zydus wellness
nourish · nurture · energize

INTEGRATED ANNUAL REPORT
2024-25

The Wellness Wave

The Wellness Wave

As we present the Integrated Annual Report for the FY 2024-25, Zydus Wellness stands at an inflection point defined by transformation, opportunity and renewed purpose. This year's theme, "The Wellness Wave," captures both the sweeping global movement towards wellness and our unwavering commitment to lead and innovate within this vibrant landscape.

The world today is engaged in wellness conversations like never before. Wellness has evolved from a niche aspiration, embraced by a select few to a mainstream mindset of millions. Consumers across demographics are consciously shifting towards healthier, more balanced lifestyle seeking products that offer greater customisation, superior efficacy and holistic benefits. This surge reflects a fundamental cultural shift: Wellness is no longer simply a personal goal but a societal priority.

With our longstanding heritage and reputation as a household name, we are uniquely positioned to harness this momentum. Over the years, we have built a portfolio that spans two core segments: Food & Nutrition and Personal Care- each deeply rooted in rigorous research, consumer insight and a philosophy of delivering products that are not only effective but also good for you. Our approach champions a balance of indulgence and health, ensuring that wellness is accessible without compromising pleasure. This translates into meaningful value for our customers: access to innovative, science-backed wellness products that support everyday vitality and a sense of belonging to a community-driven movement centred on health, sustainability and well-being.

Looking ahead, we are excited by the pace of change in our industry and confident in our capacity to innovate. Our expanding research and development capabilities are driving breakthroughs in product formulation, customisation and category expansion allowing us to respond swiftly to emerging wellness trends.

Our endeavour it to empower our customers to make healthier lifestyle choices with trusted and transparent solutions. As wellness conversations become increasingly central to everyday life, Zydus Wellness is evolving to not only meet but anticipate these demands.

This report chronicles our journey during a time of exciting growth and transformation. It reflects our passionate approach to creating sustainable value- for our consumers, shareholders and the communities we serve.

Together, we are riding the Wellness Wave - embracing a future defined by health, happiness and meaningful progress.

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Corporate Information

Board of Directors

Dr. Sharvil P. Patel
Chairman

Dharmishtaben N. Raval
Independent Woman Director

Srivishnu R. Nandyala
Independent Director

Akhil A. Monappa
Independent Director

Kulin S. Lalbhai
Independent Director

Ganesh N. Nayak
Non-Executive Director

Ashish P. Bhargava
Nominee Director
(upto September 30, 2024)

Tarun Arora
Chief Executive Officer and Whole-Time Director

Key Managerial Personnel (Other than Directors)

Umesh V. Parikh
Chief Financial Officer

Nandish P. Joshi
Company Secretary

Statutory Auditors

Mukesh M. Shah & Co.
Chartered Accountants

Cost Auditors

Dalwadi & Associates
Cost Accountants

Secretarial Auditors

Hitesh Buch & Associates
Company Secretaries

Internal Auditors

Ernst & Young LLP

Bankers

Bank of Baroda
Ashram Road Branch, Ahmedabad

HDFC Bank Limited
Navrangpura Branch, Ahmedabad

ICICI Bank Limited
JMC House Branch, Ahmedabad

HSBC Bank
M.G. Road Branch, Mumbai

CITI Bank
Fort Branch, Mumbai

Registered Office

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

Registrar and Share Transfer Agent

MUFG Intime India Private Limited (earlier known as Link Intime India Private Limited)
5th Floor, 506 to 508,
Amarnath Business Centre-I (ABC-I),
Beside Gala Business Centre,
Off C. G. Road, Ellisbridge,
Ahmedabad - 380006

Manufacturing Facilities

Ahmedabad
7A, 7B & 8, Saket Industrial Estate,
Sarkhej Bavla Road, Village: Moraiya,
Taluka: Sanand, District: Ahmedabad

Aligarh
PO Box No. 01, Chherat, Manzurgarhi,
Aligarh, Uttar Pradesh

Sikkim (Unit I)
Plot No. 26, 27, 36 & 37,
Near Mamring Power House,
Mamring Block Namthang Elakha,
Namchi, South Sikkim

Sikkim (Unit II)
Plot No. 28P, 30P, 36P,
Near Mamring Power House,
Mamring Block Namthang Elakha,
Namchi, South Sikkim

R&D Centre

Plot No. 115/5, TP Scheme
No. 51, Off. Ambli Bopal Road,
Makarba, Ahmedabad

CIN

L15201GJ1994PLC023490

About the Report

Zydus Wellness Limited – Integrated Annual Report for FY 2024–25

This report marks a significant milestone for **Zydus Wellness Limited ("the Company / Zydus Wellness")** as we present our first Integrated Annual Report for the financial year. It reflects our commitment to transparent, balanced and responsible communication with all our stakeholders. Through this report, we endeavour to present a comprehensive and interconnected view of our business model, governance practices, strategic priorities and both financial and non-financial performance.

Anchored in the principles of integrated thinking, this report demonstrates how we leverage and transform six capitals - Financial, Manufactured, Intellectual, Natural, Human and Social and Relationship - to drive sustained value creation. It highlights the interlinkages between our strategy, risk management, operating environment and performance, reinforcing our building resilience and agility to navigate an evolving market landscape.

This Integrated Annual Report also serves as a vital channel for stakeholder engagement, enhancing accountability and fostering trust. It aligns our outcomes with our purpose of enabling wellness every day for every individual, reaffirming our dedication to generating enduring economic, social and environmental impact.

Reporting Period, Boundary and Scope

This report covers the operations of Zydus Wellness Limited and its subsidiaries for the reporting period from April 1, 2024 to March 31, 2025.

- **Financial disclosures** pertain to the consolidated entity, prepared in accordance with Indian Accounting Standards ("Ind AS")
- **Non-financial disclosures**, including Environmental, Social and Governance ("ESG") aspects, primarily reflect operations within India unless otherwise specified
- Sustainability data and narratives are based on operational control and materiality of impact. **The principle of materiality** has been applied to disclose matters that significantly influence our ability to create, preserve, or erode value in the short, medium and long term.

Reporting Standards and Principles

This Integrated Report has been developed with reference to globally recognised standards to ensure a comprehensive and credible presentation of our performance and value creation journey.

The report is structured in line with the Integrated Reporting ("<IR>") Framework by the International Integrated Reporting Council ("IIRC"), covering six capitals comprehensively - Financial, Manufactured, Intellectual, Natural, Human and Social and Relationship.

Sustainability disclosures have been developed with reference to the Global Reporting Initiative ("GRI") Standards 2021, ensuring alignment with internationally accepted practices.

We also comply with Business Responsibility and Sustainability Reporting ("BRSR") as mandated by SEBI ("LODR") Regulations, 2015 ("the Listing Regulations") along with other applicable Indian regulations.

Financial information is prepared in accordance with Ind AS.

A detailed GRI Content Index is provided at the end of the report to promote transparency and ease of reference.

Contact Details

We value feedback and welcome your suggestions to improve our future disclosures. For queries, comments or clarifications regarding this report, please contact:

- Name: Nandish Joshi, Company Secretary
- Email: Nandish.Joshi@zyduswellness.com, investorcommunication@zyduswellness.com
- Registered Office: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Sarkhej–Gandhinagar Highway, Ahmedabad – 382481
- Website: www.zyduswellness.com

Forward-Looking Statements

This report contains forward-looking statements, including those relating to the Company's strategies, strategic direction, objectives, future prospects, plans, estimates and expectations. These statements are based on certain assumptions, anticipated developments and other factors over which the Company exercises no control. As such, actual results, performance, or outcomes may differ materially from those expressed or implied in these forward-looking statements.

These statements involve a number of risks, uncertainties and other influencing factors, including, but not limited to market growth and competitive dynamics, domestic and international economic conditions impacting demand, supply and pricing, regulatory changes, including shifts in tax regimes, government policies and applicable laws across jurisdictions.

While these forward-looking statements reflect our current beliefs and assumptions, the Company makes no representation, guarantee, or warranty–express or implied–regarding the accuracy, completeness, or fairness of any such information or opinions contained herein.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

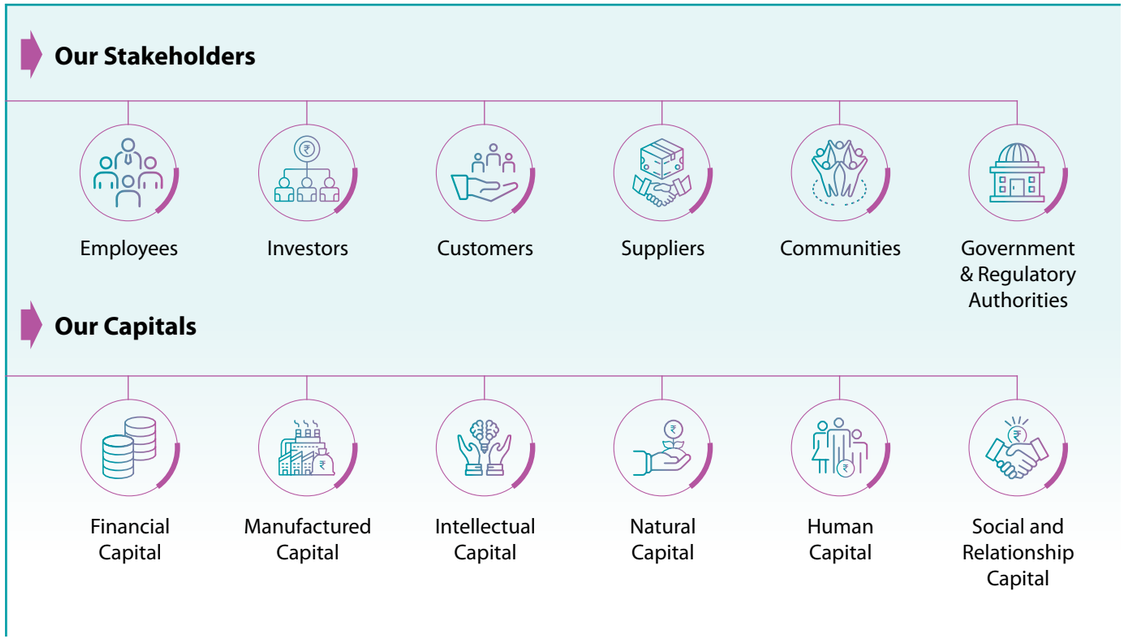
This document is intended solely for informational purposes and does not constitute a prospectus or an offer for sale of securities.

Restatement

There have been no restatements of information disclosed in previous financial or non-financial reports for FY 2024-25. Any changes in reporting scope or methodology have been appropriately disclosed within the respective sections of this report.

External Assurance

To strengthen the credibility and reliability of our disclosures, selected non-financial information - particularly related to our BRSR and GRI-referenced data - has undergone independent reasonable assurance by a third-party assurance provider, Intertek India Private Limited. The assurance process has been conducted in accordance with established assurance standards and the assurance statement has been included in the annexure to this report. We recognise the importance of assurance in building stakeholder trust and will continue to expand the scope and depth of assurance in future reporting cycles.



ESG Highlights

Economic

₹ 27,089 million
TOTAL REVENUE FROM OPERATIONS

₹ 56,716 million
NET WORTH

₹ 3,469 million
PAT

₹ 6 (FV of ₹ 10)
TOTAL DIVIDEND PER SHARE

Environment

88.3%
GREEN FUEL CONTRIBUTION IN MANUFACTURING OPERATIONS

6,66,045
ENERGY CONSUMPTION WITHIN ORGANISATION (GJ)

21,632
SCOPE 1+SCOPE 2 (tCO2e)

31,613.78
SCOPE 3 EMISSIONS (tCO2e)

399
NATIVE FLORA AND FAUNA SPECIES IDENTIFIED

112.5
HAZARDOUS WASTE GENERATED (MT)

2,343.3
NON-HAZARDOUS WASTE GENERATED (MT)

3,89,852
TOTAL WATER CONSUMPTION (KL)

7.35%
REDUCTION IN SPECIFIC WATER CONSUMPTION OVER FY 2023-24

Social

1,247
TOTAL PERMANENT WORKFORCE

46,751
TOTAL TRAINING HOURS IN FY 2024-25

38
AVERAGE TRAINING HOURS PER FTE

Certified for 3rd Consecutive Year
GREAT PLACE TO WORK CERTIFICATION

100%
CUSTOMER COMPLAINTS RESOLVED

5 Lakh
DIRECT CSR BENEFICIARIES

Governance

4
INDEPENDENT DIRECTORS ON BOARD

9.6 Years
AVERAGE TENURE (OVERALL)

Certifications

- ISO 45001:2018 (Occupational Health and Safety) for all facilities
- ISO 14001:2015 (Environment Management System) for all facilities
- FSSC 22000

Our Vision

Our vision is to bring wellness to your life. We will create new products that will Nourish, Nurture and Energise your life. We shall lead the way through Innovation

Our DNA

To build new emergent categories with differentiated product propositions. Philosophy of building products that are good for you

About the Company

Established in 1988, Zydus Wellness is a leading consumer health and wellness company, proudly rooted in Indian heritage with a growing global footprint. Over the years, we have evolved into a diversified wellness powerhouse, committed to nourishing, nurturing and energising lives through a holistic approach to well-being.

We believe that a healthy lifestyle is not just about being active, but also about feeling good from within. That is why our portfolio spans across a wide range of innovative, market-leading products in the areas of sugar substitutes, energy drinks, health nutrition drinks, fortified beverages, low calorie foods, energy bars and personal care.

With over 35 years of operational excellence, our strong portfolio includes trusted, category-leading brands such as Sugar Free, I'mlite, Glucon-D, Nutralite, Everyuth, Nycil, Complan and RiteBite Max Protein.

Glucon-D

RiteBite

Nutralite

Complan

Sugarfree & I'm Lite

Everyuth

Nycil

Business Overview

We combine indulgence and healthy choices by providing health and wellness products. We help people pursue integrated well-being through our widening range of products.

We are developing, producing, marketing and distributing differentiated health and wellness products.

Strong
INFRASTRUCTURE

1,200+
WORKFORCE

₹1,06,364
MARKET CAPITALISATION (₹ IN MILLION)

4
MANUFACTURING FACILITIES IN INDIA

18
GLOBAL 3P MANUFACTURERS
3 INTERNATIONAL
15 DOMESTIC

R&D
DEDICATED CENTRE AT AHMEDABAD

70 million+
FAMILIES NOURISHED, NURTURED AND ENERGISED

1,950+
DISTRIBUTORS

~0.6 million+
DIRECT REACH

2.8 million+
STORES

2,800+
FEET ON STREET REPRESENTATIVES

~25,000
DIRECT FARMERS

Source: Internal MIS/ Nielsen

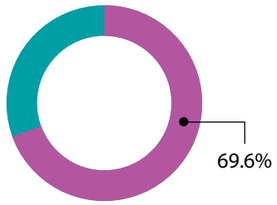
Listing

Our shares are listed on BSE Limited and National Stock Exchane ("NSE") of India Limited.

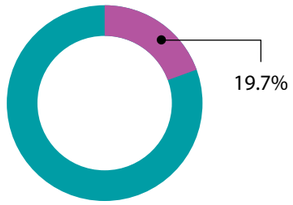
Compliance

Our manufacturing facilities were accredited with FSSC 22000, ISO 14001:2015 and ISO 45001:2018, GMP certification as applicable, validating process, quality consistency and food safety.

