuri holds a bachelor's degree in chemical engineering from Mangalore University and an MBA in Finance from the University of Kansas, USA
Brief Profile/ Nature of expertise in specific area	<p>With over 25 years of cross-industry experience, Mr. Krishnam Raju Kanumuri has played a pivotal role in shaping Sai Life Sciences into one of India's most respected and capable CRDMOs, with a growing international presence. Since joining the company in 2004 as Vice President – Business Development, he has been instrumental in driving Sai Life Sciences' transformation from a domestic service provider into a trusted global partner for some of the world's leading drug innovators.</p> <p>In early 2019, recognizing the growing shift toward integrated service models, he proactively positioned Sai Life Sciences to capitalize on this trend. Under his guidance, the company made significant strategic investments, setting up R&D centres in Boston and Manchester. This not only brought the organization's scientific expertise closer to key customers but also helped attract world-class talent. He led the Company's early ventures into innovative modalities and technologies, laying a strong foundation for Sai Life Sciences to become a preferred, high-value partner for global innovators.</p> <p>These strategic initiatives catalyzed a robust growth trajectory for the Company, resulting in a revenue CAGR of 25% between 2022 and 2025, as well as notable improvements in operating metrics. Sai Life Sciences' revenue increased from ₹ 870 Crores in FY 2022 to ₹ 1695 Crores in FY 2025, while EBITDA and profit after tax rose from ₹. 131 Crores and ₹ 6 Crores to ₹ 425 Cr and ₹. 170 Cr over the same period at a CAGR of 48% and 201%, respectively. From an operating perspective, the Company increased its large pharma clients from 15 to 18, added 10 new commercial molecules, partnered with a major US innovator to establish a dedicated R&D Center, and successfully passed regulatory audits by both the USFDA and the Japanese PMDA.</p> <p>Under Mr. Krishnam Raju's leadership, Sai Life Sciences completed its initial public offering in December 2024, at an initial price of ₹ 549 per equity share. As of July 30, 2025, the share price of the company of the company was ₹ 846.3 per share representing 54% growth over a 7-month period. Today, Mr. Krishnam Raju Kanumuri remains highly attuned to the evolving needs of customers, steering Sai Life Sciences with an unwavering focus on innovation, agility, and sustainable long-term value creation.</p>
Date of First appointment on the Board	<p>Mr. Krishnam Raju Kanumuri was first appointed as a director on 1 May 2004 and continued as such till 1 August 2008.</p> <p>He was appointed as a Managing Director on 1 October 2010 and later designated as Managing Director & CEO w.e.f. 1 September 2016.</p>
Terms and conditions of appointment	As per the resolution of this Notice read with the explanatory statement thereto along with the notice dated 19 September 2022.

Name of the Director	Mr. Krishnam Raju Kanumuri
Shareholding in the Company as on 31 March 2025	30,08,400 Equity Shares
Directorship held in other Companies	<ol style="list-style-type: none"> 1. Sai Life Pharma Private Limited (100% subsidiary company of Sai Life Sciences Limited) as Managing Director (Promoter) 2. Sai Life Sciences Inc, USA (100% subsidiary company of Sai Life Sciences Limited) 3. Sai Life Sciences, GmbH (100% subsidiary company of Sai Life Sciences Limited) 4. South India Research Institute Private Limited as a Non-Executive Director All the above directorships of Mr. Krishnam Raju Kanumuri are without any remuneration
Chairmanship/ membership of Committees of other listed Companies	Nil
Name of listed entities from which the person has resigned in the past three years	NA
Disclosure of Inter-se relationship between Directors and KMP's.	Mr. Krishnam Raju Kanumuri is the son of Dr. Ranga Raju Kanumuri who is a Whole Time Director & Chairman of the Company.
Number of Board meetings attended during the year.	For FY2024-25: 100% (Meetings held 15)
Details of Remuneration sought to be paid, and the remuneration last drawn by such person.	<p>Mr. Krishnam Raju Kanumuri last approved remuneration was:</p> <p>Annual Base Salary is ₹ 4 crores</p> <p>Commission @ 2.5% on the Net Profits of FY2025 is ₹ 4.25 crores</p> <p>Effective total remuneration (excluding perquisites) is ₹ 8.25 crores for FY 2024-25. The variable pay comprises more than 50% of the overall remuneration (excluding perquisites).</p> <p>The details of remuneration sought to be paid effective 1st April, 2025 is as per the resolution stated in this Notice read with the explanatory statement thereto. Mr Krishnam Raju Kanumuri will be paid Fixed Salary and Performance Linked Incentive and perquisites, as per the resolution stated in this Notice read with the explanatory statement No. 4 & 5 thereto.</p> <p>Mr. Krishnam Raju Kanumuri shall not be entitled to any sitting fees for attending board and / or committee meetings. He will not draw remuneration from any of the subsidiary and other companies in which he is holding the position of Director/Managing Director</p>
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	<p>Mr. Krishnam Raju Kanumuri is a Chemical Engineer by training with an added degree in finance and strategy. Prior to joining Sai Life Sciences, Mr. Krishnam Raju Kanumuri worked in the telecommunications sector with Fortune 100 companies Sprint and Telmex, where he held key strategic roles involving product launches, marketing alliances, and M&A initiatives. This early experience honed his skills in managing business complexity, scaling operations, and building high-impact partnership skills he later brought into the pharmaceutical services domain.</p> <p>Under his leadership, Sai Life Sciences has made multiple strategic pivots, evolving from a services-focused company into a fully integrated, global CRDMO with scale and depth across both Discovery and CMC (Chemistry, Manufacturing and Controls) verticals. The company has significantly expanded its R&D and manufacturing infrastructure, embraced global quality systems, attracted top scientific talent, and built enduring relationships with clients across North America, Europe, and Asia.</p> <p>Sai Life Sciences' revenue increased from ₹ 870 Crores in FY 22 to ₹ 1695 Crores in FY 25, while EBITDA and profit after tax rose from ₹ 131 Crores and ₹ 6 Crores to ₹ 425 Cr and ₹ 170 Cr over the same period at a CAGR of 48% and 201%, respectively. From an operating perspective, the company increased its large pharma clients from 15 to 18, added 10 new commercial molecules, partnered with a major US innovator to establish a dedicated R&D Center, and successfully passed regulatory audits by both the USFDA and the Japanese PMDA.</p> <p>In December 2024, Mr. Krishnam Raju Kanumuri successfully led the company through its Initial Public Offering (IPO), marking a major milestone in Sai Life Sciences' journey and reinforcing its position as a next-generation, science-led partner to global pharma and biotech companies.</p>

The explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Item No. 5

Mr. Krishnam Raju Kanumuri (DIN: 00064614) is the Managing Director and Chief Executive Officer of Sai Life Sciences, a fast-growing global CRO-CDMO that partners with innovator pharmaceutical and biotechnology companies to accelerate the discovery, development, and manufacture of complex small molecules.

Please refer the detailed profile of Mr. Krishnam Raju Kanumuri in explanatory statement No. 4 above.

The NRC, the Audit Committee and the Board have reviewed his total compensation and have approved and recommended a revision in the remuneration payable to him with effect from 01 April 2025.

The NRC has recommended a revised compensation structure considering that Mr. Krishnam Raju Kanumuri is a listed company CEO and has demonstrated significant value creation to the shareholders over the last five years. Mr. Krishnam Raju Kanumuri is the CEO of Sai Life Sciences Limited, a global entity and has demonstrated successful business and overall performance since his appointment in the year 2020. This growth is accompanied by an increase in the total number of employees from 2022 to 3401 during his tenure. The Company competes with global peers, particularly in North America, Europe, Japan and UK, with almost 97% of the Company's revenue coming from these geographies, and therefore, Mr. Krishnam Raju Kanumuri's remuneration has to be determined keeping in view international benchmarks. Specifically, the NRC and the Board considered the following factors, with an aim to recognize Mr. Krishnam Raju Kanumuri's for the past and continuing efforts and contributions and to ensure parity with prevailing market practices; While approving the proposed remuneration, the NRC and the Board also considered the following factors, with an aim to recognise Mr. Krishnam Raju Kanumuri's for the past and continuing efforts and contributions and to ensure parity with prevailing market practices:

- (i) the remuneration paid to Mr. Krishnam Raju Kanumuri since financial year 2015 and noted that the compensation (comprising fixed salary and commission payable as a percentage of the net profits earned by the Company based on the audited financial statements approved by the Board);
- (ii) the nature of the Company's business, its growth trajectory, responsibilities entrusted to the Managing Director and Chief Executive Officer; Sai Life Sciences' revenue increased from ₹ 870 Crores in FY 2022 to ₹ 1695 Crores in FY 2025 at a CAGR of 25%, while EBITDA and profit after tax rose from ₹ 131 Crores and ₹ 6 Crores to ₹ 425 Cr and ₹ 170 Cr over the same period at a CAGR of 48% and 201%, respectively.
- (iii) Mr. Krishnam Raju Kanumuri having successfully achieved the performance targets that were set during his previous tenure resulting in significant value creation for the investors; Under

Mr. Krishnam Raju's leadership, Sai Life Sciences completed its initial public offering in December 2024, at an initial price of ₹ 549 per equity share. As of July 30, 2025, the share price of the company of the company was ₹846.3 per share representing 54% growth over a 7-month period.

- (iv) prevailing trends and practice followed by peers in CDMO and pharmaceutical space for a position of this nature. Specifically, a comparative analysis was undertaken on the compensation paid by Indian companies such as Syngene International, Anthem Biosciences, Neuland Laboratories, Granules Indian Limited, Gland Pharma, Cohance Life Sciences (formerly Suven Pharma), Aragen, JB Pharma, Laurus Labs and international companies including Wuxi Apptec, Pharmaron; Charles River Laboratories; and
- (v) under Mr. Krishnam Raju Kanumuri's leadership, the Company's Total Shareholder Return (TSR) was an impressive 591% from the date of the last external Investment till July 30, 2025. The Company's valuation increased during this period from ₹2,500 crores to ₹17,283 crores. Specifically, the per share price of the Company has increased from the IPO price of ₹ 549 to ₹846.3 on July 30, 2025 resulting in a shareholder wealth creation of ₹ 5,783 Crores in a period of less than 7 months. .

Share Price Performance

Company	1 month	3 month	6 months
BSE Healthcare	-3%	5%	0%
Sai Life Sciences Limited	5%	17%	11%

- (vi) the increase in responsibilities and targets for his upcoming proposed tenure as the Managing Director and Chief Executive Officer, which include managing growing complexities within the existing business, leading growth capabilities in newer modalities and areas of drug development while managing added responsibilities that come as a listed company.

The terms and conditions of remuneration of Mr. Krishnam Raju Kanumuri with effect from 01 April 2025 are as follows:

The remuneration for Mr. Krishnam Raju Kanumuri will include fixed base salary and a performance linked incentive based on the profitability of the Company and perquisites.

- a) **Fixed Base Salary:** The proposed annual fixed base salary will be INR 8 crores per annum, payable on a monthly basis. Annual increments to the base salary shall not exceed 10% on the last drawn salary, in line with increases to the senior leadership in Sai Life Sciences Limited and shall be based on Company's performance, growth in financial parameters (including revenue and net profits of the Company) and execution of business strategies that will position the Company for growth and shareholder wealth creation in the long term. The annual increment shall be determined by the Board based on recommendation of the NRC which shall be within the overall limits as set out above.

Performance Linked Incentive ('PLI'): A significant portion of the Managing Director & CEO's remuneration consists of annual variable pay and is linked to the achievement of the Annual Business Plan ('ABP') and key strategic parameters, as detailed in this explanatory statement. The ABP is approved by the Board and is aligned with both short-term operational goals and long-term corporate objectives

While the exact parameters and targets for variable pay will be set each year, the parameters may include Revenue, EBITDA & Net Profit, Strategic Goals that cover key areas such as Organization Capability and Talent Development, Innovation, Customer Experience, Digitalization, Supply Chain Resilience and Sustainability. Mr Krishnam Raju Kanumuri will be entitled to a Performance linked Incentive ('PLI') based on certain performance parameters as defined below and such other parameters as may be determined by NRC and the Board:

Indicative PLI Parameters:

Each year, Mr Krishnam Raju Kanumuri will be eligible for a target PLI of between 3.25% to 3.5% of the Net Profits (calculated as per Section 198 of the Companies Act, 2013 ("Act") and as per audited financials for each financial year) ('Target PLC') on 100% achievement of the defined performance parameters set by the NRC and the Board for that fiscal year.

SI No	Indicative Parameters	Weightage
A	Achievement against Annual Business Plan (ABP) for Consolidated Operating Revenue / Customer growth potential	Up to 40%
B	Achievement against Annual Business Plan (ABP) for Consolidated Profit (EBITDA / PBT/ PAT) and/or Return on Capital Employed	Up to 40%
C	Achievement against Strategic KRA's that cover key areas such as Manufacturing, Innovation, Customer Experience, Digitalization, Supply Chain Resilience, etc.	Up to 40%
D	Achievement against Target initiatives for Quality, Sustainability and ESG Roadmap	Up to 30%
E	Achievement against Initiatives identified for Organizational Capability, Leadership and Talent Development at the senior level and continuous technical training at the scientist level	Up to 30%

The final weightage for each parameter shall be identified at the beginning of the relevant financial year and may vary from year to year as approved by the NRC and the Board.

As determined by the NRC and the Board, every year, the % of incentive payable on net profits attributed to each such performance parameter would carry an 'over-achievement multiplier' for achievement beyond the defined performance parameter and

an 'under-achievement factor' for partial achievement of defined performance parameter. The pay-out would depend on the actual achievement against the defined performance for each parameter.

- ◆ For performance between 50% - 130% of each performance parameter, the multiplier shall be on a pro-rata basis.
- ◆ For performance higher than 130% of each performance parameter, the 'over-achievement multiplier' will be capped at 130%.
- ◆ Performance less than 50% of each performance parameter will result in the multiplier becoming zero, which will result in zero payout of PLI for that performance parameter.

The PLI payout in any year shall be the aggregate of the PLI % achieved against each parameter determined above multiplied by the net profits of the company. Such PLI payout as computed above shall be subject to a cap of 300% of the Fixed Salary.

In addition to the Fixed Base Salary and PLI, Mr. Krishnam Raju Kanumuri shall be entitled to the following perquisites as per Company Policy(ies) and/or as detailed below.

- ◆ Company maintained car with driver;
- ◆ Phone and Internet charges for official use;
- ◆ Contribution to Provident Fund under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, to the extent of eligibility and these either singly or put together are not taxable under the Income Tax Act, 1961;
- ◆ Gratuity payable under the Gratuity Act, 1972 as per the Company Policy;
- ◆ Leaves as per the Company Policy;
- ◆ Annual Membership of two clubs not exceeding ₹10 lakhs;
- ◆ Group Medical Insurance as per the Company Policy.

It is hereby clarified that Mr. Krishnam Raju Kanumuri shall not be entitled to any sitting fees for attending board and / or any other committee meetings. Mr. Krishnam Raju Kanumuri is not eligible to be granted stock options of the Company.

- c) **Overall Remuneration:** The total remuneration (i.e., salary, perquisites and incentive as set out above) in any one financial year shall be subject to the provisions of Sections 196, 197, 198 and other applicable provisions of the Act read with Schedule V to the Act and/or any statutory modification(s) and re-enactment thereof.
- d) **Minimum Remuneration:** In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, incentive, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

The Board has the authority to alter and vary the remuneration payable to Mr. Krishnam Raju Kanumuri which shall not exceed the overall ceiling of the total managerial remuneration as provided above and as approved by the shareholders.

Accordingly, the Board seeks the approval of the members of the Company for payment of remuneration of Mr. Krishnam Raju Kanumuri, as set out above, which shall be valid and payable with effect from 01 April, 2025 during his tenure as the Managing Director & CEO.

The NRC, the Audit Committee and the Board, therefore, are of the opinion that the proposed remuneration is fair, reasonable and in line with industry standards and peer practices and compensation philosophy of the NRC is that the variable pay should be more than 50% of the fixed salary. Moreover, the constitution of the NRC comprises of Independent Directors only.

Approval of the audit committee in terms of Regulation 23 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also been obtained vide a resolution passed by the audit committee on 7 August 2025.

The Board of Directors, considered the recommendation of the NRC and Audit Committee and further recommended to the members for revision in remuneration payable to Mr. Krishnam Raju Kanumuri as Managing Director & CEO of the Company effective 1 April, 2025 on the terms and conditions as set out in this Notice.

Members approval is also being sought through this Special Resolution, pursuant to Regulation 17(6)(e) and other applicable provisions of the SEBI Listing Regulations in respect of payment of remuneration to Mr. Krishnam Raju Kanumuri in excess of limits mentioned in Regulation 17(6)(e) (if applicable), and the same will be valid till the expiry of his term as Managing Director and CEO for which is proposed to take effect from 01 September 2025.

Based on the recommendation of the NRC, the Board recommends the revision in the remuneration of Mr. Krishnam Raju Kanumuri as set out in the resolution in Item no. 5 of this Notice, for approval of the Members as a Special Resolution.

Except Dr. Ranga Raju Kanumuri, Mr. Krishnam Raju Kanumuri and Mrs. Sudha Kanumuri and Mr. Akhil Kanumuri, who are relatives of the Directors and employees in the company, no other director or Key Managerial Personnel ("KMP") or relatives of directors and KMPs are interested or concerned in the resolution.

Information pursuant to the Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on general Meetings (SS-2), issued by the Institute of Company Secretaries of India in respect to Appointment/Re-appointment of Directors is detailed in the previous explanatory statement

The explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Item No. 6

Dr. Ranga Raju Kanumuri (DIN: 00043186) was re-appointed as Chairman and Whole Time Director by way of a special resolution passed by the shareholders for period of five (5) years up to 31 July 2028.

Dr. Ranga Raju Kanumuri is the Founder and Chairman of Sai Life Sciences Limited, a pioneering Indian CRDMO committed to enabling global pharma and biotech innovators bring new medicines to market faster. A first-generation entrepreneur, Dr. Ranga Raju is widely respected for his deep scientific grounding, customer-centric mindset, and unwavering attention to detail values that continue to shape the culture of the company to this day.

After earning his Doctorate in Pharmacy from Massachusetts, USA, Dr. Ranga Raju Kanumuri returned to India to begin his professional journey at Siris Pharma, one of Hyderabad's earliest pharmaceutical companies. His long stint there exposed him to the foundational aspects of pharmaceutical operations and business and laid the groundwork for his future entrepreneurial pursuits.

In 1999, following a long corporate career, he founded Sai Life Sciences. As a hands-on entrepreneur, he steered the company through its formative years, managing operations, building client relationships, and crafting a strategy that leaned into collaboration with biotech innovators a bold move at the time that proved pivotal to the Company's and Group's early growth and global relevance.

Shifting focus from day-to-day operations in 2012, Dr. Ranga Raju Kanumuri remained actively involved in shaping the company's values, safety culture, and quality systems. His strong personal conviction in the principles of integrity, ownership, respect, and transparency became foundational to the Company and Group's organizational ethos, guiding the company through multiple phases of growth and transformation.

Today, as Chairman, he continues to play a vital role in the Company's and Group's strategic direction, with a particular focus on people and leadership development, quality governance, and safety compliance. His mentorship and long-term perspective offer critical balance to the company's ambitions, ensuring that as the Company and the Group grows, it does so with a sense of purpose, discipline, and responsibility.

Dr. Ranga Raju Kanumuri's journey from an academic and operations leader to a visionary entrepreneur and institution builder epitomizes the values that define Sai Life Sciences. His hallmark endures not just in the company he built, but in the culture, values, and aspirations that continue to guide its future.

In view of Dr. Ranga Raju Kanumuri's profile, knowledge, skills, valuable contribution towards the growth and governance of the Company, in recognition of his leadership and in line with the current industry standards, the nomination and remuneration committee of the Company ("NRC"), the Audit Committee and the Board have approved and recommended a revision in the remuneration payable to him with effect from 01 April 2025 till 31st July 2028.

While approving the proposed remuneration, the NRC, the Audit Committee and the Board also considered the following factors, with an aim to recognise Dr. Ranga Raju Kanumuri's for the past and continuing efforts and contributions, and to ensure parity with prevailing market practices:

- (i) the remuneration paid to Dr. Ranga Raju Kanumuri since financial year 2015 and noted that the compensation (comprising fixed salary and along with annual bonus) has historically been structured in line with applicable market practices for senior management;
- (ii) the nature of the Company's business, its growth trajectory, responsibilities entrusted to the Executive Director; In early 2019, recognizing the growing shift toward integrated service models, the Company under the strategic guidance of Dr Ranga Raju Kanumuri, made significant strategic investments, setting up R&D centres in Boston and Manchester. This not only brought the organization's scientific expertise closer to key customers but also helped attract world-class talent. Consequent to these actions, Sai Life Sciences' revenue increased from ₹ 870 Crores in FY 2022 to ₹ 1695 Crores in FY 2025 at a CAGR of 25%, while EBITDA and profit after tax rose from ₹ 131 Crores and ₹ 6 Crores to ₹ 425 Cr and ₹ 170 Cr over the same period at a CAGR of 48% and 201%, respectively. From a business perspective, the company successfully passed regulatory audits by both the USFDA and the Japanese PMDA in addition to undergoing successful safety and quality audits by multiple global pharmaceutical innovators.
- (iii) Dr. Ranga Raju Kanumuri having successfully achieved the performance targets that were set during his current tenure resulting in significant value creation for the investors; Under Dr Rangaraju's guidance, Sai Life Sciences completed its initial public offering in December 2024, at an initial price of ₹ 549 per equity share. As of July 30, 2025, the share price of the company of the company was ₹846.3 per share representing 54% growth over a 7-month period
- (iv) prevailing trends and practice followed by peers in CDMO and pharmaceutical space for a position of this nature. Specifically, a comparative analysis was undertaken on the compensation paid by companies such as Syngene International, Anthem Biosciences, Neuland Laboratories, Granules Indian Limited, Gland Pharma, Cohance Life Sciences (formerly Suven Pharma) and Laurus Labs and international companies including Wuxi Apttec, Pharmaron; Charles River Laboratories; and

- (v) the increase in responsibilities and targets for his upcoming proposed tenure as Chairman and Whole Time Director, which include providing strategic direction for the business particularly in a phase where Sai is looking to expand more aggressively to capture the global opportunity while taking added responsibilities as a listed company Chairman.

The revised terms and conditions of remuneration of Dr. Ranga Raju Kanumuri are as follows:

- a) **Fixed Base Salary:** The proposed annual fixed base salary will be ₹ 2,30,25,000 per annum, payable on a monthly basis. Annual increments to the base salary shall not exceed 10% on the last drawn salary, in line with increases to the senior leadership in Sai Life Sciences Limited and shall be based on Company's performance, financial parameters (including revenue and net profits) and execution of business strategies that will position the Company for growth and shareholder wealth creation in the long term. The annual increment shall be determined by the Board based on the recommendation of the NRC which shall be within the overall limits as set out above.
- b) **Variable Pay:** The variable pay payable to Dr. Ranga Raju Kanumuri shall be 30% of the last drawn annual salary but not exceeding ₹ 80,00,000 for each year during the tenure, subject to the Company's performance, financial parameters (including revenue and net profits) and limits prescribed under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In addition to the Fixed Base Salary and Variable Pay, Dr. Ranga Raju Kanumuri shall be entitled to the following perquisites as per Company policy(ies) and/or as detailed below.

- ◆ Company maintained car with driver;
- ◆ Phone and Internet charges for official use;
- ◆ Contribution to Provident Fund under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, to the extent of eligibility and these either singly or put together are not taxable under the Income Tax Act, 1961;
- ◆ Gratuity payable under the Gratuity Act, 1972 as per the Company Policy;
- ◆ Leaves as per the Company Policy;
- ◆ Annual Membership of two clubs not exceeding ₹10 lakhs;
- ◆ Group Medical Insurance as per the Company Policy

It is hereby clarified that Dr. Ranga Raju Kanumuri shall not be entitled to any sitting fees for attending board and / or any other committee meetings. Dr. Ranga Raju Kanumuri is not eligible to be granted stock options of the Company.

The Board has the authority to alter and vary the remuneration payable to Dr. Ranga Raju Kanumuri which shall not exceed the overall ceiling of the total managerial remuneration as provided above and approved by the shareholders.

Disclosures as per the Secretarial Standards on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India

Name of the Director	Dr. Ranga Raju Kanumuri
Category	Promoter
DIN	43186
Date of birth / age	29-Jan-51
Qualification	Doctorate in Pharmacy from Massachusetts, USA
Brief Profile/ Nature of expertise in specific area	As per the details stated in the resolution provided in the Notice
Date of First appointment on the Board	25 January 1999 as founder and Director
Terms and conditions of appointment	As per the explanatory statement stated in the Notice
Shareholding in the Company	169340 shares; 0.08%
Directorship held in other Companies	1. Sai Quest Syn Private Limited 2. Pattancheru Enverotech Limited 3. Ranmyt Trading Private Limited 4. Sai Life Pharma Private Limited (100% subsidiary of Sai Life Sciences Limited) All the above directorships of Dr. Ranga Raju Kanumuri are without any remuneration
Chairmanship/ membership of Committees of other listed Companies	Nil
Name of listed entities from which the person has resigned in the past three years	NA
Disclosure of Inter-se relationship between Directors and KMP's.	Dr. Ranga Raju Kanumuri is the father of Mr. Krishnam Raju Kanumuri, Managing Director & CEO of Sai Life Sciences Limited
Number of Board meetings attended during the year.	9
Details of Remuneration sought to be paid, and the remuneration last drawn by such person.	Remuneration last drawn for FY2024-25 Annual Salary is ₹ 2.15 crores Annual Bonus is ₹ 65,65,398 Remuneration proposed from 1st April, 2025 is as per the resolution provided in the Notice
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	As per the details stated in the resolution provided in the Notice

Accordingly, the Board seeks the approval of the members of the Company for the payment of remuneration, to Dr. Ranga Raju Kanumuri, as set out above, which shall be valid and payable with effect from 01 April, 2025 for the remaining period of his tenure as the Chairman and Whole Time Director of the Company, i.e., until 31 July 2028.

Approval of the audit committee in terms of Regulation 23 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also been obtained vide a resolution passed by the audit committee on 7 August 2025.

The explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

The NRC, Audit Committee and the Board, therefore, are of the opinion that the proposed remuneration is fair, reasonable and in line with industry standards and peer practices.

Members approval is also being sought through this Special Resolution, pursuant to Regulation 17(6)(e) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”) in respect of payment of remuneration to Dr. Ranga Raju Kanumuri in excess of limits mentioned in Regulation 17(6)(e) (if applicable), and the same

will be valid from 1st April, 2025 till the expiry of his term as Chairman and Wholetime Director i.e till 31 July 2028.

Based on the recommendation of the NRC, the Board recommends the revision in the remuneration of Dr. Ranga Raju Kanumuri as set out in the resolution in Item no. 6 of this Notice, for approval of the Members as a Special Resolutions.

Except Dr. Ranga Raju Kanumuri, Mr. Krishnam Raju Kanumuri, Mrs Sudha Kanumuri and Mr Akhil Kanumuri, who are relatives of the Directors and employees in the company, no other director or Key Managerial Personnel (“KMP”) or relatives of directors and KMPs are interested or concerned in the resolution.

The explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

By Order of the Board
For Sai Life Sciences Limited

Sd/-
Runa Karan

Date: 7th August 2025
Place: Hyderabad

Company Secretary and Compliance Officer
Membership No.13721

Independent Auditor's Report

To The Members of Sai Life Sciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sai Life Sciences Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("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. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue recognition for fixed price contracts.</p> <p>The Company enters into fixed price contracts with customers. In line with Ind AS 115, revenue in respect of such contracts is recognized over time under the percentage completion method, where it is assessed that the performance obligations are satisfied over time. Refer Note 4 and 26 of the standalone financial statements.</p> <p>Significant judgement and/or estimates are involved in assessing the timing of satisfaction of performance obligations under the aforesaid contracts and the extent of completion of the performance obligations at the balance sheet date.</p> <p>Given the above and its significant impact on the financial statements, revenue recognition for fixed price contracts is identified as a Key Audit Matter.</p>	<p>Principal audit procedures performed included the following:</p> <ul style="list-style-type: none"> - Evaluated the Company's revenue recognition accounting policies and compliance with applicable accounting standards. - We have performed walkthrough and obtained detailed understanding of the Company's revenue recognition process. - Evaluated the design, implementation and operating effectiveness of Company's internal financial controls with respect to revenue recognition. - Evaluated the integrity of the general information and technology control environment and tested the operating effectiveness of IT controls over recognition of revenue. - We have analyzed customer contracts on sample basis to identify arrangements entered by the Company for compliance with Ind AS 115 to evaluate appropriateness of recognition of revenue. - We have reviewed the estimation of project costs and the methodology used to measure progress towards project completion. - We have performed substantive testing by selecting samples of revenue recorded during the year and verifying the underlying documents which include sales invoice, customer contracts, delivery documents. - Evaluated the adequacy of the disclosures related to revenue recognition and significant estimates in the standalone financial statements.

Sr. No.	Key Audit Matter	Auditor's Response
	<p>Recoverability of investment in Sai Life Sciences Inc., a wholly owned subsidiary of the Company (Refer note 9 to the standalone financial statements)</p> <p>The Company has total investment of ₹ 1,005.16 million in Sai Life Sciences Inc. which is carried at cost.</p> <p>The Company assesses the recoverable amounts of the investment when impairment indicators exist by using value in use approach.</p> <p>The key assumptions used in management's assessment of the value in use include, but are not limited to, projections of future cash flows, growth rates, discount rates, estimated future operating and capital expenditure. Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in either impairment or reversals of impairment taken in prior years.</p> <p>Due to the significance of the balances involved and the inherent subjectivity which involves significant management judgment in predicting future cash flow projections, recoverability of investment in subsidiary is identified as Key Audit Matter.</p>	<p>Our key audit procedures included the following:</p> <ul style="list-style-type: none"> - Obtained an understanding of the management's process for identification of impairment indicators. - Evaluated the design and tested the operating effectiveness of controls over impairment assessment of investments. <p>Obtained the Company's computation of recoverable amount and tested the mathematical accuracy and reasonableness of key assumptions.</p> <ul style="list-style-type: none"> - Evaluated the objectivity, competency and independence of the experts engaged by the Company and reviewed the valuation reports issued by such experts. - Assessed the cash flow forecasts through analysis of actual past performance, and comparison to previous forecasts. - Assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements. - Evaluated the disclosures in the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report, Corporate Governance Report and Management Discussion and Analysis Report (but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date.
- Our opinion on the standalone financial statements does not cover the other information and will 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this

other information, we are required to report that fact. We have nothing to report in this regard.