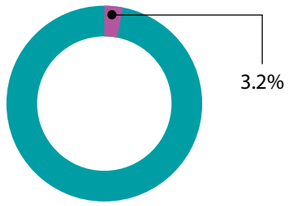
Shareholding Pattern as on March 31, 2025



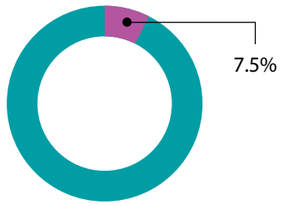
Promoter and Promoter Group Holding



Institutional Holding



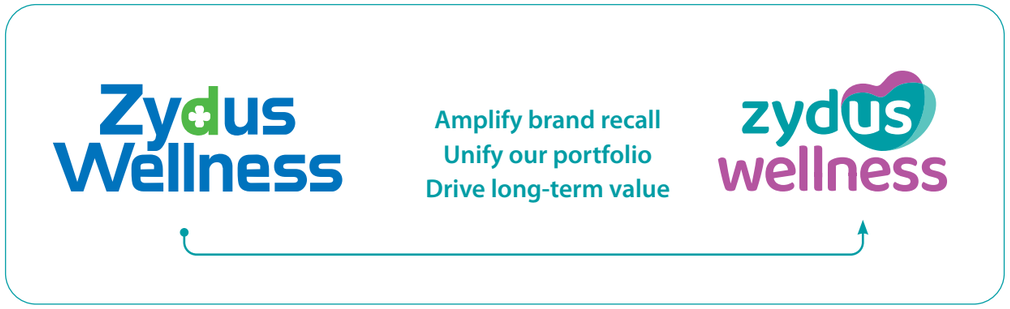
FII Holding



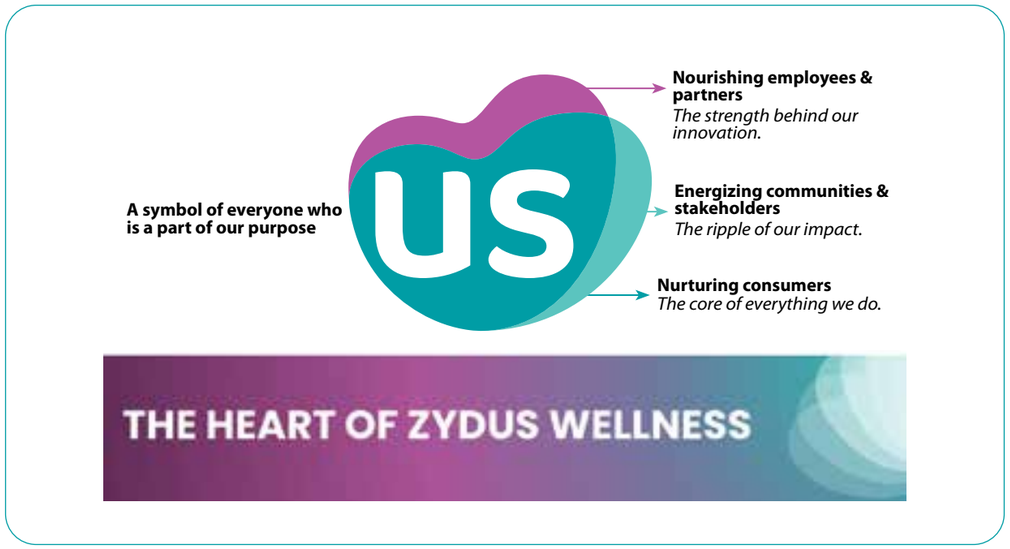
Other Holding

Reimagining Wellness: Our New Identity

Our commitment to people's well-being has always been at the heart of what we do. Today, with our evolved brand identity, that promise is stronger than ever. The two hearts coming together reflect our belief in unity and inclusivity–everything we do revolves around us–our employees, partners, customers, investors and all our stakeholders.



At the heart of our new logo is teal, signifying science-backed credibility and consumer trust. Purple surrounds it, reflecting empathy and inclusivity for our employees and partners, the force behind our innovation. Together, they create a ripple effect, energising communities and every stakeholder we touch.



Key Milestones

1988

Launched Sugar Free[1]

1991

Launched Everyuth Skincare Range[1]

2005

Launched Sugar Free Natura with Sucralose[1]

2006

Acquisition of Carnation Nutra ("CNAFL")

2009

ZWL listed on NSE. Brands Sugar Free and Everyuth transitioned from Zydus Lifesciences to ZWL

2011

New production facility in Sikkim – Unit-I

2017

Launched Sugar Free Green with Stevia and set-up new production facility in Sikkim – Unit-II

2018

Launched Everyuth Tan Removal Range, Nutralite Mayonnaise

2019

Acquisition of Heinz India Private Limited ("Heinz")

2020

9 new products Launched

Capital restructure (QIP and Preferential Issue of ₹ 10,000 million) and repurchased NCDs of ₹ 15,000 million

2021

Relaunched Complan with enhanced proposition and improved taste

Launched Nutralite DoodhShakti Professional range, Butter and Ghee and Everyuth Body Lotion

2022

Launched new variant 'Mango blast' in Glucon-D

2024

Launched ready - to-drink product, Glucon-D Activors

2025

Acquisition of Naturell (India) Private Limited

12 New Products launched

Reimagining Wellness : Our new identity

Note-1: Milestones that happened before Sugar Free and Everyuth hived off from Zydus Lifesciences to Zydus Wellness

Geographical Presence

Headquartered in Ahmedabad, Zydus Wellness has established a strong pan-India presence, reaching consumers across urban, semi-urban and rural markets. Our distribution network plays a critical role in enhancing market access and brand visibility, enabling us to deliver health and wellness solutions efficiently and at scale.

At the heart of our distribution strength are 25 integrated warehouses, strategically located to cater to both ambient and cold chain product categories. This infrastructure is supported by a dedicated field force of over 2800 feet-on-street representatives, who drive last-mile visibility, ensure effective in-store execution and cultivate strong relationships with trade partners.

Further reinforcing our go-to-market strategy is a robust network of over 1950 distributors, forming the backbone of our retail reach. Together, these efforts enable our products to be available in ~ three million retail outlets across the country.

In addition to our extensive physical presence, we actively leverage digital channels to connect with consumers, enhance brand engagement and drive direct-to-consumer sales through e-commerce platforms.

As we continue to grow, we remain focused on enhancing market penetration, optimising logistics and expanding our digital footprint to further broaden our reach across geographies.

25
COUNTRIES

3
CONTINENTS

Over 2.8 million
RETAILERS

4
MANUFACTURING FACILITIES

25
INTEGRATED WAREHOUSES (21 COLD STORAGES)

18
GLOBAL 3P MANUFACTURERS
3 INTERNATIONAL
15 DOMESTIC

Zydus Corporate Park, Ahmedabad

Global Presence

Zydus Wellness has established a robust international presence, operating in over 25 countries worldwide. Our international markets span across:

Middle East:

UAE, Bahrain, Qatar, Kuwait, Kingdom of Saudi Arabia, Oman and Lebanon.

Asia:

Myanmar, Malaysia, Taiwan, Pakistan, Sri Lanka, Bangladesh, Nepal, Bhutan, Maldives and Hong Kong.

Africa:

Uganda, Tanzania, Kenya, Nigeria, South Africa, Mauritius, Zimbabwe and Ethiopia.

Oceania:

Australia and New Zealand.

This diverse geographical footprint plays a pivotal role in driving our business growth, resilience and market diversification. As a part of our long-term strategy, we are targeting 8-10% of total revenues to be generated from international operations over the next 4 to 5 years, reinforcing our commitment to global expansion.

Key International Business Highlights

Sugar Free and Complan constituting approximately 85% of the overall international business in the year:

- Despite challenging macroeconomic conditions in Nigeria, our business in the region has demonstrated positive performance.
- The Middle East business continues to exhibit a robust growth trajectory.
- The top 5 international markets account for around 85% of our international business, underscoring their strategic importance.

- Uganda, Tanzania, Kenya, Nigeria, South Africa, Mauritius, Zimbabwe, Ethiopia
- UAE, Bahrain, Qatar, Kuwait, Kingdom of Saudi Arabia, Oman, Lebanon
- Myanmar, Malaysia, Taiwan, Pakistan, Sri Lanka, Bangladesh, Nepal, Bhutan, Maldives, Hong Kong
- Australia, New Zealand

Brand Performance

Glucon-D
MARKET RANK: 1

CATEGORY	CATEGORY SIZE[1]	MARKET SHARE[2]
GLUCOSE POWDER	~11,000	58.8%

Complan
MARKET RANK: 5

CATEGORY	CATEGORY SIZE[1]	MARKET SHARE[2]
NUTRITION DRINK	~69,000	4.0%

Sugar Free
MARKET RANK: 1

CATEGORY	CATEGORY SIZE[1]	MARKET SHARE[2]
SUGAR SUBSTITUTE	~3,700	95.9%

nycil
MARKET RANK: 1

CATEGORY	CATEGORY SIZE[1]	MARKET SHARE[2]
PRICKLY HEAT POWDER	~9,000	33.8%

everyuth naturals
MARKET RANK: 5

CATEGORY	CATEGORY SIZE[1]	MARKET SHARE[2]
FACIAL CLEANSING[3]	~42,500	7.7%

everyuth naturals
MARKET RANK: 1

CATEGORY	CATEGORY SIZE[1]	MARKET SHARE[2]
SCRUB	~3,500	48.5%

everyuth naturals
MARKET RANK: 1

CATEGORY	CATEGORY SIZE[1]	MARKET SHARE[2]
PEEL-OFF	~1,500	77.7%

[1] in million

[2] Category Size and Market share source: MAT March 2025 report as per Nielsen and IQVIA

[3] Everyuth Naturals under facial cleansing segment includes face wash, scrub, peel-off and face masks

Nutralite
CATEGORY: FAT SPREAD
MARKET RANK[4]: 1

Nutralite
CATEGORY: DAIRY
MARKET RANK[4]: NA

RiteBite MAX PROTEIN
CATEGORY: NUTRITION & PROTEIN BAR, PROTEIN COOKIES, PROTEIN CHIPS
MARKET RANK[4]: 1

RiteBite MAX PROTEIN
CATEGORY: OTHER NUTRITION PRODUCTS
MARKET RANK[4]: NA

I'm lite
CATEGORY: BLENDED SUGAR
MARKET RANK[4]: NA

[4] Ranked as per company estimates

Business Model

At Zydus Wellness, we have continuously reviewed, adapted and reinforced our business model. This proactive responsiveness in a rapidly evolving market environment has translated into attractive growth across market cycles.

Brand Highlights

Glucon-D, the leading brand in the glucose powder category, has been delivering the promise of instant energy for more than 85 years.

1

MARKET RANK

Category leading brand more than 99% product recall

Rich heritage of over 90 years

Glucose-based beverage positioned as an effective energy booster

Variants comprise Regular, Tangy Orange, Mango blast and Nimbu pani

Category Size: ~11,000 million
(As per Nielsen Report MAT March 2025)

HIGHLIGHTS, FY 2024-25

Reinforced Glucon-D's instant energy positioning with the 'Thakaan Gone, Energy On' campaign

Launched 'Energy Dilaye, Active Banaye' to engage active, health-conscious consumers

Continued ImmunoVolt tablets for kids, combining vitamins C, D_2 and Zinc in tasty flavours

Popular sports personality Irfan Pathan was onboarded as the face of the campaign

Retained its leadership in the glucose powder category with a 58.8% market share, as per Nielsen MAT March 2025, awith 19.7% category growth

Expanded Glucon-D Activors Electrolyte Energy Drink to a wider footprint nationally

Sugar Free aims to replace the sugar in your food, not the sweetness so you can remain healthy without making any drastic change. With an intention to cater to varied consumer needs, we have developed Sugar Free Gold+, Sugar Free Natura, Sugar Free Green and Sugar Free D'lite cookies & chocolates. I'm lite is a smart sugar made from the blend of sugar and stevia, providing the look and taste of sugar, making it 100% Natural and with 50% less calories.

1

MARKET RANK

Positioned as India's largest selling low calorie sweetener

Widely regarded as a safe and nutritious option, offering the sweetness of sugar with low calories

Maintains undisputed leadership in the category

Household name; India's first sugar substitute

Category Size: ~3,700 million
(As per Nielsen Report MAT March 2025)

HIGHLIGHTS, FY 2024-25

Sugar-free Green continues to register strong double-digit growth.

The Sugar Free brand continues to dominate the sugar substitute market with a market share of 95.9% as per MAT March 2025 report of IQVIA.

Positive responses on the new launches and extensions made in India.

Campaigns launched with popular celebrities like Shahid Kapoor, Katrina Kaif, Janhvi Kapoor and Malaika Arora.

Continued the Sugar free Green campaign 'Fitness ka Pehla Kadam'.

I'mlite, a unique formulation of sugar blended with stevia to offer consumers with 50% less calories than regular sugar. It received a positive response in the years following its launch.

Sugar Free Gold+: Upgraded Sugar Free Gold to Gold+ with Sucralose + Chromium, removing aspartame to boost trust and support normal blood sugar levels. Ideally added to tea, coffee, milk, cornflakes, fresh lime juice and other fruit juices. Balances sweetness with calorie intake. Ideal for the health-conscious, overweight and diabetics.

Sugar Free Natura: Made from sugar and tastes like sugar, with low calories. It contains sucralose, the latest international zero calorie sweetener. It helps replace sugar in desserts and confectionaries.

Sugar Free Green: 100% natural offering of Sugar Free made from Stevia. A new formulation developed using fresh, better- tasting stevia in FY 2020-21.

Sugar Free D'lite cookies & chocolates: All taste, no sugar, just pure D'lite in flavours like choco chip and mocha hazelnut for health conscious consumers.

5

MARKET RANK

Trusted heritage brand: 80+ years, 90% brand recall

Milk-Based Nutrition Drink: High-quality milk protein content to meet the growth requirements of the consumer

Category Size: ~69,000 million
(As per Nielsen Report MAT March 2025)

HIGHLIGHTS, FY 2024-25

Addressed rising demand for smaller packs through innovative formats and channel-led initiatives, helping sustain competitiveness

Continued a high-impact TV campaign featuring Madhuri Dixit and Sneha Prasanna, backed by a 360° marketing push across digital and influencer channels

Maintained a 4.0% market share despite a 2.1% category decline (Nielsen MAT March 2025)

New launches:
Expanded offerings with Complan Immuno-Gro (pilot in select states) and Viemax, a high-protein drink with prebiotics and probiotics to support gut muscle strength and digestion for adults

Launched to provide customers with a healthier alternative to butter, Nutralite is India's leading brand in the category of table spreads. With the launch of Nutralite Mayonnaise in 2018, the brand is now looking to leverage its equity in adjacent categories to drive growth.

1

MARKET RANK

India's leading food accompaniment brand offering taste and health

Leader in premium cholesterol fat-free spread

Expanding into the contemporary range of spreads like mayonnaise and chocolate spreads loved by consumers

Dairy segment offering pure ghee from the land of Vraj under Nutralite DoodhShakti range and clarified butter

HIGHLIGHTS, FY 2024-25

Continuously broadening the portfolio basket

Strengthened brand presence through digital media and e-commerce channel activations

Conducted 'ChefMeets' and participated in food exhibitions to engage directly with culinary professionals and consumers

Collaborated with chef Sanjeev Kapoor to boost brand credibility and connect with target audiences

Launched an AI-powered recipe platform allowing users to:

- **Upload food photos to receive recipes**
- **Send dish names via WhatsApp to get instant recipe suggestions**

Scan the QR code

Innovative product expansion:

Nutralite DoodhShakti professional processed cheese

Nutralite Mayo Carrot & Cucumber

Nutralite Activ (in olive & garlic and herbs variants)

Nutralite Professional Fat Spread Rich

Nutralite Professional Mayonnaise Tandoori

Nutralite Professional (NLP) Cheese Analogue

Everyuth, established in 1991, is India's pioneer leading brand in the skin cleansing products range with Everyuth Scrub, Everyuth Tan Removal and Everyuth Face Pack as its main offerings.

5

MARKET RANK

Positioned as India's fifth largest facial cleansing segment.
Category Size: ~42,500 million
(As per Nielsen Report MAT March 2025)

1

MARKET RANK

Everyuth scrub positioned as India's number 1 under face scrub category.
Category Size: ~3,500 million
(As per Nielsen Report MAT March 2025)

1

MARKET RANK

Everyuth Peel off positioned as India's number 1 under Peel off category.
Category Size: ~1,500 million
(As per Nielsen Report MAT March 2025)

HIGHLIGHTS, FY 2024-25

Everyuth delivered double-digit growth driven by volume gains and increased market share, outpacing category growth

Continued investment in TV and digital campaigns to boost brand awareness and drive consumer engagement, supporting the performance of both legacy and new product lines

Facial Cleansing Segment of Everyuth has recorded a 13.1% growth (MAT March 2025, Nielsen) and has secured the #5 position with a 7.7% market share, reflecting an 87.6 basis point increase year-on-year

Face Scrub Category has registered a 20.0% growth (MAT March 2025, Nielsen). Everyuth Scrub strengthened its leadership, achieving a 48.5% market share- a gain of 321.4 basis points over the previous year

Peel-Off Mask Category has recorded a 24.0% growth (MAT March 2025, Nielsen). Everyuth Peel-Off retained its #1 position with a 77.7% market share, reflecting a 174 basis point increase year-on-year

New launches:

Introduced Pink Clay and Charcoal range: Face Wash, Face Pack and Face Scrub, targeting consumers seeking deep cleansing and detoxification benefits

Entered the Sheet Mask segment with three new variants - Golden Glow, Anti-Pollution and Aloe Cucumber

Healthy Skin - With antibacterial formula
Nycil is a market leading brand in the prickly heat powder category with 100% consumer awareness.

1

MARKET RANK

Legacy product trusted for over 50 years

Leading talcum powder brand recognised for its trust and reliability

Dominating the category of prickly heat and cooling powders with proven performance

Established efficiency through the germ fighter formula; protects from sweat, body odour, rashes, itching and heat

Category Size: ~9,000 million
(As per Nielsen Report MAT March 2025)

HIGHLIGHTS, FY 2024-25

The prickly heat powder category has experienced a growth of 21.0% at the MAT level. According to Nielsen's MAT March 2025 report, Nycil continues to hold the leading position with a market share of 33.8% in this segment

With the launch of captivating new advertisements and bold digital campaigns, the brand has powered its way to an impressive double-digit growth in FY 2024-25

From MAT Feb'22 to Feb'25, the prickly heat powder category witnessed a penetration growth of 865 bps, with Nycil alone driving 51% of this increase (440 bps), reinforcing its leadership and pivotal role in expanding the category

New launches:

Entered into soap category with the launch of four variants of Nycil soaps - Aqua Mint, Neem & Aloe, Lime and Sandal - in the international market

1

MARKET RANK

100% acquisition of Naturell (India) Private Limited

A range of healthy snacks to suit every need

One of the pioneers in India's protein bar market

Providing the finest nature-based products, helping consumers in adopting a healthier lifestyle

HIGHLIGHTS, FY 2024-25

Successfully completed the acquisition of 100% equity share capital of Naturell (India) Private Limited ("NIPL") during the later part of Quarter 3, as a part of our long-term strategy to expand our presence in the fast growing healthy snacking segment

Engaged in the business of manufacturing, research and development, marketing and selling of nutrition bars, cookies, chips and other food products under the brands RiteBite Max Protein (protein-fuelled healthy snacks) and RiteBite (fiber enriched snacks)

Delivered strong growth across NIPL's product portfolio- including nutrition bars, cookies and chips- driven by rising consumer demand for protein-rich, low-calorie and on-the-go nutrition; received a consistently positive response, in line with expectations

Progressed smoothly with integration and digitalisation transformation while continuing to deliver steady growth across the product portfolio

Maintained alignment of operational and strategic initiatives with our plans, reinforcing confidence in the long-term potential of the acquisition

Continued to support the brand through digital media, e-commerce activation and consumer engagement at various events

Introduced a choco-filled fiber bar- Melting Chocolate- along with two variants under the fruit-filled bar range: Blueberry Blast and Berry Delite, as well as Protein Bar Bytes, post acquisition

New launches:

ESG Highlights

We have demonstrated a strong commitment to ESG principles, as highlighted by their performance in the S&P Global Corporate Sustainability Assessment. Data availability regarding ESG metrics is categorised as 'Very High' relative to its peers, with an impressive 96% disclosure rate for both required and additional disclosures. This robust transparency places us in the 99th percentile amongst 390 companies within its selected peer group, indicating a leading position in ESG reporting and practices.

Very High

Data Availability (Relative to Peers)

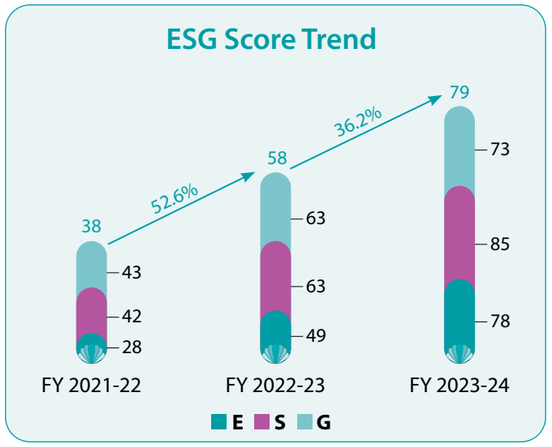
96%

Disclosure Rate
(on required disclosures and additional disclosures both)

99th Percentile

Amongst 390 companies in selected peer group

Our ESG score has shown a significant upward trend over the past three fiscal years. Starting from a score of 38 in FY 2021-22, it increased to 58 in FY 2022-23 and further climbed to 79 in FY 2023-24. This consistent improvement, represented by year-on-year growth percentages of 52.6% from FY 2021-22 to FY 2022-23 and 36.2% from FY 2022-23 to FY 2023-24, underscores the effectiveness of our ESG initiatives and its dedication to enhancing sustainability performance.



Sustainability Studies and Reports:

Biodiversity Report - Ahmedabad

Biodiversity Report - Aligarh

Biodiversity Report - Sikkim

Climate Risk Survey and Transition Strategy

Supplier ESG Evaluation Framework

Scope 3 Emission Reporting

Membership and Trade Associations

We actively engage with leading trade and industry bodies to stay aligned with evolving regulatory frameworks, industry best practices and emerging consumer trends. These affiliations enable us to contribute meaningfully to policy discussions, advocate for sectoral growth and collaborate on initiatives that promote responsible and sustainable business practices.

We are associated with six prominent trade and industry chambers/ associations, each offering national-level engagement and outreach. These memberships reflect our commitment to staying connected with the broader ecosystem of food, nutrition, personal care and wellness industries.

Through these associations, we gain valuable insights into industry trends, collaborate on shared challenges and strengthen our voice in shaping the future of wellness in India. These platforms also serve as avenues for thought leadership, enabling us to engage with policymakers, industry peers and other stakeholders in meaningful dialogue.

S. No.	Name of the Trade and Industry Chambers/Associations	Reach
1	The Confederation of Indian Industry ("CII")	National
2	Federation of Indian Chambers of Commerce & Industry ("FICCI")	National
3	All India Food Processors' Association	National
4	Protein Foods and Nutrition Development Association of India	National
5	International Market Assessment India Private ("IMA")	National
6	The Advertising Standards Council of India	National

Holding and Subsidiary Companies

We operate within a robust corporate structure supported by a strategic network of 1 (one) holding company and 7 (seven) subsidiary companies. These entities play a key role in enhancing our operational reach, driving product innovation and enabling geographic expansion across domestic and international markets.

As of FY 2024-25, our parent company, Zydus Lifesciences Limited, holds a 57.59% equity stake in the company.

While it does not directly participate in our Business Responsibility initiatives, it provides strategic oversight and support aligned with the Group's long-term vision. Zydus Wellness Products Limited, a wholly owned subsidiary, which manages core business operations in India, Naturell (India) Private Limited based in India, Zydus Wellness International DMCC, UAE and Zydus Wellness (BD) Pvt. Limited, Bangladesh, International subsidiaries are fully integrated into our Business Responsibility and Sustainability initiatives.

We also hold interests in Liva Nutritions Limited, Liva Investment Limited and Naturell Inc., USA, which currently do not have any physical operational activities and hence do not participate in Business Responsibility initiatives at this stage.

S. No.	Name of the Entity	Relationship	% Shareholding	Participation in Business Responsibility Initiatives
1	Zydus Lifesciences Limited	Holding Company	57.59%	No
2	Zydus Wellness Products Limited	Wholly Owned Subsidiary	100%	Yes
3	Liva Nutritions Limited			No***
4	Liva Investment Limited*			No***
5	Zydus Wellness International DMCC, UAE			Yes
6	Zydus Wellness (BD) Pvt. Limited, Bangladesh			Yes
7	Naturell (India) Private Limited**			Yes
8	Naturell Inc., USA**			No***

** Under Voluntary Liquidation*

*** w.e.f. December 2, 2024*

**** Entities currently do not have physical operational activities*

Awards and Recognitions

Manufacturing Awards

National Award for Manufacturing Competitiveness ("NAMC") 2024-25

Ahmedabad, Aligarh & Sikkim

Awarded with Aatmanirbhar Factory Award under the Aatmanirbhar Factory Recognition programme

Integrated Manufacturing Excellence Initiative ("IMEXI") 2024

CII's National 5S Excellence Award 2024

CII- SR EHS Excellence Awards 2024

Supply Chain Awards

Awarded with the India's Supply Chain Champion (F&B sector) for 2024 by Institute of Supply Chain Management

Legal & Tax Recognitions

Legal Team of the year

Excellence in Tax Strategy

HR Awards & Recognitions

Brand Awards

Marketing Campaign Sugar Free and Complan

2 x

1 x

CMPL Expo 2024 Propel Award for our innovative product, Nycil Germ Expert Prickly Heat Powder

Nutrition & Wellness Prohealth Convergence 2024

Forttuna Global Excellence Awards 2024

Max Protein eyes 190M+ IPL 2025 impressions after 76M+ during ICC to boost visibility

Marketing (Sugar Free D'lite Chocolate)

Everyuth won top honors with Best Digital Campaign (Scrub), Silver for Media Strategy (Peel Off) and Best Brand at Zydus Annual Day

Nycil

Marketing (Glucon-D)

Use of E-sports and Gamification

Best Use of Tech

Glucon-D

Chairman's Message

We are not just creating products, we are creating possibilities for guilt-free indulgence, joyful nourishment and for everyday self-care that's backed by science and innovation. It is indeed a sense of gratitude and satisfaction knowing that our products are helping people feel their best and this is what drives us every single day!

Dear Shareholders,

Our journey as a wellness Company began with a simple but powerful mission: to meet evolving consumer preferences and choices in the wellness domain and inspire healthier lives. That was the cornerstone of our foundation. We always strived to nudge consumers towards personal well-being through differentiated product offerings that nourish, nurture and energise them. Our aim is to let consumers make thoughtful choices, have varied experience through wellness-driven products in their journey to better health and wellness. As expectations evolve, so does our commitment–to make wellness more accessible, more inclusive and more sustainable for all. Such commitment is reflected in our attempt to penetrate deeply into not only urban markets but also into rural territories through our low unit priced packs. We also embarked upon an exciting journey of growing our presence in the evolving and rapidly growing channels like quick commerce, making our products instantly accessible to our consumers at a lower cost to serve.

The FY 2024–25 marks a significant milestone as we unveil our first Integrated Annual Report, an important step in our journey towards greater transparency, stronger governance and deeper responsibility. But beyond what we report, what truly matters is why we do what we do. And the reason is clear: we want to make wellness simple, delightful and an integral part of people's daily lives.

This year, we also reimagined our visual identity - with two hearts, intertwined, representing our deep connection with everyone we serve. 'Us' is more than a brand expression - it is our belief that real progress comes from collaboration and collective well-being. Dynamic Teal and Purposeful Purple, the new colours of our logo, symbolise our bold embrace of innovation, science, empathy and trust.

Navigating Risks, Delivering Results

The past year was marked by a complex macroeconomic environment and inflationary pressures, shifting consumer preferences, especially in rural and traditional channels. Driven by this passion, we delivered double-digit growth in both revenue and profitability. Our wellness brands now touch the lives of over 70 million households–a leap from previous years and a testament to the growing trust consumers place in us.

Our financial performance in the FY 2024–25 reflects this momentum. Our revenue from operations stood at ₹ 27,089 million, with an EBITDA of ₹ 3,797 million and a net profit of ₹ 3,469 million. We strategically invested ₹ 663 million in capital expenditure to enhance innovation, infrastructure and automation. The all-round operational performance was supported by healthy operating cash flows of ₹ 3,800 million.

Dr. Sharvil P. Patel, Chairman

This year, we took a significant step forward in our wellness journey with the strategic acquisition of Naturell (India) Private Limited, a company with a strong presence in the healthy snacking segment. This strategic move aligns with our vision of offering comprehensive wellness solutions that cater to the evolving needs of today's health-conscious consumers. With a growing demand for high-protein and performance-oriented products, this acquisition expands our footprint in the active lifestyle and preventive wellness space.

Riding the Wellness Wave

Our core brands–Sugar Free, Nutralite, Glucon-D, Nycil and Everyuth–continue to lead in their categories, not just because they perform well, but because they resonate deeply with our consumers. This year, we launched 12 (twelve) new products spanning across two key segments: Food & Nutrition and Personal Care. Every launch reflects our commitment to meeting evolving needs in day-to-day lives, shaped by the stories that inspire us and guided by our desire to create products that genuinely support and elevate everyday moments. These new offerings are designed to deliver enhanced well-being, greater convenience and more personalised care, re-affirming our commitment to helping individuals lead healthier and more balanced lives.

Our robust manufacturing network, including four company-owned manufacturing sites and 18 contract manufacturing sites, enables us to meet this growing demand with quality and agility. We have embedded digital capabilities across our operations - from AI-led personalised content and marketing automation to nutritional recipe - ensuring we stay close to consumer needs and ahead of trends.

People-First, Always

At the heart of our growth are our people. With 1,247 permanent workforce and also wider network of on-ground partners and vendors, we continue to foster an inclusive, innovative and value-driven culture that places employee well-being and growth at the core. We are proud to have been certified as a Great Place to Work® for the third consecutive year, with a 23% improvement in our Trust Index. We have also maintained zero incidents of human rights violations and safety-related incidents.

Our culture encourages open communication, continuous learning and collaboration across all levels, ensuring employees feel valued, heard and motivated to contribute their best. We ensure robust training and development programmes, health and safety initiatives and well-being measures that support both professional and personal growth of our employees.

Driving Sustainable Impact

Sustainability is central across our operations - from reducing our carbon footprint and increasing solar power to minimising plastic and promoting circularity. In the financial year, the Green Fuel contribution in Manufacturing Operations was 88.27%. In parallel, we achieved a 22.18% reduction in specific energy consumption through continued focus on energy efficiency across our operations. We also improved water efficiency, recording a 7.35% reduction in specific water consumption through focused conservation initiatives.

All our manufacturing facilities are ISO 14001:2015 (Environmental Management) and ISO 45001:2018 (Occupational Health & Safety) certified, reflecting our strong adherence to global best practices. We undertook climate and biodiversity assessments at all facilities, forming the basis for a Company-wide biodiversity management plan and a long-term climate strategy.

We are building a digitally savvy and evidence-based portfolio that leads in its categories and resonates with evolving consumer needs.

Powered by youthful energy and a shared sense of purpose, our people are the driving force behind our innovation, agility and sustainable growth.

Looking ahead, our strategic priorities are clear - drive growth through innovation, scale sustainably and serve consumers with differentiated, evidence-backed, wellness products.

As a part of our deep-rooted commitment to inclusive growth and social responsibility, we contribute to the health and wellbeing of our communities through our CSR efforts. During the FY 2024-25, we have contributed ₹ 6.41 million to Zydus Foundation ("ZF"), the CSR arm of Zydus Group. Through, ZF we support Zydus Medical College and Hospital ("ZMCH") in Dahod, Gujarat, which stands as a beacon of transformation in rural healthcare. Established through a Public-Private Partnership with the Government of Gujarat, ZMCH addresses the critical medical needs of tribal and underserved populations across Eastern Gujarat and neighbouring districts of Madhya Pradesh and Rajasthan. Since its inception in 2017, the impact of hospital on the local community has been truly transformative. The hospital now treats over 5 lakh outpatients annually, ZMCH has expanded to 1,034 beds and provides advanced medical services entirely free of cost to tribal and rural populations. The Zydus Medical college, the first in the district, is creating a pipeline of healthcare professionals rooted in community care. Our focus remains on empowering communities through improved healthcare and meaningful opportunities, contributing to long-lasting progress and a healthier future.

Our commitment to accessibility is enabled by an extensive and growing supply chain, comprising approximately 370 suppliers and more than 1,950 distributors. This robust distribution network ensures our products reach a wide spectrum of markets–from major urban centres to remote rural areas in India and beyond. With an expanding international presence, we remain committed to nurturing wellness at a global scale, guided by sustainability and ethical business practices.

The Way Forward Charting an Innovative and Collaborative Future

We want to be a Company that is ahead of the curve - not just in meeting consumer needs, but also in developing the products and platforms that serve those needs through affordable and reachable access points. To navigate growing complexity and opportunity, we are strengthening our risk frameworks, expanding into digital health and personalised wellness, exploring scalable and sustainable business models.

Moving ahead with confidence and purpose

To our shareholders, thank you for your unwavering support. To our consumers, you are the reason we innovate–thank you for letting us be part of your wellness journey. And to our people at the Company, your belief and energy are what turn our mission into action more purposeful.

As I look ahead, I feel a profound sense of responsibility and excitement. We are not just creating products, we are creating possibilities for guilt-free indulgence for joyful nourishment and for everyday self-care that's backed by science and made with heart. It is indeed a sense of gratitude and satisfaction knowing that our products are helping people feel their best and this is what drives us every single day! It's truly heart warming to see our community growing stronger, healthier and more inspired together.

Together, we are shaping a bold, responsible and passionately consumer-centric wellness Company. One that not just ready for the future but shaping it with confidence and purpose.

Dr. Sharvil P. Patel

Chairman

Stakeholder Engagement

Our ongoing success stems from our ability to envision and execute, alongwith the steadfast trust and backing of our stakeholders. In collaboration, we alongwith all our stakeholders have discovered various avenues for growth, explored new territories and achieved unprecedented success. Engaging with the stakeholders remains a crucial strategy to foster our growth, reassess the current objectives and identify new aspirations to pursue.