- When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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 which are companies incorporated in India 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 Statement

of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 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 41 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 42 to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 42 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended 31st March 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.
- Additionally 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)

Sathya P. Koushik
(Partner)

Place: Hyderabad
 Date: 13 May 2025
 SPK/RK/2025

(Membership No.206920)
 (UDIN 25206920BMJHID7510)

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 Sai life Sciences Limited (the “Company”) as at 31st March 2025 in conjunction with our audit of the standalone 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was

established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility

of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating

effectively as at 31st March 2025, 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)

Sathya P. Koushik

(Partner)

Place: Hyderabad

Date: 13 May 2025

SPK/RK/2025

(Membership No.206920)

(UDIN 25206920BMJHID7510)

ANNEXURE “B”

TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment including 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) Some of the Property, Plant and Equipment, were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed/ conveyance deed provided to us, we report that, the title deeds, of all the immovable properties of land and buildings, disclosed in the standalone financial statements included in property, plant equipment, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as right of use assets in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (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 31st March,

2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The inventories 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. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising working capital positions and revenue figures filed by the Company with such banks or financial institution are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in, provided guarantee and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which.
 - (a) The Company has not provided any loans or advances in the nature of loans or provided security to any other entity during the year. The Company has provided guarantee and details of which are given below:

	Guarantees (in million)
A. Aggregate amount granted during the year:	
A. Subsidiaries	37.10
B.. Others	-
B. Balance outstanding as at balance sheet date in respect of above cases	
C. Subsidiaries	37.10
D. Others	-

- (b) The investments made and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) 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. Hence, reporting under clause (iii) (c) (d) (e) and (f) of the Order is not applicable.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of making investments and guarantees provided, as applicable. The Company has not granted loans and given securities.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (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) (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 Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31st March, 2025 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 31st March, 2025 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ Million)	Amount unpaid (₹ Million)
Finance Act, 1994	Service Tax	High Court, Mumbai	2012-2014	12.36	3.64
Central Excise Act, 1944	Excise Duty	Central Excise Service Tax Appellate Tribunal	2007-2012	7.25	5.44
Maharashtra Value Tax Act, 2002	Value Added Tax	Maharashtra Sales Tax Tribunal	2009-2014	44.73	42.65
Goods and Service Tax Act, 2017	Goods and Service Tax	Deputy Commissioner of State Tax (Appeals)	2017-2018	4.22	3.99
Goods and Service Tax Act, 2017	Goods and Service Tax	Deputy Commissioner Commercial Taxes- Audit	2020-21	87.88	87.88
Goods and Service Tax Act, 2017	Goods and Service Tax	Joint Commissioner of State Taxes (Appeals)	2018-2021	5.98	5.49
Goods and Service Tax Act, 2017	Goods and Service Tax	Joint Commissioner of Commercial Taxes (Appeals)	2017-2022	369.73	348.88
Income-tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	2018-2019 2021-2022	27.01	27.01
The Customs Act, 1962	Custom Duty	Commissioner of Customs (Appeals)	2018-2020	0.06	0.06
Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	Central Government Industrial Tribunal	1996-2018	21.89	21.89

- (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 standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone 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. The Company did not have any associate or joint venture during the year.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company did not have any associate or joint venture during the year.
- (x) (a) In our opinion, moneys raised by way of initial public offer during the year, have been, prima facie, applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of debt instruments.
- (b) The Company has made preferential allotment of equity shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.
- (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 upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone 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 draft of the internal audit reports that were issued after the balance sheet date covering the period under audit.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group ("Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions) does not have any CIC (Core Investment Company) as part of the group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-Section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sathya P. Koushik

(Partner)

(Membership No.206920)

(UDIN 25206920BMJHID7510)

Place: Hyderabad

Date: 13 May 2025

SPK/RK/2025

Standalone Balance Sheet

as at 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
(a) Property, plant and equipment	6	11,342.59	8,775.78
(b) Right-of-use assets	7	2,327.81	1,831.53
(c) Capital work-in-progress	6(i)	1,244.56	1,068.95
(d) Intangible assets	8	104.73	130.20
(e) Financial assets			
(i) Investments	9	1,141.80	802.66
(ii) Other financial assets	10	49.21	39.13
(f) Non-current tax assets (net)	11	81.95	130.83
(g) Other non-current assets	12	128.54	108.44
Total non-current assets		16,421.19	12,887.52
Current assets			
(a) Inventories	13	1,183.33	860.72
(b) Financial assets			
(i) Trade receivables	14	3,528.74	2,587.94
(ii) Cash and cash equivalents	15(i)	851.92	168.61
(iii) Bank balances other than above	15(ii)	3,727.63	1,351.43
(iv) Other financial assets	10	796.25	794.76
(c) Other current assets	12	4,857.57	3,748.22
Total current assets		14,945.44	9,511.68
Total assets		31,366.63	22,399.20
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	208.41	180.50
(b) Other equity	17	21,466.23	9,931.48
Total equity		21,674.64	10,111.98
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	2,772.46
(ii) Lease liabilities	19	1,075.60	1,215.49
(iii) Other financial liabilities	20	-	13.33
(b) Provisions	21	234.08	190.67
(c) Deferred tax liabilities (net)	22	1,110.36	862.89
Total non-current liabilities		2,420.04	5,054.84
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	1,286.36	4,329.17
(ii) Lease liabilities	19	509.84	358.98
(iii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	23	474.16	90.07
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	2,852.36	1,266.62
(iv) Other financial liabilities	20	754.44	317.53
(b) Other current liabilities	24	1,213.11	786.57
(c) Provisions	21	101.98	83.44
(d) Current tax liabilities (net)	25	79.70	-
Total current liabilities		7,271.95	7,232.38
Total equity and liabilities		31,366.63	22,399.20

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm Registration No.: 117366W/W-100018

Sathya P. Koushik

Partner

Membership No.: 206920

For and on behalf of the Board of Directors of

Sai Life Sciences Limited

CIN No: U24110TG1999PLC030970

K.Ranga Raju

Chairman

DIN No: 00043186

Krishnam Raju

Managing Director

DIN No: 00064614

Sivaramkrishnan Chittor

Director & Chief Financial Officer

DIN No: 01092158

Runa Karan

Company Secretary

Membership No.: A13721

Place: Hyderabad

Date: 13 May 2025

Place: Hyderabad

Date: 13 May 2025

Standalone Statement of Profit and Loss

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
I Revenue from operations	26	16,420.48	14,186.82
II Other income	27	373.35	293.32
III Total income (I + II)		16,793.83	14,480.14
IV Expenses			
Cost of material, chemicals & reagents consumed	28	4,455.19	4,087.83
Changes in inventories of work-in-progress	29	41.30	238.04
Employee benefits expense	30	4,855.57	4,306.29
Finance costs	31	700.32	797.24
Depreciation and amortisation expense	32	1,260.33	1,072.13
Other expenses	33	3,163.96	2,688.56
Total expenses (IV)		14,476.67	13,190.09
V Profit before tax (III - IV)		2,317.16	1,290.05
VI Tax expense	34		
(i) Current tax		338.16	79.69
(ii) Deferred tax		244.38	258.05
Total tax expense (VI)		582.54	337.74
VII Profit after tax (V - VI)		1,734.62	952.31
VIII Other comprehensive income			
A. Items that will not be reclassified to profit or loss:			
(i) Re-measurement of defined benefit plans		4.53	8.08
(ii) Income-tax on items that will not be reclassified to profit or loss		(1.14)	(2.03)
		3.39	6.05
B. Items that will be reclassified to profit or loss:			
(i) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		7.70	(7.89)
(ii) Income-tax on items that will be reclassified to profit or loss		(1.94)	1.99
		5.76	(5.90)
Total other comprehensive income for the year, net of tax (A + B)		9.15	0.15
Total comprehensive income for the year (VII + VIII)		1,743.77	952.46
IX Earnings per equity share (in absolute ₹ terms)	35		
Basic		9.00	5.26
Diluted		8.78	5.21

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No.: 117366W/W-100018

Sathya P. Koushik
Partner
Membership No.: 206920

Place: Hyderabad
Date: 13 May 2025

For and on behalf of the Board of Directors of
Sai Life Sciences Limited
CIN No: U24110TG1999PLC030970

K.Ranga Raju
Chairman
DIN No: 00043186

Sivaramakrishnan Chittor
Director & Chief Financial Officer
DIN No: 01092158

Place: Hyderabad
Date: 13 May 2025

Krishnam Raju
Managing Director
DIN No: 00064614

Runa Karan
Company Secretary
Membership No.: A13721

Standalone Statement of Cash Flows

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	2,317.16	1,290.05
Adjustments for :		
Interest income	(175.63)	(135.97)
(Gain)/loss on sale of Property, plant and equipment, net	18.11	(0.10)
Unrealised foreign exchange (gain)/loss	49.75	(44.42)
Depreciation and amortisation expense	1,260.33	1,072.13
Equity -settled share-based payments	24.78	22.53
Finance costs	700.32	797.24
Advances written off	-	10.72
Provision towards advances	-	13.66
Asset written off	17.20	61.86
Bad debts and Loss allowances towards doubtful trade receivables and contract assets	309.09	62.70
Operating cash flows before working capital changes	4,521.11	3,150.40
(Increase)/decrease in other non-current assets	22.91	(65.77)
(Increase)/decrease in inventories	(322.61)	520.48
(Increase)/decrease in trade receivables	(954.45)	208.30
Increase in other current assets	(1,447.30)	(977.29)
Decrease in other financial assets	21.63	39.16
Increase/(decrease) in trade payables	1,188.49	(616.28)
Increase/(decrease) in other financial liabilities & provisions	61.95	(26.43)
Increase in other non-current and current liabilities	426.54	408.81
Net cash generated from operating activities (A)	3,518.27	2,641.38
Income-taxes paid, net	(214.76)	(134.96)
Net cash generated from operating activities (A)	3,303.51	2,506.42
Cash flows from investing activities		
Purchase of property, plant and equipment and other intangible assets (including capital work in progress, capital advances, capital creditors and Right-of-use assets)	(3,634.86)	(1,793.60)
Proceeds from sale of property, plant and equipment	4.77	8.53
Investments in subsidiaries entities	(338.39)	-
Investments in other entity	(0.75)	-
Movement in other bank balances	(1,816.98)	(1,187.19)
(Investment)/Redemption of Corporate deposits	(20.00)	950.00
Interest income received	159.08	121.75
Net cash used in investing activities (B)	(5,647.13)	(1,900.51)
Cash flows from financing activities		
Proceeds from issue of equity shares	10,116.41	9.67
Transaction costs paid on fresh issue of shares on IPO	(113.20)	-
Proceeds from / (Repayment of) current borrowings, net	(2,339.64)	248.93
Proceeds from non-current borrowings	534.08	750.00
Repayment of non-current borrowings	(3,898.66)	(667.28)

Standalone Statement of Cash Flows

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Repayment of Interest portion of lease liabilities	(187.67)	(191.67)
Repayment of Principal portion of lease liabilities	(443.08)	(396.22)
Interest paid #	(525.11)	(599.73)
Net cash generated from/(used in) financing activities (C)	3,143.13	(846.30)
Net decrease in cash and cash equivalents during the year (A + B + C)	799.51	(240.39)
Cash and cash equivalents at the beginning of the year	51.73	292.12
Cash and cash equivalents at the end of the year (Note 1 below)	851.24	51.73

Note 1:

Cash and cash equivalents includes

	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash on hand	0.10	0.11
Balances with banks		
- in current accounts	316.54	75.65
- in book overdraft in bank accounts	(0.68)	(116.88)
- in cash credit accounts	485.28	92.85
- in deposits account	50.00	-
	851.24	51.73

Interest paid in cash flow from financing activities includes borrowing cost capitalised as property, plant and equipment and CWIP during the year amounting to ₹ 12.99 (31 March 2024: ₹ 18.49)

Refer note 18 for reconciliation between the opening and closing balances in balance sheet for financial liabilities arising from financing activities.

The above cash flow excludes the proceeds received in the share escrow account amounting to ₹ 20,926.20 on account of offer for sale made by selling shareholders. Book running lead managers disbursed ₹ 20,042.55 (net of issue expenses of ₹ 883.65) from share escrow account to its selling shareholders.

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No.: 117366W/W-100018

Sathya P. Koushik
Partner
Membership No.: 206920

Place: Hyderabad
Date: 13 May 2025

For and on behalf of the Board of Directors of
Sai Life Sciences Limited
CIN No: U24110TG1999PLC030970

K.Ranga Raju
Chairman
DIN No: 00043186

Sivaramakrishnan Chittor
Director & Chief Financial Officer
DIN No: 01092158

Place: Hyderabad
Date: 13 May 2025

Krishnam Raju
Managing Director
DIN No: 00064614

Runa Karan
Company Secretary
Membership No.: A13721

Standalone Statement of Changes in Equity

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

A Share Capital

	Equity		Preference		Total
	Number of shares	Amount	Number of shares	Amount	Amount
As at 01 April 2023	1,76,22,556	176.23	4,80,000	3.87	180.10
Shares issued during the year	40,478	0.40	-	-	0.40
As at 31 March 2024	1,76,63,034	176.63	4,80,000	3.87	180.50
Increase in equity shares on sub division of 1 equity share of face value of ₹10 each into 1 equity shares of face value of ₹ 1 each (refer note 47)	15,89,67,306	-	-	-	-
Shares issued during the year	2,09,84,049	20.98	-	-	20.98
Final Call monies received on Compulsorily convertible preference shares	-	-	-	0.93	0.93
Optionally convertible preference shares converted to Compulsorily convertible preference shares during the year	-	-	4,80,000	4.80	4.80
Compulsorily convertible preference shares converted to Equity shares during the year	96,00,000	9.60	(9,60,000)	(9.60)	-
Optionally convertible preference shares converted to Equity shares during the year	12,00,000	1.20	-	-	1.20
As at 31 March 2025	20,84,14,389	208.41	-	-	208.41

B Other Equity

	Shares application money pending allotment	Reserves and Surplus				Other comprehensive income	Total
		Capital reserve	Securities premium	Employee stock options outstanding account	Retained earnings	Effective portion of cash flow hedges	
Balance as at 01 April 2023	-	11.22	3,875.80	94.76	4,977.46	(12.02)	8,947.22
Amount transferred on forfeiture of employee stock options	-	-	-	(4.71)	4.71	-	-
Amount transferred on exercise of employee stock options	-	-	6.48	(6.48)	-	-	-
Profit for the year	-	-	-	-	952.31	-	952.31
Other comprehensive income / (loss)	-	-	-	-	8.08	(7.89)	0.19
Income-tax on items that will not be reclassified to profit or loss	-	-	-	-	(2.03)	-	(2.03)
Income-tax on items that will be reclassified to profit or loss	-	-	-	-	-	1.99	1.99
Total comprehensive income	-	-	6.48	(11.19)	963.07	(5.90)	952.46
Shares allotted during the year on account of exercise of employee stock options	-	-	9.27	-	-	-	9.27
Share-based payment expense	-	-	-	22.53	-	-	22.53
Balance as at 31 March 2024	-	11.22	3,891.55	106.10	5,940.53	(17.92)	9,931.48

Standalone Statement of Changes in Equity

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	Shares application money pending allotment	Reserves and Surplus				Other comprehensive income	Total
		Capital reserve	Securities premium	Employee stock options outstanding account	Retained earnings	Effective portion of cash flow hedges	
Balance as at 31 March 2024	-	11.22	3,891.55	106.10	5,940.53	(17.92)	9,931.48
Amount transferred on forfeiture of employee stock options	-	-	-	(6.10)	6.10	-	-
Amount transferred on exercise of employee stock options	-	-	74.41	(74.41)	-	-	-
Profit for the year	-	-	-	-	1,734.62	-	1,734.62
Other comprehensive income	-	-	-	-	4.53	7.70	12.23
Income-tax on items that will not be reclassified to profit or loss	-	-	-	-	(1.14)	-	(1.14)
Income-tax on items that will be reclassified to profit or loss	-	-	-	-	-	(1.94)	(1.94)
Total comprehensive income	-	-	74.41	(80.51)	1,744.11	5.76	1,743.77
Shares allotted during the year on account of exercise of Employee stock option plans, Preferential issue of shares, conversion of Compulsorily convertible preference shares and Optionally convertible preference shares into Equity shares	-	-	614.00	-	-	-	614.00
Premium received on fresh issue of equity shares	-	-	9,482.70	-	-	-	9,482.70
Transaction costs on fresh issue of equity shares	-	-	(330.97)	-	-	-	(330.97)
Share application money received	0.47	-	-	-	-	-	0.47
Share-based payment expense	-	-	-	24.78	-	-	24.78
Balance as at 31 March 2025	0.47	11.22	13,731.69	50.37	7,684.64	(12.16)	21,466.23

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No: 117366W/W-100018

Sathya P. Koushik
Partner
Membership No: 206920

Place: Hyderabad
Date: 13 May 2025

For and on behalf of the Board of Directors of
Sai Life Sciences Limited
CIN No: U24110TG1999PLC030970

K.Ranga Raju
Chairman
DIN No: 00043186

Sivaramakrishnan Chittor
Director & Chief Financial Officer
DIN No: 01092158

Place: Hyderabad
Date: 13 May 2025

Krishnam Raju
Managing Director
DIN No: 00064614

Runa Karan
Company Secretary
Membership No: A13721

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

1. Corporate information

Sai Life Sciences Limited (“the Company”) is a public limited company domiciled and incorporated in India. The registered office of the Company is situated in Hyderabad, Telangana and has facilities in the states of Telangana and Karnataka, India.

The Company carries out contract research, development and manufacturing activities for customers engaged in pharmaceutical and biotechnology industries.

The equity shares of the Company were listed on National Stock Exchange of India Limited and Bombay Stock Exchange on 18 December 2024.

BASIS OF PREPARATION AND PRESENTATION AND MATERIAL ACCOUNTING POLICY INFORMATION

2. Statement of compliance

The standalone financial statements of the Company which comprise of the Standalone Balance Sheet, Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows (“standalone financial statements”) have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as notified under Section 133 of the Companies Act 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules 2015, as amended, issued by the Ministry of Corporate Affairs (“MCA”) and other relevant provisions of the Act, as applicable. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3. Basis of preparation and measurement

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. These standalone financial statements were authorised for issuance by the Company’s Board of Directors on 13 May 2025.

These standalone financial statements have been prepared on the historical cost convention and on an accrual basis except for the following material items in the balance sheet:

- Certain financial assets and liabilities which are measured at fair value; and
- Share based payments, which are measured at fair value of the options.

Functional and presentation currency

The standalone financial statements are presented in Indian Rupee (‘INR’ or ‘₹’) which is also the functional and presentation currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest millions, unless otherwise stated.

4. Use of estimates and judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

Changes in estimates are reflected in the standalone financial statements in the period in which such changes are made and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements is included in the following notes:

Revenue recognition

The Company enters into fixed price contracts with customers under which revenue will be recognised as and when performance obligations mentioned in the customer contracts are satisfied. Given the nature of the product and terms and conditions in such contracts, the Company does not create assets with alternate use and the Company has enforceable right to receive payment for the performance completed to date. Therefore, revenue is recognised over time for such contracts and for other contracts at a point in time. Judgement is involved in assessing whether the contract/agreement meets the criteria for recognition of revenue over the period on percentage of completion basis. Further, the usage of the percentage of completion method to measure progress towards completion involves significant estimates. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Items involving significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment and Intangible assets	The Company reviews the estimated useful lives of property, plant and equipment and the intangible assets at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories, the Company makes an estimate of future selling prices and costs necessary to make the sale at the end of each reporting year, the Company assesses the potential usage of inventories held and judgements are involved in assessing the alternate usage and realisability of inventories.
Fair valuation measurement and valuation process	Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market- observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation.
Contract assets	Contract asset is recognised when the performance obligations are fulfilled and revenue is recognised over a period of time. Judgement is involved in assessing whether the contract/agreement meets the criteria for recognition of revenue over the period on percentage of completion. Estimates are involved in determining the percentage of completion of the contract.
Leases	The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future years is reassessed to ensure that the lease term reflects the current economic circumstances. The Company makes an assessment of the buy back option while determining the useful life for amortising the Right of use assets.
Employee benefits	The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting date. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Valuation of investments in subsidiaries	Determining value in use in respect of investments involves projecting cash flows of future which are discounted. Key assumptions used in this regard include the discount rate, long-term rate, projected cash flows.
Provisions, contingencies - Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources	The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is disclosed in the notes to the standalone financial statements.
Loss allowance for trade receivables and contract assets	Loss allowance for trade receivables with no significant financing component and contract assets is measured at an amount equal to lifetime expected credit losses (ECL).

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Items involving significant estimate	Assumption and estimation uncertainty
Government grants	The Company recognises government grants only when there is no uncertainty on compliance with conditions attached and on receipt of grants. Judgments are involved in assessing compliance with conditions and ultimate receipt of grants.
Share based compensation	At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.
Provision for taxes	Significant judgments are required in determining the provision for income and deferred taxes, including the amount expected to be paid/ recovered for uncertain tax positions. In assessing the recoverability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

5. Summary of material accounting policies

The standalone financial statements have been prepared using the material accounting policies and measurement basis summarized below.

a. Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company presents assets and liabilities in the standalone balance sheet based on current / non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date

A liability is classified as current when:

- It is expected to be settled in normal operating cycle

- It is due to be settled within twelve months after the reporting date, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date

Current assets / liabilities include the current portion of non-current assets / liabilities respectively. All other assets / liabilities including deferred tax assets and liabilities are classified as non-current.

b. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency using the exchange rates at the dates of the transactions or at the rate that closely approximates the rate at the date of transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Foreign exchange gains and losses resulting from the settlement of such

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the standalone statement of profit and loss are reported as foreign exchange gains/ (losses), net. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

c. Revenue recognition

Revenue is measured at the transaction value of the consideration received or receivable. Contract research, development and manufacturing services income :

In contracts involving the rendering of services/ development contracts, revenue is recognised at the point in time in which services are rendered, in accordance with the terms of the contracts.

In case of fixed price contracts, the customer pays a fixed amount based on the payment schedule and the Company recognises revenue over time on a cost-based input method, i.e. based on the proportion of cost incurred for work performed to total estimated cost. The directors consider that the input method is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115. If the services rendered by the Company exceed the payment, a Contract asset (Unbilled Revenue) is recognised. If the payments exceed the services rendered, a contract liability (Deferred Revenue and Advance from Customers) is recognised. If the contracts involve time-based billing, revenue is recognised in the amount to which the Company has a right to invoice.

In case of other contracts, revenue from the operations is recognised when the Company transfers control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product shipped.

Amounts disclosed as revenue are net of returns, trade allowances, rebates and indirect taxes.

'Bill and hold' sales, in which delivery is delayed at the buyer's request but the buyer takes title and accepts

billing, revenue is recognised when the buyer takes title, provided:

- (a) the buyer specifically requests the deferred delivery;
- (b) the product is identified separately as belonging to buyer;
- (c) the product is on hand and ready for delivery to the buyer at the time the sale is recognised;
- (d) the seller does not have ability to use product or direct to another buyer; and
- (e) the usual payment terms apply.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally, when shareholders approve the dividend.

Export incentives

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

d. Property, plant and equipment (PPE)

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Property, Plant and Equipment not ready for its intended use at the date of Balance Sheet are disclosed as "Capital Work in progress". Such items are classified to specific sections of the Property, Plant and equipment as and when ready for its intended use.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognised in standalone statement of profit and loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation on items of PPE is provided on the straight-line method, computed on the basis of useful lives as estimated by the management which coincides with the useful lives mentioned in Schedule II to the Companies Act, 2013. Freehold lands are not depreciated.

The estimated useful lives of the assets are based on a technical evaluation reflecting actual usage of assets.

Asset Category	Estimated useful life (in years)
Buildings	30
Leasehold improvements	Over the lease period or over the useful life of asset if the Company is certain to opt for purchase option
Plant and equipment	3 - 20
Furniture	10
Freehold Vehicles	4 - 10
Freehold Computers	3 - 6

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed-off.

The residual values, useful lives and method of depreciation are reviewed at each financial year-end and adjusted prospectively, if appropriate.

e. Intangible assets

Intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on

internally generated goodwill and brands, is recognised in standalone statement of profit and loss as incurred.

The intangible assets are amortized over the estimated useful life of the asset, on a straight line basis. Estimated useful economic life of Intangibles are as follows:

Asset Category	Estimated useful life (in years)
Acquired Software	1 - 6

f. Impairment

Impairment of tangible and intangible assets

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

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

An impairment loss is recognised in the standalone statement of profit and loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been previously recognised.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

and recognition of impairment loss on financial assets measured at amortised cost.

Loss allowance for trade receivables with no significant financing component, contract assets is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

Impairment of property, plant and equipment, intangibles assets and capital work in progress

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount in the standalone statement of profit and loss.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The method of determining cost of various categories of inventories is as follows:

- (i) Raw materials – Weighted average cost.
Cost includes purchase cost and other attributable expenses
- (ii) Stores and spares and packing material –
Weighted average cost
- (iii) Work-in-process - is based on average cost of production or conversion which comprises direct material costs, direct wages and applicable overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

h. Measurement of fair values

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.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

i. Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised at transaction price when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value and, for an item not at fair value through profit and loss (FVTPL), fair value plus transaction costs that are directly attributable to its acquisition or issue, except trade receivables, contract assets which are measured at transaction price.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income ("FVOCI"); or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the standalone statement of profit and loss. The losses arising from impairment are recognised in the standalone statement of profit and loss.

FVOCI – debt investment

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely

payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the standalone statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to standalone statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

FVTOCI - Equity investment

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the standalone statement of profit and loss.

FVTPL

All financial assets not classified as measured at amortised cost or at FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in standalone statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in standalone statement of profit and loss. Any gain or loss on derecognition is also recognised in standalone statement of profit and loss.

De-recognition

Financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset; or the company has neither transferred nor retained substantially all the risk and rewards of the asset but has transferred control of the asset.

Trade Receivables which are subject to a factoring arrangement without recourse are derecognized from the Balance sheet in its entirety. Under this arrangement, the Company transfers relevant receivables to the factor in exchange for cash and does not retain credit risk.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone 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.

Derivative financial instruments:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are also classified as a current asset or liability when expected to be realised/settled within 12 months of the balance sheet date.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

When option contracts are used to hedge forecast transactions, the group designates only the intrinsic value of the option contract as the hedging instrument.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When the hedged forecast transaction results in the recognition of a non-financial asset (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

- With respect to gain or loss relating to the effective portion of the intrinsic value of option contracts, both the deferred hedging gains and losses and the deferred aligned time value of the option contracts are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

- With respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward element of the forward contract are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance cost'.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses). Hedge ineffectiveness is recognised in profit and loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

Dividend distribution to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the

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shareholders. A corresponding amount is recognised directly in equity.

j. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

k. Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand, debit balance in cash credit accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

l. Government Grants

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised by deducting the grant from the carrying amount of the asset. Grants related to Income are recognized in standalone statement of profit and loss as other operating revenues.

m. Investments in the nature of equity in subsidiaries

The Company has elected to recognise its investments in equity instruments in subsidiaries at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

n. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an

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adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o. Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period as the related service is provided. These benefits include salaries and wages, bonus and ex- gratia. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Long-term employee benefits

Employee benefits payable after twelve months of receiving employee services are classified as long-term employee benefits. These benefits primarily include one-off retention incentive and long-term bonus provision, in accordance with the policy of the company. The company accrues these costs based on the expected pay out and the same is amortised over a period of services.

Gratuity

The Company provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of

the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's last drawn salary and the tenure of the employment with the Company. Liability with regard to the Gratuity Plan is determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The defined benefit plan is administered by a trust formed for this purpose through the Company gratuity scheme. The Company recognises the net obligation of a defined benefit plan as a liability in its standalone balance sheet. Gains or losses through re-measurement of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit and loss in the subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in the standalone statement of profit and loss. The net interest on net defined benefit liability which reflects the change in net defined benefit liability that arises from the passage of time is considered as employee cost and disclosed under "Employee benefits expense".

Compensated absences

The Company's policy permits employees to accumulate and carry forward a portion of unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof in accordance with the terms of such policy. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet.