Stakeholder Engagement Process

Identify and Map internal and external stakeholders 〉 Assess the nature of each stakeholder's influence and importance 〉 Develop and Implement tailored engagement strategies for each stakeholder group 〉 Monitor and efficiently manage stakeholder relationships

Our Key Internal and External Stakeholders

Stakeholder	Coverage	Frequency of Communication	Engagement Topics	Engagement Channels
Employees We provide a progressive and positive workplace that encourages employee development and enhances job satisfaction. Staying invested in employees helps us increase productivity, reduce turnover and foster a culture of innovation.	• Human Resources • Corporate Services • Medical Services	• Annually • Quarterly • Monthly • Need-Based	• Employee Well-being • Health & Safety • Performance Reviews • Career Development Conversations • Trainings	• Emails • SMS • Meetings • Surveys • Feedback • Website • Internal Portals
Investors Implementing a scalable business strategy is key to ensuring financial stability and value creation for shareholders. A strong financial position is crucial for attracting and retaining investment that enables us to pursue new opportunities and drive continued success.	• Investors Relations • Regulatory & Business Compliance	• Annually • Half-Yearly • Quarterly • Monthly • Need-Based	• Financial Performance • Growth Plans and Strategies • Shareholder Returns and Dividends • Annual Report • Annual General Meetings	• Meetings • Conferences • Investor Calls • Correspondence

Stakeholder	Coverage	Frequency of Communication	Engagement Topics	Engagement Channels
Customers We aim to strengthen our position as a preferred brand through our customer-centric approach and understanding and meeting the dynamically changing needs of customers.	• Business Teams	• Annually • Monthly • Need-Based	• Customer Experience • Product and Service Quality	• Meetings • Surveys • Web Portals
Suppliers We maintain long-term relationships with our suppliers and require them to comply with Supplier Code of Conduct.	• Critical/ Strategic Suppliers	• Annually • Half-Yearly • Quarterly • Monthly • Need-Based	• Vendor Meetings • Supplier Audits • Facility Visits	• Meetings • Annual Reports • Compliance Filings
Communities We prioritise the well-being of the surrounding communities, who strengthen our social license to operate. By contributing to the upliftment and growth of local communities, we can build a positive reputation, establish trust and create synergistic relationships with the community members.	• CSR Teams • Zydus Foundation	• Annually • Half-Yearly • Need-Based	• CSR Initiatives • Employee Volunteering • Social media & Website	• Meetings • Newsletters • Surveys • Trainings and Fieldworks • Virtual Engagement
Government & Regulatory Authorities Government policies and regulations are important factors that can shape the business environment in which we operate. By staying informed about these policies and engaging with relevant stakeholders, we can identify new opportunities and challenges and develop strategies to achieve its goals while ensuring compliance.	• Regulatory & Business Compliance • Legal	• Annually • Quarterly • Need-Based	• In-person meetings • Conference • Official Communications • Statutory Publications • Through industry associations	• Industry Representations • Filings • Correspondence • Meetings

For further details, refer the Management Discussion and Analysis section of the Integrated Annual Report.

Materiality Assessment

We are committed to proactively identifying and responding to the most pertinent need of our stakeholders and their businesses to create long-term value for all. Prioritising the interests of the stakeholders allows us to develop stronger relationships with them, resulting in positive business outcomes such as increased revenue, market share and brand reputations. Our design manages a sustainable and responsible business model that recognises the significant role stakeholders play in shaping the long-term success.

Our Approach

We operate in a dynamic environment. We continually assess issues that are most material to its business and stakeholders and prioritise critical topics that need to be addressed as part of the business activities. We conducted a materiality assessment in FY 2023-24 to identify material issues based on international reporting standards. The assessment also prioritised the key internal and external stakeholders with the most impact. Relevant stakeholder engagement mechanisms were used to capture the inputs of the identified stakeholders on the potential material issues.

Each potential material issue was analysed in detail, considering the inputs from stakeholders and management. The material topics were then prioritised based on both management and stakeholder perspectives.

Approach to Materiality Assessment

Peer Benchmarking
A selection of industry peers and international standards, including GRI and SASB, was established to benchmark relevant material topics

Stakeholder Identification
Essential internal and external stakeholder groups were recognised and engaged during the materiality assessment process

Stakeholder Survey
Questionnaires were distributed and feedback was collected from various stakeholder groups to gauge the effects of potential material topics

Stakeholder Response Evaluation
Responses from stakeholders were gathered and organised to gain a comprehensive understanding of their views on the impact of potential material topics

Material Topic Prioritisation
The analysis results produced a list of material topics deemed most significant for the Company, based on their priority and overall impact

Key Material Topics

Parameters	Material Topics	Mapping with the Integrated Report
Environment	Climate Change Management – Energy and Emissions	• Natural Capital • Financial Capital
	Waste Management	• Natural Capital • Manufactured Capital • Financial Capital
	Water Management	• Natural Capital • Manufactured Capital • Financial Capital
	Circularity	• Natural Capital • Manufactured Capital • Financial Capital
	Biodiversity	• Natural Capital • Financial Capital
Social	Employee Wellness	• Human Capital • Financial Capital
	Human Rights	• Human Capital • Intellectual Capital
	Health and Safety	• Human Capital • Social and Relationship Capital
	Customer Relationship Management	• Social and Relationship Capital • Intellectual Capital
	Community Relations	• Social and Relationship Capital • Human Capital
Governance	Research and Development	• Intellectual Capital • Manufactured Capital • Financial Capital
	Responsible Marketing	• Social and Relationship Capital • Intellectual Capital
	Sustainable Supply Chain Management	• Social and Relationship Capital
	Corporate Governance	• Financial Capital

Risks and Opportunities

As a prominent player in the health and wellness sector, we operate in a dynamic and ever-evolving business landscape shaped by shifting consumer preferences, supply chain complexities and global economic volatility. We recognise that these external factors can significantly influence our operational performance and long-term value creation.

To safeguard our business and stakeholders, we have established a comprehensive risk management framework. This framework enables us to systematically identify, evaluate and address potential risks across our value chain and enhance our ability to respond effectively to emerging challenges.

At the same time, we continue to explore and capitalise on growth opportunities leveraging emerging consumer trends, driving innovation across product segments, expanding into high-growth geographies and enhancing operational efficiencies. Our strategic approach allows us to proactively adapt to market changes, strengthen our competitive advantage and deliver sustained value for all stakeholders.

Risk Governance

A strong risk governance structure forms the backbone of our enterprise-wide risk management process. Framed in accordance with regulatory standards, the Board approved Risk Management Policy provides a structured mechanism to identify, assess and mitigate risks in a timely manner. The Risk Management Committee conducts timely reviews of the system, offering strategic guidance to the Management and Board to enhance risk resilience.

The Board of Directors provides oversight and ratifies risk-related policies, while the Audit Committee reviews internal controls and the effectiveness of risk systems. The Risk Management Committee ("RMC"), a Board-level body, periodically reviews key risks, monitors mitigation progress and reports to the Board. Senior Management implements risk strategies and assesses performance at the operational level. The Chief Risk Officer, a role held by the CFO, ensures integrated risk evaluation across the enterprise.

Risk Governance Framework

Risk Management Committee
Policy formulation, implementation oversight, evaluation and reporting

Senior Management
Develops and executes risk mitigation and business continuity plans

Functional Heads
Risk identification and control implementation in respective domains

Employees
Adherence to controls and proactive risk reporting

Risk Management Framework

Our risk management framework is a cornerstone of our governance and decision-making processes. It ensures risks are managed systematically, in alignment with the Company's risk appetite and strategic objectives. The framework adheres to global standards and encompasses both top-down and bottom-up approaches to risk management. It is structured to ensure consistent, continuous identification and mitigation of risks across business operations.

Key features include

- Alignment with strategic planning and internal controls
- Integration into core business and functional processes
- Defined roles for risk owners and management accountability
- A dynamic risk register reviewed and updated regularly
- Clear escalation mechanisms for high-priority risks

Risk Identification	Ongoing identification of internal and external risks across strategic, financial and operational domains
Risk Assessment and Analysis	Prioritisation based on likelihood and impact–classified as High, Medium or Low
Risk Mitigation	Strategies include transferring (e.g., insurance), sharing (e.g., partnerships), or retaining with internal controls
Control & Monitoring	Continuous monitoring through internal systems and action plan tracking by RMC
Risk Reporting	High-rated risks reported to the Board and Audit Committee; others are tracked internally

Strengthening the Risk Culture

We believe that building a robust risk culture goes beyond systems - it requires mindset and behaviour alignment across the organisation. To this end, the Company actively promotes transparency, responsiveness and cross-functional collaboration in managing uncertainties. Risk awareness is cultivated through training, consistent communication and leadership exemplifying organisational values. We promote transparent communication of key risks and associated controls across functions to drive alignment and foster accountability.

Key Risks and Opportunities

We identify and manage key strategic and operational risks while actively pursuing growth opportunities in line with market trends. Our approach ensures business continuity and supports sustainable performance. For detailed insights on key risks and opportunities, refer to the Management Discussion and Analysis ("MDA") section and the BRSR, which forms part of the Integrated Annual Report.

For further details, refer the Management Discussion and Analysis section of the Integrated Annual Report.

Corporate Governance

Corporate governance is the foundation of our commitment to responsible business practices, transparency and accountability. Our governance framework is designed to uphold the highest standards of integrity while aligning with the evolving expectations of stakeholders and regulatory authorities. Guided by a well-experienced Board of Directors ("Board"), robust policies and a culture of ethical conduct, we ensure that every decision contributes to long-term value creation.

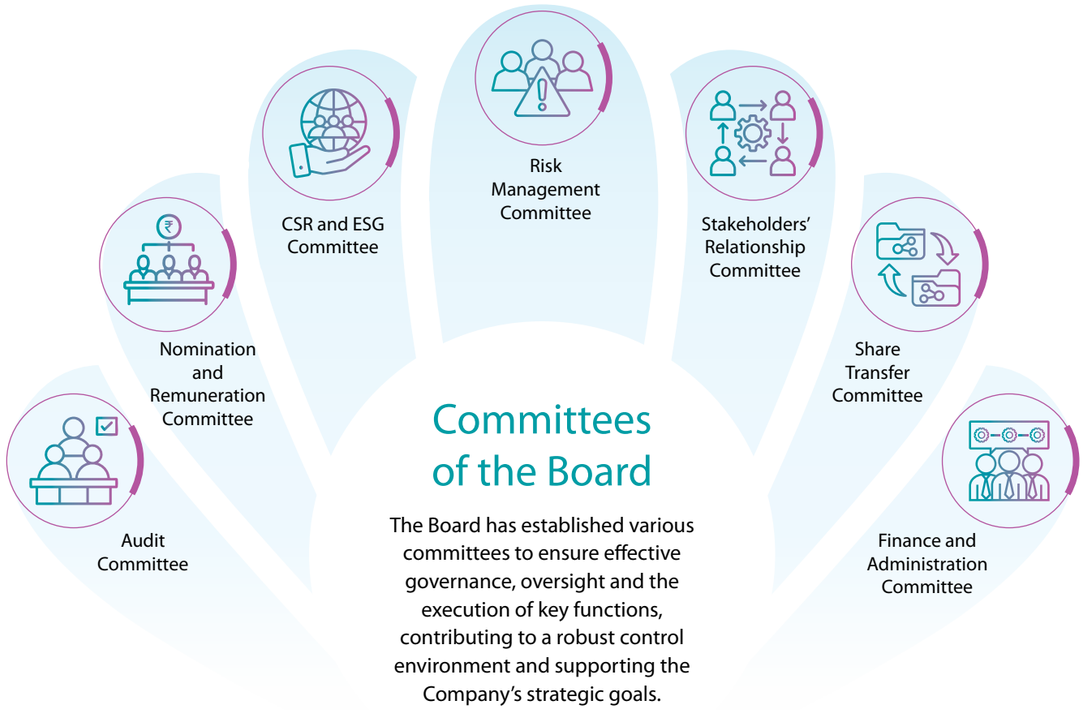
Our business operations, strategic direction, growth agenda and transformation journey are driven by a visionary leadership team. We follow a top-down approach to embedding ethical values and responsible conduct across the organisation. Our strong internal control systems establish effective checks and balances at every level, ensuring compliance with all applicable laws and regulations.

Governance Structure

Our governance structure is designed to uphold accountability, transparency and strategic oversight across the organisation. We operate under a one-tier Board system, in which a unified Board is collectively responsible for the Company's governance, performance and compliance with applicable legal, regulatory and ethical standards. The Board comprises Executive, Non-Executive and Independent Directors with diverse expertise spanning consumer business, ESG and Sustainability, finance, law, business management, information technology and cybersecurity and governance. This enables balanced decision-making and effective oversight. The Board plays an active role in identifying emerging risks and opportunities, shaping key policies and safeguarding long-term stakeholder value.

Name of the Director	Designation	Committee Memberships
Dr. Sharvil P. Patel	Chairman (Non-Executive Director)	• Chairman – CSR and ESG Committee • Chairman – Risk Management Committee • Chairman – Share Transfer Committee • Chairman – Finance and Administration Committee
Ms. Dharmishtaben N. Raval	Independent Woman Director	• Chairperson – Audit Committee • Member – Nomination and Remuneration Committee
Mr. Srivishnu R. Nandyala	Independent Director	• Member – Audit Committee • Member – Nomination and Remuneration Committee • Member – Stakeholders' Relationship Committee
Mr. Akhil A. Monappa	Independent Director	• Member – Audit Committee • Member – Risk Management Committee
Mr. Kulin S. Lalbhai	Independent Director	• Chairman – Nomination and Remuneration Committee • Member – Audit Committee • Member – CSR and ESG Committee • Member – Risk Management Committee
Mr. Ganesh N. Nayak	Non-Executive Director	• Chairman – Stakeholders' Relationship Committee • Member – Audit Committee • Member – CSR and ESG Committee • Member – Share Transfer Committee • Member – Finance and Administration Committee
Mr. Ashish P. Bhargava*	Nominee Director	• Member - Audit Committee* • Member - Finance and Administration Committee*
Mr. Tarun Arora	CEO and Whole-Time Director	• Member – Stakeholders' Relationship Committee • Member – Share Transfer Committee • Member – Finance and Administration Committee

* Ceased as a Nominee Director and member of Committees w.e.f. September 30, 2024.



Committees of the Board

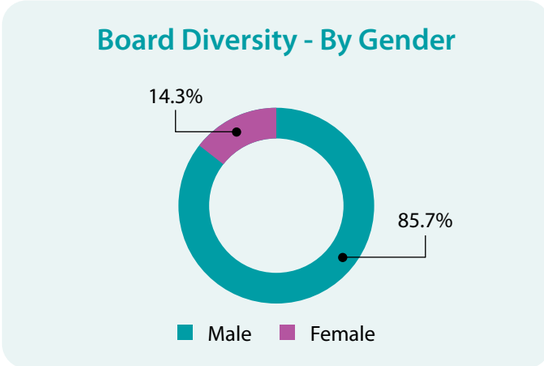
The Board has established various committees to ensure effective governance, oversight and the execution of key functions, contributing to a robust control environment and supporting the Company's strategic goals.

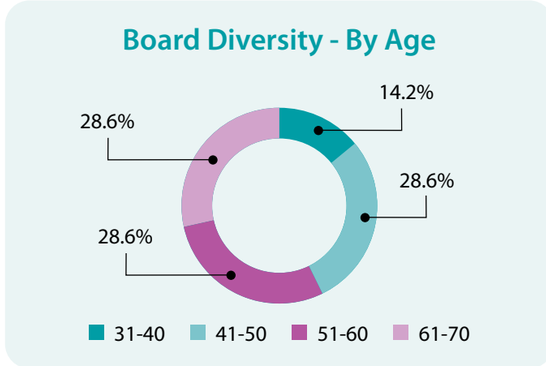
Board Diversity

4	53 years	9.6 years	5.6 years
INDEPENDENT DIRECTORS	AVERAGE AGE	AVERAGE BOARD TENURE	AVERAGE TENURE – INDEPENDENT DIRECTORS

We view Board diversity as a strategic enabler that enhances governance quality and decision-making. Our Board brings together individuals with varied expertise, experiences and perspectives, enabling balanced deliberations and effective oversight. As of March 31, 2025, our Board comprises 7 (seven) Directors, including 4 (four) Independent Directors and 3 (three) Non-Independent Directors. The average age of our Board members is 53 years and their average tenure is 9.6 years. For Independent Directors, the average tenure stands at 5.6 years, reflecting both continuity and objectivity in Board functioning.

We have adopted a formal Board Diversity Policy, developed by the Nomination and Remuneration Committee and approved by the Board, in line with the Listing Regulations. Through this Policy, we commit to fostering diversity in thought, experience, age, gender, background, knowledge and ethnicity. Our Director appointments are merit-based, aiming to complement and broaden the collective competencies of the Board– especially in areas such as consumer business, ESG and Sustainability, business strategy, law, information technology and cybersecurity and finance. We do not discriminate based on religion, gender, age or other personal attributes, provided individuals demonstrate the skills and integrity to contribute effectively.





Board Meetings

The Board of the Company ensures strategic oversight and responsive governance through structured, well-documented and actively attended meetings. During FY 2024-25, the Board convened 5 (five) meetings, achieving an overall attendance rate of 89.2%, reflecting high engagement and accountability of its members.

These meetings covered a wide spectrum of subjects, including business performance, strategic priorities, acquisition, risk mitigation, sustainability, compliance and shareholder interests. In addition, 36 Committee meetings were held during the financial year with a cumulative attendance rate of 84.5%, indicating robust functioning of the Board Committees. The maximum gap between two meetings did not exceed 120 (One Hundred Twenty) days, as prescribed in the Companies Act, 2013 ("the Act") and the Listing Regulations.

Nomination and Remuneration

The Nomination and Remuneration Committee ("NRC") plays a key role in ensuring that the Board and Senior Management possess the necessary diversity, competencies and ethics to lead the Company effectively. The NRC is composed entirely of Independent Directors, underscoring its autonomy and alignment with the Listing Regulations.

The NRC plays a crucial role in ensuring the effective leadership by identifying, nominating and evaluating Directors and Senior Management. It is responsible for recommending appointments, re-appointments and succession planning, while also formulating and reviewing policies on Board diversity, director independence and performance evaluation.

The NRC follows a structured, performance-driven remuneration policy as outlined in the Board-approved Nomination and Remuneration Policy, which:

- Aligns pay with performance and long-term business objectives
- Balances fixed and variable pay components
- Ensures transparency, fairness and compliance with legal standards
- Governs sitting fees, commission and incentive structures for Executive and Non-Executive Directors

The Board re-election process involves Independent Directors serving fixed terms up to 5 (five) years, with eligibility for re-appointment for one additional term up to 5 (five) years, subject to performance and approval of the members. The Executive and Non-Executive Directors retire by rotation, with one-third of the rotational directors retiring each year, in accordance with section 152 of the Act.

Capacity Building and Performance Evaluation of the Board

We recognise that a well-informed and engaged Board is essential for effective governance. We take a continuous and context-driven approach to enhancing the collective capabilities of our Board members. This is often facilitated through ongoing dialogue, periodic reviews and strategic interactions that take place during the course of regular Board and Committee meetings.
We encourage open exchange and cross-functional insights on emerging topics - ranging from regulatory changes and governance practices to sectoral shifts and ESG-related aspects. These touchpoints enable the Board to remain contextually informed and provide guidance that is both strategic and future-focused.

We undertake a formal, annual evaluation of the board, its committees and individual directors, overseen by the NRC. The evaluation covers a range of parameters including board composition, dynamics, contribution to strategic direction and effectiveness of oversight mechanisms. The process is designed to be comprehensive and forward-looking, helping us identify areas of strength and opportunities for improvement. Insights from the evaluation inform decisions related to board composition, succession planning and governance enhancements, ensuring that the actions and decisions of the board align with our strategic vision and corporate ethos.

ESG and Climate Governance

Our approach to sustainability is integrated within our broader ESG framework, ensuring that our actions are aligned with regulatory expectations and global standards. Our governance structure ensures that our ESG and climate-related strategies align with our corporate objectives, regulatory requirements and global ESG standards.

Board Oversight

Our CSR and ESG Committee, made up entirely of board members, provides strategic oversight of our climate-related initiatives. This committee is responsible for defining our ESG agenda, assessing ESG risks and opportunities, monitoring progress and approving public climate disclosures. We ensure that ESG-related issues are regularly discussed at the board level, integrating them into our broader corporate strategy.

Management Responsibility

The implementation and management of our climate-related strategies are handled daily by the ESG Steering committee, under the guidance of our CEO & WTD. The ESG steering committee, which includes heads of departments, tracks the progress of our climate goals and prepares recommendations for the CSR and ESG committee. Our CEO & WTD is directly responsible for overseeing the implementation of sustainability policies, ensuring they align with our long-term ESG commitments. Our ESG Leads oversee specific climate activities, while the ESG working council ensures these initiatives are carried out effectively across the organisation.

Business Ethics

Ethical conduct is at the core of our corporate ethos, which emphasises ethical decision-making, fair competition, human rights and responsible supply chain management. We promote transparency and encourage open dialogue, inviting our employees, stakeholders and directors to raise ethical concerns or report potential violations via our whistle blower mechanism. We address these reports with due diligence and take necessary actions to resolve any issues, reinforcing our dedication to upholding the highest ethical standards.

Code of Conduct

Our code of business conduct and ethics provides a framework for all employees, directors and stakeholders, ensuring actions align with our core values of professionalism and fairness. This code is publicly available on our website and all directors and senior management personnel are required to affirm their adherence to this code annually. The code emphasises compliance with all applicable laws, including those related to insider trading, conflict of interest, anti-bribery and anti-corruption and upholds the confidentiality of company and stakeholder information. It further stresses the importance of avoiding conflicts of interest and ensuring that personal interests do not interfere with the Company's best interests.

In FY 2024-25, we had no reported instances or grievances concerning bribery, corruption, conflicts of interest, or any other ethical misconduct. There were also no pending legal cases or actions initiated against the Company for breaches of legal regulations, including anti-competitive actions and violations of anti-trust and monopoly laws.

Zero

INSTANCES OF BREACH OF CODE OF CONDUCT

Whistle Blower Mechanism

Established a vigil mechanism to provide stakeholders with a secure channel to report unethical behaviour, misconduct, fraud, or violations of our code of conduct, including the leakage of Unpublished Price Sensitive Information ("UPSI"), in compliance with the act and Listing Regulations. The policy covers all stakeholders, including employees, customers, suppliers and directors and allows them to report concerns such as abuse of authority, fraud, breach of laws, misuse of confidential information, negligence and UPSI leakage.

Reporting of complaints for financial matters can be made to Chief Financial Officer and non-financial matters to Sr. Vice President – Human Resources on email id specified in the policy or to the chairperson of the audit committee, in case of complaints against the above persons or if the concerned is not satisfied with the outcome of investigation on email id specified in the policy. Anonymous complaints are not accepted. We ensure protection for whistle blowers against retaliation, discrimination, or unfair treatment and guarantee confidentiality throughout the process. If a report is found to be malicious or false, the whistle blower will be barred from further reporting. The outcome of investigations is communicated to the whistle blower and we reserve the right to amend the policy as needed. In FY 2024-25, we reported zero complaints regarding any malpractice or unethical behaviour.

ESG Policies

Our ESG policies form the foundation of our governance and risk management approach, guiding ethical, responsible and compliant decision-making across the organisation. Regularly reviewed and updated, these policies enable our board and leadership to align with evolving regulatory requirements and global best practices, while safeguarding stakeholder interests.

The policies are publicly available on our website and can be accessed at the following link: https://zyduswellness.com/investors.php. For a detailed list of policies, refer to the corporate governance report, which forms part of the Integrated Annual Report.

Value Creation Model

Capital Type & Inputs

Financial Capital as on April 1, 2024
- Shareholder's Fund: ₹53,575 million
- Net Debt: ₹76 million
- Increased spends on brands

Manufactured Capital
- 4 state-of the-art manufacturing facilities
- Global 3P Manufacturers: 3 International & 15 Domestic
- 25 Carrying and Forwarding Agents
- CAPEX outflow of ₹663 million in infrastructure, technology upgradation and sustainable solutions

Intellectual Capital
- Dedicated R&D Centre
- R&D expenditure ₹130 million in FY 2024-25
- R&D expenditure ₹81 million in FY 2023-24
- Continuous research to meet evolving consumer preferences
- Set up of state of the art R&D institute
- Unique consumer insights through advanced predictive analytics

Human Capital
- 1,247 Permanent workforce across geographies
- Investment in training and development & health and safety
- Access to LinkedIn learning
- 46,751 total training hours

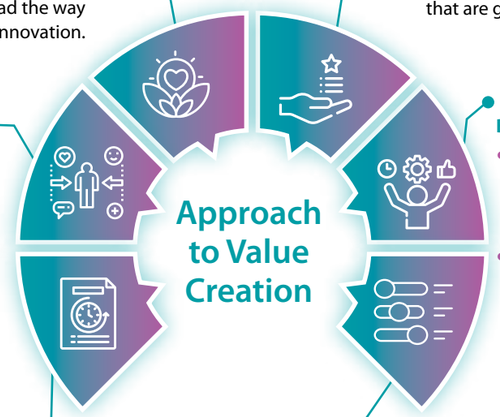
Social and Relationship Capital
- Total CSR spend: ₹6.41 million
- 25 dairy development camps organized under DoodhShakti programme
- Network of ~ 370 suppliers
- 1,950+ distributors,
- ~2,800 feet-on-street representatives

Natural Capital
- 1.75 MWh energy consumed
- 2 MW solar power
- 3.90 Lakh kL fresh water consumed
- 88.3% green fuel contribution in manufacturing operations

Value Creation Approach

Our Vision
We bring wellness to your life. We will create new experiences with our products that will nourish, nurture and energise your life. We shall lead the way through innovation.

Our DNA
To build new emergent categories with differentiated product propositions. Philosophy of building products that are good for you.



Core Behaviours
- Adaptability to change
- Excellence in execution
- Innovation
- Team & Collaboration
- Respect, Trust & Integrity
- Putting organisation before Self

Business Activities
- Integrating ESG goals into core operation strategy
- Driving growth through expansion of core product portfolio and bolt-on acquisitions
- Investing in consumer-centric growth

Long-Term Impacts (Vision 2030 and Beyond)
- Aim to be leading consumer wellness company with ₹ 5000+ crores turnover
- Expanding on the product category size through increased penetration
- Achieve Carbon Neutrality by 2040
- 50% GHG reduction and 25% reduction in freshwater use by 2030
- Greater product innovations in health-conscious indulgence
- Deepened digital transformation and consumer personalisation
- Inclusive and diverse workplace as a strategic asset

Key Enablers
- Strong R&D and innovation capabilities
- Well-equipped quality labs
- State-of-art manufacturing facilities
- Robust brand equity and reputation
- Integrated ESG strategy
- AI enabled and digitally driven consumer engagement
- Agile distribution and supply chain network

Key Brands

Health and Nutrition
- Sugar Free
- Complan
- Glucon-D
- Nutralite
- RiteBite
- RiteBite Max Protein
- I'm Lite

Skincare and Personal Care
- Everyuth
- Nycil

Outputs

- Revenue from operations: ₹27,089 million
- Operating Margin: ₹3,797 million
- Net profit margin: ₹3,469 million
- Market Capitalisation: ₹1,06,364 million
- Bolt on acquisition: ₹3,900 million

- 8.9% increase in total production volume
- 270+ number of SKUs
- 84% of Chocolate and 63% of Choco Spread produced from Ahmedabad facility exported
- 15% of total Cookies produced from Aligarh facility exported

- Market leading brands
- 12 new launches/ extensions
- Increased saliency of organised channel
- Collaboration with leading professionals to enhance knowledge on scientific matters and future innovations on company's product portfolio

- Certified as a Great Place to Work® for the third consecutive year
- Zero incidents of Human Rights violations
- 23% improvement in Trust Index in last two years
- Enhanced gender diversity
- Preferred mode of filling up of vacancy through internal Job Postings
- Zero injuries/fatalities

- 90,000+ Farmers across 400 villages supported through DoodhShakti programme – Company's Farmers Outreach Programme
- Nourishes, nurtures and energises over 75+ million Families through our portfolio of products.
- Directly and indirectly supporting over 5,000 Families through people working across manufacturing facilities, offices & feild sales
- 12% input materials directly sourced from MSMEs / small producers

- 9% reduction in total energy and a 5% reduction in water consumption on an absolute basis over FY 2023-24
- Reduction in specific energy consumption by 22.18% and specific water consumption by 7.35%
- Biodiversity Management Plan and Climate Strategy implemented

Outcomes

- Growth in revenue : 16.4% and Net Profit : 30%
- Strong financial health and 100% cash conversion to EBITDA
- Increased shareholder value and proposed dividend

- Higher Productivity and cost optimisation
- Strengthened quality management systems
- Faster product development cycles and quicker go-to-market
- Zero Fatalities driven by robust Safety systems

- Enhanced innovation leadership backed by research and clinical trial on functional claims
- Stronger consumer engagement through AI personalisation
- Expanded market presence through new products with functional benefits

- Increased employee engagement and retention
- Positive workplace culture fostering innovation and inclusion
- Future ready organisation with career progression through internal movements

- Long-term sustainability and ethical business practices
- Improved brand recognition and loyalty
- DoodhShakti programme boosts rural economies by raising farmer productivity, promoting sustainable farming and improving livelihoods

- Manoeuvring towards sustainable operations
- Reduced environmental footprint
- Improved sustainability metrics (energy, water, waste etc.)
- Latest ESG score 79 as per S&P Global
- Noteworthy accomplishments: scored 99 percentile amongst 390 companies in selected peer group

Linkage to SDGs

Our Growth Strategy

We pursue growth with purpose – built on trust, innovation and consumer-centricity. Our integrated approach to business enables us to deliver enduring value to stakeholders while navigating a dynamic external environment. With a robust portfolio of health and wellness brands, we continue to expand our reach, enhance consumer experience and deepen our market relevance across diverse demographics and geographies.

We believe true growth is in growing together with our stakeholders. Our strategy is rooted in collaboration and sustainability, linking purpose-led growth with the six capitals of value creation - Financial, Manufactured, Intellectual, Human, Social and Relationship and Natural. Through cross-functional efforts and forward-looking leadership, we align our performance and outcomes with societal and stakeholder expectations.

Growing Responsibly

As a leading FMCG organisation, ZWL is committed to embedding responsible and sustainable practices into every aspect of its operations. By sharing the commitments in public domains, we uphold transparency and accountability in tracking our progress. These commitments are seamlessly aligned with our business goals and 2030 aspirations, with a strong focus on contributing to the United Nations' Sustainable Development Goals ("SDGs").

Strategic Objectives

Better Environment:

We are committed to safeguarding the planet by reducing ecological footprint, conserving natural resources and fostering sustainability. By optimising energy and water usage, adopting sustainable packaging solutions and minimising waste across our operations, we aim to contribute to a healthier and more sustainable future.

Better People and Communities:

We aim to create a meaningful impact by prioritising health, wellness and inclusivity of our employees, customers and communities. By integrating these values into our operations and outreach programmes, we aim to foster a healthier and more equitable society.

Better Governance:

Our commitment to ethical practices, transparency and robust governance systems enable sustainable growth. By embedding 'Integrity' as one of the core values and accountability in every decision, we ensure resilience, trust and long-term value creation for all stakeholders.

ESG Framework

Sustainable Growth

It encompasses the commitment to aligning strategic objectives with materiality aspects and ensuring resilience through the robust risk management process. By embracing future-ready resources, processes and technologies, it essentially requires driving responsible progress, along with transparent communication to foster trust with the stakeholders.

People and Communities

It focuses on fostering a workplace that values employee engagement, satisfaction and well-being through robust learning, development and welfare initiatives. It advocates creating a good environment by upholding human rights, fair labour practices, diversity, inclusion and freedom of association. More importantly, it requires a strong focus on occupational health and safety in every aspect of operations.

Governance

It is the foundation of responsible business, rooted in strong ethics, a robust code of conduct and transparency in disclosures. By fostering stakeholder engagement, ensuring brand and information governance with a focus on cybersecurity and maintaining an effective grievance redressal mechanism, it emphasises upholding trust and accountability in every aspect of operations.

Environment Stewardship

Environmental stewardship includes efficient energy and water use, responsible waste and effluent management and maintaining a robust emission inventory. By fostering green supply chains, preserving biodiversity and driving impactful green projects, it focuses on building a sustainable ecosystem.

Long-term vision

Our long-term vision is to be a trusted and future-ready wellness company - one that not only delivers high-quality nutrition and personal care solutions but does so with purpose, responsibility and resilience.

We envision a future where our products enrich lives sustainably, our operations are low-carbon and circular and our business ecosystem thrives on innovation, inclusion and integrity. As we grow, we are reimagining wellness by aligning business success with societal and environmental impact. This includes investing in health-focused innovation, expanding access to trusted wellness brands, embracing digital transformation and embedding ESG principles into every business decision.

Our vision

2025

Product innovation aligned with climate-smart solutions

2030

- 40% renewable energy use
- 50% GHG reduction
- 25% reduction in freshwater use
- 100% critical supplier ESG compliance

2040

Carbon neutral operations

Key Elements of Our Long-term Vision

Focus Area	Strategic Intent
Customer Well-being	To anticipate evolving health and wellness needs and develop science-backed, consumer-centric products
Sustainable Operations	To transition towards climate-resilient, resource-efficient manufacturing and logistics
Digital Leadership	To harness data, AI and digital tools to personalise experiences and drive operational agility
Inclusive Growth	To build a diverse, skilled and purpose-driven workforce that reflects the communities we serve
Ethical Governance	To lead with transparency, accountability and robust governance frameworks

ESG Goals and Targets

We are committed to fostering a healthier society, promoting inclusivity and reducing our environmental impact through responsible business practices. Our ESG goals are specific, measurable and aligned with global standards – guiding how we manage resources, engage with communities, care for our people and uphold ethical governance. ESG principles are embedded across all areas of our business through a clear and transparent approach.

Pillar	Goal	Target Year	Key Enablers
Energy	Reduce energy consumption by 50%	2030	Process optimisation, energy-efficient technologies
	Increase renewable energy contribution to 50% of total requirement	2030	Solar installations, green power procurement
Water	Reduce freshwater consumption by 25%	2030	Water recycling systems, treatment technology, process upgrades
Waste	Achieve Zero Liquid Discharge ("ZLD") and Zero Waste to Landfill	2030	Waste minimisation, structured recycling programmes
GHG Emissions	Reduce GHG emissions from direct operations by 50%	2030	Cleaner fuels, process innovations, energy efficiency
	Achieve carbon neutrality across all operations	2040	Offsets, renewable investments, green supply chain
Sustainable Supply Chain	Ensure 100% of critical active suppliers and co-packers comply with Company's sustainability standards	2030	Supplier engagement, audits, capacity building
Safety, Diversity and Inclusion	Zero Lost Time Injuries ("LTIs")	Annual	Safety training, audits, safety-first culture
	Zero discrimination based on gender, caste, colour or creed	Ongoing	Inclusive policies, Diversity, Equity and Inclusion training, culture audits

Growth Opportunities in FY 2024-25

Growth stems from focused execution, consumer-led innovation and operational discipline. Our long-term goal is to be the most trusted and future-ready wellness brand in every Indian household. In FY 2024–25, we prioritised our core brands, expanding into high-growth adjacencies and deepening reach across general trade, modern trade and digital platforms. As consumer behaviour, affordability trends and regulatory norms evolve, our strategy remains agile–helping us scale efficiently, enter new adjacencies and strengthen market leadership.