Share based compensation

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that

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do meet the related service and non-market vesting conditions at the vesting date.

p. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

q. Income taxes

Tax expense recognized in standalone statement of profit and loss consists of current and deferred tax except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the

end of the reporting period. Deferred tax liability are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding during the year for the effects of all dilutive potential equity shares.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

t. Goods and Service Tax Input credit

Goods and Service tax input credit is accounted for in the books in the year in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

u. Operating cycle

Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

6. Property, plant and equipment

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Furnitures and fixtures	Vehicles	Computers	Total
Cost or deemed cost								
Balance as at 01 April 2023	61.04	2,614.24	174.29	6,207.96	117.60	60.21	274.35	9,509.69
Additions (refer note i below)	13.65	440.27	3.32	1,652.31	25.69	-	71.39	2,206.63
Disposals/retirement	-	-	(8.34)	(0.93)	-	(3.57)	(13.89)	(26.73)
Balance as at 31 March 2024	74.69	3,054.51	169.27	7,859.34	143.29	56.64	331.85	11,689.59
Balance as at 01 April 2024	74.69	3,054.51	169.27	7,859.34	143.29	56.64	331.85	11,689.59
Additions (refer note i below)	363.02	497.71	2.93	2,517.04	12.37	-	51.43	3,444.50
Disposals/retirement	-	(0.08)	-	(93.73)	(0.12)	(18.61)	(12.74)	(125.28)
Balance as at 31 March 2025	437.71	3,552.14	172.20	10,282.65	155.54	38.03	370.54	15,008.81
Accumulated depreciation								
Balance as at 01 April 2023	-	316.42	75.04	1,566.76	52.87	51.19	174.25	2,236.53
Charge for the year	-	97.73	10.70	524.14	13.78	2.23	46.30	694.88
Disposals/retirement	-	-	-	(0.23)	-	(3.51)	(13.86)	(17.60)
Balance as at 31 March 2024	-	414.15	85.74	2,090.67	66.65	49.91	206.69	2,913.81
Balance as at 01 April 2024	-	414.15	85.74	2,090.67	66.65	49.91	206.69	2,913.81
Charge for the year	-	107.91	12.71	663.21	14.04	2.25	54.69	854.81
Disposals/retirement	-	(0.01)	-	(70.92)	(0.12)	(18.61)	(12.74)	(102.40)
Balance as at 31 March 2025	-	522.05	98.45	2,682.96	80.57	33.55	248.64	3,666.22
Net carrying amount								
As at 31 March 2024	74.69	2,640.36	83.53	5,768.67	76.64	6.73	125.16	8,775.78
As at 31 March 2025	437.71	3,030.09	73.75	7,599.69	74.97	4.48	121.90	11,342.59

6(i) Capital work-in-progress

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	1,068.95	1,510.00
Additions during the year (refer note (i) below)	3,720.98	2,064.17
Capitalised during the year	(3,528.17)	(2,443.36)
Written off during the year (refer note 33)	(17.20)	(61.86)
Closing Balance	1,244.56	1,068.95

Notes

- i) Additions to capital work-in-progress and property, plant & equipment during year ended 31 March 2025 includes borrowing cost amounting to ₹ 12.99 (31 March 2024: ₹18.49)
- ii) Capital work-in-progress (CWIP) ageing schedule:

As at 31 March 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,244.56	-	-	-	1,244.56
Projects temporarily suspended	-	-	-	-	-
Total	1,244.56	-	-	-	1,244.56

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

As at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	671.50	18.70	378.75	-	1,068.95
Projects temporarily suspended	-	-	-	-	-
Total	671.50	18.70	378.75	-	1,068.95

Note: As on the date of balance sheet, there are no CWIP whose completion is overdue or has exceeded its cost compared to its original plan.

iii) Refer note 18 for details of property, plant and equipment subject to charge on secured borrowings.

7. Right-of-use assets

	Leasehold land	Buildings	Vehicles	Plant and equipment	Computers	Total
Cost						
Balance as at 01 April 2023	148.13	1,030.62	337.27	1,260.65	169.41	2,946.08
Additions during the year	-	15.17	93.34	194.83	0.64	303.98
Disposals/retirement	-	-	(30.92)	-	-	(30.92)
Balance as at 31 March 2024	148.13	1,045.79	399.69	1,455.48	170.05	3,219.14
Balance as at 01 April 2024	148.13	1,045.79	399.69	1,455.48	170.05	3,219.14
Additions during the year	439.44	120.58	254.88	-	-	814.90
Disposals/retirement	-	-	(4.49)	(9.96)	(0.91)	(15.36)
Balance as at 31 March 2025	587.57	1,166.37	650.08	1,445.52	169.14	4,018.68
Accumulated depreciation						
Balance as at 01 April 2023	17.59	582.50	306.09	91.84	99.17	1,097.19
Charge for the year	3.59	67.19	71.24	114.76	36.29	293.07
Disposals/retirement	-	-	(2.65)	-	-	(2.65)
Balance as at 31 March 2024	21.18	649.69	374.68	206.60	135.46	1,387.61
Balance as at 01 April 2024	21.18	649.69	374.68	206.60	135.46	1,387.61
Charge for the year	6.37	81.31	89.75	118.51	16.95	312.89
Disposals/retirement	-	-	(3.78)	(4.94)	(0.91)	(9.63)
Balance as at 31 March 2025	27.55	731.00	460.65	320.17	151.50	1,690.87
Net carrying amount						
As at 31 March 2024	126.95	396.10	25.01	1,248.88	34.59	1,831.53
As at 31 March 2025	560.02	435.37	189.43	1,125.35	17.64	2,327.81

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8. Intangible assets

	Acquired software	Total
Cost or deemed cost		
Balance as at 01 April 2023	239.57	239.57
Additions during the year	110.56	110.56
Balance as at 31 March 2024	350.13	350.13
Balance as at 01 April 2024	350.13	350.13
Additions during the year	67.16	67.16
Disposals/retirement	(1.70)	(1.70)
Balance as at 31 March 2025	415.59	415.59
Accumulated amortization		
Balance as at 01 April 2023	135.75	135.75
Charge for the year	84.18	84.18
Balance as at 31 March 2024	219.93	219.93
Balance as at 01 April 2024	219.93	219.93
Charge for the year	92.63	92.63
Disposals/retirement	(1.70)	(1.70)
Balance as at 31 March 2025	310.86	310.86
Net carrying amount		
As at 31 March 2024	130.20	130.20
As at 31 March 2025	104.73	104.73

9. Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Investment in equity instruments		
Unquoted investments (fully paid)		
Investments in subsidiary (at cost)		
Sai Life Sciences Inc, USA 2,34,291 (31 March 2024: 1,84,762) capital stock of USD 1 each fully paid-up	1,005.16	666.77
Sai Life Pharma Private Limited 1,15,10,000 (31 March 2024: 1,15,10,000) equity of ₹ 10 each fully paid-up	115.10	115.10
Sai Life Sciences GMBH 25,000 (31 March 2024: 25,000) equity shares of Euro 1 each fully paid-up	2.11	2.11
Total investments in subsidiaries (A)	1,122.37	783.98
<i>Others(at fair value through Other comprehensive income (FVTOCI))</i>		
Jeedimetla Effluent Treatment Limited 500 (31 March 2024: 500) equity shares of ₹100 each fully paid-up	0.05	0.05
Patancheru Envirotech Limited 10,878 (31 March 2024: 10,878) equity shares of ₹10 each fully paid-up	0.11	0.11
Clean Max Orion Power LLP (Special Purpose Vehicle) * Contribution of 26% LLP Share (31 March 2024: 26% LLP Share) in Partners capital	18.52	18.52
Solar Craft Power India Ltd 74,800 (31 March 2024: Nil) equity shares of ₹10 each fully paid-up **	0.75	-
Total investment in others (at fair value through Other Comprehensive Income) (B)	19.43	18.68
	1,141.80	802.66
Aggregate value of unquoted investments	1,141.80	802.66

* The Company's investment represents 26% ownership of the Clean Max Orion Power LLP and the investment is in accordance with Electricity Act 2003 which stipulates consumer partner (Sai Life Sciences Limited) to have atleast 26% ownership in the electricity generating entity. The Company's 26% ownership is purely to meet the regulatory requirement and hence the Company has not consolidated the share of profit or loss in the financials.

** During the current year ended 31 Mar 2025 the Company has invested an amount of ₹ 0.75 in Solar Craft Power India Ltd. The Company's investment represents 2.99% of the equity share capital of Solar Craft Power India Ltd.

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10. Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Security deposits - considered good	49.21	39.13
	49.21	39.13
Current		
Security deposits		
(a) Considered good	7.71	9.61
(b) Considered doubtful	3.39	3.39
	11.10	13.00
Less: Provision for doubtful deposits	(3.39)	(3.39)
	7.71	9.61
Derivative financial asset - FVTOCI	16.03	16.08
Unbilled revenue*	32.93	93.76
Fixed Deposits with financial institutions	420.00	400.00
Incentive receivable under T-IDEA scheme**	148.53	220.81
Incentives receivable under production linked incentive	100.00	-
Interest accrued but not due on deposits	71.05	54.50
	796.25	794.76

*Classified as financial asset as right to consideration is unconditional upon passage of time.

** The Company had received final approval dated 21 September 2022 under the Telangana Industrial Development and Entrepreneur Advancement (T-IDEA) scheme 2014 from Commissionerate of Industries, Telangana State towards sanction of investment subsidy amounting to ₹ 200. Additionally, under the above scheme, the Company was granted a customised incentive of power cost reimbursement of ₹1.00 per unit for a period of 10 years starting from August 2020 (being the commencement of commercial production of the expanded facility at Shameerpet, Hyderabad, Telangana).

During the year ended 31 March 2025, the Company has received partial disbursement towards capital subsidy ₹ 66.16 (31 March 2024 ₹Nil) and power cost reimbursement amounting to ₹ 33.84 (31 March 2024 ₹Nil)

11. Non-current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income-tax, net of provision for taxation ₹ 336.61 (31 March 2024 ₹ 466.51)	81.95	130.83
	81.95	130.83

Refer Note 34 for details of income tax expense.

12. Other assets

(Unsecured, considered good)

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Capital advances	59.90	22.07
Prepaid expenses	4.59	9.84
Export incentive receivable	0.15	0.15
Tax demand paid under protest	63.52	43.82
Unsecured, others		
Balances with statutory authorities, considered good	0.38	32.56
Balances with statutory authorities, considered doubtful	15.90	15.90
	16.28	48.46
Less: Provision for doubtful receivables	(15.90)	(15.90)
	0.38	32.56
	128.54	108.44

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Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Advance to suppliers		
(a) Considered good	103.61	95.12
(b) Considered doubtful	29.10	31.08
	132.71	126.20
Less: Allowance for doubtful advances to suppliers	(29.10)	(31.08)
	103.61	95.12
Prepaid expenses	225.03	199.17
Contract assets*		
(a) Considered good	3,963.24	2,968.16
(b) Considered doubtful	347.17	-
	4,310.41	2,968.16
Less: Loss allowance for doubtful contract assets	(347.17)	-
	3,963.24	2,968.16
Balances with statutory authorities	549.61	397.63
Export incentives receivable	4.44	1.45
Advance to employees	3.77	1.33
Other receivable from related parties	7.87	85.36
	4,857.57	3,748.22
*Changes in contract assets are as follows		
Balance at the beginning of the year	2,968.16	1,650.47
Invoices raised that were included in the contract assets balance at the beginning of the year	(2,586.71)	(1,418.05)
Loss allowance for doubtful contract assets	(347.17)	-
Increase due to revenue recognised during the year, excluding amounts billed during the year	3,928.96	2,735.74
Balance at the end of the year	3,963.24	2,968.16

13. Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and packing materials	977.78	625.47
Work-in-progress	159.43	200.73
Stores and spares	46.12	34.52
	1,183.33	860.72

Note - The Company has written off inventories amounting to ₹ 155.50 (31 March 2024 : ₹292.60)

Refer note 4(g) for basis of valuation and for details of inventories pledged, refer note 18

14. Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Considered good - unsecured	3,528.74	2,587.94
(b) Trade receivables which have significant increase in credit risk - unsecured	75.08	117.00
	3,603.82	2,704.94
Less: Loss allowance for doubtful trade receivables*	(75.08)	(117.00)
	3,528.74	2,587.94

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Trade receivables Aging:

As at 31 March 2025

Particulars	Outstanding for following years from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,027.83	426.66	68.24	6.01	-		3,528.74
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	0.81	18.21	16.93	8.66	30.47	75.08
Total	3,027.83	427.47	86.45	22.94	8.66	30.47	3,603.82

As at 31 March 2024

Particulars	Outstanding for following years from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,762.24	735.17	47.85	42.68	-	-	2,587.94
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	1.29	8.76	30.19	51.05	25.71	117.00
Total	1,762.24	736.46	56.61	72.87	51.05	25.71	2,704.94

* Movement in expected credit loss (ECL) allowance

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	117.00	116.22
Loss allowance / (reversal) towards doubtful trade receivables	(38.08)	62.70
Amounts written off	(3.51)	(62.04)
Foreign exchange gain/loss (net)	(0.33)	0.12
Closing balance	75.08	117.00

The Company measures the loss allowance for trade receivables at an amount equal to ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Further the Company also establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and recent collection trend.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

15. Cash and cash equivalents and other bank balances

Particulars	As at	
	31 March 2025	31 March 2024
(i) Cash and cash equivalents		
Cash on hand	0.10	0.11
Balances with banks		
- in current accounts	316.54	75.65
- in deposits account	50.00	-
- in Cash credit account	485.28	92.85
	851.92	168.61
(ii) Bank balances other than above		
-margin money/deposit	218.28	141.43
-in escrow account	1,118.02	-
-in deposits account	2,391.33	1,210.00
	3,727.63	1,351.43
(iii) For the purpose of statement of cash flows, cash and cash equivalents comprise of following:		
Cash and cash equivalents (as per (i) above)	851.92	168.61
Overdraft facilities (refer note 18)	(0.68)	(116.88)
	851.24	51.73

16. Equity share capital

i. Authorised share capital

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares of ₹1 each (31 March 2024 ₹10 each) (refer note 47)	23,90,00,000	239.00	2,03,00,000	203.00
Optionally convertible preference shares of ₹10 each	6,00,000	6.00	6,00,000	6.00
Compulsorily convertible preference shares of ₹10 each	5,00,000	5.00	5,00,000	5.00
	24,01,00,000	250.00	2,14,00,000	214.00

ii. Issued, subscribed and fully paid up

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares of ₹1 each (31 March 2024 ₹10 each)	20,84,14,389	208.41	1,76,63,034	176.63
	20,84,14,389	208.41	1,76,63,034	176.63

iii. Preference shares

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Compulsorily convertible preference shares of ₹ 10 each (31 March 2024 partly paid at ₹8.06 each)	-	-	4,80,000	3.87
	-	-	4,80,000	3.87

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

iv. Reconciliation of number of equity shares outstanding at the beginning and end of the year

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	1,76,63,034	176.63	1,76,22,556	176.23
Increase in equity shares on sub division of 1 equity share of face value of ₹10 each into 10 equity shares of face value of ₹ 1 each (refer note 47)	15,89,67,306	-	-	-
Add: Shares issued during the year	2,09,84,049	20.98	40,478	0.40
Add: Compulsorily convertible preference shares converted to Equity shares during the year	96,00,000	9.60	-	-
Add: Optionally convertible preference shares converted to Equity shares during the year	12,00,000	1.20	-	-
Balance at the end of the year	20,84,14,389	208.41	1,76,63,034	176.63

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Preference shares				
Balance at the beginning of the year	4,80,000	3.87	4,80,000	3.87
Add: Final Call monies received on Compulsorily convertible preference shares	-	0.93	-	-
Add: Optionally convertible preference shares converted to Compulsorily convertible preference shares during the year	4,80,000	4.80	-	-
Less: Compulsorily convertible preference shares converted to Equity shares during the year	(9,60,000)	(9.60)	-	-
Balance at the end of the year	-	-	4,80,000	3.87
	20,84,14,389	208.41	1,81,43,034	180.50

v. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

vi. Rights, preferences and restrictions attached to preference shares

The Company had two classes of preference shares viz, Compulsorily convertible preference shares (CCPS) and 'Optionally convertible preference shares (OCPS). The said shares were partly paid to the tune of ₹8.06 per share during the year ended 31 March 2024. During the year ended 31 March 2025, the outstanding CCPS and OCPS are converted into fully paid up equity shares of 10 each upon receipt of final call of ₹1.94 per share and the conversion premium of ₹242.60 per share.

vii. Warrants convertible into equity shares

Based on the approval of the members taken in the Shareholders meeting dated 11 June 2019, the Company has made allotment of 50,000 Share Warrants which are convertible into equity share in the ratio of 1:1 at a price of ₹1,910 per share. These warrants are equally vested over a period of 4 years ending on 19 October 2023. These warrants are not exercised and subsequently forfeited during the year ended 31 March 2025.

Notes to the Standalone Financial Statements

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

viii. Details of shareholders holding more than 5% equity shares in the Company

Name of the equity shareholders	As at 31 March 2025		As at 31 March 2024		% Change in holding
	Number	% holding	Number	% holding	
TPG ASIA VII SF PTE LTD	5,15,48,272	24.73%	76,20,180	43.14%	-18.41%
Marigold Partners (represented by Kanumuri Mytreysi)	2,21,85,550	10.64%	17,82,378	10.09%	0.55%
Sunflower Partners (represented by Kanumuri Ranga Raju)	1,55,93,570	7.48%	11,40,729	6.46%	1.02%
Sai Quest Syn Private Limited	45,91,100	2.20%	10,68,748	6.05%	-3.85%
HBM Private Equity India	41,40,124	1.99%	10,55,732	5.98%	-3.99%
Gokaraju Subba Raju	96,34,450	4.62%	9,38,730	5.31%	-0.69%

ix. Details of shares held by the promoters of the Company:

Name of the promoters	As at 31 March 2025		As at 31 March 2024		% Change in holding
	Number	% holding	Number	% holding	
Marigold Partners (represented by Kanumuri Mytreysi)	2,21,85,550	10.64%	17,82,378	10.09%	0.55%
Sunflower Partners (represented by Kanumuri Ranga Raju)	1,55,93,570	7.48%	11,40,729	6.46%	1.02%
Sai Quest Syn Private Limited	45,91,100	2.20%	10,68,748	6.05%	-3.85%
Tulip Partners (represented by Kanumuri Mytreysi)	92,82,060	4.45%	7,42,262	4.20%	0.25%
Lily Partners (represented by Kanumuri Ranga Raju)	69,00,740	3.31%	5,10,499	2.89%	0.42%
Kanumuri Krishnam Raju	30,08,400	1.44%	2,95,000	1.67%	-0.23%
Kanumuri Ranga Raju	1,69,340	0.08%	14,000	0.08%	0.00%
Kanumuri Mytreysi	61,580	0.03%	6,000	0.03%	0.00%
Promoters (A)	6,17,92,340		55,59,616		
Gokaraju Subba Raju	96,34,450	4.62%	9,38,730	5.31%	-0.69%
Gokaraju Lakshmi Tanuja	13,34,535	0.64%	1,30,121	0.74%	-0.10%
Kanumuri Sudha	5,13,160	0.25%	50,000	0.28%	-0.03%
Continental Wines Pvt Ltd	20,190	0.01%	1,967	0.01%	0.00%
Promoter Group (B)	1,15,02,335		11,20,818		

x. Details of shareholders holding more than 5% Compulsorily convertible preference shares (CCPS) in the Company

Name of the Preference shareholders & promoters	As at 31 March 2025		As at 31 March 2024		% Change in holding
	Number	% holding	Number	% holding	
Marigold Partners (represented by Kanumuri Mytreysi)	-	-	1,68,134	35.03%	-35.03%
Sunflower Partners (represented by Kanumuri Ranga Raju)	-	-	1,67,866	34.97%	-34.97%
Tulip Partners (represented by Kanumuri Mytreysi)	-	-	72,058	15.01%	-15.01%
Lily Partners (represented by Kanumuri Ranga Raju)	-	-	71,942	14.99%	-14.99%

xi. Shares reserved for issue under options

(a) Employee stock option plan - 2004 ("ESOP 2004")

The Company established a plan ESOP 2004 under which 3,00,000 equity shares of ₹10 each were earmarked and approved by the Shareholders at the Extraordinary General Meeting held on 13 September 2004. These options shall vest at the end of three years from the grant date. The vested options can be exercised by the employee during his term of employment with the Company.

Employee stock option plan - 2006 ("ESOP 2006")

The Company established a plan ESOP 2006 under which 3,50,000 equity shares of ₹10 each were earmarked and approved by the Shareholders at the Annual General Meeting held on 16 August 2006. 60% of the options granted shall vest at the end of three years

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

from the grant date and 40% of the options granted shall vest at the end of five years from the grant date. The vested options can be exercised by the employee during his term of employment with the Company.

Sai Employee stock option scheme - 2008 (“ESOP 2008”)

The Company established a plan ESOP 2008 approved by the Shareholders at the Annual and Extraordinary General Meetings held on 11 September 2008 and 30 March 2009 respectively. As per the scheme, maximum number of employee stock options are restricted to 10% of paid up share capital of the Company. Out of which, 50% of the options granted shall vest at the end of two years from the grant date and the balance 50% of the options shall vest at the end of four years from the grant date. The vested options can be exercised by the employee during his term of employment with the Company.

Under this scheme, the company granted additional employee stock options approved by the Shareholders at the Extraordinary General Meeting held on 25 July 2018. The options granted shall vest 20% at the end of every year from the grant date for a year of 5 years. The vested options can be exercised by the employee during his term of employment with the Company.

Management ESOP scheme - 2018 (“MES 2018”)

The Company established a plan MES 2018 approved by the Shareholders at the Extraordinary General Meeting held on 25 July 2018. As per the scheme maximum number of shares reserved under this scheme is 4% of the paid up equity capital of the Company on a fully diluted basis as on the Effective Date. The options granted shall vest 20% at the end of every year from the grant date for a year of 5 years. The vested options can be exercised by the employee during his term of employment with the Company.

Amended ESOP scheme (“Amended ESOP”)

The Company amended the plan MES 2018 and ESOP 2008 approved by the Shareholders at the Extraordinary General Meeting held on 25 March 2022, 09 June 2023 and 04 July 2024. The amendment has similar terms as the MES 2018 & ESOP 2008 scheme wherein the maximum number of shares reserved under this scheme is 4% and 10% respectively of the paid up equity capital of the Company on a fully diluted basis as on the Effective Date. The options granted shall vest in a period of 5 years and as per the terms provided in the Notice of Grant. The vested options can be exercised by the employee during his term of employment with the Company.

The terms of the above schemes provide that each option entitles the holder to one equity share of ₹10 each and that the options can be settled only by way of issue of equity shares. The options granted are time-based for ESOP 2004 and ESOP 2006. The options granted are time and performance based for ESOP 2008 and MES 2018.

- (b) During the year ended 31 March 2025, the Company had incurred stock compensation cost of ₹ 24.78 (31 March 2024: ₹22.53) towards the above schemes.
- (c) Stock options activity is as follows. The number of options and exercise price per option has been adjusted proportionately to reflect the sub-division (refer Note 47) :

	No. of options	
	As at 31 March 2025	As at 31 March 2024
Under ESOP 2004 plan		
Outstanding at the beginning of the year	-	20,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	(20,000)
Outstanding at the end of the year	-	-
Weighted average exercise price (₹)	-	3.0
Exercisable at the end of the year	-	-

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	No. of options	
	As at 31 March 2025	As at 31 March 2024
Under ESOP 2008 scheme		
Outstanding at the beginning of the year	33,22,360	21,92,500
Granted during the year	2,55,000	14,80,000
Forfeited during the year	(2,70,000)	-
Exercised during the year	(17,62,860)	(350,140)
Outstanding at the end of the year	(15,44,500)	33,22,360
Weighted average exercise price (₹)	169.42	98.67
Exercisable at the end of the year	2,55,500	18,22,360
Under MES 2018 scheme		
Outstanding at the beginning of the year	44,73,920	58,63,750
Granted during the year	41,90,000	-
Forfeited/Lapsed during the year	(11,63,920)	(13,55,190)
Exercised during the year	(14,17,000)	(34,640)
Outstanding at the end of the year	60,83,000	44,73,920
Weighted average exercise price (₹)	134.89	131.02
Exercisable at the end of the year	12,18,000	19,73,920

- (d) The fair value of options is estimated at the grant date using the Black-Scholes option pricing model for the time and non market performance based options and Monte Carlo simulation model is used for market performance based options with the following assumptions:

	As at 31 March 2025	As at 31 March 2024	
	ESOP 2008	ESOP 2008	ESOP 2008
Date of grant	04-Jul-24 & 12-Nov-24	07-Dec-23 & 20-Feb-24	19-Jun-23 & 13-Sep-23
Risk-free interest rate	7.21%	7.21%	7.32%
Expected life (in years)	5	5	5
Expected volatility	33.00%	33.00%	33.00%
Expected dividend yield	0.00%	0.00%	0.00%

- xii. During the year of five years immediately preceding the balance sheet date, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

17. Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium (Note a)	13,731.69	3,891.55
Capital reserve (Note b)	11.22	11.22
Employee stock options outstanding account (Note c)	50.37	106.10
Retained earnings (Note d)	7,684.64	5,940.53
Cash flow hedge reserve (Note e)	(12.16)	(17.92)
Shares pending allotment (Note f)	0.47	-
	21,466.23	9,931.48

Nature and purpose of reserves

(a) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium and adjusted for transaction cost on fresh issue of equity shares. During the year ended 31 March 2025, the Company issued 3,17,84,049 equity share of face value of ₹ 1 each (31 March 2024 40,478 Equity share of face value of ₹ 10 each)

Notes to the Standalone Financial Statements

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(b) Capital reserve

Capital reserve pertains to the excess of net assets taken, over the cost of consideration paid pursuant to amalgamation of Advantium Pharma Private Limited with the Company in the earlier year and on forfeiture of certain share warrants issued in the earlier years. The Company uses capital reserve for transactions in accordance with the provisions of the Act.

(c) Employee stock options outstanding account

Employee stock options outstanding account relates to share options granted by the Company to its employees under its employee share option plan. These will be transfer to Equity and Security premium after exercise of the underlying options.

(d) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(e) Cash flow hedge reserve

Cash flow hedge reserve represents effective portion of cash flow hedges taken to Other comprehensive income.

(f) Shares pending allotment

Represents amount received from employees upon exercise of option under the under ESOP plan -2008. Pending allotment as of 31 March 2025, this amount has been shown under share application money pending allotment.

Movement in other equity		As at 31 March 2025	As at 31 March 2024
i) Securities premium			
	Balance at the beginning of the year	3,891.55	3,875.80
	Add: Amount on account of shares issued	688.41	15.75
	Add: Fresh issue of equity shares	9,482.70	-
	Less: Transaction costs	(330.97)	-
	Balance at the end of the year	13,731.69	3,891.55
ii) Capital reserve			
	Balance at the beginning of the year	11.22	11.22
	Add: During the year	-	-
	Balance at the end of the year	11.22	11.22
iii) Employee stock options outstanding account			
	Balance at the beginning of the year	106.10	94.76
	Amount transferred on forfeiture of employee stock options	(6.10)	(4.71)
	Amount transferred on exercise of employee stock options	(74.41)	(6.48)
	Share-based payment expense	24.78	22.53
	Balance at the end of the year	50.37	106.10
iv) Retained earnings			
	Balance at the beginning of the year	5,940.53	4,977.46
	Re-measurement of defined benefit obligation (net of tax)	3.39	6.05
	Amount transferred on forfeiture of employee stock options	6.10	4.71
	Profit for the year	1,734.62	952.31
	Balance at the end of the year	7,684.64	5,940.53
v) Cash flow hedge reserve			
	Balance at the beginning of the year	(17.92)	(12.02)
	Effective portion of cash flow hedges (net of tax)	5.76	(5.90)
	Balance at the end of the year	(12.16)	(17.92)
vi) Shares pending allotment			
	Balance at the beginning of the year	-	-
	Shares application money pending allotment	0.47	-
	Balance at the end of the year	0.47	-

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

18. Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
(Secured - at amortized cost)		
Term loans		
From banks [refer note (i) to (xiii)]	-	3,358.59
	-	3,358.59
Less: Current maturities of long-term loans	-	(586.13)
	-	2,772.46

Terms and conditions of loans and nature of security

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Loan 1, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all net current assets both present and future of the Company. This loan carried interest rate of 6 months MCLR +0.55% and was repayable in unequal quarterly instalment commencing from June 2023 with last instalment is falling due in March 2030. (Refer note (xii) below)	-	894.99
(ii) Loan 2, Common Covid Emergency Credit Line (CCECL) secured by way of pari passu second charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate equal to 6 months MCLR per annum + 1% with monthly rests and was repayable in equal Monthly instalments commencing from April 2022 and the last repayment is falling due in April 2026. (Refer note (xii) below)	-	93.69
(iii) Loan 4, Term loans (USD denominated) secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. These loans carry interest overnight secured overnight financing rate (O/N SOFR (compounded) + 276 bps (non-compounded) p.a., on the outstanding USD notional, monthly) and are repayable in unequal quarterly instalments commencing from July 2017 with the last instalment is falling due in March 2025. (Refer note (xii) below)	-	18.67
(iv) Loan 5, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of MCLR OD 1 Year + 0.15% per annum and is repayable in unequal quarterly instalments commencing from December 2017 and the last repayment is falling due in March 2025. (Refer note (xii) below)	-	8.55
(v) Loan 6, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 7.5% Financial Benchmark India Limited (FBIL) O/N Mumbai interbank offer rate (MIBOR) (not compounded) + 305 bps (not compounded) on the outstanding ₹ Notional amount, monthly and is repayable in unequal quarterly instalments commencing from March 2022 and the last repayment is falling due in December 2028. (Refer note (xii) below)	-	562.50

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Particulars		As at 31 March 2025	As at 31 March 2024
(vi)	Loan 8, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 1 year MCLR + Spread of 1.05% p.a and is repayable in unequal quarterly instalments commencing from July 2021 and the last repayment is falling due in April 2026. (Refer note (xii) below)	-	615.13
(vii)	Loan 9, Working capital Term loan facility under Guaranteed Emergency Credit Line secured by way of pari passu second charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 3m T-bill Rate + 3.6% Spread p.a and is repayable in equal Monthly instalments commencing from March 2021 and the last repayment is falling due in March 2026. (Refer note (xii) below)	-	281.25
(viii)	Loan 10, Working capital Term loan facility under Guaranteed Emergency Credit Line secured by way of pari passu First Charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 1Y MCLR+0.15% which ever is lower and was repayable in equal Monthly instalments commencing from April 2022 and the last repayment is falling due in March 2026. (Refer note (xii) below)	-	66.99
(ix)	Loan 11, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 3m T-bill Rate + 1.40% spread and is repayable in equal quarterly instalments commencing from Sept 2025 and the last repayment is falling due in June 2030. (Refer note (xii) below)	-	67.62
(x)	Loan 12, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of Repo + Spread of 1.85% p.a and is repayable in equal quarterly instalments commencing from Sep 2025 and the last repayment is falling due in June 2030. (Refer note (xii) below)	-	499.50
(xi)	Loan 13, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of Repo + Spread of 1.5% p.a, and is repayable in equal quarterly instalments commencing from Aug 2025 and the last repayment is falling due in May 2030. (Refer note (xii) below)	-	249.70
		-	3,358.59

(xii) During the year ended 31 March 2025, the Company has repaid all the term loans mentioned above from proceeds of IPO. (refer note 48)

(xiii) The Company has used the borrowings for the purposes for which it was taken.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Short term borrowings		
(Secured - at amortized cost)		
Working capital loans from banks*	1,134.57	3,436.96
Current maturities of long-term loans	-	586.13
Working capital loans repayable on demand - Buyers credit facility	151.79	306.08
	1,286.36	4,329.17
* Includes overdraft facilities classified as cash & cash equivalents for the purpose of cash flow statement (refer note 15(iii))	(0.68)	(116.88)

Note: The above borrowings are secured by way of hypothecation of the Company's goods, book debts, movables, other assets and freehold land. Interest rate ranges between 7.0% to 9.5% p.a and the loans are revolving on an annual basis.