In FY 2024-25, we made a strategic acquisition of 100% stake in NIPL a leading player in the healthy snacking segment, for a consideration of ₹ 3,900 million. This acquisition aligns with our vision to expand our footprint in the consumer wellness industry by entering the rapidly growing healthy snacking market. NIPL, operational since 2003 and focused on nutritional and protein bars, protein chips and fibre-enriched snacks under brands like RiteBite Max Protein and RiteBite, perfectly complements our portfolio aimed at health-conscious consumers. We expect this transaction to be EPS accretive from the next financial year and have funded it entirely in cash. This acquisition strengthens our market presence and innovation capabilities, allowing us to leverage our extensive distribution network to scale NIPL's portfolio effectively.

Our growth journey in FY 2024–25 is anchored in a balanced approach that combines focused execution, consumer-driven innovation and disciplined operations. By prioritising both organic initiatives and strategic acquisitions, we have accelerated our expansion across key wellness segments and high-growth adjacencies. As we navigate evolving consumer preferences and market dynamics, we remain committed to building a future-ready, trusted wellness brand that delivers sustained value to our customers and stakeholders alike.

Business Continuity

At Zydus Wellness, business continuity is integral to delivering consistent consumer experiences, safeguarding stakeholder value and advancing our purpose of nurturing health and wellness. In an environment shaped by shifting consumer expectations, climate risks, geopolitical uncertainties and supply chain challenges, resilience is a strategic imperative.

Our approach combines foresight, agility and operational rigour. We continue to enhance the resilience of our manufacturing, logistics, IT systems, procurement and workforce planning to ensure seamless operations. Business continuity is further reinforced through strong collaboration with critical suppliers, co-manufacturers and partners, strengthening our end-to-end value chain.

To mitigate technology-related disruptions, daily server backups are performed with offsite storage of backup tapes. We are actively evaluating credible vendors to implement a robust business continuity and disaster recovery ("BCDR") framework–focused on server replication, critical user access, application availability and remote data centre readiness.

Every aspect–from raw material availability and regulatory compliance to cybersecurity and talent retention–is monitored and strengthened to ensure we remain responsive, reliable and future-ready.

Financial Capital

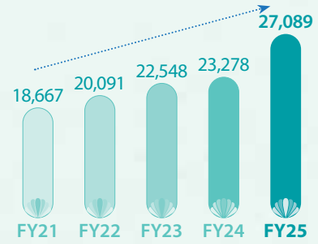
Robust Financial Planning Drives Sustainable Growth

Guided by strong leadership and sound governance, we have implemented a robust financial planning framework that supports prudent returns and drives sustainable growth. Our growth is primarily driven by organic expansion, supported by selective acquisition that align with our strategic priorities. We aim to be a trusted partner of choice by consistently delivering value to our shareholders through stable performance. This focused approach enables us to navigate market challenges effectively, strengthen our economic resilience and enhance our profitability and competitive position.

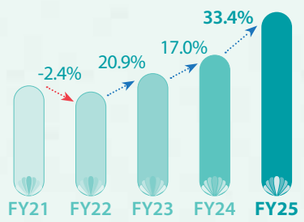
In FY 2024–25, our gross margin increased by 168 basis points ("bps") year-on-year to 52.5%, driven by strategic hedging, a favourable product mix and calibrated pricing. Over the past two years, we have added back 361 bps to our gross margin, emphasising our strategic approach to cost management and pricing while continuing to deliver value to our consumers.

Economic Performance

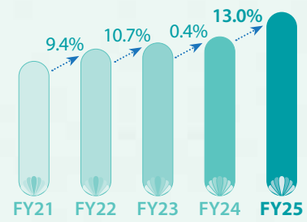
REVENUE FROM OPERATIONS (₹ in million)
Healthy CAGR: **10%**



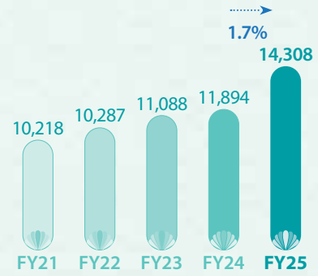
NET SALES - PERSONAL CARE
Healthy CAGR: **16.5%**



NET SALES - FOOD & NUTRITION
Consistant CAGR: **8.3%**

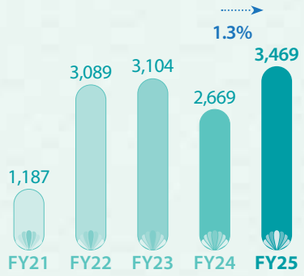


GROSS MARGIN* (₹ in million)
54.4% 50.7% 48.9% 50.8% **52.5%**

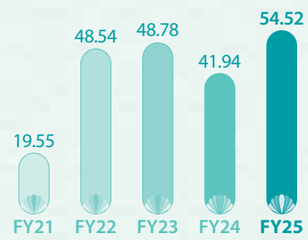


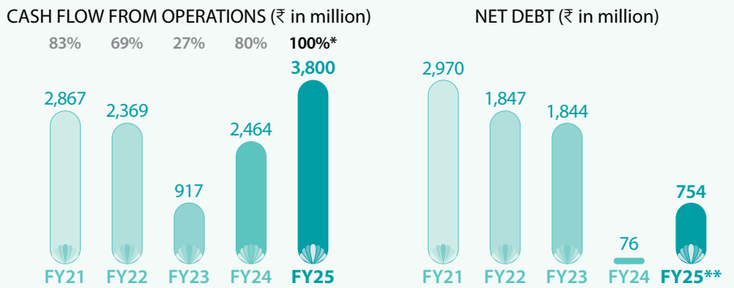
*Gross Margin % is calculated as % to Net Sales

PAT (₹ in million)
6.4% 15.4% 13.8% 11.5% **12.8%**



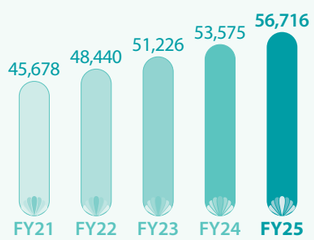
EARNINGS PER SHARE TREND (₹)

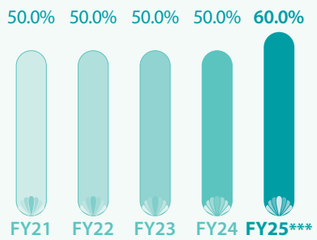




*Company's cash conversion from operations to EBITDA

**Estimated to be net cash positive by mid of FY26





***Proposed subject to Shareholders' approval

Economic value creation

Creating sustainable economic value is fundamental to our business approach. In FY 2024-25, we focused on strengthening our financial performance while ensuring that the value generated is shared fairly among our key stakeholders. By balancing profitability with responsibility, we aim to foster trust and resilience across our organisation. This approach supports our long-term vision of sustainable growth and value creation, driving positive impact for our employees, investors, value chain and the communities we serve.

(₹ in Million)

Direct Economic Value Generated	FY 2024-25	FY 2023-24
Gross Revenues from operations (A)	27,089	23,278
Economic value generated from investment and other sources (B)	195	139
Total Economic Value Generated (A+B)	27,284	23,417
Economic Value Distributed		
Employee wages and benefits	2,372	1,934
Operating costs (includes cost of raw materials, depreciation and other expenses)	21,198	18,642
Interest payment to providers of credit	120	240
Dividend/Payout to shareholders	318	318
Community Investments	6	0
Payment to government (taxes)	119	(68)
Total Economic value distributed	24,133	21,066
Economic Value Retained		
Economic Value Retained	3,151	2,351

Tax

Our approach to taxation is an integral part of our commitment to responsible business practices and ethical governance. We ensure full compliance with all applicable tax laws and uphold the highest standards of transparency in our tax reporting. Our tax-related decisions are guided by the principles of integrity, accountability and alignment with our broader sustainability and corporate responsibility goals. We prioritise sound tax governance and proactive risk management to ensure compliance, strengthen financial resilience, foster investor confidence and support socio-economic development while maintaining stakeholder trust.

Tax Policy

We follow the tax policy adopted by Zydus Lifesciences Limited at a group level, which lays down our guiding principles for managing tax responsibilities globally. The tax policy ensures full compliance with all applicable tax laws and regulations across jurisdictions where we operate. We integrate tax considerations into business decisions, focusing on transparency, ethical conduct and alignment with commercial substance. We do not engage in artificial profit shifting to low-tax or secrecy jurisdictions and adhere strictly to transfer pricing rules based on the arm's length principle. Our approach includes proactive engagement with tax authorities to foster trust and timely resolution of tax matters. We also utilise government-approved tax incentives, which are incidental to our primary business objectives, in a responsible manner to optimise tax efficiency. The tax function is supported by skilled professionals and overseen by senior management and the Board to manage tax risks effectively.

Tax Governance

We have a robust governance structure in place to oversee tax compliance and strategy. The tax function is led by a central tax team based in India, which works closely with local teams and external advisors to ensure compliance with jurisdiction-specific regulations. Material and non-routine tax matters are escalated to senior leadership, including the Chief Financial Officer and reviewed periodically by the Board. This layered governance framework ensures that tax risks are identified early and addressed through appropriate controls and expert consultations. The Board oversees all tax-related matters and we continue to operate in line with evolving global standards and regulatory expectations.

Tax Strategy

We prioritise transparency, ethical conduct and alignment of tax practices with genuine commercial activities, paying taxes where economic activities occur and value is generated. Tax considerations are proactively integrated into our business planning and decision-making processes. We responsibly utilise government-approved tax incentives and reliefs, but only when aligned with our business activities and strategic goals. Our approach includes active tax risk management through regular reviews and collaborative engagement with tax authorities, fostering trust and timely resolution of tax matters. Overseen by senior management and the Board, this strategy ensures strong governance and accountability, enabling us to contribute fairly to the economies where we operate.

Tax Reporting

We ensure timely, accurate and transparent tax reporting across all jurisdictions where we operate. Our fillings comply with local laws and international standards and are supported by clear documentation to address regulatory inquiries or audits. In FY 2024-25, our tax disclosures continue to reflect our focus on transparency and integrity, ensuring stakeholders have confidence in our responsible tax practices. Regular reviews and controls help maintain high standards of governance and accountability, with reporting designed to reflect the true economic substance of our transactions.

Financial Assistance Received from the Government

We receive financial assistance from the government in various forms. Our benefits include budgetary support under the Goods and Services Tax ("GST") scheme, a 100% income tax deduction on profits earned from our Sikkim manufacturing facility under Section 80IE of the Income Tax Act, 1961 and an insurance subsidy for operating expenses related to our Sikkim manufacturing facility.

Defined Benefit Plan Obligation

We prioritise employee well-being by providing a wide range of long-term benefits, including medical coverage, disability benefits, parental leave and retirement savings plans. In FY 2024-25, we allocated ₹ 17 million towards our defined benefit and pension obligations.

(₹ in Million)

Contribution to defined benefit schemes	FY 2024-25	FY 2023-24
Contribution to Provident Fund	78	89
Contribution to Superannuation Fund	4	4
Contribution to Gratuity Fund	13	13

Manufactured Capital

Building a World-Class Business

04
STATE-OF THE ART MANUFACTURING FACILITIES

18
GLOBAL 3P MANUFACTURERS
3 INTERNATIONAL
15 DOMESTICS

1,75,000 MT
ANNUAL PRODUCTION CAPABILITY

₹663 million
CAPEX INVESTMENT IN INFRASTRUCTURE, TECHNOLOGY UPGRADATION & SUSTAINABLE SOLUTIONS

₹545.3 million
SAVINGS THROUGH OPERATIONAL EXCELLENCE PROJECTS

We are dedicated to utilising our state-of-the-art facilities and research expertise to produce high-quality FMCG products. Our commitment is not only restricted to India but also to all global locations where our brands are present. Further, we aim to not only comply with strict global regulations but also improve results through a wide and cost-effective range of products. Our strong supply chain and delivery systems guarantee that customers receive our products consistently and promptly.

Safety, Hygiene & Orderliness

- 'Sankalp' our In-house Structured OHS Framework
- Online EHS Index Monitoring - Consistently above 80%
- All Sites are ISO-14001:2015 & ISO-45001:2018 certified
- 5S: Focused drive- स्वच्छवेलनेस, श्रेष्ठ वेलनेस

Strategic Alignment & Business Performance

- Capacity Enhancements by 7-8 folds for Mayonnaise & notable expansions across Butter, Glucon-D, Chocolate, Fat Spreads & Everyuth
- IIoT implementation across Dairy Section & 3 Major Product Categories - 12 Production Lines, Digital Interface for Online SLA, EHS and CI Projects tracking
- Expedited execution of NPD initiatives - Sugar Free Cookies, Probiotic Butter, Cow Ghee, Cheese etc.

Inventory Management

- Infrastructure enhancement projects to be future ready - New Warehouses, ASRS, WMS, Racking Systems etc., resulting into 2x storage & traceability enhancement
- Vehicle Management System for overall transport management and tracking/improving Truck Turn Around Time

Human Capital Management

- Internal Competency Development
- Skill Mapping & Enhancement Workshops
- Team based Problem Solving: DMAIC, Quality Circle (QC), Kaizens
- Regular Reward & Recognition programmes

Integrated Quality Systems

- Healthy Consumer Complaints trends - 3.01 CCPMP (Consumer Complaints Per Million Packs)
- Robust System for Critical Complaints resolution within 48 Hrs.
- Quality Index demonstrated sustained trend above 93%
- All Sites are certified with FSSC-22000
- Quality Circle drives to improve FTR across Operations

Visual Management

- Standardised dashboards across all manufacturing facilities using visual displays & visual controls
- Manthan - The War Room: A centralised visual hub across all facilities, enabling SLT to monitor daily KPI trends and perform focused variance analysis

Production Workflow Management

- OTIF consistently in the range of 90%+
- Production Volume increased by 10.6% in Sikkim, 13.5% in Aligarh & 6.68% in Ahmedabad & more than 30% at Co-Packers
- Ever Highest Production - EY Sachet (Sikkim), Fat Spread (Ahmedabad), Glucon-D (Across all sites), Nycil (Across all sites)
- Total 372 Nos. of Kaizen and CI projects completed

Equipment Reliability

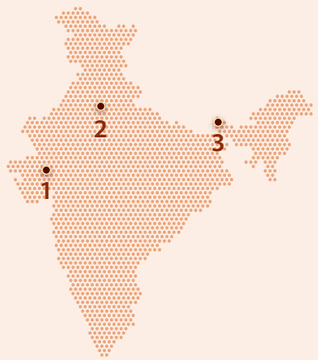
- Use of Computerized Maintenance Management System at Sikkim and Ahmedabad facilities
- Maintenance strategy linked with 'Equipment Criticality Assessment' Matrix
- ERP based 'Spare Parts Management'

We are enhancing our operations by making strategic investments in advanced manufacturing technologies. These investments have improved our production capabilities, optimised our supply chain and speeded up the time it takes to bring our products to market.

Our Advanced Manufacturing Facilities

With state-of-the-art manufacturing facilities - primarily across India and supported by a growing global presence - our manufacturing footprint reflects our commitment to excellence. Each facility is equipped with cutting-edge technologies designed to meet stringent regulatory standards, enhance production efficiency and ensure consistent superior product quality.

During the financial year, we continued to strengthen our manufacturing capabilities to meet the growing demand of FMCG products. In FY 2024–25, our overall production volume increased by 8.9% compared to the previous financial year. Also, anticipating further growth, we have undertaken infrastructural development projects where new manufacturing facilities are being established for various products such as Sugar free D'lite Cookies, Nutralite Cheese, Continuous Butter Making line for probiotic butter range and D'lite Chocolate range adding four manufacturing sections and five service lines to the existing infrastructure.



Indian Manufacturing Locations
1 Ahmedabad
2 Aligarh
3 Sikkim (2 Manufacturing Facilities)

Global Manufacturing Locations
1 UAE
2 Bangladesh
3 New Zealand

Operational Efficiency and Innovation

During the financial year, we made significant strides in improving our operational efficiency across our operational locations. We have invested heavily in improving the system and process through various innovative initiatives ranging from energy-saving projects to supplier consolidation.

> This production boost has been driven by significant improvements in Overall Equipment Effectiveness ("OEE"), enabled by process optimisation, real-time performance monitoring and employee-driven improvement initiatives.

Revitalising Operations for Optimal Performance

We are aligning our efforts to enhance productivity through strategic initiatives aimed at upgrading our equipment and facilities. We consistently invest in cutting-edge machinery and technology enhancements throughout all our manufacturing facilities to optimise production processes and enhance throughput. Our emphasis on operational efficiency enables us to streamline workflows, reduce waste and shorten lead times, leading to cost savings and better responsiveness to market needs.

To empower our workforce to focus on these operational efficiencies, we have implemented a range of capacity-building and training programmes tailored to the specific complexities and requirements of each manufacturing facility. Also, our facilities are enhancing their capabilities through strategic technology upgrades and automation initiatives, all geared towards achieving operational excellence.

Also, during the financial year, we have integrated Lean Manufacturing Principles across operations and across various departments resulting in 370+ Kaizens and 40+ process improvement projects leading in improving the efficiency and a more structured workflow in the operation. This improved and effective thinking reminded us on our strategic priority of cost optimisation.

Manufacturing Facility, Aligarh

Digital Automation

Embracing the significant advantages of automation and digitalisation, we are implementing advanced technologies and digital solutions to enhance our manufacturing processes. This leads to improved operational efficiency, facilitating the global distribution of high-quality FMCG products. By adopting automation and digitalisation, we streamline workflows, reduce human errors and increase both speed and accuracy in our operations.

During the financial year, investments were made in the integration of digital dashboard for five lines of Fat spread at Ahmedabad, seven lines of Everyuth at Sikkim and real time data monitoring system in our Dairy facility at Aligarh, aimed at boosting throughput and maintaining consistent product quality. Automation levels were improved significantly, contributing towards the reduction of human intervention and improve the process reliability.

We have successfully rolled out a major digital transformation programme focusing on readiness for Industry 4.0. The key components responsible for the integration included the deployment of IoT-based sensors for real-time data analytics of fat spread business and Computerised Maintenance Management System ("CMMS") for maintenance management for the packing of Everyuth products and live data monitoring in the dairy plant that has helped in enhancing the equipment uptime and reduced unplanned downtimes. Also, many processes were standardised and repetitive systems were eliminated for data reporting across the operational locations. The digitalisation initiative is further extended to utilities and other remaining lines across the manufacturing facilities.

Sustainable Supply Chain Management

Efficient supply chain management is fundamental to our operational strategy. We cultivate strategic relationships with a varied global network of suppliers and distributors to ensure a continuous flow of raw materials and components. Our adaptable supply chain practices allow us to respond promptly to market demands while preserving product integrity and reliability.

Through comprehensive quality control measures and sustainability efforts, we lessen our environmental footprint and bolster the resilience of our supply chain.

We have consistently advocated 'Made in India' initiatives. To support this, we prioritise domestic markets for sourcing the raw materials needed for our products. During the financial year, we sourced over 97.13% of our requirements from the domestic market.

Approximately 12.03% of our direct sourcing occurs within the district where our facilities are situated, which significantly contributes to reducing our environmental footprint. Currently, 12.34% of our raw and packaging materials are procured from MSMEs and we aim to further enhance this proportion.

Target
Ensuring 100% of Critical Active Suppliers and Co-Packers adherence to the Company's Sustainability Standards by 2030

Enhancing Quality and Safety Management

We are committed to deliver safe, effective and high-quality products to our consumers always. This commitment is underpinned by strict adherence to internationally recognised quality and safety standards across all locations.

We have maintained our focus on quality assurance through adherence to internationally recognised standards. During the financial year, all the facilities were certified or recertified for FSSC 22000, Agmark, HALAL, ISO 22716 and FSAAI Schedule IV underscoring our commitment towards safe, high-quality manufacturing practices. Regular audit and compliance checks ensured alignment with global best practices and continuous improvement in production quality.

To ensure sustained excellence, we conduct regular internal and third-party audits, alongside comprehensive compliance checks. These processes help us benchmark against global best practices, identify opportunities for improvement and drive continuous enhancement in product quality and operational efficiency.

Fostering a culture of quality at every stage of our operations is a strategic priority. We run regular training programmes, awareness campaigns and skill-building workshops for employees across all levels to reinforce quality-conscious behaviours and hygiene practices. These initiatives are designed not only to meet compliance requirements but also to empower our teams with the knowledge and tools necessary to uphold the highest standards.

Our 'Management Review Mechanisms' play a vital role in maintaining accountability and transparency. They also provide strategic direction for future improvements, aligning our operational goals with our long-term commitment to consumer well-being and regulatory excellence.

Manufacturing Facility, Sikkim

Intellectual Capital

Transforming FMCG Excellence Through Innovative Approaches

1	20%	12	Zero
DEDICATED R&D CENTRE	PhD PERSONNELS IN THE R&D TEAM	NEW PRODUCTS LAUNCHED IN FY 2024-25	INSTANCES OF DATA BREACH & CYBERSECURITY INSTANCES

In an ever-evolving FMCG landscape, we are driven by a relentless pursuit of science-backed solutions that elevate consumer health and well-being. Built on a strong base of thorough research, strategic collaborations, a skilled team of scientists and an unwavering quest for excellence, we strive to transform the delivery and quality of FMCG products, paving the way for a healthier future for everyone.

Strategic Diversification and Innovation

At the heart of our success lies a robust, multidisciplinary Research & Development ("R&D") ecosystem. This foundation is not merely a function of scientific inquiry; it is a strategic imperative that supports formulation design, clinical validation, sensory testing and regulatory compliance. By integrating cutting-edge technologies, we have developed a suite of products tailored to the health, nutrition and personal care segments, ensuring that they meet the diverse needs of our consumers.

We integrate advanced instrumentation and analytics to improve data capture and evidence-based development. This strengthens not only product outcomes but also consumer trust.

Our R&D diversification strategy is aligned with global consumer trends and evolving health needs.

We focus on differentiated products in high-growth segments such as personalised nutrition and wellness. Our R&D is working on addressing today's health challenges through its innovative product formulation which are scientifically designed and clinically tested. Balancing sustainability, cost and superior performance has been one of the key guiding principles of our R&D.

Driving High-Impact Innovations from Lab to Life

We launched several science-backed innovations that are redefining FMCG relevance in today's wellness-driven world:

Everyuth Anti-pollution Range

A unique blend of Activated Charcoal beads and Pink Clay (patent pending) helps protect skin from environmental and domestic pollutants (PM2.5), while maintaining moisture and skin sensory experience. This range builds on our feminine brand identity with a functional skincare promise.

Complan ImmunoGro

Designed for children, this advanced formulation includes a blend of immunity-supporting ayurvedic extracts of various herbs validated through pre-clinical and clinical research.

Complan VieMax

Targeted for adults, this nutritional drink contains protein, prebiotics and probiotics to support muscle mass, gut health, immunity and clinically proven to be low GI.

Glucon-D Activor Range

An electrolyte energy drink formulated to replenish, re-energise and refresh with a dual-action combination of glucose and electrolytes.

Sugar Free Gold+

Contains Sucralose and is enriched with micronutrient chromium, which is known to help in blood glucose regulation.

Our product development process employs clear product brief alignment, prototype creations using agile principles, sensory panels, scale up, technology transfer to plant and lab-to-market transition mechanisms to minimise risk and enhance consumer acceptance. The integration of advanced instrumentation - including spectroscopy, texture analysis and stability systems- has significantly improved the precision and predictability of our R&D outcomes. These technologies enable us to refine our formulations and ensure that they meet the highest standards of quality and efficacy.

Translating Science into Public Impact

The Zydus Wellness Institute serves as a dynamic knowledge hub that bridges the gap between cutting-edge scientific research and real-world societal benefits. By transforming complex R&D insights into clear, actionable education, the institute empowers healthcare professionals and consumers. Through scientific symposiums, expert panels and targeted educational programmes on topics such as sweeteners and nutrition, it fosters informed decision-making and healthier lifestyles.

Our Approach to Cybersecurity & Data Privacy

As the digital landscape evolves, the organisation has embarked on a comprehensive journey to protect both our and customer data. This journey began with the implementation of advanced cybersecurity measures, including Zscaler for secure data filtering and CrowdStrike software, which serves as both Endpoint Detection & Response ("EDR") and anti-virus, enforcing data privacy by blocking USB ports and controlling data flow through them. These technologies form the backbone of the cybersecurity framework, ensuring that sensitive information remains secure in an increasingly complex threat environment.

We have a formal Cybersecurity Policy and Framework in place, which is internally available to all employees. We provide regular training sessions to our employees and ensure ongoing internal communications to foster a culture of cybersecurity awareness among employees.

We conduct regular assessments and audits to ensure adherence to regulations. We have also implemented a governance structure that involved periodic assessment of Vulnerability Assessment & Penetration Testing ("VAPT") to identify and mitigate potential vulnerabilities in its IT applications and websites. Additionally, the establishment of Standard Operating Procedures ("SOPs") ensures that the IT infrastructure remains resilient against cyber threats, while a comprehensive Business Continuity & Backup Plan is tested annually to ensure system availability and data integrity. During the financial year, there were no data breaches, reinforcing our strong commitment to a secure, resilient and trustworthy digital environment.

As a part of our commitment to sustainability, we have prioritised responsible IT practices, including e-waste management through certified partners and initiatives to improve energy efficiency in our IT infrastructure. Consumer data protection being one of the paramount goals we have placed mechanisms to safeguard customer data, particularly Personally Identifiable Information ("PII"). We continue to navigate the evolving digital landscape, it is our mission to provide a secure and sustainable environment, paving the way for continued success in the industry.

Natural Capital

Nurturing Our Future and Attaining Sustainable Goals

TCFD
BASED CLIMATE RISK ASSESSMENT AND MITIGATION PLAN CONDUCTED

88.3%
GREEN FUEL CONTRIBUTION IN MANUFACTURING OPERATIONS

2 MW
SOLAR POWER PURCHASE AGREEMENT FOR ALIGARH FACILITY

7.35%
REDUCTION IN SPECIFIC WATER CONSUMPTION OVER FY 2023-24

22.18%
REDUCTION IN SPECIFIC ENERGY CONSUMPTION OVER FY 2023-24

ALL FACILITIES ARE CERTIFIED TO ISO 14001:2015 STANDARDS

BIODIVERSITY RISK ASSESSMENT CARRIED OUT AT ALL OPERATIONAL LOCATIONS

Climate change represents a major global challenge that affects health, biodiversity, habitats, livelihoods, ecosystems and weather patterns. In response, we are focused on attaining carbon-neutral growth and leading our industry in environmental responsibility. We have implemented targeted strategies to lessen our environmental impact and safeguard ecosystems. Through our proactive initiatives, we are committed to enhancing community well-being and nurturing the planet.

Targets

- Energy saving of 50% by 2030
- Reduction of freshwater consumption by 25% by 2030
- Zero Liquid discharge and Zero Waste to landfill by 2030
- Achieve Carbon Neutrality by 2040 for all operations

Driving Net Zero

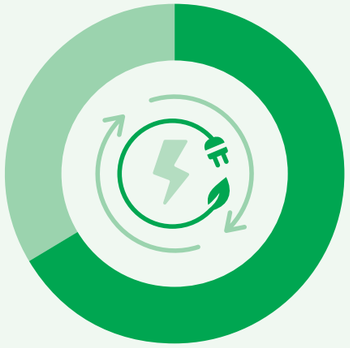
We aim to attain carbon neutral operations by 2040 and are undertaking concrete efforts to reduce our emissions and energy footprint. We aim to achieve this by implementing robust accounting and mitigation strategies for all our emissions, including direct and indirect greenhouse gas emissions, categorised under Scope 1, 2 & 3.

Energy Management

We are committed to responsible energy and emissions management across our operational locations. Our direct emissions are from the use of fuels like biomass briquettes, diesel, as well as refrigerants used in our processes. In the reporting period, 88.3% of our energy consumption in our manufacturing operations, were met through green fuels such as briquettes and husk, reinforcing our commitment to reducing GHG emissions and promoting the principles of a circular economy.

Furthermore, a 2 MW Solar Power Purchase Agreement has been executed for the Aligarh Facility, marking a significant step in our transition towards renewable energy solutions.

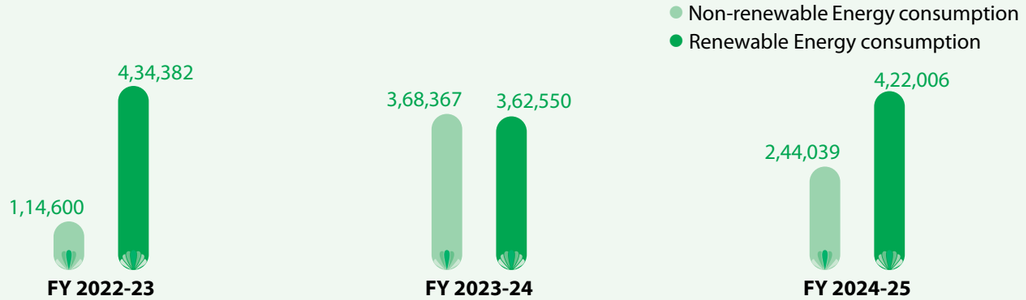
Energy consumption (GJ)



Non-renewable Energy consumption
2,44,039

Renewable Energy consumption
4,22,006

Energy consumption within the Organisation (GJ)



The methodology and emission factors considered for the calculation of energy consumption are in alignment to GHG Protocol, WRI & IPCC (Stationary).

Emission Management

We prioritise the reduction of greenhouse gas ("GHG") emissions as a key step towards achieving carbon neutrality. To reduce our environmental impact, we have implemented various initiatives aimed at optimising energy use and improving efficiency, thereby lowering emissions. To combat this, we have established annual internal benchmarks to decrease emissions and have implemented monitoring systems to track our progress. The following depicts our action plan:

Emission Reduction Action Plan

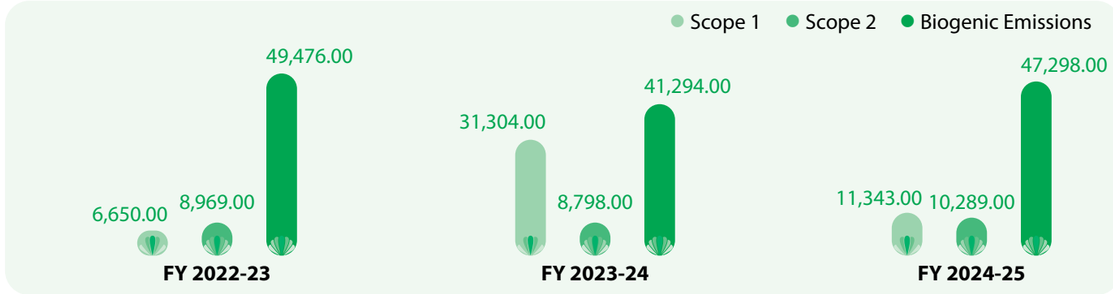
Scope 1 & 2

- Accelerating the transition to renewable energy consumption
- Reducing specific energy consumption
- Improving energy efficiency

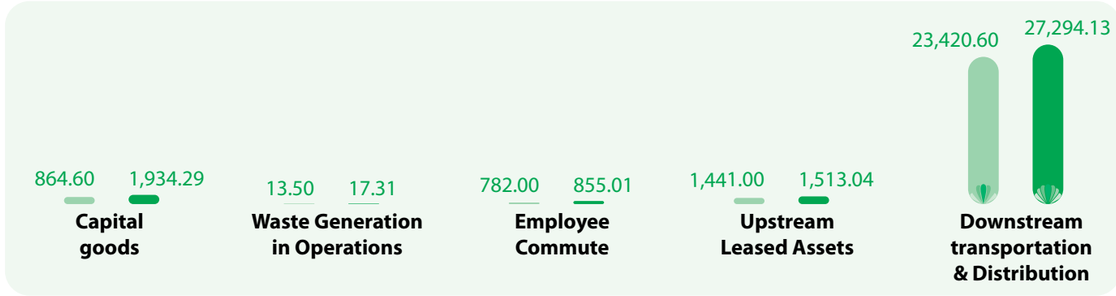
Scope 3

- Decarbonising our product emissions during the downstream

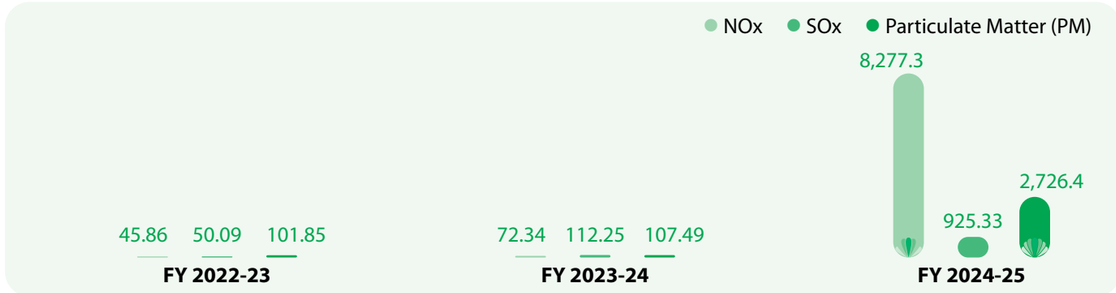
GHG Emissions (tCO_2e)



Scope 3 Emissions (tCO_2e)



Air Emissions (mg/Nm^3)



Climate Risk Management

In FY 2023-24, we implemented the Task Force on Climate-Related Financial Disclosures ("TCFD") framework to identify and evaluate potential climate-related risks to its business operations. This assessment encompassed all operational locations including sites and offices, to identify potential physical and transition climate-related risks. The physical risk evaluation was conducted using modelling tools, comprehensive assessments and site-specific risk analyses. For transition risks, scenario analyses were performed based on the scenarios provided by the International Energy Agency ("IEA") and the Network for Greening the Financial System ("NGFS"). The transition risks evaluated included Regulatory (Current and Emerging), Technology, Legal, Market and Reputational Risks.