The quarterly returns of current assets filed by the Company with banks are in agreement with books of accounts.

Reconciliation between the opening and closing balances in balance sheet for financial liabilities arising from financing activities are given below:

Particulars	As at 01 April 2024	Net Proceeds/ (Repayments)	Non cash changes*	As at 31 March 2025
Non-current borrowings (including current maturities)	3,358.59	(3,364.58)	5.99	-
Current borrowings (excluding overdraft facilities) (refer note above)	3,626.16	(2,339.64)	(0.84)	1,285.68
Total	6,984.75	(5,704.22)	5.15	1,285.68

* Non cash changes includes foreign exchange changes of ₹ 1.30.

Particulars	As at 01 April 2023	Net Proceeds/ (Repayments)	Non cash changes**	As at 31 March 2024
Non-current borrowings (including current maturities)	3,272.64	82.72	3.23	3,358.59
Current borrowings (excluding overdraft facilities) (refer note above)	3,375.82	248.93	1.41	3,626.16
Total	6,648.46	331.65	4.64	6,984.75

** Non cash changes includes foreign exchange changes of ₹ 3.44.

19. Lease liabilities *

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current	1,075.60	1,215.49
Current	509.84	358.98
	1,585.44	1,574.47

* refer note 44

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

20. Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Optionally convertible preference shares (OCPS) pursuant to Scheme of Arrangement (refer note 16(vi) and note (a) below)	-	4.80
Derivative liabilities - FVTOCI	-	8.53
	-	13.33
Current		
Interest accrued but not due on borrowings	1.60	16.58
Capital creditors (refer note (b) below)	724.90	273.81
Derivative liabilities - FVTOCI	27.94	27.14
	754.44	317.53

a) Details of shareholders holding more than 5% Optionally convertible preference shares (OCPS)

	As at 31 March 2025		As at 31 March 2024	
	Number	% holding	Number	% holding
Name of the Preference shareholders & promoters				
Kanumuri Mytreysi (a Partner of Marigold Partners)	-	-	2,10,168	35.03%
Ranga Raju Kanumuri (a Partner of Sunflower Partners)	-	-	2,09,832	34.97%
Kanumuri Mytreysi (a Partner of Tulip Partners)	-	-	90,072	15.01%
Ranga Raju Kanumuri (a Partner of Lily Partners)	-	-	89,928	14.99%

b) Capital creditors include outstanding dues of micro enterprises and small enterprises to the extent of ₹ 302.72 (31 March 2024: ₹ 61.16) (refer note 43)

21. Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Gratuity	170.57	139.37
Compensated absences	63.51	51.30
	234.08	190.67
Current		
Gratuity	49.65	43.02
Compensated absences	52.33	40.42
	101.98	83.44

Employee benefits

The Company has the following post -employment benefits plans:

(a) Defined contribution plan

The following amount has been recognised as an expense in statement of profit and loss account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities

Particulars	As at 31 March 2025	As at 31 March 2024
Contribution to provident fund	97.91	86.23
Contribution to employees state insurance schemes	0.11	0.19
	98.02	86.42

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(b) Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 day's last drawn salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/ exit, restricted to a sum of ₹ 2.00 in accordance with Payment of Gratuity Act, 1972. This defined benefit plan exposes the company to actuarial risk such as longevity, interest rate risk and market risk & inflation risk.

Particulars	As at	
	31 March 2025	31 March 2024
(i) Change in defined benefit obligation		
Defined benefit obligation at the beginning of the year	182.39	161.93
Current service cost	46.26	39.43
Interest cost	12.37	10.95
<i>Actuarial (gain)/loss on obligation</i>		
Loss/(gain) from change in financial assumptions	0.68	(4.68)
Gain on account of experience adjustments	(5.21)	(3.40)
Benefits paid	(16.27)	(18.73)
Transferred In / (Out) Liability	-	(3.11)
Defined benefit obligation at the end of the year	220.22	182.39
(ii) Expense recognised in the statement of profit and loss		
Included under employee benefits		
Interest cost	12.37	10.95
Service cost	46.26	39.43
Net gratuity costs	58.63	50.38
(iii) Expense recognised in other comprehensive income		
Recognised net actuarial gain	(4.53)	(8.08)
	(4.53)	(8.08)
(iv) Key actuarial assumptions		
Discount rate	7.01%	7.10%
Salary escalation rate	8.00%	8.00%
Expected average remaining service	3.09	3.09
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Attrition rate	24.00%	24.00%
Retirement age-years	58	58

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and salary escalation rate. The calculation of the net defined benefit liability is sensitive to these assumptions. However, the impact of these changes is not ascertained to be material by the management.

(v) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in the benefit obligation being as follows:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Discount rate (+ / - 1% movement)	212.88	228.14	176.37	188.86
Salary escalation rate (+ / - 1% movement)	226.66	214.10	187.59	177.44

Notes to the Standalone Financial Statements

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Maturity profile of the defined benefit obligation

Expected cash flows over the next :	As at 31 March 2025	As at 31 March 2024
1 year	49.65	43.08
2 - 5 years	135.00	110.33
6 - 10 years	75.20	62.47

The weighted average duration of the defined benefit obligation as at 31 March 2025 is 2.79 years (As at 31 March 2024: 2.78 years)

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years. During the year ended 31 March 2025, the Company has incurred an expense on compensated absences amounting to ₹ 49.58 (31 March 2024 : ₹ 31.46). The Company determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

22. Deferred tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities arising on account of :		
Property, plant and equipment	656.56	591.50
Contract assets	473.86	321.42
Right of use assets	496.83	461.11
Deferred tax assets arising on account of :		
Lease liabilities	(399.02)	(396.18)
Provision for employee benefits	(84.58)	(68.90)
Provision for trade receivables and advances	(30.20)	(41.03)
Derivative instruments - FVTOCI	(3.09)	(5.03)
Deferred tax liabilities, (net)	1,110.36	862.89

Movement in deferred tax assets/deferred tax liabilities

	01 April 2023	Recognized in statement of profit and loss	Recognized in OCI	31 March 2024
Deferred tax liabilities arising on account of :				
Property, plant and equipment	537.85	53.65	-	591.50
Contract assets	145.99	175.43	-	321.42
Right of use assets	465.00	(3.89)	-	461.11
Other non-current assets / financial liabilities	(0.31)	0.31	-	-
Deferred tax assets arising on account of :				
Lease liabilities	(441.00)	44.82	-	(396.18)
Provision for employee benefits	(60.10)	(10.83)	2.03	(68.90)
Provision for trade receivables and advances	(33.25)	(7.78)	-	(41.03)
Derivative instruments - FVTOCI	(9.38)	6.34	(1.99)	(5.03)
	604.80	258.05	0.04	862.89

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	01 April 2024	Recognized in statement of profit and loss	Recognized in OCI	31 March 2025
Deferred tax liabilities arising on account of :				
Property, plant and equipment	591.50	65.06	-	656.56
Contract assets	321.42	152.44	-	473.86
Right of use assets	461.11	35.72	-	496.83
Deferred tax assets arising on account of :				
Lease liabilities	(396.18)	(2.84)	-	(399.02)
Provision for employee benefits	(68.90)	(16.83)	1.14	(84.58)
Provision for trade receivables and advances	(41.03)	10.83	-	(30.20)
Derivative instruments - FVTOCI	(5.03)		1.94	(3.09)
	862.89	244.38	3.08	1,110.36

23. Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Considered good,		
(A) Total outstanding dues of micro enterprises and small enterprises (Refer note 43)	474.16	90.07
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,852.36	1,266.62
	3,326.52	1,356.69

* Includes amount payable to related parties - (Refer note 39)

* Includes amount payable towards unbilled share issue expenses amounting to ₹ 776.99 (as of 31 March 2024: ₹ Nil), which are included in unbilled dues in the ageing schedule below.

As at 31 March 2025

Particulars	Outstanding for following years from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	440.94	33.15	0.07	-	-	474.16
(ii) Others	1,240.83	347.82	5.31	5.60	1.40	1,600.96
(iii) Unbilled Dues	1,251.40	-	-	-	-	1,251.40
Total	2,933.17	380.97	5.38	5.60	1.40	3,326.52

As at 31 March 2024

Particulars	Outstanding for following years from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	74.98	8.09	7.00	-	-	90.07
(ii) Others	736.18	328.18	9.84	9.63	0.30	1,084.13
(iii) Unbilled Dues	182.49	-	-	-	-	182.49
Total	993.65	336.27	16.84	9.63	0.30	1,356.69

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

24. Other liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Advance from customers	182.35	96.67
Payable to statutory authorities	298.43	141.69
Employee payables	732.33	548.21
	1,213.11	786.57

25. Current tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for income tax, net of advance tax ₹ 266.49 (31 March 24 ₹ Nil)	79.70	-
	79.70	-

26. Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of goods and services		
Revenue from contract research, development and manufacturing activities	16,078.70	14,099.74
Other operating income		
Income from sale of used solvents	193.26	122.53
Income from export incentives (RODTEP)	24.52	1.45
Income under production linked incentive*	100.00	(36.90)
Research and development expenditure credit	24.00	-
	16,420.48	14,186.82

* The Company's application for a PLI incentive of ₹ 201.90 during the financial year 2022-23 got approved in financial year 2023-24. The DOP issued a revision restricting the outlay in year 1 to extent of 33% of the overall scheme amount of ₹ 500.00 i.e. ₹ 165.00 and accordingly, the Company has reversed production linked incentive of ₹ 36.90 during the previous year ended 31 March 2024.

Disaggregation of revenue from contract research, development and manufacturing activities :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract Development and Manufacturing	10,339.93	9,593.00
Contract Research	5,738.77	4,506.74
Total	16,078.70	14,099.74

Reconciliation of Revenue from operations with contract price (excluding Other Operating Income) :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract price	16,097.47	14,121.82
Less : Adjustment made to contract price on account of Sales return	(18.77)	(22.08)
Total	16,078.70	14,099.74

Disaggregation of revenue from contract research, development and manufacturing activities into over time and at a point in time :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Timing of recognition		
At a point in time	6,571.27	5,029.68
Over time	9,507.43	9,070.06
Total	16,078.70	14,099.74

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

27. Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income from deposits	168.30	135.14
Interest income on financial assets at amortised cost	1.03	0.83
Foreign exchange gain (net)	196.34	150.84
Interest on income tax refund	6.30	-
Profit on Sale of Property, plant and equipment	-	0.10
Others	1.38	6.41
	373.35	293.32

28. Cost of material, chemicals & reagents consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw material and packing material at the beginning of the year	625.47	868.51
Add: Purchases/adjustments	4,807.50	3,844.79
Less: Raw material and packing material at the end of the year	(977.78)	(625.47)
	4,455.19	4,087.83

29. Changes in inventories of work-in-progress

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance		
- Work-in-progress	200.73	438.77
	(A)	438.77
Closing balance		
- Work-in-progress	159.43	200.73
	(B)	200.73
	(A) - (B)	238.04

30. Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus (refer note (a) below)	4,444.61	3,956.83
Contribution to provident and other funds	98.02	86.42
Gratuity	58.63	50.38
Equity settled share based payment expense	24.78	22.53
Staff welfare expenses	229.53	190.13
	4,855.57	4,306.29

(a) Includes contract labour charges of ₹ 369.56 (31 March 2024: ₹ 321.53)

31. Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on financial liabilities measured at amortised cost *	502.11	600.85
Interest on lease liabilities	187.67	191.67
Interest on MSME payables	2.51	3.03
Interest - others	8.03	1.69
	700.32	797.24

* Net of borrowing cost capitalised to property, plant and equipment amounting ₹ 12.99 (31 March 2024: ₹ 18.49)

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

32. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant & equipment (refer note 6)	854.81	694.88
Depreciation on right-of-use assets (refer note 7)	312.89	293.07
Amortisation of intangible assets (refer note 8)	92.63	84.18
	1,260.33	1,072.13

33. Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	449.17	440.29
Power and fuel	481.85	494.91
Rent	13.46	2.75
Repairs and maintenance:		
- Buildings	24.22	18.85
- Plant and equipment	203.73	178.56
- Others	212.78	165.55
Insurance	86.28	70.92
Rates and taxes	17.84	24.26
Outside contract cost	34.33	56.86
Carriage and freight outwards	67.81	51.12
Communication expenses	19.29	19.06
Office maintenance and housekeeping expenses	50.13	41.32
Travelling and conveyance	128.68	89.91
Legal and professional fees (refer note (i) below)	787.14	717.38
Corporate social responsibility (CSR) expenditure (refer note (ii) below)	12.08	9.38
Loss allowance towards doubtful trade receivables and contract assets (refer note 14 and 12)	305.58	0.66
Bad debts written off (net of recoveries) (refer note 14)	3.51	62.04
Provision towards doubtful advances	-	13.66
Advances written off	-	10.72
Bank charges	19.04	14.26
Net loss on disposal of property, plant and equipment	18.11	-
Sales promotion expenses including sales commission	50.14	30.45
Membership and subscription	144.27	92.92
Printing and stationery	16.22	18.62
Asset under Capital work-in-progress written off (refer note 6(i))	17.20	61.86
Miscellaneous expenses	1.10	2.25
	3,163.96	2,688.56

Notes to the Standalone Financial Statements

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(i) Details of Auditor's remuneration :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
As auditor:		
- Audit fee*	5.77	5.77
- Limited Review fee	1.50	-
- Certification fees	0.73	1.59
- Reimbursement of expenses	0.17	0.49
	8.17	7.85

* Above fee excludes amount of ₹48.56 (excluding tax of ₹8.74) for the year ended 31 March 2025 (31 March 2024 ₹ Nil), in connection with the Initial public offer (IPO) of the Company which is adjusted with securities premium upon completion of the IPO.

(ii) Details of CSR expenditure :

As required under Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The Company has spent the CSR amount towards

1. Contributing through Technology
2. Conducting free medical program in rural areas and sponsorship for cancer child patient
3. Promoting education in rural areas and career development programme
4. Providing water storage.”

Amount spent during the year on:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i) Amount approved by the Board to be spent during the year	12.08	9.38
ii) Gross amount required to be spent by the Company during the year	12.08	9.38
iii) Amount spent during the year on the above	12.08	9.38
iv) Shortfall at the end of the year	-	-
v) Total of previous year shortfall	-	-
vi) Reason for shortfall	N/A	N/A
vii) Nature of activity	See note above	See note above

34. Income tax

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Tax expense comprises of:		
Current tax	338.16	79.69
Deferred tax	244.38	258.05
Income tax expense reported in the statement of profit or loss	582.54	337.74

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% and the reported tax expense in the statement of profit and loss is as follows:

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	2,317.16	1,290.05
Tax at the Indian tax rate (25.17%) [31 March 2024: 25.17%]	583.18	324.68
Effect of concessions (80JJAA)	(4.56)	(5.44)
Disallowance of CSR expenditure	3.04	2.36
Others	0.88	16.14
Income tax expense	582.54	337.74

35. Earnings per equity share [EPES]

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity shareholders	1,734.62	952.31
Weighted average number of equity shares outstanding during the year (before stock split)	1,92,63,397	1,81,15,947
Weighted average number of equity shares outstanding during the year (after stock split)	19,26,33,970	18,11,59,470
Effect of dilution:		
Employee stock options (before stock split)	4,96,649	1,73,375
Employee stock options (after stock split)	49,66,490	17,33,750
Weighted average number of equity shares adjusted for the effect of dilution (before stock split)	1,97,60,046	1,82,89,322
Weighted average number of equity shares adjusted for the effect of dilution (after stock split)	19,76,00,460	18,28,93,220
Earnings per equity share before stock split (in absolute ₹ terms) :		
Basic	90.05	52.57
Diluted	87.78	52.07
Nominal Value per share equity share	10	10
Earnings per equity share after stock split (in absolute ₹ terms) :		
Basic	9.00	5.26
Diluted	8.78	5.21
Nominal Value per share equity share	1	1

Note:

During the year ended 31 March 2024, the Company has not considered Share warrants of 50,000 which are convertible into equity shares being anti-dilutive. During the year ended 31 March 2025 the Company has forfeited 50,000 Share Warrants.

The basic and diluted earnings per share for the current year and previous year presented have been calculated after considering the share split during the year ended 31 March 2025. Accordingly, adjustments have been made for options granted to employees under the ESOP scheme of the Company. (Refer Note 47)

36. Fair value measurements

Risk management framework:

The Company's principal financial liabilities, comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTOCI investments and investment in its subsidiary.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(i) Financial assets and financial liabilities measured at fair value

	Level 1		Level 2		Level 3	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Financial assets - Unlisted equity instruments measured at FVTOCI* and derivative instruments designated in hedge accounting relationship	-	-	16.03	16.08	19.43	18.68
Financial liabilities - Derivative financial instruments - loss on outstanding foreign exchange forwards, options, currency swap contracts and interest rate swap contracts(1)	-	-	27.94	35.67	-	-

* These are held for operational purposes and the Company estimates that the fair value of these investments are not materially different as compared to their cost.

(1) The Company enters into derivative financial instruments with various counterparties, principally banks. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps, foreign exchange forwards. These derivative financial instruments are valued based on the inputs that are directly or indirectly observable in the market place.

Financial instruments by category

	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	-	19.43	1,122.37	-	18.68	783.98
Trade receivables	-	-	3,528.74	-	-	2,587.94
Cash and cash equivalents	-	-	851.92	-	-	168.61
Other bank balances	-	-	3,727.63	-	-	1,351.43
Other financial assets	-	16.03	829.43	-	16.08	817.81
Total financial assets	-	35.46	10,060.09	-	34.76	5,709.77

	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	1,286.36	-	-	7,101.63
Lease liabilities	-	-	1,585.44	-	-	1,574.47
Trade payables	-	-	3,326.52	-	-	1,356.69
Other financial liabilities	-	27.94	726.50	-	35.67	295.19
Total financial liabilities	-	27.94	6,924.82	-	35.67	10,327.98

(ii) Measurement of fair values

Valuation technique and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Forward exchange contract	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency	Not applicable	Not applicable

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Interest rate swaps and Cross Currency swaps	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to credit risk adjustment that reflects the credit risk of the entity and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable	Not applicable

(iii) Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in FY 2024-25 and no transfers in either direction in FY 2023-24.

37. Financial instruments risk management

A. Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, lease liabilities, deposits, trade receivables and other financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations; provisions; and non-financial assets and liabilities.

i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has loan facilities on floating interest rate, which exposes the Company to risk of changes in interest rates. The management monitors the interest rate movement and manages the interest rate risk based on its policies, which include entering into interest rate swaps as considered necessary. The Company's investment in deposits with banks are for short durations and therefore do not expose the Company to significant interest rate risk.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate.

If interest rate had been 10 basis points higher/lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Company's profit for the year ended 31 March 2025 would decrease/increase by ₹ 5.82 (31 March 2024: ₹ 33.85)."

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of change in foreign exchange rates. The Company's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in US Dollars and Euros) and foreign currency borrowings (primarily in US Dollars). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses both derivative and non-derivative financial instruments, such as foreign exchange forward contracts, currency swap contracts and foreign currency financial liabilities, to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

- a) Significant foreign currency risk exposure relating to financial assets and financial liabilities expressed in ₹ terms are as follows.

Financial assets

	31 March 2025				31 March 2024			
	Investments	Trade receivables	Balances in bank	Other assets	Investments	Trade receivables	Balances in bank	Other assets
- USD	1,005.16	3,287.17	248.82	32.93	666.77	2,444.53	26.46	93.76
- EUR	2.11	194.82	1.17	-	2.11	158.73	-	-
- GBP	-	52.33	33.57	-	-	52.86	38.65	-
- Others	-	1.99	16.39	-	-	2.60	2.80	-

Financial liabilities

	31 March 2025			31 March 2024		
	Borrowings#	Trade payables	Capital creditors	Borrowings#	Trade payables	Capital creditors
- USD	151.79	647.52	110.72	402.89	209.07	29.39
- EUR	-	3.89	41.21	10.08	0.09	13.71
- GBP	-	2.09	2.18	-	114.84	8.75
- Others	-	0.18	0.34	-	3.55	-

This amount includes interest accrued

- (b) Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Impact on income & equity	
	31 March 2025	31 March 2024
USD sensitivity		
₹/USD - Increase by 1%	36.64	25.90
₹/USD - Decrease by 1%	(36.64)	(25.90)
EUR sensitivity		
₹/EUR - Increase by 1%	1.53	1.37
₹/EUR - Decrease by 1%	(1.53)	(1.37)
GBP sensitivity		
₹/GBP - Increase by 1%	0.82	0.32
₹/GBP - Decrease by 1%	(0.82)	(0.32)

- (c) Derivative financial instruments

The following table gives details in respect of outstanding derivative contracts. The counterparty for these contracts are banks.

	Sell	Buy	31 March 2025		31 March 2024	
			No of contracts outstanding	Amount in Millions	No of contracts outstanding	Amount in Millions
Forward contract	US\$	₹	130	\$42.89	237	\$77.69
Forward contract	Euro€	₹	11	€ 4.50	12	€ 4.50
Forward contract	₹	US\$	-	\$-	2	\$1.00
Interest rate swaps INR (floating to fixed)	-	-	-	₹ -	2	₹ 651.15
Interest rate swaps USD (floating to fixed)	-	-	-	\$-	1	\$0.28

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

The Company designates its derivative contracts that hedge foreign exchange risk associated with its highly probable forecasted transactions as cash flow hedges and measures them at fair value. The effective portion of such cash flow hedges is recorded as in other comprehensive income, and re-classified in the income statement as revenue in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such cash flow hedges is immediately recorded in the statement of profit and loss.

B. Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The Company has established a credit mechanism under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored.

The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹ 3528.78 (31 March 2024: ₹ 2,587.94). (refer note 14)

C. 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 the entity 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.

The Company's principal sources of liquidity are the cash flows generated from operations. Further the Company also has long term borrowings and working capital facilities which the management believes are sufficient for its current requirements. Accordingly, no liquidity risk is perceived.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

31 March 2025	Carrying amount	Contractual cash flows			Total
		Less than 1 year	From 1 to 3 years	More than 3 years	
Non-derivative financial liabilities					
Borrowings	1,286.36	1,286.36	-	-	1,286.36
Lease liabilities	1,585.44	714.64	986.71	952.30	2,653.65
Trade payable	3,326.52	3,326.52	-	-	3,326.52
Other financial liabilities	726.50	726.50	-	-	726.50
Total	6,924.82	6,054.02	986.71	952.30	7,993.03

31 March 2024	Carrying amount	Contractual cash flows			Total
		Less than 1 year	From 1 to 3 years	More than 3 years	
Non-derivative financial liabilities					
Borrowings	7,101.63	4,329.17	1,906.89	901.44	7,137.50
Lease liabilities	1,574.47	500.94	1,139.34	451.74	2,092.02
Trade payable	1,356.69	1,356.69	-	-	1,356.69
Other financial liabilities	295.19	290.39	4.80	-	295.19
Total	10,327.98	6,477.19	3,051.03	1,353.18	10,881.40

Notes to the Standalone Financial Statements

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

38. Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares or sell assets to reduce debt. Total capital is the equity as shown in the statement of financial position. Currently, the Company primarily monitors its capital structure on the basis of the following gearing ratio. Management is continuously reviewing its strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Company.

The capital for the reporting period under review is summarized as follows:

Particulars	31 March 2025	31 March 2024
Total borrowings (note 18)	1,286.36	7,101.63
Less: Cash and cash equivalents (note 15(i))	(851.92)	(168.61)
Less: Other bank balances (note 15 (ii)) and Deposits classified under Other financial assets (note 10)	(4,147.63)	(1,751.43)
Net debt (A)	(3,713.19)	5,181.59
Total equity (B)	21,674.64	10,111.98
Net debt to equity ratio (A)/(B) *	0.00	0.51

* Net debt to equity ratio for the year ended 31 March 2025 has been restricted to zero

39. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
TPG Asia VII SF Pte Ltd (upto 18 December 2024)	Entity having significant influence on the Company
Sai Life Sciences Inc, USA	Subsidiary Company
Sai Life Sciences GMBH, Germany	Subsidiary Company
Sai Life Pharma Private Limited	Subsidiary Company
Sai Quest Syn Private Limited	Entities in which KMP have control or have significant influence
Dr. K Ranga Raju	
Krishnam Raju	
Sivaramakrishnan Chittor *	Key management personnel ("KMP")
Runa Karan	
Dr. Raju A Penmasta (upto 06 June 2024)	
Puneet Bhatia (upto 07 June 2024)	Director
Mitesh Daga (upto 10 March 2025)	
Rajagopal S. Tatta (upto 25 March 2025)	
Manjusha Ambadas Joshi (upto 06 June 2024)	
Ganesh Ramesh Iyer (w.e.f. 21 May 2024)	Independent Director
Suchita Sharma (w.e.f. 10 June 2024)	
Dr. Dinesh V Patel (w.e.f. 24 March 2025)	

* Subsequent to the year ended on 31 March 2025, Mr. Sivaramakrishnan Chittor has been appointed as an Additional Director of the Company on 28 April 2025.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(b) Transactions with related parties

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Transactions with subsidiary companies		
Legal and professional fees - Marketing cross charge	540.70	405.73
- Sai Life Sciences Inc.	496.89	370.92
- Sai Life Sciences GmbH	43.81	34.81
Revenue from operations - Research Services Provided	77.99	26.83
- Sai Life Sciences Inc	77.99	26.83
Investment in equity share capital	338.39	-
- Sai Life Sciences Inc	338.39	-
Issue of Standby Line of Credit	37.10	36.20
- Given to vendor on behalf of Sai Life Sciences Inc	37.10	36.20
Transactions with Subsidiaries	134.18	138.94
- Sai Life Pharma Private Limited (Rent expenses)	1.42	1.38
- Sai Life Pharma Private Limited (FTE cross charge)	28.78	16.92
- Sai Life Sciences Inc (Purchases of Lab consumables)	103.60	120.28
- Sai Life Sciences Inc (Other Cross charge)	0.38	0.36
Transactions with independent directors	16.74	5.39
Commission	9.75	4.45
Sitting fees	5.31	0.31
Reimbursement of expenses	1.68	0.63
Transactions with KMP *	122.17	94.81
Dr. K Ranga Raju	29.12	25.77
Krishnam Raju	62.04	32.90
Sivaramakrishnan Chittor	25.09	32.53
Runa Karan	5.92	3.61

(c) Balances outstanding

Particulars	As at 31 March 2025	As at 31 March 2024
Payables		
Subsidiary company	175.21	38.91
- Sai Life Sciences Inc	167.03	32.35
- Sai Life Pharma Private Limited	8.18	6.56
Receivables		
Subsidiary companies	37.14	179.64
- Sai Life Sciences Inc	29.27	167.88
- Sai Life Sciences GmbH	7.87	11.76
Advances Given		
Subsidiary companies	-	58.02
- Sai Life Sciences Inc	-	41.62
- Sai Life Sciences GmbH	-	16.40
Investment in equity share capital	1,122.37	783.98
- Sai Life Sciences Inc	1,005.16	666.77
- Sai Life Sciences GmbH	2.11	2.11
- Sai Life Pharma Private Limited	115.10	115.10
Issue of Standby Line of Credit	37.10	36.20
- Given to vendor on behalf of Sai Life Sciences Inc	37.10	36.20

*KMP are covered by the Company's Medclaim insurance policy and are eligible for gratuity and leave encashment along with other employees of the Company. The proportionate premium paid towards this policy and provision made for gratuity and leave encashment pertaining to the KMP has not been included in the aforementioned disclosures as these are not determined on an individual basis.

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Share based compensation expense allocable to key management personnel is ₹ 3.03 (31 March 2024 : ₹ 0.45), which is not included in the remuneration disclosed above.

(d) Transaction with related parties

All related party transactions were carried out at arms length prices and in the ordinary course of business.

40. Segment reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Contract research, development and manufacturing". Geography-wise details of the Company's revenues from external customers and its non-current assets (other than financial instruments, investments accounted for using the equity method, deferred tax assets and post-employment benefit assets) and revenue from major customers are given below:

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Revenue from External customers		
India	210.31	178.68
Outside India	15,868.39	13,921.06
(ii) Non-Current Assets (Other than financial instruments)		
India	14,301.47	11,026.28
Outside India	928.71	1,019.45

(iii) Major Customers

The Company has two customers (31 March 2024 no customers) who contributed more than 10% of the Company's total revenue during the year. The revenue recognised from such customers during the years is ₹ 3,638.84 (31 March 2024: ₹ Nil).

41. Contingent liabilities and commitments

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,028.40	491.15
(b) Contingent liabilities		
i. Claims arising from disputes not acknowledged as debts in respect of:		
Excise duty liabilities - refer note (c) (i) below	7.25	7.25
Service tax liabilities - refer note (c) (ii) below	12.36	12.36
Provident Fund Damages relating to PF contribution of international workers - refer note (c) (iii) below	21.89	21.89
Income tax liabilities - refer note (c) (iv) & (v) below	27.01	18.27
GST liabilities - refer note (c) (vi) (vii) (viii) and (ix) below	467.81	77.31
VAT liabilities - refer note (c) (x) below	44.73	67.56
Customs - refer note (c) (xi) below	0.06	-
	581.11	204.64
ii. Issue of Standby Line of Credit to vendor on behalf of Subsidiary	37.10	36.20

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(c) Notes on Contingent liabilities

- (i) The Company has received an Order from the Commissioner (Appeals), Hyderabad for a demand of ₹7.25 for the period November 2007 to March 2012 on the ground that the Company has not complied with the conditions of Notification No 23/2003 – CE dated 31 March 2003. As per the said notification, an Export Oriented Unit (EOU) unit can clear the goods into Domestic Tariff Area (DTA) on payment of excise duty at a concessional rate upto 50% of the Free on Board (FOB) value of the exports on the sale of similar goods to DTA. The Central Excise authorities have held that the goods sold in DTA are different from that of the goods which are exported and accordingly, demand has been raised along with interest and penalty. The Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal ('CESTAT') and waiting for personal hearing.
- (ii) The Company has received an Order from the Commissioner (Appeals), Central Excise, Pune for a demand of ₹ 12.36 for the period July 2012 to December 2014 on the ground that the Place of Provision of Service is in India and as such there is no export of service by the Company applying Rule 4 of Place of Provision of Service Rules, 2012 (POPS Rules) with respect to Drug Metabolism and Pharmacokinetic (DMPK) services rendered by the Company. The Company has filed an appeal before the CESTAT Pune on 27 April 2015 which is rejected. Thereafter, the Company has filed an appeal before the Honourable High Court on 09 December 2019 and Personal Hearing is attended on 27 February 2020. Appeal has been admitted by High court on 05 July 2022 and waiting for personal hearing.
- (iii) The Company had three Non resident Indians on its rolls covered under the definition of International Workers as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Based on the Government Order, in June 2017, the Company suo moto made a payment of provident fund along with the applicable interest rates.

However, on 25 April 2018, the Company received a notice from the Department stating that from the period 01 April 1996 to 31 March 2018, the Company had delays in deposit of Provident fund amount and accordingly, charged interest and damages under Section 14B and Section 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 to the extent of ₹13.15 and ₹21.89 for interest and damages respectively.

The Company has represented the case stating that interest payments were made appropriately. The PF authorities took such interest payment on record and gave a corrigendum stating the same.

The Company is still contesting the damages payment of ₹ 21.89. The Company addressed a letter dated 22 October 2020 to the Regional Provident Fund Commissioner, requesting it to refrain from taking any such coercive action against the Company and reserved its right to exercise its rights and remedies under law. However, since no presiding officer had been appointed for hearing matters before the Central Government Industrial Tribunal ("CGIT") at that time, the Company filed the present writ petition bearing Writ Petition No. 19867 of 2020 against the RPFC for the setting aside of the Impugned Order as being arbitrary, illegal and violative of Article 14 of the Constitution of India. The matter was listed on 19 November 2020, wherein, the High Court passed an interim order granting a stay on the Impugned Order. However, as on date, there is no further order with regard to the said damages. Apart from the proceedings before the High Court of Telangana, an appeal was also filed by the Company challenging the Impugned Order before the CGIT under Section 7-I of the EPF Act. The matter was listed for admission on 26 April 2021. The CGIT, vide, an order passed on 26 April 2021, observed that the present appeal was admitted subject to the final order passed by the High Court of Telangana. The said order held that the application for stay as filed by the Company would be considered upon obtaining such a final order.

- (iv) The Company has received an Order dated 25 March 2025 from the Income tax authorities relating to assessment year 2019-20 for an amount of ₹ 8.74, treating the Company as 'Assessee in default' due to non-deduction of TDS on remittances made to certain vendor outside of India. The Company is in process of filing an appeal before the CIT (A).
- (v) The Company has received an Order from the Assessment Unit, Income Tax Department for a demand of ₹ 18.27 for the assessment year 2022-23 disallowing the 'Repairs and Maintenance' expenditure as revenue expenditure but allowed Depreciation @ 15% on such expenditure by treating it as 'capital expenditure'. The Company has filed an appeal before the Commissioner of Income Tax (Appeals) and waiting for personal hearing.

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- (vi) The Company has received an Order from the Deputy Commissioner of State Tax, Pune for a demand of ₹4.22 for the period July 2017 on the ground that the transitional input tax credit carried forward into GST by the Company is incorrect and accordingly, demand has been raised along with interest and penalty. The Company has filed an appeal before the Deputy Commissioner of State Tax (Appeals), Pune and waiting for personal hearing.
- (vii) The Company has received Orders from the Deputy Commissioner of Commercial Taxes (Enforcement), Kalaburagi for a demand of ₹ 366.84 for the period July 2017 to March 2022 on the ground that 'Marketing support' services received from M/s. Sai Life Sciences Inc., USA are liable to GST under Reverse Charge mechanism. The Company has filed an appeal before the Joint Commissioner of Commercial Taxes (Appeals), Gulbarga for all the financial years and waiting for personal hearing.
- (viii) The Company has received an order from the Joint Commissioner, Malkajgiri Division, Telangana for the financial year 2018-19 disallowing the input tax credit from cancelled tax payers for an amount of ₹4.97 including interest and penalties. The Company has filed an appeal before the Joint Commissioner of State Tax (Appeals), Telangana and waiting for personal hearing.
- The Company has received an order from the Joint Commissioner, Malkajgiri Division, Telangana for the financial year 2019-20 disallowing the input tax credit from cancelled tax payers for an amount of ₹0.43 including interest and penalties. The Company has filed an appeal before the Joint Commissioner of State Tax (Appeals), Telangana and waiting for personal hearing.
- (ix) The Company has received an order from the Deputy Commissioner, Kalaburagi, Karnataka for the financial year 2019-20 disallowing the input tax credit on invoices not appearing in Form GSTR-2A for an amount of ₹2.89 including interest and penalties. The Company has filed an appeal the Joint Commissioner of Commercial Taxes (Appeals), Gulbarga and waiting for personal hearing.
- The Company has received an order from the Deputy Commissioner, Kalaburagi, Karnataka for the financial year 2020-21 disallowing the input tax credit on invoices not appearing in Form GSTR-2A for an amount of ₹ 87.88 including interest and penalties. The Company is in process of filing an appeal before the Appellate Authority.
- The Company has received an order from the Joint Commissioner, Malkajgiri Division, Telangana for the financial year 2020-21 disallowing the input tax credit on invoices not appearing in Form GSTR-2A for an amount of ₹0.58 including interest and penalties. The Company is in process of filing an appeal before the Appellate Authority.
- (x) The Company has received Orders under Maharashtra Value Added Tax (MVAT) Act, 2002 and Central Sales Tax (CST) Act, 1956 from the Joint Commissioner of State Tax, Pune for a demand of ₹ 44.73 for the period April 2009 to March 2014 regarding the eligibility of refund of Input Tax Credit (ITC) under MVAT Act. The tax authorities have raised objection that transfer of deliverables (technical know-how) to the Customer of the Company is a service and not sale of goods. However, the Company believes that transfer of deliverables to the Customer is sale of goods and the Company is eligible for refund of unutilized ITC. Accordingly, the Company has filed an appeal before the Maharashtra Sales Tax Tribunal (MSTT) and waiting for personal hearing.
- (xi) The Company has received an Order from the Assistant Commissioner of Customs, Mumbai for a demand of ₹0.06 for the period January 2019 to August 2019 regarding short discharge of customs duties owing to wrong classification of goods. The Company has filed a reply clarifying the error in the Order and further, filed an appeal before the Commissioner of Customs (Appeals), Mumbai. The Company is waiting for personal hearing.
- (xii) The Company is subject to various legal proceedings and claims, which have arisen in the ordinary course of business including litigation pending before various tax authorities, including those mentioned in above points. The uncertainties and possible refunds are dependent on the outcome of different legal processes, which have been invoked by the claimants or the Company, as the case may be, and therefore cannot be accurately predicted. The Company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such disputes. Management believes that it has a reasonable case in its defence of the proceedings and accordingly no impact has been considered in the financial statements.

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

42. Other statutory disclosures

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- viii) The Company has not any such transaction which is not recorded in the books of account 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

43. Micro, Small and Medium Enterprises

Disclosure in respect of the amounts payable to micro and small enterprises as at 31 March 2025 & 31 March 2024 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	As at 31 March 2025	As at 31 March 2024
The principal amount remaining unpaid to any supplier as at the end of each accounting year*	764.43	141.29
Interest due thereon remaining unpaid to any suppliers as at the end of the accounting year	12.45	9.94
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	2.51	3.03
The amount of interest accrued and remaining unpaid at the end of the year**	12.45	9.94
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

* Includes amounts payable to trade creditors ₹ 461.72 (31 March 2024: ₹ 80.13) and capital creditors ₹ 302.72 (31 March 2024: ₹ 61.16)

** Includes amounts payable to trade creditors ₹ 12.45 (31 March 2024: ₹ 9.94)

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

44. Leases

Company as a lessee : The Company has lease contracts for land, buildings, plant and equipment, vehicles and computers, with lease period varying upto 51 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Lease liabilities	As at 31 March 2025	As at 31 March 2024
Opening balance	1,574.47	1,695.94
Additions	454.05	303.98
Deletions	-	(29.23)
Accretion of interest	187.67	191.67
Payments	(630.75)	(587.89)
Closing balance	1,585.44	1,574.47
Current	509.84	358.98
Non-current	1,075.60	1,215.49

Amount recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation: Right-of-use assets	312.89	293.07
Finance cost: Interest on lease liabilities	187.67	191.67
Short term and variable lease payments (Refer note below)	13.46	2.75

Note: The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Amount recognised in Statement of Cash flow

Particulars	As at 31 March 2025	As at 31 March 2024
Cash outflows for leases		
Interest portion of lease liabilities	187.67	191.67
Principal portion of lease liabilities	443.08	396.22

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

Particulars	As at 31 March 2025	As at 31 March 2024
Less than one year	714.64	500.94
One to five years	1,089.45	1,229.53
More than five years	849.56	361.55
Total	2,653.65	2,092.02

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

45. Ratios

The following are analytical ratios for the year ended 31 March 2025 and 31 March 2024

Particulars	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	Variance	Reason for change more than 25%
Current Ratio	Current Assets	Current Liabilities	2.06	1.32	56.1%	Increase on account of higher cash & cash equivalent due to IPO proceeds.
Debt-Equity Ratio	Total Debt(1)	Shareholder's Equity	0.00	0.51	-100.0%	Decrease due to repayment of borrowings from the proceeds of IPO during the year.
Debt Service Coverage Ratio	Earnings available for debt service(2)	Debt service(3)	8.35	2.65	215.1%	Increase is primarily on account of increase in profits
Return on Equity (ROE)	Net profit after taxes	Average Shareholder's Equity	10.92%	9.90%	10.3%	NA
Inventory Turnover Ratio	Cost of goods sold(7)	Average Inventory	4.40	3.86	14.0%	NA
Trade Receivables Turnover Ratio	Revenue from Operations	Average Receivables	5.37	5.29	1.5%	NA
Trade Payables Turnover Ratio	Cost of goods sold(7)+Other expense	Average Trade Payable	3.27	3.62	-9.7%	NA
Net Capital Turnover Ratio	Revenue from Operations	Working capital(4)	2.14	6.22	-65.6%	Decrease on account of higher cash & cash equivalent due to IPO proceeds.
Net Profit Ratio	Net Profit	Revenue from Operations	10.57%	6.71%	57.5%	Increase is primarily on account of increase in profits
Return on Capital Employed (ROCE)	Earnings Before Interest and Taxes (EBIT)	Capital Employed (5)	13.00%	14.00%	-7.1%	NA
Return on Investment (6)	Income generated from investments	Investments	Not Applicable	NA	NA	NA

⁽¹⁾ Long-Term borrowings + Short-Term borrowings - Cash and cash equivalents -Other bank balances (note 15 (ii)) and Deposits classified under Other financial assets (note 10)

⁽²⁾ Net profit before tax + Depreciation + Finance cost

⁽³⁾ Finance cost (excluding interest on lease liabilities) + Current maturities of long-term loans

⁽⁴⁾ Current assets - current liabilities

⁽⁵⁾ Total Assets - current liabilities

⁽⁶⁾ The Company is not having any market linked investments

⁽⁷⁾ Cost of materials consumed +Changes in inventories of work-in-progress

Notes to the Standalone Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

- 46.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 47.** The Board of directors recommended following in its meeting held as on 10 June 2024. :
- (i) To split each equity share of face value of ₹ 10 into 10 equity shares of face value of ₹1 each. Accordingly, the issued, subscribed, and paid-up capital of our Company was subdivided from 1,76,63,034 equity shares of face value of ₹ 10 each to 17,66,30,340 equity shares of face value of ₹ 1 each. The impact of split share is retrospectively considered in the computation of EPS as per the requirement of Ind AS - 33 Earnings per share.
 - (ii) Increase in authorized share capital from ₹214 consisting of 2,14,00,000 Equity Shares of ₹ 10/- each to ₹ 250 consisting of 25,00,00,000 Equity Shares of ₹1 each

The shareholders of the Company approved above recommendation in its Extra Ordinarily General Meeting, dated 11 June 2024.

- 48.** During the year ended 31 March 2025, the Company has completed its Initial Public Offer of equity shares of face value of ₹ 1 each at a issue price of ₹ 549 per share (including premium of ₹ 548 per share) comprising of Offer for Sale of 3,81,16,934 equity shares by selling share holders aggregating to ₹ 20,962.19 million and fresh issue of 1,73,04,189 equity shares aggregating to ₹ 9,500.00 million. The equity shares of the Company got listed on National Stock Exchange of India limited and Bombay Stock Exchange on 18 December 2024.

The total offer expenses are estimated to be ₹ 1,284.81 million (inclusive of taxes) which are proportionately allocated between the selling shareholders and the Company in the ratio of equity shares sold by the selling shareholders and issued by the Company. The utilisation of IPO proceeds of ₹ 9,098.84 million (net of provisional IPO expenses of ₹ 401.16 million) is summarized below:

₹ in million

Objects of the offer as per Prospectus	Amount to be Utilised	Utilisation	Unutilised as at 31 March 2025*
Repayment / prepayment, in full or part of all or certain outstanding borrowings availed by our company	7,200.00	7,200.00	-
General corporate purposes	1,898.84	770.09	1,128.75
Total	9,098.84	7,970.09	1,128.75

* Net proceeds which were unutilised as at 31 March 2025 are temporarily invested in deposits with a scheduled commercial bank.

- 49.** The previous year's figures have been re-grouped/reclassified where necessary to confirm current year's classification

50. Approval of financial statements

The Standalone financial statements were approved by the Board of Directors on 13 May 2025.

For and on behalf of the Board of Directors of

Sai Life Sciences Limited

CIN No: U24110TG1999PLC030970

K.Ranga Raju

Chairman

DIN No: 00043186

Krishnam Raju

Managing Director

DIN No: 00064614

Sivaramkrishnan Chittor

Director & Chief Financial Officer

DIN No: 01092158

Runa Karan

Company Secretary

Membership No.: A13721

Place: Hyderabad

Date: 13 May 2025

Independent Auditor's Report

To The Members of Sai Life Sciences Limited

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of Sai Life Sciences Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("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 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	<p>Revenue recognition for fixed price contracts. The Group enters into fixed price contracts with customers. In line with Ind AS 115, revenue in respect of such contracts is recognized over time under the percentage completion method, where it is assessed that the performance obligations are satisfied over time. Refer Note 3 and 27 of the consolidated financial statements.</p> <p>Significant judgement and/or estimates are involved in assessing the timing of satisfaction of performance obligations under the aforesaid contracts and the extent of completion of the performance obligations at the balance sheet date.</p> <p>Given the above and its significant impact on the financial statements, revenue recognition for fixed price contracts is identified as a Key Audit Matter.</p>	<p>Our key audit procedures included the following:</p> <ul style="list-style-type: none"> - Evaluated the Group's revenue recognition accounting policies and compliance with applicable accounting standards. - We have performed walkthrough and obtained detailed understanding of the Group's revenue recognition process. - Evaluated the design, implementation and operating effectiveness of Group's internal financial controls with respect to revenue recognition. - Evaluated the integrity of the general information and technology control environment and tested the operating effectiveness of IT controls over recognition of revenue. - We have analyzed customer contracts on sample basis to identify arrangements entered by the Group for compliance with Ind AS 115 to evaluate appropriateness of recognition of revenue. - We have reviewed the estimation of project costs and the methodology used to measure progress towards project completion. - We have performed substantive testing by selecting samples of revenue recorded during the year and verifying the underlying documents which include sales invoice, customer contracts, delivery documents. - Evaluated the adequacy of the disclosures related to revenue recognition and significant estimates in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Director's report, Corporate Governance Report and Management Discussion and Analysis Report (but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date.
- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the, subsidiaries, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information.

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 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 are also responsible for overseeing the financial reporting process of the Group.

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 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 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.

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 two subsidiaries whose financial statements reflect total assets of Rs. 1,451.84 million as at 31st March, 2025, total revenues of Rs. 1,234.78 million and net cash outflows amounting to Rs. 8.31 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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.

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 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 including relevant records so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 42 to the consolidated financial statements;
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.
 - iv) (a) The respective Managements of the Parent Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary, to the best of their knowledge and belief, other than as disclosed in the note 43 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 subsidiary to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, other than as disclosed in the note 43 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiary from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary 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 subsidiary which is company 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 Parent and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.
- vi) Based on our examination, which included test checks, the Parent and its subsidiary company incorporated in India have used accounting softwares for maintaining their respective books of account for the year ended 31st March 2025 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we have not come across any instance of the audit trail feature being tampered with.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

The audit trail has been preserved by the Company and above referred subsidiary, as per the statutory requirements for record retention.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sathya P. Koushik

(Partner)

Place: Hyderabad

Date: 13 May 2025

SPK/RK/2025

(Membership No.206920)

(UDIN 25206920BMJHIE5140)

ANNEXURE “A”

TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended 31st March 2025, we have audited the internal financial controls with reference to consolidated financial statements of Sai Life Sciences Limited (hereinafter referred to as “Parent”) and its subsidiary company, which includes internal financial controls with reference to consolidated financial statements of its subsidiary 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 and its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which is company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to

consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company which is company 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, the Parent and its subsidiary company, which is company incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March 2025, 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.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sathya P. Koushik

(Partner)

Place: Hyderabad

Date: 13 May 2025

SPK/RK/2025

(Membership No.206920)

(UDIN 25206920BMJHIE5140)

Consolidated Balance Sheet

as at 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
(a) Property, plant and equipment	6	11,850.12	9,263.55
(b) Right-of-use assets	7	2,923.44	2,397.13
(c) Capital work-in-progress	6(i)	1,244.56	1,068.95
(d) Intangible assets	8	108.56	137.73
(e) Financial assets			
(i) Investments	9	19.43	18.68
(ii) Other financial assets	10	50.78	40.67
(f) Deferred tax asset	11	141.97	131.33
(g) Non-current tax assets (net)	12	84.68	132.79
(h) Other non-current assets	13	131.10	109.39
Total non-current assets		16,554.64	13,300.22
Current assets			
(a) Inventories	14	1,188.65	874.43
(b) Financial assets			
(i) Trade receivables	15	3,547.83	2,561.84
(ii) Cash and cash equivalents	16(i)	911.19	236.57
(iii) Bank balances other than (ii) above	16(ii)	3,727.63	1,351.43
(iv) Other financial assets	10	796.24	794.76
(c) Other current assets	13	4,873.57	3,632.11
Total current assets		15,045.11	9,451.14
Total assets		31,599.75	22,751.36
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	208.41	180.50
(b) Other equity	18	21,075.13	9,570.94
Total equity		21,283.54	9,751.44
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	2,772.46
(ii) Lease liabilities	20	1,646.87	1,757.21
(iii) Other financial liabilities	21	-	13.33
(b) Provisions	22	234.08	195.23
(c) Deferred tax liabilities (net)	23	1,110.36	862.66
Total non-current liabilities		2,991.31	5,600.89
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	1,286.36	4,329.17
(ii) Lease liabilities	20	590.58	417.76
(iii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	24	474.16	90.07
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	24	2,750.92	1,294.63
(iv) Other financial liabilities	21	754.44	317.53
(b) Other current liabilities	25	1,281.19	866.15
(c) Provisions	22	107.55	83.72
(d) Current tax liabilities (net)	26	79.70	-
Total current liabilities		7,324.90	7,399.03
Total equity and liabilities		31,599.75	22,751.36

See accompanying notes forming part of these Consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No: 117366W/W-100018

Sathya P. Koushik
Partner
Membership No: 206920

Place: Hyderabad
Date: 13 May 2025

For and on behalf of the Board of Directors of
Sai Life Sciences Limited
CIN No: U24110TG1999PLC030970

K.Ranga Raju
Chairman
DIN No: 00043186

Sivaramkrishnan Chittor
Director & Chief Financial Officer
DIN No: 01092158

Place: Hyderabad
Date: 13 May 2025

Krishnam Raju
Managing Director
DIN No: 00064614

Runa Karan
Company Secretary
Membership No: A13721

Consolidated Statement of Profit and Loss

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
I Revenue from operations	27	16,945.70	14,651.78
II Other income	28	367.79	290.91
III Total income (I + II)		17,313.49	14,942.69
IV Expenses			
Cost of material, chemicals & reagents consumed	29	4,607.95	4,232.97
Changes in inventories of work-in-progress	30	49.69	224.33
Employee benefits expense	31	5,491.18	4,949.05
Finance costs	32	761.64	859.10
Depreciation and amortisation expense	33	1,385.73	1,194.36
Other expenses	34	2,740.27	2,390.54
Total expenses (IV)		15,036.46	13,850.35
V Profit before tax (III - IV)		2,277.03	1,092.34
VI Tax expense	35		
(i) Current tax		338.44	77.57
(ii) Deferred tax		237.27	186.68
Total tax expense (VI)		575.71	264.25
VII Profit after tax (V - VI)		1,701.32	828.09
VIII Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss:			
(a) Re-measurement of defined benefit plans		4.52	7.71
(ii) Income-tax on items that will not be reclassified to profit or loss		(1.17)	(1.92)
		3.35	5.79
B (i) Items that will be reclassified to profit or loss:			
(a) Effective portion of loss on designated portion of hedging instruments in a cash flow hedge		7.70	(7.89)
(b) Exchange differences on translating foreign operations		2.78	10.33
(ii) Income-tax on items that will be reclassified to profit or loss		(1.94)	1.99
		8.54	4.43
Total other comprehensive income for the year, net of tax (A + B)		11.89	10.22
Total comprehensive income for the year (VII + VIII)		1,713.21	838.31
IX Earnings per equity share (in absolute ₹ terms)	36		
Basic		8.83	4.57
Diluted		8.61	4.53

See accompanying notes forming part of these Consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No: 117366W/W-100018

Sathya P. Koushik
Partner
Membership No: 206920

Place: Hyderabad
Date: 13 May 2025

For and on behalf of the Board of Directors of
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K.Ranga Raju
Chairman
DIN No: 00043186

Sivaramakrishnan Chittor
Director & Chief Financial Officer
DIN No: 01092158

Place: Hyderabad
Date: 13 May 2025

Krishnam Raju
Managing Director
DIN No: 00064614

Runa Karan
Company Secretary
Membership No: A13721

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	2,277.03	1,092.34
Adjustments for :		
Interest income	(175.65)	(135.97)
(Gain)/loss on sale of Property, plant and equipment, net	18.11	(0.10)
Unrealised foreign exchange (gain)/loss	49.75	(44.42)
Depreciation and amortisation expense	1,385.73	1,194.36
Equity -settled share-based payments	24.78	22.53
Finance costs	761.64	859.10
Advances written off	-	10.72
Provision towards advances	-	13.66
Asset under CWIP written off	17.20	61.86
Bad debts and Loss allowance towards doubtful trade receivables and contract assets	309.09	77.94
Operating cash flows before working capital changes	4,667.68	3,152.02
(Increase)/decrease in other non-current assets	21.81	(76.38)
(Increase)/decrease in inventories	(314.22)	520.87
(Increase)/decrease in trade receivables	(999.65)	288.14
Increase in other current assets	(1,579.41)	(887.24)
Decrease in other financial assets	24.05	37.62
Increase/(decrease) in trade payables	1,058.78	(700.51)
Increase/(decrease) in other financial liabilities and provisions	62.68	(21.58)
Increase in other non-current and current liabilities	415.04	456.66
Net cash generated from operating activities	3,356.76	2,769.60
Income-taxes paid, net	(216.31)	(138.73)
Net cash generated from operating activities (A)	3,140.45	2,630.87
Cash flows from investing activities		
Purchase of property, plant and equipment and other intangible assets (including capital work in progress, capital advances, capital creditors and Right-of-use assets)	(3,692.80)	(1,816.90)
Proceeds from sale of property, plant and equipment	4.77	8.53
Investments in other entity	(0.75)	-
Movement in other bank balances	(1,816.98)	(1,187.19)
(Investment)/Redemption of Corporate deposits	(20.00)	950.00
Interest income received	159.11	121.75
Net cash used in investing activities (B)	(5,366.65)	(1,923.81)
Cash flows from financing activities		
Proceeds from issue of equity shares	10,116.42	9.67
Transaction costs fresh issue of shares on IPO	(113.20)	-
Proceeds from / (Repayment of) current borrowings, net	(2,339.64)	248.93
Proceeds from non-current borrowings	534.08	750.00
Repayment of non-current borrowings	(3,898.66)	(667.28)

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Repayment of Interest portion of lease liabilities	(248.99)	(253.53)
Repayment of Principal portion of lease liabilities	(510.64)	(441.05)
Interest paid #	(525.12)	(599.73)
Net cash generated from/(used in) financing activities (C)	3,014.25	(952.99)
Net increase/(decrease) in cash and cash equivalents during the year (A + B + C)	788.05	(245.93)
Effect of exchange differences on cash and cash equivalents held in foreign currency	2.78	10.33
Cash and cash equivalents at the beginning of the year	119.69	355.29
Cash and cash equivalents at the end of the year (Note 1 below)	910.52	119.69

Note 1:

Cash and cash equivalents includes

	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash on hand	0.10	0.12
Balances with banks		
- in current accounts	375.82	143.60
- in book overdraft in bank accounts	(0.68)	(116.88)
- in cash credit accounts	485.28	92.85
- in deposits account	50.00	-
	910.52	119.69

Interest paid in cash flow from financing activities includes borrowing cost capitalised as property, plant and equipment and CWIP during the year amounting to ₹ 12.99 (31 March 2024: ₹ 18.48)

Refer note 19 for reconciliation between the opening and closing balances in balance sheet for financial liabilities arising from financing activities.

The above cash flow excludes the proceeds received in the share escrow account amounting to ₹ 20,926.20 on account of offer for sale made by selling shareholders. Book running lead managers disbursed ₹ 20,042.55 (net of issue expenses of ₹ 883.65) from share escrow account to its selling shareholders.

See accompanying notes forming part of these Consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No.: 117366W/W-100018

Sathya P. Koushik
Partner
Membership No.: 206920

Place: Hyderabad
Date: 13 May 2025

For and on behalf of the Board of Directors of
Sai Life Sciences Limited
CIN No: U24110TG1999PLC030970

K.Ranga Raju
Chairman
DIN No: 00043186

Sivaramakrishnan Chittor
Director & Chief Financial Officer
DIN No: 01092158

Place: Hyderabad
Date: 13 May 2025

Krishnam Raju
Managing Director
DIN No: 00064614

Runa Karan
Company Secretary
Membership No.: A13721

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

A Share Capital

	Equity		Preference		Total
	Number of shares	Amount	Number of shares	Amount	Amount
As at 01 April 2023	1,76,22,556	176.23	4,80,000	3.87	180.10
Shares issued during the year	40,478	0.40	-	-	0.40
As at 31 March 2024	1,76,63,034	176.63	4,80,000	3.87	180.50
Increase in equity shares on sub division of 1 equity share of face value of ₹10 each into 1 equity shares of face value of ₹ 1 each (refer note 48)	15,89,67,306	-	-	-	-
Shares issued during the year	2,09,84,049	20.98	-	-	20.98
Final Call monies received on Compulsorily convertible preference shares	-	-	-	0.93	0.93
Optionally convertible preference shares converted to Compulsorily convertible preference shares during the year	-	-	4,80,000	4.80	4.80
Compulsorily convertible preference shares converted to Equity shares during the year	96,00,000	9.60	(9,60,000)	(9.60)	-
Optionally convertible preference shares converted to Equity shares during the year	12,00,000	1.20	-	-	1.20
As at 31 March 2025	20,84,14,389	208.41	-	-	208.41

B Other Equity

	Shares application money pending allotment	Reserves and Surplus				Other comprehensive income		Total
		Capital reserve	Securities premium	Employee stock options outstanding account	Retained earnings	Effective portion of cash flow hedges	Foreign currency translation reserve	
Balance as at 01 April 2023	-	8.07	3,875.80	94.76	4,695.62	(12.02)	38.60	8,700.83
Amount transferred on forfeiture of employee stock options	-	-	-	(4.71)	4.71	-	-	-
Amount transferred on exercise of employee stock options	-	-	6.48	(6.48)	-	-	-	-
Profit for the year	-	-	-	-	828.09	-	-	828.09
Other comprehensive income / (loss)	-	-	-	-	7.71	(7.89)	10.33	10.15
Income-tax on items that will not be reclassified to profit or loss	-	-	-	-	(1.92)	-	-	(1.92)
Income-tax on items that will be reclassified to profit or loss	-	-	-	-	-	1.99	-	1.99
Total comprehensive income	-	-	6.48	(11.19)	838.59	(5.91)	10.33	838.31
Shares allotted during the year on account of exercise of employee stock options	-	-	9.27	-	-	-	-	9.27
Share-based payment expense	-	-	-	22.53	-	-	-	22.53
Balance as at 31 March 2024	-	8.07	3,891.55	106.10	5,534.21	(17.92)	48.93	9,570.94

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	Shares application money pending allotment	Reserves and Surplus				Other comprehensive income		Total
		Capital reserve	Securities premium	Employee stock options outstanding account	Retained earnings	Effective portion of cash flow hedges	Foreign currency translation reserve	
Balance as at 31 March 2024	-	8.07	3,891.55	106.10	5,534.21	(17.92)	48.93	9,570.94
Amount transferred on forfeiture of employee stock options	-	-	-	(6.10)	6.10	-	-	-
Amount transferred on exercise of employee stock options	-	-	74.41	(74.41)	-	-	-	-
Profit for the year	-	-	-	-	1,701.32	-	-	1,701.32
Other comprehensive income	-	-	-	-	4.52	7.70	2.78	15.00
Income-tax on items that will not be reclassified to profit or loss	-	-	-	-	(1.17)	-	-	(1.17)
Income-tax on items that will be reclassified to profit or loss	-	-	-	-	-	(1.94)	-	(1.94)
Total comprehensive income	-	-	74.41	(80.51)	1,710.78	5.76	2.78	1,713.21
Shares allotted during the year on account of exercise of Employee stock option plans, preferential issue of shares, conversion of Compulsorily convertible preference shares and Optionally convertible preference shares into Equity shares.	-	-	614.00	-	-	-	-	614.00
Premium received on fresh issue of equity shares	-	-	9,482.70	-	-	-	-	9,482.70
Transaction costs on fresh issue of equity shares	-	-	(330.97)	-	-	-	-	(330.97)
Shares allotment pending during the year	0.47	-	-	-	-	-	-	0.47
Share-based payment expense	-	-	-	24.78	-	-	-	24.78
Balance as at 31 March 2025	0.47	8.07	13,731.69	50.37	7,244.99	(12.16)	51.71	21,075.13

See accompanying notes forming part of these Consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No: 117366W/W-100018

Sathya P. Koushik
Partner
Membership No: 206920

Place: Hyderabad
Date: 13 May 2025

For and on behalf of the Board of Directors of
Sai Life Sciences Limited
CIN No: U24110TG1999PLC030970

K.Ranga Raju
Chairman
DIN No: 00043186

Sivaramkrishnan Chittor
Director & Chief Financial Officer
DIN No: 01092158

Place: Hyderabad
Date: 13 May 2025

Krishnam Raju
Managing Director
DIN No: 00064614

Runa Karan
Company Secretary
Membership No: A13721

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

1. Corporate information

The Consolidated Financial Statements comprise of the financial statements of Sai Life Sciences Limited (“Sai Life” or “the Parent Company” or “the Company”), its subsidiaries (collectively, referred to as the “Group”). Sai Life Sciences Limited is a public limited company domiciled and incorporated in India in accordance with the provisions of the erstwhile Companies Act, 1956. The registered office of the Company is situated in Hyderabad, Telangana and has facilities in the states of Telangana and Karnataka, India.

The Group carries out contract research, development and manufacturing activities for customers engaged in pharmaceutical and biotechnology industries.

The equity shares of the Parent Company were listed on National Stock Exchange of India Limited and Bombay Stock Exchange on 18 December 2024.

2. Basis of preparation and Statement of compliance

The consolidated financial statements of the Company which comprise of the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows (“consolidated financial statements”) have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as notified under Section 133 of the Companies Act 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules 2015, as amended, issued by the Ministry of Corporate Affairs (“MCA”) and other relevant provisions of the Act, as applicable. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. These consolidated financial statements were authorised for issuance by the Company’s Board of Directors on 13 May 2025.

These consolidated financial statements have been prepared on the historical cost convention and on an accrual basis except for the following material items in the balance sheet:

- Certain financial assets and liabilities which are measured at fair value.
- Share based payments, which are measured at fair value of the options.

Functional and presentation currency

The Consolidated Financial Statements is presented in Indian Rupee (“INR” or “₹”) which is also the functional and presentation currency of the Group. All Financial Statements presented in Indian rupees has been rounded to the nearest millions, unless otherwise stated. In respect of subsidiaries whose operations are self-contained and integrated within their respective countries/ regions, the functional currency has been determined to be the local currency of those countries/regions.

3. Use of estimates and judgements

The preparation of Consolidated Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Consolidated Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which such changes are made and if material, their effects are disclosed in the notes to the Consolidated Financial Statements.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Revenue recognition

The Group enters into fixed price contracts with customers under which revenue will be recognised as and when performance obligations mentioned in the customer contracts are satisfied. Given the nature of the product and terms and conditions in such contracts, the Company does not create assets with alternate use and the Company has enforceable right to receive payment for the performance completed to date. Therefore, revenue is recognised over time for such contracts and for other contracts at a point in time. Judgement is involved in assessing whether the contract/agreement meets the criteria for recognition of revenue over the period on percentage of completion basis. Further, the usage of the percentage of completion method to measure progress towards completion involves significant estimates. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Items involving significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment and Intangible assets	The Group reviews the estimated useful lives of property, plant and equipment and the intangible assets at the end of each reporting period. During the current period / year, there has been no change in life considered for the assets.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Group makes an estimate of future selling prices and costs necessary to make the sale at the end of each reporting period / year, the group assesses the potential usage of inventories held and judgements are involved in assessing the alternate usage and realisability of inventories.
Fair valuation measurement and valuation process	Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market- observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation.
Contract assets	Contract asset is recognised when the performance obligations are fulfilled and revenue is recognised over a period of time. Judgement is involved in assessing whether the contract/ agreement meets the criteria for recognition of revenue over the period on percentage of completion. Estimates are involved in determining the percentage of completion of the contract.
Leases	The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future years is reassessed to ensure that the lease term reflects the current economic circumstances. The Group makes an assessment of the buy back option while determining the useful life for amortising the Right of use assets.
Employee benefits	The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting date. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Provisions, contingencies - Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources	The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is disclosed in the notes to the consolidated financial statements.
Loss allowance for trade receivables and contract assets	Loss allowance for trade receivables with no significant financing component and contract assets is measured at an amount equal to lifetime expected credit losses (ECL).
Government grants	The Group recognises government grants only when there is no uncertainty on compliance with conditions attached and on receipt of grants. Judgments are involved in assessing compliance with conditions and ultimate receipt of grants.

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Items involving significant estimate	Assumption and estimation uncertainty
Share based compensation	At the end of each reporting period / year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in consolidated statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions. In assessing the recoverability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

4. Basis Of Consolidation Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases. The Consolidated Financial Statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, Income Taxes.

Following are the subsidiaries considered in these Consolidated Financial Statements:

Name of the subsidiary	% of holding by Parent	Country of Incorporation
Sai Life Sciences Inc	100	USA
Sai Life Pharma Private Limited	100	India
Sai Life Sciences Gmbh	100	Germany
Sai Life Drugform Private Limited*	100	India

* Sai Life Drugform Private Limited - subsidiary company, applied for strike off effective dt. 25 March 2022 & approved by MCA as on 26 April 2023.

5. Summary of Material Accounting Policies

The Consolidated Financial Statements has been prepared using the material accounting policies and measurement basis summarized below.

a. Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act. The Group presents assets and liabilities in the consolidated statement of assets and liabilities based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting date, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Current assets / liabilities include the current portion of non-current assets / liabilities respectively. All other assets/ liabilities including deferred tax assets and liabilities are classified as non-current.

b. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Group using the exchange rates at the dates of the transactions or at the rate that closely approximates the rate at the date of transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the nonmonetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities denominated in foreign currencies at the reporting period are translated into the functional currency at the exchange rate at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit and loss and reported within foreign exchange gains/ (losses), net.

Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations (subsidiaries) that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and held in foreign currency translation reserve ("FCTR"), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest. The assets and liabilities of foreign operations (subsidiaries) are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences

on translating the consolidated financial statements of a foreign operation).

c. Revenue recognition

Revenue is measured at the transaction value of the consideration received or receivable. Contract research, development and manufacturing services income :

In contracts involving the rendering of services/ development contracts, revenue is recognised at the point in time in which services are rendered, in accordance with the terms of the contracts.

In case of fixed price contracts, the customer pays a fixed amount based on the payment schedule and the Group recognises revenue over time on a cost-based input method, i.e. based on the proportion of cost incurred for work performed to total estimated cost. The directors consider that the input method is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115. If the services rendered by the Group exceed the payment, a Contract asset (Unbilled Revenue) is recognised. If the payments exceed the services rendered, a contract liability (Deferred Revenue and Advance from Customers) is recognised. If the contracts involve time-based billing, revenue is recognised in the amount to which the Group has a right to invoice.

In case of other contracts, revenue from the operations is recognised when the Group transfers control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the product shipped.

Amounts disclosed as revenue are net of returns, trade allowances, rebates and indirect taxes.

'Bill and hold' sales, in which delivery is delayed at the buyer's request but the buyer takes title and accepts billing, revenue is recognised when the buyer takes title, provided:

- (a) the buyer specifically requests the deferred delivery;
- (b) the product is identified separately as belonging to buyer;

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- (c) the product is on hand and ready for delivery to the buyer at the time the sale is recognised;
- (d) the seller does not have ability to use product or direct to another buyer; and
- (e) the usual payment terms apply.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised when the Group's right to receive the payment is established, which is generally, when shareholders approve the dividend.

Export incentives

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

d. Property, plant and equipment (PPE) and depreciation

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Property, Plant and Equipment not ready for its intended use at the date of Balance Sheet are disclosed as "Capital Work in progress". Such items are classified to specific sections of the Property, Plant and equipment as and when ready for its intended use.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognised in consolidated statement of profit and loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation on items of PPE is provided on the straight-line method, computed on the basis of useful lives as estimated by the management which coincides with the useful lives mentioned in Schedule II to the Companies Act, 2013. Freehold lands are not depreciated.

The estimated useful lives of the assets are based on a technical evaluation reflecting actual usage of assets.

Asset Category	Estimated useful life (in years)
Buildings	30
Leasehold improvements	Over the lease period
Plant and equipment	3-20
Furniture	10
Freehold Vehicles	4-10
Freehold Computers	3-6

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed-off.

The residual values, useful lives and method of depreciation are reviewed at each financial year-end and adjusted prospectively, if appropriate.

e. Intangible assets and amortisation

Intangible assets acquired separately

Intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in consolidated statement of profit and loss as incurred.

The intangible assets are amortized over the estimated useful life of the asset, on a straight line basis. Estimated useful economic life of Intangibles are as follows:

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Asset Category	Estimated useful life (In years)
Acquired Software	1 – 6

f. Impairment

Impairment of tangible and intangible assets

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

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

An impairment loss is recognised in the consolidated statement of profit and loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been previously recognised.

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 financial assets measured at amortised cost.

Loss allowance for trade receivables with no significant financing component, contract assets is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount

equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

Impairment of property, plant and equipment, intangibles assets and capital work in progress

The Group assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount in the consolidated statement of profit and loss.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The method of determining cost of various categories of inventories is as follows:

- (i) Raw materials – Weighted average cost.
Cost includes purchase cost and other attributable expenses
- (ii) Stores and spares and packing material – Weighted average cost
- (iii) Work-in-process - is based on average cost of production or conversion which comprises direct material costs, direct wages and applicable overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

h. Measurement of fair values

The Group 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.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

i. Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value and, for an item not at fair value through profit and loss (FVTPL), fair value plus transaction costs that are directly attributable to its acquisition or issue, except trade receivables which are measured at transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income ("FVOCI"); or

- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss.

FVOCI – debt investment

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is

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reclassified from the equity to consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

FVTOCI - Equity investment

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the Instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the 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 recognised in the consolidated statement of profit and loss.

FVTPL

All financial assets not classified as measured at amortised cost or at FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in consolidated statement of profit and loss.

De-recognition

Financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset; or the Group has neither transferred nor retained substantially all the risk and rewards of the asset but has transferred control of the asset.

Trade Receivables which are subject to a factoring arrangement without recourse are derecognized from the consolidated statement of assets and liabilities in its entirety. Under this arrangement, the Group transfers relevant receivables to the factor in exchange for cash and does not retain credit risk

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of assets and liabilities 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.

Derivative financial instruments:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of

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highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are also classified as a current asset or liability when expected to be realised/settled within 12 months of the balance sheet date.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

When option contracts are used to hedge forecast transactions, the group designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow

hedging reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When the hedged forecast transaction results in the recognition of a non-financial asset (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

- With respect to gain or loss relating to the effective portion of the intrinsic value of option contracts, both the deferred hedging gains and losses and the deferred aligned time value of the option contracts are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).
- With respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward element of the forward contract are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance cost'.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs.

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When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses). Hedge ineffectiveness is recognised in profit and loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

Dividend distribution to equity holders of the Group

The Group recognises a liability to make dividend distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

j. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group

assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.

The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the consolidated statement of assets and liabilities and lease payments have been classified as financing cash flows.

k. Cash and cash equivalents

Cash and cash equivalent in the consolidated statement of assets and liabilities comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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I. Government Grants

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised by deducting the grant from the carrying amount of the asset. Grants related to Income are recognized in consolidated statement of profit and loss as other operating revenues.

m. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n. Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Eligible employees of the Group receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Group make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary.

Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Group has no further obligation to the plan beyond its monthly contributions.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period as the related service is provided. These benefits include salaries and wages, bonus and ex-gratia. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided

by the employee, and the amount of obligation can be estimated reliably.

Long-term employee benefits

Employee benefits payable after twelve months of receiving employee services are classified as long-term employee benefits. These benefits primarily include one-off retention incentive and long-term bonus provision, in accordance with the policy of the Group. The Group accrues these costs based on the expected payout and the same is amortised over a period of services.

Gratuity

The Group provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of the Group. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's last drawn salary and the tenure of the employment with the Group. Liability with regard to the Gratuity Plan is determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The defined benefit plan is administered by a trust formed for this purpose through the Group gratuity scheme. The Group recognises the net obligation of a defined benefit plan as a liability in its consolidated statement of assets and liabilities. Gains or losses through re-measurement of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit and loss in the subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in the consolidated statement of profit and loss. The net interest on net defined benefit liability which reflects the change in net defined benefit liability that arises from the passage of time is considered as employee cost and disclosed under "Employee benefits expense"

Compensated absences

The Group's policy permits employees to accumulate and carry forward a portion of unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof in accordance with the terms of such policy. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet.

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Share based compensation

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

o. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

p. Income taxes

Tax expense recognized in the consolidated statement of profit and loss consists of current and deferred tax except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period and any adjustment to tax payable in respect of previous periods / years. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liability are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Group and all such taxes are recognised in the consolidated statement of changes in equity as part of the associated dividend payment.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding during the period / year for the effects of all dilutive potential equity shares.

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r. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

s. Goods and Service Tax Input credit

Goods and Service tax input credit is accounted for in the books in the period / year in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

t. Operating cycle

Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.

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6. Property, plant and equipment

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Furnitures and fixtures	Vehicles	Computers	Total
Cost or deemed cost								
Balance as at 01 April 2023	174.98	2,614.24	174.29	6,629.29	140.06	60.21	288.53	10,081.60
Additions (refer note i below)	13.65	440.27	3.32	1,667.96	25.69	-	71.38	2,222.27
Disposals/retirement	-	-	(8.34)	(0.93)	-	(3.57)	(13.89)	(26.73)
Adjustments	-	-	-	6.36	0.34	-	0.22	6.92
Balance as at 31 March 2024	188.63	3,054.51	169.27	8,302.68	166.09	56.64	346.24	12,284.06
Additions (refer note i below)	363.02	497.71	2.93	2,562.80	12.37	-	51.43	3,490.26
Disposals/retirement	-	(0.08)	-	(93.73)	(0.12)	(18.61)	(12.74)	(125.28)
Adjustments	-	-	-	11.00	0.57	-	0.36	11.93
Balance as at 31 March 2025	551.65	3,552.14	172.20	10,782.75	178.91	38.03	385.29	15,660.97
Accumulated depreciation								
Balance as at 01 April 2023	-	316.42	75.04	1,623.04	56.89	51.19	182.87	2,305.45
Charge for the year	-	97.73	10.70	553.79	16.02	2.23	50.88	731.35
Disposals/retirement	-	-	-	(0.23)	-	(3.51)	(13.86)	(17.60)
Adjustments	-	-	-	1.07	0.08	-	0.16	1.31
Balance as at 31 March 2024	-	414.15	85.74	2,177.67	72.99	49.91	220.05	3,020.51
Charge for the year	-	107.91	12.71	694.21	16.33	2.25	56.21	889.62
Disposals/retirement	-	(0.01)	-	(70.92)	(0.12)	(18.61)	(12.74)	(102.40)
Adjustments	-	-	-	2.60	0.18	-	0.34	3.12
Balance as at 31 March 2025	-	522.05	98.45	2,803.56	89.38	33.55	263.86	3,810.85
Net carrying amount								
As at 31 March 2024	188.63	2,640.36	83.53	6,125.01	93.10	6.73	126.19	9,263.55
As at 31 March 2025	551.65	3,030.09	73.75	7,979.19	89.53	4.48	121.43	11,850.12

6(i). Capital work-in-progress

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	1,068.95	1,510.00
Additions during the year (refer note (i) below)	3,738.90	1,956.10
Capitalised during the year	(3,546.09)	(2,459.01)
Written off during the year	(17.20)	61.86
Closing Balance	1,244.56	1,068.95

Notes

- i) Additions to capital work-in-progress and property, plant & equipment during the year ended 31 March 2025 includes borrowing cost amounting to ₹ 12.99 (31 March 2024: ₹18.49)
- ii) Capital work-in-progress (CWIP) ageing schedule:

As at 31 March 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,244.56	-	-	-	1,244.56
Projects temporarily suspended	-	-	-	-	-
Total	1,244.56	-	-	-	1,244.56

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

As at 31 March 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	671.50	18.70	378.75	-	1,068.95
Projects temporarily suspended	-	-	-	-	-
Total	671.50	18.70	378.75	-	1,068.95

Note: As on the date of balance sheet, there are no CWIP whose completion is overdue or has exceeded its cost compared to its original plan.

iii) Refer note 19 for details of property, plant and equipment subject to charge on secured borrowings.

7. Right-of-use assets

	Leasehold land	Buildings	Vehicles	Plant and equipment	Computers	Total
Cost						
Balance as at 01 April 2023	139.26	1,869.27	337.27	1,322.92	169.41	3,838.13
Additions during the year	-	24.44	93.34	194.99	0.06	312.83
Disposals/retirement	-	-	(30.92)	-	-	(30.92)
Adjustments	-	13.10	-	0.94	-	14.04
Balance as at 31 March 2024	139.26	1,906.81	399.69	1,518.85	169.47	4,134.08
Additions during the year	439.44	220.87	254.88	2.43	-	917.62
Disposals/retirement	-	-	(4.49)	(9.96)	(0.91)	(15.36)
Adjustments	-	21.59	-	2.45	-	24.04
Balance as at 31 March 2025	578.70	2,149.27	650.08	1,513.77	168.56	5,060.38
Accumulated depreciation						
Balance as at 01 April 2023	15.82	834.20	306.09	104.12	99.17	1,359.40
Charge for the year	2.65	150.40	71.24	114.76	36.29	375.34
Disposals/retirement	-	-	(2.65)	-	-	(2.65)
Adjustments	-	3.76	-	1.10	-	4.86
Balance as at 31 March 2024	18.47	988.36	374.68	219.98	135.46	1,736.95
Charge for the year	5.44	165.00	89.75	122.78	16.95	399.92
Disposals/retirement	-	-	(3.78)	(4.94)	(0.91)	(9.63)
Adjustments	-	9.24	-	0.46	-	9.70
Balance as at 31 March 2025	23.91	1,162.60	460.65	338.28	151.50	2,136.94
Net carrying amount						
As at 31 March 2024	120.79	918.45	25.01	1,298.87	34.01	2,397.13
As at 31 March 2025	554.79	986.67	189.43	1,175.49	17.06	2,923.44

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

8. Intangible assets

	Acquired software	Total
Cost or deemed cost		
Balance as at 1 April 2023	264.30	264.30
Additions during the year	110.94	110.94
Adjustments	0.37	0.37
Balance as at 31 March 2024	375.61	375.61
Additions during the year	67.16	67.16
Disposals/retirement	(1.70)	(1.70)
Adjustments	0.25	0.25
Balance as at 31 March 2025	441.32	441.32
Accumulated amortization		
Balance as at 1 April 2023	149.97	149.97
Charge for the year	87.67	87.67
Adjustments	0.24	0.24
Balance as at 31 March 2024	237.88	237.88
Charge for the year	96.19	96.19
Disposals/retirement	(1.70)	(1.70)
Adjustments	0.39	0.39
Balance as at 31 March 2025	332.76	332.76
Net carrying amount		
As at 31 March 2024	137.73	137.73
As at 31 March 2025	108.56	108.56

9. Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Investment in equity instruments		
Unquoted investments (fully paid)		
<i>at fair value through Other comprehensive income (OCI)</i>		
Jeedimetla Effluent Treatment Limited	0.05	0.05
500 (31 March 2024: 500) equity shares of ₹100 each fully paid-up		
Patancheru Envirotech Limited	0.11	0.11
10,878 (31 March 2024: 10,878) equity shares of ₹10 each fully paid-up		
Clean Max Orion Power LLP (Special Purpose Vehicles) *	18.52	18.52
Contribution of 26% LLP Share (31 March 2024: 26% LLP Share) in Partners capital		
Solar Craft Power India Ltd	0.75	-
74,800 (31 March 2024: Nil) equity shares of ₹10 each fully paid-up **		
Total investment in others (at fair value through OCI)	19.43	18.68
Total non-current investments	19.43	18.68
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	19.43	18.68

* The Company had invested an amount of ₹ 18.52 in Clean Max Orion Power LLP pursuant to Limited Liability Partnership Agreement. The Company's investment represents 26% ownership of the Clean Max Orion Power LLP and the investment is in accordance with Electricity Act 2003 which stipulates consumer partner (Sai Life Sciences Limited) to have atleast 26% ownership in the electricity generating entity. The Company's 26% ownership is purely to meet the regulatory requirement and hence the Company has not consolidated the share of profit or loss in the financials.

** During the current year ended 31 Mar 2025 the Group had invested an amount of ₹ 0.75 in Solar Craft Power India Ltd. The Company's investment represents 2.99% of the equity share capital of Solar Craft Power India Ltd.

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

10. Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Security deposits - considered good	50.78	40.67
	50.78	40.67
Current		
Security deposits		
(a) Considered good	7.71	9.61
(b) Considered doubtful	3.39	3.39
	11.10	13.00
Less: Provision for doubtful deposits	(3.39)	(3.39)
	7.71	9.61
Derivative financial asset - FVTOCI	16.03	16.08
Fixed Deposits with financial institutions	420.00	400.00
Unbilled revenue*	32.93	93.76
Incentive receivable under T-IDEA scheme**	148.53	220.81
Incentives receivable under production linked incentive	100.00	-
Interest accrued but not due on deposits	71.04	54.50
	796.24	794.76

*Classified as financial asset as right to consideration is unconditional upon passage of time.

**The Group had received final approval dated 21 September 2022 under the Telangana Industrial Development and Entrepreneur Advancement (T-IDEA) scheme 2014 from Commissionerate of Industries, Telangana State towards sanction of investment subsidy amounting to ₹ 200. Additionally, under the above scheme, the Group was granted a customised incentive of power cost reimbursement of ₹1.00 per unit for a period of 10 years starting from August 2020 (being the commencement of commercial production of the expanded facility at Shameerpet, Hyderabad, Telangana).

During the year ended 31 March 2025, the Group has received partial disbursement towards capital subsidy ₹66.16 (31 March 2024 ₹Nil) and power cost reimbursement amounting to ₹33.84 (31 March 2024 ₹Nil)

11. Deferred tax asset

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax asset arising on account of :		
Loss in Subsidiary	141.97	131.33
	141.97	131.33

Movement in deferred tax assets/deferred tax liabilities

Deferred tax asset arising on account of :	1 April 2023	Recognized in statement of profit/loss	Recognized in OCI	Translation difference	As at 31 March 2024
Loss in Subsidiary	80.62	50.71	-	-	131.33
	80.62	50.71	-	-	131.33

Deferred tax asset arising on account of	1 April 2024	Recognized in statement of profit/loss	Recognized in OCI	Translation difference	As at 31 March 2025
Loss in Subsidiary	131.33	7.32	-	3.32	141.97
	131.33	7.32	-	3.32	141.97

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

12. Non-current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income-tax, net of provision for taxation ₹ 366.89 (31 March 24 ₹466.56)	84.68	132.79
	84.68	132.79

Refer Note 35 for details of income tax expense

13. Other assets

(Unsecured, considered good)

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Capital advances	59.90	22.07
Prepaid expenses	7.15	10.79
Export incentive receivable	0.15	0.15
Tax demand paid under protest	63.52	43.82
Balances with statutory authorities, considered good	0.38	32.57
Balances with statutory authorities, considered doubtful	15.90	15.90
	16.28	48.46
Less: Provision for doubtful receivables	(15.90)	(15.90)
	0.38	32.57
	131.10	109.39
Current		
Advance to suppliers		
(a) Considered good	103.99	51.28
(b) Considered doubtful	29.10	31.08
	133.09	82.36
Less: Allowance for doubtful advances to suppliers	(29.10)	(31.08)
	103.99	51.28
Prepaid expenses	248.17	212.11
Contract assets*		
(a) Considered good	3,963.24	2,968.16
(b) Considered doubtful	347.17	-
	4,310.41	2,968.16
Less: Loss allowance for doubtful contract assets	(347.17)	-
	3,963.24	2,968.16
Balances with statutory authorities	549.96	397.77
Export incentives receivable	4.44	1.45
Advance to employees	3.77	1.33
	4,873.57	3,632.11
*Changes in contract assets are as follows		
Balance at the beginning of the year	2,968.16	2,101.56
Invoices raised that were included in the contract assets balance at the beginning of the year	(2,586.71)	(1,747.15)
Loss allowance for doubtful contract assets	(347.17)	-
Increase due to revenue recognised during the year, excluding amounts billed during the year	3,928.96	2,613.75
Balance at the end of the year	3,963.24	2,968.16

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

14. Inventories

Particulars	As at	As at
	31 March 2025	31 March 2024
Raw materials and packing materials	977.78	625.47
Work-in-progress	164.75	214.44
Stores and spares	46.12	34.52
	1,188.65	874.43

Note - The Group has written off inventories amounting to ₹ 155.50 (31 March 2024 : ₹292.60)

Refer note 5(g) for basis of valuation and for details of inventories pledged, refer note 19

15. Trade receivables

Particulars	As at	As at
	31 March 2025	31 March 2024
(a) Considered good - unsecured	3,547.83	2,561.84
(b) Trade receivables which have significant increase in credit risk - unsecured	90.82	132.35
	3,638.65	2,694.19
Less: Loss allowance for doubtful trade receivables *	(90.82)	(132.35)
	3,547.83	2,561.84

Trade receivables Aging:

As at 31 March 2025

Particulars	Outstanding for following years from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,036.04	437.55	68.23	6.01	-	-	3,547.83
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	0.81	19.04	18.44	10.58	41.95	90.82
Total	3,036.04	438.36	87.27	24.45	10.58	41.95	3,638.65

As at 31 March 2024

Particulars	Outstanding for following years from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,808.42	736.45	7.14	9.83	-	-	2,561.84
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	3.35	9.73	30.43	62.66	26.18	132.35
Total	1,808.42	739.80	16.87	40.26	62.66	26.18	2,694.19

* Movement in expected credit loss (ECL) allowance

Particulars	As at	As at
	31 March 2025	31 March 2024
Opening balance	132.35	116.22
Provision towards doubtful trade receivables	(38.08)	77.94
Amounts written off	(3.51)	(62.04)
Foreign exchange gain/loss (net)	0.06	0.23
Closing balance	90.82	132.35

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

15. Cash and cash equivalents and other bank balances

Particulars	As at	
	31 March 2025	31 March 2024
(i) Cash and cash equivalents		
Cash on hand	0.10	0.12
Balances with banks		
-in current accounts	375.82	143.60
-in Cash credit account	485.27	92.85
-in deposits account	50.00	-
	911.19	236.57
(ii) Bank balances other than above		
-margin money/deposit	218.28	141.43
-in escrow account	1,118.02	-
-in deposits account	2,391.33	1,210.00
	3,727.63	1,351.43
(iii) For the purpose of statement of cash flows, cash and cash equivalents comprise of following:		
Cash and cash equivalents (as per (i) above)	911.19	236.57
Overdraft facilities (refer note 19)	(0.68)	(116.88)
	910.51	119.69

17. Equity share capital

i. Authorised share capital

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares of ₹1 each (31 March 2024 ₹10 each) (refer note 48)	23,90,00,000	239.00	2,03,00,000	203.00
Optionally convertible preference shares of ₹10 each	6,00,000	6.00	6,00,000	6.00
Compulsorily convertible preference shares of ₹10 each	5,00,000	5.00	5,00,000	5.00
	24,01,00,000	250.00	2,14,00,000	214.00

ii. Issued, subscribed and fully paid up

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares of ₹1 each (31 March 2024 ₹10 each)	20,84,14,389	208.41	1,76,63,034	176.63
	20,84,14,389	208.41	1,76,63,034	176.63

iii. Preference shares

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Compulsorily convertible preference shares of ₹ 10 each (31 March 2024 partly paid at ₹8.06 each)	-	-	4,80,000	3.87
	-	-	4,80,000	3.87

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

iv. Reconciliation of number of equity shares outstanding at the beginning and end of the year

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	1,76,63,034	176.63	1,76,22,556	176.23
Increase in equity shares on sub division of 1 equity share of face value of ₹10 each into 10 equity shares of face value of ₹ 1 each (refer note 48)	15,89,67,306	-	-	-
Add: Shares issued during the year	2,09,84,049	20.98	40,478	0.40
Add: Compulsorily convertible preference shares converted to Equity shares during the year	96,00,000	9.60	-	-
Add: Optionally convertible preference shares converted to Equity shares during the year	12,00,000	1.20	-	-
Balance at the end of the year	20,84,14,389	208.41	1,76,63,034	176.63

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Preference shares				
Balance at the beginning of the year	4,80,000	3.87	4,80,000	3.87
Add: Final Call monies received on Compulsorily convertible preference shares	-	0.93	-	-
Add: Optionally convertible preference shares converted to Compulsorily convertible preference shares during the year	4,80,000	4.80	-	-
Less: Compulsorily convertible preference shares converted to Equity shares during the year	(9,60,000)	(9.60)	-	-
Balance at the end of the year	-	-	4,80,000	3.87

v. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

vi. Rights, preferences and restrictions attached to preference shares

The Company had two classes of preference shares viz, Compulsorily convertible preference shares (CCPS) and 'Optionally convertible preference shares (OCPS). The said shares were partly paid to the tune of ₹8.06 per share as at 31 March 2024. During the year ended 31 March 2025, the outstanding CCPS and OCPS are converted into fully paid up equity shares of 10 each upon receipt of final call of ₹1.94 per share and the conversion premium of ₹242.60 per share.

vii. Warrants convertible into equity shares

Based on the approval of the members taken in the Shareholders meeting dated 11 June 2019, the Company has made allotment of 50,000 Share Warrants which are convertible into equity share in the ratio of 1:1 at a price of ₹1,910 per share. These warrants are equally vested over a period of 4 years ending on 19 October 2023. These warrants are not exercised and subsequently forfeited during the year ended 31 March 2025.

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

viii. Details of shareholders holding more than 5% equity shares in the Company

Name of the equity shareholders	As at 31 March 2025		As at 31 March 2024		% Change in holding
	Number	% holding	Number	% holding	
TPG ASIA VII SF PTE LTD	5,15,48,272	24.73%	76,20,180	43.14%	-18.41%
Marigold Partners (represented by Kanumuri Mytreysi)	2,21,85,550	10.64%	17,82,378	10.09%	0.55%
Sunflower Partners (represented by Kanumuri Ranga Raju)	1,55,93,570	7.48%	11,40,729	6.46%	1.02%
Sai Quest Syn Private Limited	45,91,100	2.20%	10,68,748	6.05%	-3.85%
HBM Private Equity India	41,40,124	1.99%	10,55,732	5.98%	-3.99%
Gokaraju Subba Raju	96,34,450	4.62%	9,38,730	5.31%	-0.69%

ix. Details of shares held by the promoters of the Company:

Name of the promoters	As at 31 March 2025		As at 31 March 2024		% Change in holding
	Number	% holding	Number	% holding	
Marigold Partners (represented by Kanumuri Mytreysi)	2,21,85,550	10.64%	17,82,378	10.09%	0.55%
Sunflower Partners (represented by Kanumuri Ranga Raju)	1,55,93,570	7.48%	11,40,729	6.46%	1.02%
Sai Quest Syn Private Limited	45,91,100	2.20%	10,68,748	6.05%	-3.85%
Tulip Partners (represented by Kanumuri Mytreysi)	92,82,060	4.45%	7,42,262	4.20%	0.25%
Lily Partners (represented by Kanumuri Ranga Raju)	69,00,740	3.31%	5,10,499	2.89%	0.42%
Kanumuri Krishnam Raju	30,08,400	1.44%	2,95,000	1.67%	-0.23%
Kanumuri Ranga Raju	1,69,340	0.08%	14,000	0.08%	0.00%
Kanumuri Mytreysi	61,580	0.03%	6,000	0.03%	0.00%
Promoters (A)	6,17,92,340		55,59,616		
Gokaraju Subba Raju	96,34,450	4.62%	9,38,730	5.31%	-0.69%
Gokaraju Lakshmi Tanuja	13,34,535	0.64%	1,30,121	0.74%	-0.10%
Kanumuri Sudha	5,13,160	0.25%	50,000	0.28%	-0.03%
Continental Wines Pvt Ltd	20,190	0.01%	1,967	0.01%	0.00%
Promoter Group (B)	1,15,02,335		11,20,818		

x. Details of shareholders holding more than 5% preference shares CCPS in the Company

Name of the Preference shareholders & promoters	As at 31 March 2025		As at 31 March 2024		% Change in holding
	Number	% holding	Number	% holding	
Marigold Partners (represented by Kanumuri Mytreysi)	-	-	1,68,134	35.03%	-35.03%
Sunflower Partners (represented by Kanumuri Ranga Raju)	-	-	1,67,866	34.97%	-34.97%
Tulip Partners (represented by Kanumuri Mytreysi)	-	-	72,058	15.01%	-15.01%
Lily Partners (represented by Kanumuri Ranga Raju)	-	-	71,942	14.99%	-14.99%

xi. Shares reserved for issue under options

(a) Employee stock option plan - 2004 ("ESOP 2004")

The Company established a plan ESOP 2004 under which 3,00,000 equity shares of ₹10 each were earmarked and approved by the Shareholders at the Extraordinary General Meeting held on 13 September 2004. These options shall vest at the end of three years from the grant date. The vested options can be exercised by the employee during his term of employment with the Company.

Employee stock option plan - 2006 ("ESOP 2006")

The Company established a plan ESOP 2006 under which 3,50,000 equity shares of ₹10 each were earmarked and approved by the Shareholders at the Annual General Meeting held on 16 August 2006. 60% of the options granted shall vest at the end of three years from the grant date and 40% of the options granted shall vest at the end of five years from the grant date. The vested options can be exercised by the employee during his term of employment with the Company.

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Sai Employee stock option scheme - 2008 (“ESOP 2008”)

The Company established a plan ESOP 2008 approved by the Shareholders at the Annual and Extraordinary General Meetings held on 11 September 2008 and 30 March 2009 respectively. As per the scheme, maximum number of employee stock options are restricted to 10% of paid up share capital of the Company. Out of which, 50% of the options granted shall vest at the end of two years from the grant date and the balance 50% of the options shall vest at the end of four years from the grant date. The vested options can be exercised by the employee during his term of employment with the Company.

Under this scheme, the company granted additional employee stock options approved by the Shareholders at the Extraordinary General Meeting held on 25 July 2018. The options granted shall vest 20% at the end of every year from the grant date for a period of 5 years. The vested options can be exercised by the employee during his term of employment with the Company.

Management ESOP scheme - 2018 (“MES 2018”)

The Company established a plan MES 2018 approved by the Shareholders at the Extraordinary General Meeting held on 25 July 2018. As per the scheme maximum number of shares reserved under this scheme is 4% of the paid up equity capital of the Company on a fully diluted basis as on the Effective Date. The options granted shall vest 20% at the end of every year from the grant date for a period of 5 years. The vested options can be exercised by the employee during his term of employment with the Company.

Amended ESOP scheme (“Amended ESOP”)

The Company amended the plan MES 2018 and ESOP 2008 approved by the Shareholders at the Extraordinary General Meeting held on 25 March 2022, 09 June 2023 and 04 July 2024. The amendment has similar terms as the MES 2018 & ESOP 2008 scheme wherein the maximum number of shares reserved under this scheme is 4% and 10% respectively of the paid up equity capital of the Company on a fully diluted basis as on the Effective Date. The options granted shall vest in a period of 5 years and as per the terms provided in the Notice of Grant. The vested options can be exercised by the employee during his term of employment with the Company.

The terms of the above schemes provide that each option entitles the holder to one equity share of ₹10 each and that the options can be settled only by way of issue of equity shares. The options granted are entirely time-based for ESOP 2004, ESOP 2006, ESOP 2008 MES 2018 and Amended MES 2018 is time and performance based.

- (b) During the year ended 31 March 2025, the Company had incurred stock compensation cost of ₹24.78 (31 March 2024: ₹22.53) towards the above schemes.
- (c) Stock options activity is as follows. The number of options and exercise price per option has been adjusted proportionately to reflect the sub-division (refer Note 48) :

	No. of options	
	As at 31 March 2025	As at 31 March 2024
Under ESOP 2004 plan		
Outstanding at the beginning of the year	-	20,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	(20,000)
Outstanding at the end of the year	-	-
Weighted average exercise price (₹)	-	30
Exercisable at the end of the year	-	-
Under ESOP 2008 scheme		
Outstanding at the beginning of the year	33,22,360	21,92,500
Granted during the year	2,55,000	14,80,000
Forfeited during the year	(2,70,000)	-
Exercised during the year	(17,62,860)	(3,50,140)
Outstanding at the end of the year	15,44,500	33,22,360
Weighted average exercise price (₹)	169.42	98.67
Exercisable at the end of the year	2,55,500	18,22,360

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	No. of options	
	As at 31 March 2025	As at 31 March 2024
Under MES 2018 scheme		
Outstanding at the beginning of the year	44,73,920	58,63,750
Granted during the year	41,90,000	-
Forfeited/Lapsed during the year	11,63,920	(13,55,190)
Exercised during the year	(14,17,000)	(34,640)
Outstanding at the end of the year	60,83,000	44,73,920
Weighted average exercise price (₹)	134.89	131.02
Exercisable at the end of the year	(12,18,000)	19,73,920

- (d) The fair value of options is estimated at the grant date using the Black-Scholes option pricing model with the following assumptions:

	As at 31 March 2025	As at 31 March 2024	
	AMES 2018	ESOP 2008	ESOP 2008
Date of grant	04-Jul-24 & 12-Nov-24	07-Dec-23 & 20-Feb-24	19-Jun-23 & 13-Sep-23
Risk-free interest rate	7.21%	7.21%	7.32%
Expected life (in years)	5	5	5
Expected volatility	33.00%	33.00%	33.00%
Expected dividend yield	0.00%	0.00%	0.00%

- xii. During the period of five years immediately preceding the balance sheet date, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

18. Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium (Note a)	13,731.69	3,891.55
Capital reserve (Note b)	8.07	8.07
Employee stock options outstanding account (Note c)	50.37	106.10
Retained earnings (Note d)	7,244.99	5,534.21
Cash flow hedge reserve (Note e)	(12.16)	(17.92)
Shares pending allotment (Note f)	0.47	-
Foreign currency translation reserve (Note g)	51.71	48.93
	21,075.13	9,570.94

Nature and purpose of reserves

(a) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium and adjusted for transaction cost on fresh issue of equity shares. During the year ended 31 March 2025, the Company issued 3,17,84,049 equity share of face value of ₹ 1 each (31 March 2024 40,478 Equity share of face value of ₹ 10 each)

(b) Capital reserve

Capital reserve pertains to the excess of net assets taken, over the cost of consideration paid pursuant to amalgamation of Advantium Pharma Private Limited with the Company in the earlier years and on forfeiture of certain share warrants issued in the earlier years. The Company uses capital reserve for transactions in accordance with the provisions of the Act.

Notes to the Consolidated Financial Statements

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(c) Employee stock options outstanding account

Employee stock options outstanding account relates to share options granted by the Parent to its employees under its employee share option plan. These will be transfer to Equity and Security premium after exercise of the underlying options.

(d) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(e) Cash flow hedge reserve

Cash flow hedge reserve represents effective portion of cash flow hedges taken to Other comprehensive income.

(f) Shares pending allotment

Represents amount received from employees upon exercise of option under the under ESOP plan -2008. Pending allotment as of 31 March 2025, this amount has been shown under share application money pending allotment.

(g) Foreign currency translation reserve

Foreign currency translation reserve represents the exchange differences accumulated when the financial statements of foreign operations are converted from their functional currency to presentation currency of the Parent.

Movement in other equity	As at 31 March 2025	As at 31 March 2024
i) Securities premium		
Balance at the beginning of the year	3,891.55	3,875.80
Add: Amount on account of shares issued	688.41	15.75
Add: Fresh issue of equity shares	9,482.70	-
Less: Transaction costs	(330.97)	-
Balance at the end of the year	13,731.69	3,891.55
ii) Capital reserve		
Balance at the beginning of the year	8.07	8.07
Add: During the year	-	-
Balance at the end of the year	8.07	8.07
iii) Employee stock options outstanding account		
Balance at the beginning of the year	106.10	94.76
Less: Amount transferred on forfeiture of employee stock options	(6.10)	(4.71)
Less: Amount transferred on exercise of employee stock options	(74.41)	(6.48)
Add: Share-based payment expense	24.78	22.53
Balance at the end of the year	50.37	106.10
iv) Retained earnings		
Balance at the beginning of the year	5,534.21	4,695.62
Add: Re-measurement of defined benefit obligation (net of tax)	3.36	5.79
Add: Amount transferred on forfeiture of employee stock options	6.10	4.71
Add: Profit for the year	1,701.32	828.09
Balance at the end of the year	7,244.99	5,534.21
v) Cash flow hedge reserve		
Balance at the beginning of the year	(17.92)	(12.02)
Add: Effective portion of cash flow hedges (net of tax)	5.76	(5.90)
Balance at the end of the year	(12.16)	(17.92)
vi) Foreign currency translation reserve		
Balance at the beginning of the year	48.93	38.60
Add: Movement during the year (net of tax)	2.78	10.33
Balance at the end of the year	51.71	48.93
vii) Shares pending allotment		
Balance at the beginning of the year	-	-
Add: Shares application money pending allotment	0.47	-
Balance at the end of the year	0.47	-

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

19. Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
(Secured - at amortized cost)		
Term loans		
From banks [refer note (i) to (xiii)]	-	3,358.59
	-	3,358.59
Less: Current maturities of long-term loans	-	(586.13)
	-	2,772.46

Terms and conditions of loans and nature of security

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Loan 1, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all net current assets both present and future of the Company. This loan carried interest rate of 6 months MCLR +0.55% and was repayable in unequal quarterly instalment commencing from June 2023 with last instalment is falling due in March 2030. (Refer note (xii) below)	-	894.99
(ii) Loan 2, Common Covid Emergency Credit Line (CCECL) secured by way of pari passu second charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate equal to 6 months MCLR per annum + 1% with monthly rests and was repayable in equal Monthly instalments commencing from April 2022 and the last repayment is falling due in April 2026. (Refer note (xii) below)	-	93.69
(iii) Loan 4, Term loans (USD denominated) secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. These loans carry interest overnight secured overnight financing rate (O/N SOFR (compounded) + 276 bps (non-compounded) p.a., on the outstanding USD notional, monthly) and are repayable in unequal quarterly instalments commencing from July 2017 with the last instalment is falling due in March 2025. (Refer note (xii) below)	-	18.67
(iv) Loan 5, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of MCLR OD 1 Year + 0.15% per annum and is repayable in unequal quarterly instalments commencing from December 2017 and the last repayment is falling due in March 2025. (Refer note (xii) below)	-	8.55
(v) Loan 6, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 7.5% Financial Benchmark India Limited (FBIL) O/N Mumbai interbank offer rate (MIBOR) (not compounded) + 305 bps (not compounded) on the outstanding ₹ Notional amount, monthly and is repayable in unequal quarterly instalments commencing from March 2022 and the last repayment is falling due in December 2028. (Refer note (xii) below)	-	562.50

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
(vi) Loan 8, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 1 year MCLR + Spread of 1.05% p.a and is repayable in unequal quarterly instalments commencing from July 2021 and the last repayment is falling due in April 2026. (Refer note (xii) below)	-	615.13
(vii) Loan 9, Working capital Term loan facility under Guaranteed Emergency Credit Line secured by way of pari passu second charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 3m T-bill Rate + 3.6% Spread p.a and is repayable in equal Monthly instalments commencing from March 2021 and the last repayment is falling due in March 2026. (Refer note (xii) below)	-	281.25
(viii) Loan 10, Working capital Term loan facility under Guaranteed Emergency Credit Line secured by way of pari passu First Charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 1Y MCLR+0.15% which ever is lower and was repayable in equal Monthly instalments commencing from April 2022 and the last repayment is falling due in March 2026. (Refer note (xii) below)	-	66.99
(ix) Loan 11, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of 3m T-bill Rate + 1.40% spread and is repayable in equal quarterly instalments commencing from Sept 2025 and the last repayment is falling due in June 2030. (Refer note (xii) below)	-	67.62
(x) Loan 12, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of Repo + Spread of 1.85% p.a and is repayable in equal quarterly instalments commencing from Sep 2025 and the last repayment is falling due in June 2030. (Refer note (xii) below)	-	499.50
(xi) Loan 13, Term loan secured by way of pari passu first charge on all property, plant and equipment including other intangible assets both present and future including equitable mortgage of the properties of the Company and pari passu second charge on all current assets both present and future of the Company. This loan carries interest rate of Repo + Spread of 1.5% p.a, and is repayable in equal quarterly instalments commencing from Aug 2025 and the last repayment is falling due in May 2030. (Refer note (xii) below)	-	249.70
	-	3,358.59

(xii) During the year ended 31 March 2025, the Company has repaid all the term loans mentioned above from proceeds of IPO. (refer note 49)

(xiii) The Company has used the borrowings for the purposes for which it was taken.

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Short term borrowings		
(Secured - at amortized cost)		
Working capital loans from banks*	1,134.57	3,436.96
Current maturities of long-term loans	-	586.13
(Unsecured - at amortized cost)		
Working capital loans repayable on demand - Buyers credit facility	151.79	306.08
	1,286.36	4,329.17
* Includes overdraft facilities classified as cash & cash equivalents for the purpose of cash flow statement (refer note 16(iii))	(0.68)	(116.88)

Note: The above borrowings are secured by way of hypothecation of the Company's goods, book debts, movables, other assets and freehold land. Interest rate ranges between 7.0% to 9.5% p.a and the loans are revolving on an annual basis.

The quarterly returns of current assets filed by the Company with banks are in agreement with books of accounts.

Reconciliation between the opening and closing balances in balance sheet for financial liabilities arising from financing activities are given below:

Particulars	As at 01 April 2024	Net Proceeds/ (Repayments)	Non cash changes*	As at 31 March 2025
Non-current borrowings (including current maturities)	3,358.59	(3,364.58)	5.99	-
Current borrowings (excluding overdraft facilities)	3,626.16	(2,339.64)	(0.85)	1,285.67
Total	6,984.75	(5,704.22)	5.15	1,285.67

* Non cash changes includes foreign exchange changes of ₹ 1.30.

Particulars	As at 01 April 2023	Net Proceeds/ (Repayments)	Non cash changes**	As at 31 March 2024
Non-current borrowings (including current maturities)	3,272.64	82.72	3.23	3,358.59
Current borrowings (excluding overdraft facilities)	3,375.81	248.93	1.42	3,626.16
Total	6,648.45	331.65	4.65	6,984.75

** Non cash changes includes foreign exchange changes of ₹ 3.44.

20. Lease liabilities *

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current	1,646.87	1,757.21
Current	590.58	417.76
	2,237.45	2,174.97

*Refer note 45

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

21. Other financial liabilities

Particulars	As at	
	31 March 2025	31 March 2024
Non-current		
Optionally convertible preference shares pursuant to Scheme of Arrangement (refer note 17(v) and note (a) below)	-	4.80
Derivative liabilities - FVTOCI	-	8.53
	-	13.33
Current		
Interest accrued but not due on borrowings	1.60	16.58
Capital creditors (refer note (b) below)	724.90	273.81
Derivative liabilities - FVTOCI	27.94	27.14
	754.44	317.53

a) Details of shareholders holding more than 5% Optionally convertible preference shares (OCPS)

	As at 31 March 2025		As at 31 March 2024	
	Number	% holding	Number	% holding
Name of the Preference shareholders & promoters				
Marigold Partners (represented by Kanumuri Mytreysi)	-	-	2,10,168	35.03%
Sunflower Partners (represented by Kanumuri Ranga Raju)	-	-	2,09,832	34.97%
Tulip Partners (represented by Kanumuri Mytreysi)	-	-	90,072	15.01%
Lily Partners (represented by Kanumuri Ranga Raju)	-	-	89,928	14.99%

- b) Capital creditors include outstanding dues of micro enterprises and small enterprises to the extent of 302.72 (31 March 2024: ₹ 61.16) (refer note 44)

21. Provisions

Particulars	As at	
	31 March 2025	31 March 2024
Non-current		
Gratuity	170.57	142.83
Compensated absences	63.51	52.40
	234.08	195.23
Current		
Gratuity	53.77	43.05
Compensated absences	53.78	40.67
	107.55	83.72

Employee benefits

The Company has the following post -employment benefits plans:

(a) Defined contribution plan

The following amount has been recognised as an expense in statement of profit and loss account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Particulars	As at	
	31 March 2025	31 March 2024
Contribution to provident fund	98.88	86.98
Contribution to employees state insurance schemes	0.11	0.19
	98.99	87.17

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(b) Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 day's last drawn salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/ exit, restricted to a sum of ₹ 2.00 in accordance with Payment of Gratuity Act, 1972. This defined benefit plan exposes the company to actuarial risk such as longevity, interest rate risk and market risk & inflation risk.

Particulars	As at	
	31 March 2025	31 March 2024
(i) Change in defined benefit obligation		
Defined benefit obligation at the beginning of the year	185.88	161.93
Current service cost	46.63	39.43
Interest cost	12.62	10.95
<i>Actuarial (gain)/loss on obligation</i>		
Loss/(gain) from change in financial assumptions	0.68	(4.68)
Gain on account of experience adjustments	(5.21)	(3.03)
Benefits paid	(16.26)	(18.72)
Defined benefit obligation at the end of the year	224.34	185.88
(ii) Expense recognised in the statement of profit and loss		
Included under employee benefits		
Interest cost	12.62	10.95
Service cost	46.63	39.43
Net gratuity costs	59.25	50.38
(iii) Expense recognised in other comprehensive income		
Recognised net actuarial loss/(gain)	(4.53)	(7.71)
	(4.53)	(7.71)
(iv) Key actuarial assumptions		
Discount rate	7.01%	7.10%
Salary escalation rate	8.00%	8.00%
Expected average remaining service	3.09	3.09
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Attrition rate	24.00%	24.00%
Retirement age-years	58	58

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and salary escalation rate. The calculation of the net defined benefit liability is sensitive to these assumptions. However, the impact of these changes is not ascertained to be material by the management.

(v) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in the benefit obligation being as follows:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Discount rate (+ / - 1% movement)	216.99	232.25	179.83	192.38
Salary escalation rate (+ / - 1% movement)	230.77	218.21	191.11	180.89

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Maturity profile of the defined benefit obligation

Expected cash flows over the next :	As at 31 March 2025	As at 31 March 2024
1 year	53.77	43.08
2 - 5 years	134.99	114.03
6 - 10 years	75.20	62.47

The weighted average duration of the defined benefit obligation as at 31 March 2025 is 2.79 years (As at 31 March 2024: 2.78 years)

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years. During the year ended 31 March 2025, the Group has incurred an expense on compensated absences amounting to ₹ 49.58 (31 March 2024 : ₹ 31.46). The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

23. Deferred tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities arising on account of :		
Property, plant and equipment	656.56	591.50
Contract assets	473.86	321.42
Right of use assets	496.83	461.11
Deferred tax assets arising on account of :		
Lease liabilities	(399.02)	(396.18)
Provision for employee benefits	(84.58)	(68.99)
Provision for trade receivables and advances	(30.20)	(41.03)
Derivative instruments - FVTOCI	(3.09)	(5.03)
Others	-	(0.14)
Deferred tax liabilities, (net)	1,110.36	862.66

Movement in deferred tax assets/deferred tax liabilities

	01 April 2023	Recognized in statement of profit and loss	Recognized in OCI	31 March 2024
Deferred tax liabilities arising on account of :				
Property, plant and equipment	548.70	42.80	-	591.50
Contract assets	145.99	175.43	-	321.42
Right of use assets	465.00	(3.89)	-	461.11
Other non-current assets / financial liabilities	(0.31)	0.31	-	-
Deferred tax assets arising on account of :				
Lease liabilities	(441.76)	45.58	-	(396.18)
Provision for employee benefits	(60.10)	(10.81)	1.92	(68.99)
Provision for trade receivables and advances	(33.25)	(7.78)	-	(41.03)
Derivative instruments - FVTOCI	2.84	(5.88)	(1.99)	(5.03)
Others	(1.77)	1.63	-	(0.14)
	625.34	237.39	(0.07)	862.66

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

	01 April 2024	Recognized in statement of profit and loss	Recognized in OCI	31 March 2025
Deferred tax liabilities arising on account of :				
Property, plant and equipment	591.50	65.06	-	656.56
Contract assets	321.42	152.44	-	473.86
Right of use assets	461.11	35.72	-	496.83
Deferred tax assets arising on account of :				
Lease liabilities	(396.18)	(2.84)	-	(399.02)
Provision for employee benefits	(68.99)	(16.76)	1.17	(84.58)
Provision for trade receivables and advances	(41.03)	10.83	-	(30.20)
Derivative instruments - FVTOCI	(5.03)	-	1.94	(3.09)
Others	(0.14)	0.14	-	-
	862.66	244.59	3.11	1,110.36

24. Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
(A) Total outstanding dues of micro enterprises and small enterprises (Refer note 44)	474.16	90.07
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,750.92	1,294.63
	3,225.08	1,384.70

* Includes amount payable to related parties - (Refer note 40)

* Includes amount payable towards unbilled share issue expenses amounting to ₹ 776.99 (as of 31 March 2024: ₹ Nil), which are included in unbilled dues in the ageing schedule below.

As at 31 March 2025

Particulars	Outstanding for following years from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	440.94	33.15	0.07	-	-	474.16
(ii) Others	1,126.31	332.31	12.59	5.67	1.39	1,478.27
(iii) Unbilled Dues	1,272.65	-	-	-	-	1,272.65
Total	2,839.90	365.46	12.66	5.67	1.39	3,225.08

As at 31 March 2024

Particulars	Outstanding for following years from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	74.98	8.09	7.00	-	-	90.07
(ii) Others	656.22	353.64	70.04	20.00	0.30	1,100.20
(iii) Unbilled Dues	194.43	-	-	-	-	194.43
Total	925.63	361.73	77.04	20.00	0.30	1,384.70

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

25. Other liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Advance from customers	182.35	96.67
Payable to statutory authorities	305.15	160.13
Employee payables	793.69	609.35
	1,281.19	866.15

26. Current tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for income tax, net of advance tax ₹ 266.49 (31 March 24 ₹Nil)	79.70	-
	79.70	-

27. Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of goods and services		
Revenue from contract research, development and manufacturing activities	16,603.92	14,564.70
Other operating income		
Income from sale of used solvents	193.26	122.53
Income from export incentives (RODTEP)	24.52	1.45
Income under production linked incentive*	100.00	(36.90)
Other operating income	24.00	-
	16,945.70	14,651.78

* The Company's application for a PLI incentive of ₹ 201.90 during the financial year 2022-23 got approved in financial year 2023-24. The DOP issued a revision restricting the outlay in year 1 to extent of 33% of the overall scheme amount of ₹ 500.00 i.e. ₹ 165.00 and accordingly, the Company has reversed production linked incentive of ₹ 36.90 during the previous year ended 31 March 2024.

Disaggregation of revenues from contract research, development and manufacturing activities :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract Development and Manufacturing	10,339.67	9,593.00
Contract Research	6,264.25	4,971.70
Total	16,603.92	14,564.70

Reconciliation of Revenue from operations with contract price (excluding Other Operating Income) :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract price	16,622.69	14,586.78
Less : Adjustment made to contract price on account of Sales return	(18.77)	(22.08)
Total	16,603.92	14,564.70

Disaggregation of revenue from contract research and manufacturing activities into over time and at a point in time

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Timing of recognition		
At a point in time	7,096.51	5,494.64
Over time	9,507.41	9,070.06
Total	16,603.92	14,564.70

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

28. Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income from deposits	168.30	135.97
Interest income on financial assets at amortised cost	1.02	-
Foreign exchange gain (net)	190.76	146.26
Interest on income tax refund	6.33	-
Profit on Sale of Property, plant and equipment	-	0.10
Others	1.38	8.58
	367.79	290.91

29. Cost of materials consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw material and packing material at the beginning of the year	625.47	882.61
Add: Purchases/adjustments	4,960.26	3,975.83
Less: Raw material and packing material at the end of the year	(977.78)	(625.47)
	4,607.95	4,232.97

30. Changes in inventories of work-in-progress

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance		
- Work-in-progress	214.44	438.77
	(A)	438.77
Closing balance		
- Work-in-progress	164.75	214.44
	(B)	214.44
	(A) - (B)	224.33

31. Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus (refer note (a) below)	5,072.01	4,589.81
Contribution to provident and other funds	98.98	87.17
Gratuity	59.25	50.38
Equity settled share based payment expense	24.78	22.53
Staff welfare expenses	236.16	199.16
	5,491.18	4,949.05

(a) Includes contract labour charges of ₹ 369.56 (31 March 2024: ₹ 321.53)

32. Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on financial liabilities measured at amortised cost *	502.12	600.86
Interest on lease liabilities	248.98	253.53
Interest on MSME payables	2.51	3.03
Interest - others	8.03	1.69
	761.64	859.10

* Net of borrowing cost capitalised to property, plant and equipment amounting ₹ 12.99 (31 March 2024: ₹ 18.49)

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

33. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant & equipment (refer note 6)	889.62	731.35
Depreciation on right-of-use assets (refer note 7)	399.92	375.34
Amortisation of intangible assets (refer note 8)	96.19	87.67
	1,385.73	1,194.36

34. Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	449.17	440.29
Power and fuel	481.85	494.91
Rent	21.94	20.72
Repairs and maintenance:		
- Buildings	24.22	18.85
- Plant and equipment	203.73	178.56
- Others	245.62	190.06
Insurance	86.28	70.92
Rates and taxes	19.16	24.65
Outside contract cost	34.33	56.86
Carriage and freight outwards	67.81	51.12
Communication expenses	25.56	25.20
Office maintenance and housekeeping expenses	50.13	41.32
Travelling and conveyance	165.91	122.45
Legal and professional fees (refer note (i) below)	239.54	296.84
Corporate social responsibility (CSR) expenditure (refer note (ii) below)	12.08	9.38
Loss allowance towards doubtful trade receivables and contract assets (refer note 15 and 13)	305.58	15.90
Bad debts written off (net of recoveries) (refer note 15)	3.51	62.04
Provision towards doubtful advances	-	13.66
Advances written off	-	10.72
Bank charges	21.79	16.48
Net loss on disposal of property, plant and equipment	18.11	-
Sales promotion expenses	50.14	30.45
Membership and subscription	176.19	112.34
Printing and stationery	19.13	21.95
Asset under capital work-in progress written off (refer note 6(i))	17.20	61.86
Miscellaneous expenses	1.29	3.01
	2,740.27	2,390.54

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(i) **Details of Auditor's remuneration :**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
As auditor:		
- Audit fee	6.60	6.60
- Limited Review fee	1.50	-
- Certification fees	0.73	1.59
- Reimbursement of expenses	0.20	0.49
	9.03	8.68

* Above fee excludes amount of ₹48.56 (excluding tax of ₹8.74) for the year ended 31 March 2025 (31 March 2024 ₹ Nil), in connection with the Initial public offer (IPO) of the Company which is adjusted with securities premium upon completion of the IPO.

(ii) **Details of CSR expenditure :**

As required under Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The Company has spent the CSR amount towards:

1. Contributing through Technology
2. Conducting free medical program in rural areas and sponsorship for cancer child patient
3. Promoting education in rural areas and career development programme
4. Providing water storage.

Amount spent during the year on:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i) Amount approved by the Board to be spent during the year	12.08	9.38
ii) Gross amount required to be spent by the Company during the year	12.08	9.38
iii) Amount spent during the year on the above	12.08	9.38
iv) Shortfall at the end of the year	-	-
v) Total of previous year shortfall	-	-
vi) Reason for shortfall	N/A	N/A
vii) Nature of activity	See note above	See note above

35. Income tax

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Tax expense comprises of:		
Current tax	338.44	77.57
Deferred tax	237.27	186.68
Income tax expense reported in the statement of profit or loss	575.71	264.25

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% and the reported tax expense in the statement of profit and loss is as follows:

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	2,277.03	1,092.34
Tax at the Indian tax rate (25.17%) [31 March 2024: 25.17%]	573.08	274.92
Effect of concessions (80JJAA)	(4.56)	(5.44)
Disallowance of CSR expenditure	3.04	2.36
Others	4.15	(7.59)
Income tax expense	575.71	264.25

36. Earnings per equity share [EPES]

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity shareholders	1,701.32	828.09
Weighted average number of equity shares outstanding during the year (before stock split)	1,92,63,397	1,81,15,947
Weighted average number of equity shares outstanding during the year (after stock split)	19,26,33,970	18,11,59,470
Effect of dilution:		
Employee stock options (before stock split)	4,96,649	1,73,375
Employee stock options (after stock split)	49,66,490	17,33,750
Weighted average number of equity shares adjusted for the effect of dilution (before stock split)	1,97,60,046	1,82,89,322
Weighted average number of equity shares adjusted for the effect of dilution (after stock split)	19,76,00,460	18,28,93,220
Earnings per equity share before stock split (in absolute ₹ terms) :		
Basic	88.32	45.71
Diluted	86.10	45.28
Nominal Value per share equity share	10	10
Earnings per equity share after stock split (in absolute ₹ terms) :		
Basic	8.83	4.57
Diluted	8.61	4.53
Nominal Value per share equity share	1	1

During the year ended 31 March 2024, the Company has not considered Share warrants of 50,000 which are convertible into equity shares being anti-dilutive. During the year ended 31 March 2025 the Company has forfeited 50,000 Share Warrants.

The basic and diluted earnings per share for the current year and previous year presented have been calculated after considering the share split during the year ended 31 March 2025. Accordingly, adjustments have been made for options granted to employees under the ESOP scheme of the Company. (Refer Note 48)

37. Fair value measurements

Risk management framework:

The Company's principal financial liabilities, comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTOCI investments and investment in its subsidiary.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(i) Financial assets and financial liabilities measured at fair value

	Level 1		Level 2		Level 3	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Financial assets - Unlisted equity instruments measured at FVTOCI* and derivative instruments designated in hedge accounting relationship	-	-	16.03	16.08	19.43	18.68
Financial liabilities - Derivative financial instruments - loss on outstanding foreign exchange forwards, options, currency swap contracts and interest rate swap contracts(1)	-	-	27.94	35.67	-	-

⁽¹⁾ The Company enters into derivative financial instruments with various counterparties, principally banks. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps, foreign exchange forwards. These derivative financial instruments are valued based on the inputs that are directly or indirectly observable in the market place.

* These are held for operational purposes and the Company estimates that the fair value of these investments are not materially different as compared to their cost.

Financial instruments by category

	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	-	19.43	-	-	18.68	-
Trade receivables	-	-	3,547.83	-	-	2,561.84
Cash and cash equivalents	-	-	911.19	-	-	236.57
Other bank balances	-	-	3,727.63	-	-	1,351.43
Other financial assets	-	16.03	830.99	-	16.08	819.35
Total financial assets	-	35.46	9,017.64	-	34.76	4,969.19

	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	1,286.36	-	-	7,101.63
Lease liabilities	-	-	2,237.45	-	-	2,174.97
Trade payables	-	-	3,225.08	-	-	1,384.70
Other financial liabilities	-	27.94	726.50	-	35.67	295.19
Total financial liabilities	-	27.94	7,475.39	-	35.67	10,956.49

(ii) Measurement of fair values

Valuation technique and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Forward exchange contract	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency	Not applicable	Not applicable

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Interest rate swaps and Cross Currency swaps	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to credit risk adjustment that reflects the credit risk of the entity and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable	Not applicable

(iii) Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in 2024-25 and no transfers in either direction in 2023-24.

38. Financial instruments risk management

A. Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, lease liabilities, deposits, trade receivables and other financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations; provisions; and non-financial assets and liabilities.

i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has loan facilities on floating interest rate, which exposes the Company to risk of changes in interest rates. The management monitors the interest rate movement and manages the interest rate risk based on its policies, which include entering into interest rate swaps as considered necessary. The Company's investment in deposits with banks are for short durations and therefore do not expose the Company to significant interest rate risk.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate.

If interest rate had been 10 basis points higher/lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Company's profit for the year ended 31 March 2025 would decrease/increase by ₹ 5.82 (31 March 2024: ₹ 33.85)

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of change in foreign exchange rates. The Company's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in US Dollars and Euros) and foreign currency borrowings (primarily in US Dollars). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses both derivative and non-derivative financial instruments, such as foreign exchange forward contracts, currency swap contracts and foreign currency financial liabilities, to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

- a) Significant foreign currency risk exposure relating to financial assets and financial liabilities expressed in ₹ terms are as follows.

Financial assets

	31 March 2025				31 March 2024			
	Investments	Trade receivables	Balances in bank	Other assets	Investments	Trade receivables	Balances in bank	Other assets
- USD	-	3,311.13	304.87	32.93	-	2,430.69	73.51	93.76
- EUR	-	194.82	4.25	-	-	158.73	20.74	-
- GBP	-	52.33	33.60	-	-	52.86	38.65	-
- Others	-	1.99	16.39	-	-	2.60	2.80	-

Financial liabilities

	31 March 2025			31 March 2024		
	Borrowings#	Trade payables	Capital creditors	Borrowings#	Trade payables	Capital creditors
- USD	151.79	610.19	110.72	402.89	300.58	29.39
- EUR	-	12.08	41.21	10.08	5.85	13.71
- GBP	-	2.09	2.18	-	114.84	8.75
- Others	-	0.18	0.34	-	3.55	-

This amount includes interest accrued

- (b) Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Impact on income & equity	
	31 March 2025	31 March 2024
USD sensitivity		
₹/USD - Increase by 1%	27.76	18.65
₹/USD - Decrease by 1%	(27.76)	(18.65)
EUR sensitivity		
₹/EUR - Increase by 1%	1.46	1.50
₹/EUR - Decrease by 1%	(1.46)	(1.50)
GBP sensitivity		
₹/GBP - Increase by 1%	0.83	0.32
₹/GBP - Decrease by 1%	(0.83)	(0.32)

- (c) Derivative financial instruments

The following table gives details in respect of outstanding derivative contracts. The counterparty for these contracts are banks.

	Sell	Buy	31 March 2025		31 March 2024	
			No of contracts outstanding	Amount in Millions	No of contracts outstanding	Amount in Millions
Forward contract	US\$	₹	130	\$42.89	237	\$77.69
Forward contract	Euro €	₹	11	€ 4.50	12	€ 4.50
Forward contract	₹	US\$	-	\$-	2	\$1.00
Interest rate swaps ₹ (floating to fixed)	-	-	-	₹ -	2	₹ 651.15
Interest rate swaps USD (floating to fixed)	-	-	-	\$-	1	\$0.28

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(All amounts in Indian Rupees millions, except share data and where otherwise stated)

The Company designates its derivative contracts that hedge foreign exchange risk associated with its highly probable forecasted transactions as cash flow hedges and measures them at fair value. The effective portion of such cash flow hedges is recorded as in other comprehensive income, and re-classified in the income statement as revenue in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such cash flow hedges is immediately recorded in the statement of profit and loss.

B. Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The Company has established a credit mechanism under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored.

The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹ 3,547.83 (31 March 2024 ₹ 2,561.84) (refer note 15).

C. 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 the entity 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.

The Company's principal sources of liquidity are the cash flows generated from operations. Further the Company also has long term borrowings and working capital facilities which the management believes are sufficient for its current requirements. Accordingly, no liquidity risk is perceived.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

31 March 2025	Carrying amount	Contractual cash flows			Total
		Less than 1 year	From 1 to 3 years	More than 3 years	
Non-derivative financial liabilities					
Borrowings	1,286.36	1,286.36	-	-	1,286.36
Lease liabilities	2,237.45	852.01	1,392.54	1,297.30	3,541.85
Trade and other payables	3,225.08	3,225.08	-	-	3,225.08
Other financial liabilities	726.50	726.50	-	-	726.50
Total	7,475.39	6,089.95	1,392.54	1,297.30	8,779.79

31 March 2024	Carrying amount	Contractual cash flows			Total
		Less than 1 year	From 1 to 3 years	More than 3 years	
Non-derivative financial liabilities					
Borrowings	7,101.63	4,329.17	1,884.66	914.36	7,128.19
Lease liabilities	2,174.97	616.61	1,512.47	1,002.29	3,131.37
Trade payable	1,384.70	1,384.70	-	-	1,384.70
Other financial liabilities	295.19	290.39	4.80	-	295.19
Total	10,956.49	6,620.87	3,401.93	1,916.65	11,939.45

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39. Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares or sell assets to reduce debt. Total capital is the equity as shown in the statement of financial position. Currently, the Company primarily monitors its capital structure on the basis of the following gearing ratio. Management is continuously reviewing its strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Company.

"The capital for the reporting year under review is summarized as follows:

Particulars	31 March 2025	31 March 2024
Total borrowings (note 19)	1,286.36	7,101.63
Less: Cash and cash equivalents (note 16(i))	911.19	236.57
Less: Other bank balances (note 16 (ii)) and Deposits classified under Other financial assets (note 10)	4,147.63	1,751.43
Net debt (A)	(3,772.46)	5,113.63
Total equity (B)	21,283.54	9,751.44
Net debt to equity ratio (A)/(B) *	0.00	0.52

* Net debt to equity ratio for the year ended 31 March 2025 has been restricted to zero.

40. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
Sai Life Sciences Inc, USA	Subsidiary Company
Sai Life Sciences GMBH, Germany	Subsidiary Company
Sai Life Pharma Private Limited	Subsidiary Company
TPG Asia VII SF Pte Ltd (upto 18 december 2024)	Entity having significant influence on the Company
Sai Quest Syn Private Limited	Entities in which KMP have control or have significant influence
Dr. K Ranga Raju	
Krishnam Raju	
Sivaramakrishnan Chittor *	Key management personnel ("KMP")
Runa Karan	
Dr. Raju A Penmasta (upto 06 June 2024)	
Puneet Bhatia (upto 07 June 2024)	Director
Mitesh Daga (upto 10 March 2025)	
Rajagopal S. Tatta (upto 25 March 2025)	
Manjusha Ambadas Joshi (upto 06 June 2024)	
Ganesh Ramesh Iyer (w.e.f. 21 May 2024)	Independent Director
Suchita Sharma (w.e.f. 10 June 2024)	
Dr. Dinesh V Patel (w.e.f. 24 March 2025)	

* Subsequent to the year ended on 31 March 2025, Mr. Sivaramakrishnan Chittor has been appointed as an Additional Director of the Company on 28 April 2025.

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(b) Transactions with related parties

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Transactions with independent directors		
Commission	9.75	4.45
Sitting fees	5.31	0.31
Reimbursement of expenses	1.68	0.63
Transactions with KMP	122.17	94.81
Dr. K Ranga Raju	29.12	25.77
Krishnam Raju	62.04	32.90
Sivaramakrishnan Chittor	25.09	32.53
Runa Karan	5.92	3.61

* KMP are covered by the Company's mediclaim insurance policy and are eligible for gratuity and leave encashment along with other employees of the Company. The proportionate premium paid towards this policy and provision made for gratuity and leave encashment pertaining to the KMP has not been included in the aforementioned disclosures as these are not determined on an individual basis.

Share based compensation expense allocable to key management personnel is ₹ 3.03 (31 March 2024: ₹ 0.45), which is not included in the remuneration disclosed above.

(c) Transaction with related parties

In accordance with the applicable provisions of the Income Tax Act, 1961, the Company is required to use certain specified methods in assessing that the transactions with the related parties, are carried at an arm's length price and is also required to maintain prescribed information and documents to support such assessment. The appropriate method to be adopted will depend on the nature of transactions / class of transactions, class of associated persons, functions performed and other factors as prescribed. Based on certain internal analysis carried out, management believes that transactions entered into with the related parties were carried out at arms length prices. The Company is in the process of updating the transfer pricing documentation for the financial year ended 31 March 2024. In opinion of the management, the same would not have an impact on these financial statements. Accordingly, these financial statements do not include the effect of the transfer pricing implications, if any.

41. Segment reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Contract research and manufacturing". Geography-wise details of the Company's revenues from external customers and its non-current assets (other than financial instruments, investments accounted for using the equity method, deferred tax assets and post-employment benefit assets) and revenue from major customers are given below:

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Revenue from External customers	210.31	178.68
India	16,393.61	14,386.02
Outside India		
(ii) Non-Current Assets (Other than financial instruments)	15,413.75	12,090.09
India	928.71	1,019.45
Outside India		

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

(iii) Major Customers

The Company has two customers (31 March 2024 no customers) who contributed more than 10% of the Company's total revenue during the year. The revenue recognised from such customers during the year is ₹ 3,638.84 (31 March 2024: ₹ Nil).

42. Contingent liabilities and commitments

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,028.40	491.15
(b) Contingent liabilities		
Claims arising from disputes not acknowledged as debts in respect of:		
Excise duty liabilities - refer note (c) (i) below	7.25	7.25
Service tax liabilities - refer note (c) (ii) below	12.36	12.36
Provident Fund Damages relating to PF contribution of international workers - refer note (c) (iii) below	21.89	21.89
Income tax liabilities - refer note (c) (iv) & (v) below	27.01	18.27
GST liabilities - refer note (c) (vi) (vii) (viii) and (ix) below	467.81	67.56
VAT liabilities - refer note (c) (x) below	44.73	77.31
Customs - refer note (c) (xi) below	0.06	-
	581.11	204.64

(c) Notes on Contingent liabilities

- (i) The Company has received an Order from the Commissioner (Appeals), Hyderabad for a demand of ₹7.25 for the period November 2007 to March 2012 on the ground that the Company has not complied with the conditions of Notification No 23/2003 – CE dated 31 March 2003. As per the said notification, an Export Oriented Unit (EOU) unit can clear the goods into Domestic Tariff Area (DTA) on payment of excise duty at a concessional rate upto 50% of the Free on Board (FOB) value of the exports on the sale of similar goods to DTA. The Central Excise authorities have held that the goods sold in DTA are different from that of the goods which are exported and accordingly, demand has been raised along with interest and penalty. The Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal ('CESTAT') and waiting for personal hearing.
- (ii) The Company has received an Order from the Commissioner (Appeals), Central Excise, Pune for a demand of ₹ 12.36 for the period July 2012 to December 2014 on the ground that the Place of Provision of Service is in India and as such there is no export of service by the Company applying Rule 4 of Place of Provision of Service Rules, 2012 (POPS Rules) with respect to Drug Metabolism and Pharmacokinetic (DMPK) services rendered by the Company. The Company has filed an appeal before the CESTAT Pune on 27 April 2015 which is rejected. Thereafter, the Company has filed an appeal before the Honourable High Court on 09 December 2019 and Personal Hearing is attended on 27 February 2020. Appeal has been admitted by High court on 05 July 2022 and waiting for personal hearing.
- (iii) The Company had three Non resident Indians on its rolls covered under the definition of International Workers as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Based on the Government Order, in June 2017, the Company suo moto made a payment of provident fund along with the applicable interest rates.

However, on 25 April 2018, the Company received a notice from the Department stating that from the period 01 April 1996 to 31 March 2018, the Company had delays in deposit of Provident fund amount and accordingly, charged interest and damages under Section 14B and Section 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 to the extent of ₹13.15 and ₹21.89 for interest and damages respectively.

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

The Company has represented the case stating that interest payments were made appropriately. The PF authorities took such interest payment on record and gave a corrigendum stating the same.

The Company is still contesting the damages payment of ₹ 21.89. The Company addressed a letter dated 22 October 2020 to the Regional Provident Fund Commissioner, requesting it to refrain from taking any such coercive action against the Company and reserved its right to exercise its rights and remedies under law. However, since no presiding officer had been appointed for hearing matters before the Central Government Industrial Tribunal ("CGIT") at that time, the Company filed the present writ petition bearing Writ Petition No. 19867 of 2020 against the RPFC for the setting aside of the Impugned Order as being arbitrary, illegal and violative of Article 14 of the Constitution of India. The matter was listed on 19 November 2020, wherein, the High Court passed an interim order granting a stay on the Impugned Order. However, as on date, there is no further order with regard to the said damages. Apart from the proceedings before the High Court of Telangana, an appeal was also filed by the Company challenging the Impugned Order before the CGIT under Section 7-I of the EPF Act. The matter was listed for admission on 26 April 2021. The CGIT, vide, an order passed on 26 April 2021, observed that the present appeal was admitted subject to the final order passed by the High Court of Telangana. The said order held that the application for stay as filed by the Company would be considered upon obtaining such a final order.

- (iv) The Company has received an Order from the Additional Director of Income Tax, Hyderabad for a demand of ₹ 8.74 for the assessment year 2019-20 treating the Company as 'Assessee in default' due to non-deduction of TDS on remittances made to certain vendors outside of India. The Company has filed an appeal before the Commissioner of Income Tax (Appeals) in the month of April 2025 and waiting for personal hearing.
- (v) The Company has received an Order from the Assessment Unit, Income Tax Department for a demand of ₹ 18.27 for the assessment year 2022-23 disallowing the 'Repairs and Maintenance' expenditure as revenue expenditure but allowed Depreciation @ 15% on such expenditure by treating it as 'capital expenditure'. The Company has filed an appeal before the Commissioner of Income Tax (Appeals) and waiting for personal hearing.
- (vi) The Company has received an Order from the Deputy Commissioner of State Tax, Pune for a demand of ₹4.22 for the period July 2017 on the ground that the transitional input tax credit carried forward into GST by the Company is incorrect and accordingly, demand has been raised along with interest and penalty. The Company has filed an appeal before the Deputy Commissioner of State Tax (Appeals), Pune and waiting for personal hearing.
- (vii) The Company has received Orders from the Deputy Commissioner of Commercial Taxes (Enforcement), Kalaburagi for a demand of ₹ 366.84 for the period July 2017 to March 2022 on the ground that 'Marketing support' services received from M/s. Sai Life Sciences Inc., USA are liable to GST under Reverse Charge mechanism. The Company has filed an appeal before the Joint Commissioner of Commercial Taxes (Appeals), Gulbarga for all the financial years and waiting for personal hearing.
- (viii) The Company has received an order from the Joint Commissioner, Malkajgiri Division, Telangana for the financial year 2018-19 disallowing the input tax credit from cancelled tax payers for an amount of ₹4.97 including interest and penalties. The Company has filed an appeal before the Joint Commissioner of State Tax (Appeals), Telangana and waiting for personal hearing.

The Company has received an order from the Joint Commissioner, Malkajgiri Division, Telangana for the financial year 2019-20 disallowing the input tax credit from cancelled tax payers for an amount of ₹0.43 including interest and penalties. The Company has filed an appeal before the Joint Commissioner of State Tax (Appeals), Telangana and waiting for personal hearing.
- (ix) The Company has received an order from the Deputy Commissioner, Kalaburagi, Karnataka for the financial year 2019-20 disallowing the input tax credit on invoices not appearing in Form GSTR-2A for an amount of ₹2.89 including interest and penalties. The Company has filed an appeal the Joint Commissioner of Commercial Taxes (Appeals), Gulbarga and waiting for personal hearing.

The Company has received an order from the Deputy Commissioner, Kalaburagi, Karnataka for the financial year 2020-21 disallowing the input tax credit on invoices not appearing in Form GSTR-2A for an amount of ₹ 87.88 including interest and penalties. The Company is in process of filing an appeal before the Appellate Authority.

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

The Company has received an order from the Joint Commissioner, Malkajgiri Division, Telangana for the financial year 2020-21 disallowing the input tax credit on invoices not appearing in Form GSTR-2A for an amount of ₹0.58 including interest and penalties. The Company is in process of filing an appeal before the Appellate Authority.

- (x) The Company has received Orders under Maharashtra Value Added Tax ('MVAT') Act, 2002 and Central Sales Tax (CST) Act, 1956 from the Joint Commissioner of State Tax, Pune for a demand of ₹ 44.73 for the period April 2009 to March 2014 regarding the eligibility of refund of Input Tax Credit (ITC) under MVAT Act. The tax authorities have raised objection that transfer of deliverables (technical know-how) to the Customer of the Company is a service and not sale of goods. However, the Company believes that transfer of deliverables to the Customer is sale of goods and the Company is eligible for refund of unutilized ITC. Accordingly, the Company has filed an appeal before the Maharashtra Sales Tax Tribunal (MSTT) and waiting for personal hearing.
- (xi) The Company has received an Order from the Assistant Commissioner of Customs, Mumbai for a demand of ₹0.06 for the period January 2019 to August 2019 regarding short discharge of customs duties owing to wrong classification of goods. The Company has filed a reply clarifying the error in the Order and further, filed an appeal before the Commissioner of Customs (Appeals), Mumbai. The Company is waiting for personal hearing.
- (xii) The Company is subject to various legal proceedings and claims, which have arisen in the ordinary course of business including litigation pending before various tax authorities, including those mentioned in above points. The uncertainties and possible refunds are dependent on the outcome of different legal processes, which have been invoked by the claimants or the Company, as the case may be, and therefore cannot be accurately predicted. The Company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such disputes. Management believes that it has a reasonable case in its defence of the proceedings and accordingly no impact has been considered in the financial statements.

43. Other statutory disclosures

- i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Group does not have any transactions with companies struck off.
- iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- viii) The Group has not any such transaction which is not recorded in the books of account 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

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

44. Micro, Small and Medium Enterprises

Disclosure in respect of the amounts payable to micro and small enterprises as at 31 March 2025 and 31 March 2024 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	As at 31 March 2025	As at 31 March 2024
The principal amount remaining unpaid to any supplier as at the end of each accounting year*	764.43	141.29
Interest due thereon remaining unpaid to any suppliers as at the end of the accounting year	12.45	9.94
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	2.51	3.03
The amount of interest accrued and remaining unpaid at the end of the year**	12.45	9.94
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

* Includes amounts payable to trade creditors ₹ 461.72 (31 March 2024: ₹ 80.13) and capital creditors ₹ 302.72 (31 March 2024: ₹ 61.16)

** Includes amounts payable to trade creditors ₹ 12.45 (31 March 2024: ₹ 9.94)

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on the information provided by the management.

45 Leases

Company as a lessee: The Company has lease contracts for land, buildings, plant and equipment, vehicles and computers, with lease period varying between 1 to 51 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Lease liabilities	As at 31 March 2025	As at 31 March 2024
Opening balance	2,174.97	2,331.46
Additions	557.63	312.83
Deletions/Adjustments	15.49	(28.27)
Accretion of interest	248.99	253.53
Payments	(759.63)	(694.58)
Closing balance	2,237.45	2,174.97
Current	590.58	417.76
Non-current	1,646.87	1,757.21

Amount recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation: Right-of-use assets	399.92	375.34
Finance cost: Interest on lease liabilities	248.98	253.53
Short term and variable lease payments (Refer note below)	21.94	20.72

Note: The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Amount recognised in Statement of Cash flow

Particulars	As at 31 March 2025	As at 31 March 2024
Cash outflows for leases		
Interest portion of lease liabilities	248.99	253.53
Principal portion of lease liabilities	510.64	441.05

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

Particulars	As at 31 March 2025	As at 31 March 2024
Less than one year	852.01	616.61
One to five years	1,635.93	1,729.00
More than five years	1,053.91	785.76
Total	3,541.85	3,131.37

46 Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act*

Name of the entity	As at 31 March 2025							
	Net assets (i.e., total assets-total liabilities)		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Other Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total OCI	Amount
Parent								
Sai Life Sciences Limited	101.84%	21,674.64	101.96%	1,734.62	76.96%	9.15	101.78%	1,743.77
Subsidiaries								
Sai Life Sciences Inc	2.96%	630.40	-2.11%	(35.76)	0.00%	-	-2.09%	(35.76)
Sai Life Pharma Private Limited	0.53%	113.73	0.02%	0.32	0.00%	-	0.02%	0.32
Sai Life Sciences GMBH	-0.06%	(12.55)	0.12%	2.02	0.00%	-	0.12%	2.02
Total	105.27%	22,406.22	99.99%	1,701.20	76.96%	9.15	99.83%	1,710.35
Consolidation adjustments	-5.27%	(1,122.68)	0.01%	0.12	23.04%	2.74	0.17%	2.86
Net amount	100.00%	21,283.54	100.00%	1,701.32	100.00%	11.89	100.00%	1,713.21

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

Name of the entity	As at 31 March 2024							
	Net assets (i.e., total assets-total liabilities)		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Other Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total OCI	Amount
Parent								
Sai Life Sciences Limited	103.70%	10,111.98	115.00%	952.31	1.47%	0.15	113.62%	952.46
Subsidiaries								
Sai Life Sciences Inc	3.25%	316.81	-18.19%	(150.60)	0.00%	-	-17.96%	(150.60)
Sai Life Pharma Private Limited	1.16%	113.41	0.04%	0.35	-0.98%	(0.10)	0.03%	0.25
Sai Life Sciences GMBH	-0.15%	(14.26)	0.41%	3.38	0.00%	-	0.39%	3.38
Total	107.96%	10,527.94	97.26%	805.44	0.49%	0.05	96.08%	805.49
Consolidation adjustments	-7.96%	(776.50)	2.74%	22.65	99.51%	10.17	3.92%	32.82
Net amount	100.00%	9,751.44	100.00%	828.09	100.00%	10.22	100.00%	838.31

* The above disclosure represents separate information for the consolidated entity before elimination of inter-company transactions. The net impacts on elimination of inter-company transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Act.

47 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

48 The Board of directors recommended following in its meeting held as on 10 June 2024. :

- (i) To split each equity share of face value of ₹ 10 into 10 equity shares of face value of ₹1 each. Accordingly, the issued, subscribed, and paid-up capital of our Company was subdivided from 1,76,63,034 equity shares of face value of ₹ 10 each to 17,66,30,340 equity shares of face value of ₹ 1 each. The impact of split share is retrospectively considered in the computation of EPS as per the requirement of Ind AS - 33 Earnings per share.
- (ii) Increase in authorized share capital from ₹214 consisting of 2,14,00,000 Equity Shares of ₹ 10/- each to ₹ 250 consisting of 25,00,00,000 Equity Shares of ₹1 each

The shareholders of the Company approved above recommendation in its Extra Ordinarily General Meeting, dated 11 June 2024.

49 During the year ended 31 March 2025, the Company has completed its Initial Public Offer of equity shares of face value of ₹ 1 each at a issue price of ₹ 549 per share (including premium of ₹ 548 per share) comprising of Offer for Sale of 3,81,16,934 equity shares by selling shareholders aggregating to ₹ 20,962.19 million and fresh issue of 1,73,04,189 equity shares aggregating to ₹ 9,500.00 million. The equity shares of the Company got listed on National Stock Exchange of India limited and Bombay Stock Exchange on 18 December 2024.

Notes to the Consolidated Financial Statements

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees millions, except share data and where otherwise stated)

The total offer expenses are estimated to be ₹ 1,284.81 million (inclusive of taxes) which are proportionately allocated between the selling shareholders and the Company in the ratio of equity shares sold by the selling shareholders and issued by the Company. The utilisation of IPO proceeds of ₹ 9,098.84 million (net of provisional IPO expenses of ₹ 401.16 million) is summarized below:

₹ in million

Objects of the offer as per Prospectus	Amount to be Utilised	Utilisation	Unutilised as at 31 March 2025*
Repayment / prepayment, in full or part of all or certain outstanding borrowings availed by our company	7,200.00	7,200.00	-
General corporate purposes	1,898.84	770.09	1,128.75
Total	9,098.84	7,970.09	1,128.75

* Net proceeds which were unutilised as at 31 March 2025 are temporarily invested in deposits with a scheduled commercial bank.

50 The previous year's figures have been re-grouped/reclassified where necessary to confirm current year's classification

51 Approval of financial statements

The Consolidated financial statements were approved by the Board of Directors on 13 May 2025.

For and on behalf of the Board of Directors of

Sai Life Sciences Limited

CIN No: U24110TG1999PLC030970

K.Ranga Raju

Chairman

DIN No: 00043186

Krishnam Raju

Managing Director

DIN No: 00064614

Sivaramkrishnan Chittor

Director & Chief Financial Officer

DIN No: 01092158

Runa Karan

Company Secretary

Membership No.: A13721

Place: Hyderabad

Date: 13 May 2025



Sai

Make it
better
together

Sai Life Sciences Limited

DS-7, IKP Knowledge Park, Turkapally Village
Shameerpet Mandal, Medchal-Malkajgiri District 500078
Telangana, India