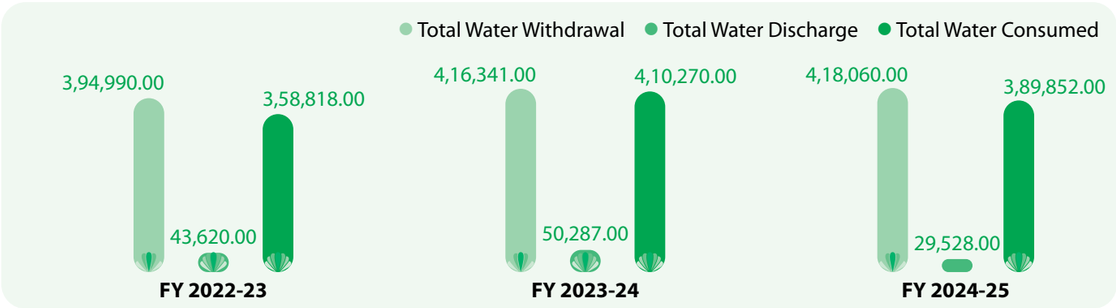
The findings from the TCFD Risk Assessment indicate that the Company is not currently exposed to high or medium (physical and transition) risks in the near term. Given the dynamic nature of climate scenarios, we will continue to review this assessment and formulate an action plan to address any relevant shortcomings. Detailed information regarding our assessment can be found in our Climate Transition Strategy Report, uploaded on the website of the Company.

Water Management

We recognise that water is a critical resource and is committed towards responsible usage across our operations. We are establishing robust systems to track and monitor our water consumption, withdrawal, discharge and efforts to recycle and reuse waste water.

Two of our manufacturing locations- Ahmedabad and Sikkim are Zero Liquid Discharge. Further, in Aligarh facility the treated discharge is largely used for Gardening and Landscaping and the treated discharged water is monitored by 'Online Continuous Effluent Monitoring System' which is linked to CPCB and SPCB portals for real time data.

Water Management (kL)



Water Withdrawal by sources (FY 2024-25) - kL

Surface water 62,658.00

Ground water 3,55,402.00

We have implemented comprehensive water efficiency management programmes across all operations to optimise water usage, enhance waste-water quality and promote recycling.

Waste Management

We are cognizant of the importance of proper waste management to prevent pollution and other adverse impacts. Our operations generate various types of waste including hazardous waste, non-hazardous waste, e-waste, biomedical waste, etc.

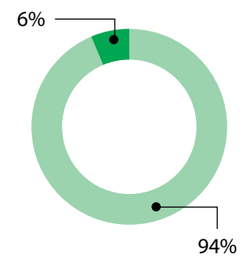
All waste generated is routinely tracked and recorded and are sent to third-party for recycling/disposal in compliance with government regulations.

In FY 2024-25, we have undertaken an internal audit of our manufacturing locations for accurate classification of waste categories and identify opportunities to reduce waste generation.

Waste Generated

Type of Waste	Waste Category	Unit	Waste Generated
Hazardous Waste	Used Oil	MT	3.2
	ETP	MT	101.5
	Process Residue Waste	MT	7.8
	Total Hazardous Waste	MT	112.5
Non-Hazardous Waste	Glass	MT	0.9
	Plastic Waste	MT	328.5
	Metal	MT	104.1
	MLP	MT	204.8
	Paper	MT	342.1
	PP	MT	480.1
	Wooden	MT	13.1
	General Scrap	MT	125.8
	Food Waste	MT	743.9
	Total Non-Hazardous Waste	MT	2,343.3

Waste Recycled and Co-Processed (MT)

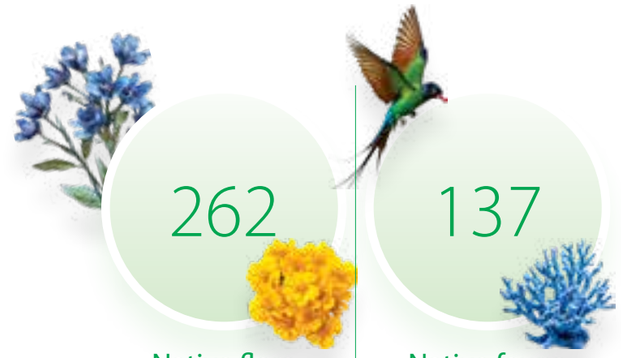


- Recycling waste
- Co-processing

- 100% - Extended Producer Responsibility ("EPR") target achieved
- No fines were paid related to environmental issues

Biodiversity Conservation

We prioritise biodiversity and its significance in fostering a sustainable future. By implementing sustainable land use practices, habitat restoration projects and initiatives to protect endangered species, we incorporate biodiversity considerations into our decision-making processes. This dedication helps maintain ecological balance and aids in the conservation of biodiversity hotspots. Managing biodiversity is essential to our operations, as demonstrated by our continuous Biodiversity Impact Assessment studies conducted at all our manufacturing facilities.



262 Native flora species identified

137 Native fauna species identified

Human Capital

Shaping Success with Passion and Purpose

294	88%	86	46,751	100%	Zero
NEW EMPLOYEES HIRED	POSITIONS FILLED THROUGH INTERNAL HIRING	TRUST INDEX© SCORE, REFLECTING A 23% IMPROVEMENT IN 4 YEARS	TOTAL TRAINING HOURS	WORKFORCE TRAINED ON HUMAN RIGHTS	REPORTABLE SAFETY INCIDENTS ACROSS ALL SITES

We recognise that our human capital is fundamental to our long-term success and the sustainable growth of our business. Our core philosophy revolves around supporting people in their pursuit of health and well-being, a principle that extends intrinsically to our employees. We are dedicated to cultivating a workplace that is nurturing, stimulating and respectful for each individual.

Workforce Profile

We categorise our workforce into two primary categories: employees and workers, each of which is further segmented into permanent and non-permanent roles. As of March 31, 2025, we had a total of 1,088 employees, comprising 1,041 permanent employees and 47 non-permanent employees. The permanent employee base saw a significant year-on-year growth of 34% compared to FY 2023-24, reflecting our continued focus on strengthening our core talent pool and supporting long-term business growth.

In addition to employees, our worker base - which includes individuals engaged primarily in operational and support roles- totalled 2,426 in FY 2024-25. This included 206 permanent workers, who form a stable and skilled part of our operations and 2,220 non-permanent workers, who are typically employed through third-party contractors or for specific assignments that require flexibility in deployment.

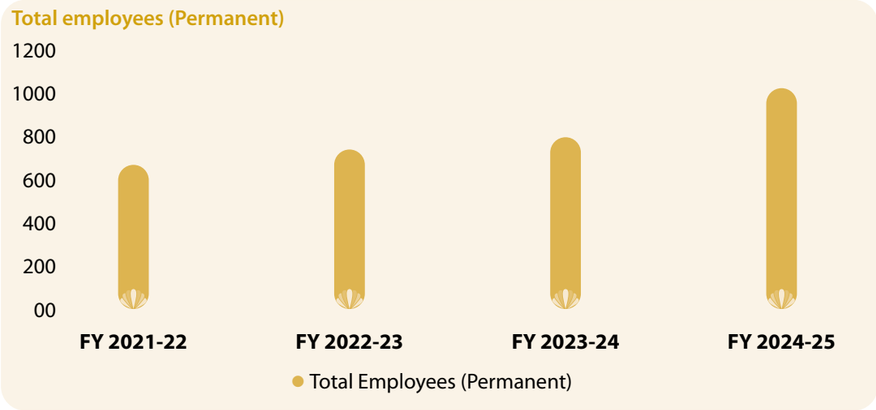
We are committed to fostering a diverse and inclusive workplace, with gender diversity being a key focus area in our human capital strategy. As of March 31, 2025, women represented 7% of our total workforce, with 261 women employed across both employee and worker categories. Within our permanent employee base, 6.5%, 68 female employees out of 1041 total permanent employees, were women, reflecting our ongoing efforts to promote gender balance in managerial and professional roles. Additionally, we continue to engage women in operational and support functions, with 181 female workers contributing significantly by 7% to our front-line workforce.

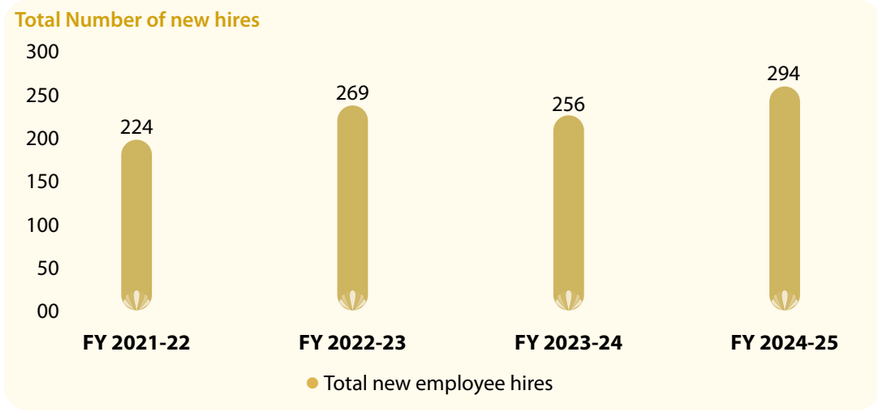
Freedom of Association

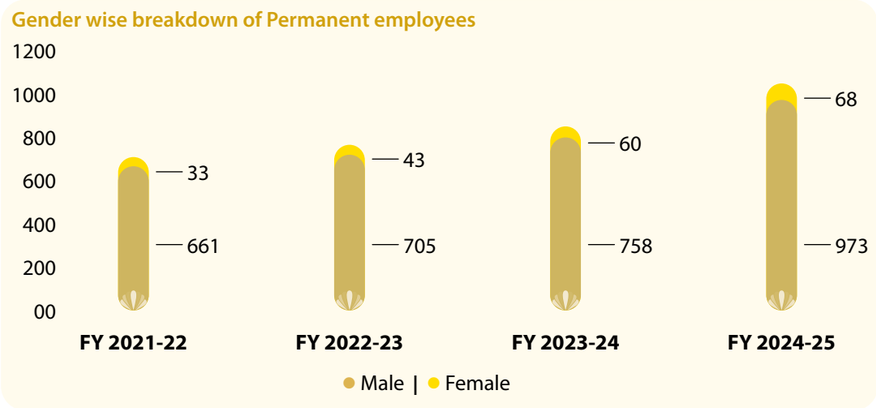
A significant aspect of our workforce is the representation of employees by independent trade unions or collective bargaining agreements. Currently, 72% of our permanent workers are covered under such agreements. The total population eligible for union coverage is 206 out of which a total of 148 employees being represented by unions. Permanent employees are not part of any Associations or Unions. 100% of our on roll employees and workers are paid more than minimum wage required.

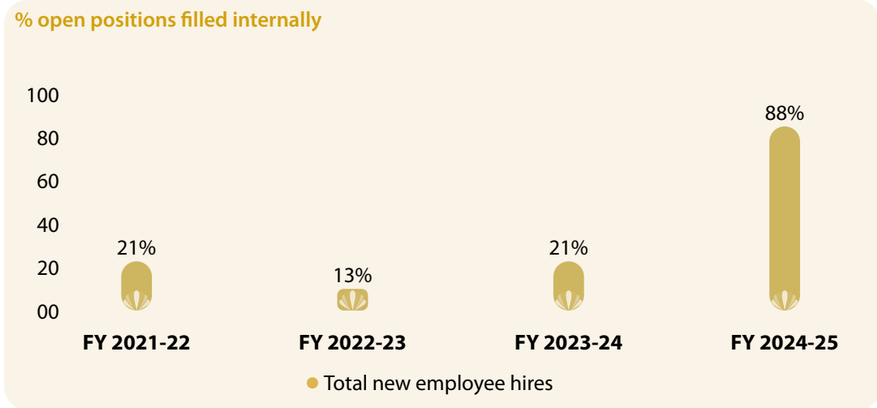
For employees represented by collective bargaining agreements, the notice period and provisions for consultation and negotiation are clearly specified within these agreements, reinforcing our commitment to transparent communication and employee engagement. We ensure that all affected employees are clearly informed of any operational changes and are given ample time for consultation and preparation.

1,247	1,177	70	38
TOTAL PERMANENT WORKFORCE	MALE WORKFORCE	FEMALE WORKFORCE	AVERAGE AGE OF WORKFORCE





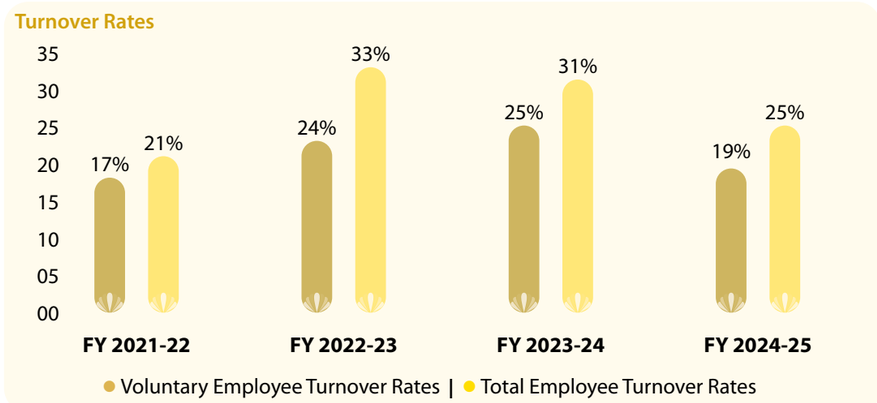


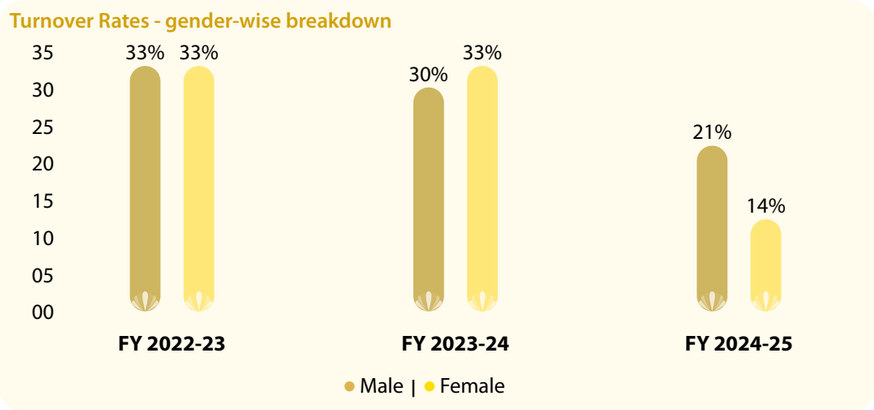


Attracting and Retaining Talent

We believe that having the **'Right Person in the Right Role'** is essential for the success of business operations and the growth of the organisation. Proper employee hiring is crucial in reaching organisational goals and fostering a healthy work environment. The process of selecting and on-boarding new employees goes beyond merely filling a vacant position; it is about shaping the future of the Company.

During the FY 2024-25, total 294 permanent employees were hired, of which 20 were female and 274 were male. 88% was through Internal hiring. There has been a significant decrease in turnover rate as compared to FY 2023-24. The turnover rate for FY 2024-25 for male employees were 21% and for female employees were 14% as compared to 30% and 33% respectively in the previous year.





Diversity, Fairness and Inclusion

We are deeply committed to fostering an inclusive workplace that provides equal opportunity and values diversity in all its forms. We have taken a target to achieve zero discrimination based on gender, caste, colour and creed. We treat all job applicants fairly and do not support any form of unlawful discrimination. We respect all related laws in our employment decisions and do not discriminate against individuals based on race, colour, gender, age, nationality, religion, sexual orientation, gender identity or expression, marital status or disability. However, the emphasis will continue to remain on merit, skill fitment and business requirement.

As of FY 2024-25, women hold 14.3% of Board positions within the organisation. As a key diversity metric, the percentage of our permanent female employees was 6.5% as of March 31, 2025, an increase from 6.3% in the previous year.

In FY 2024-25, the gross wages paid to female employees constituted 7% of the total gross wages paid, an increase from 5.4% in the previous year. We support equal gender pay and ensure that employees are paid equally based on their experience, qualification etc. Among employees other than Board and Key Managerial Personnel, workforce with 715 male employees are earning a median salary of ₹ 14.50 Lakhs, compared to 56 females who receive a higher median remuneration of ₹ 20 Lakhs. In the workers' category, there are 200 males earning a median wage of ₹ 7.38 Lakhs, while 2 females earn a significantly lower median wage of ₹ 2.93 Lakhs.

14.3%
GENDER DIVERSITY IN BOARD

7%
FEMALE WORKFORCE

7%
GROSS WAGES PAID TO FEMALE EMPLOYEES

Employee Training & Development

We consider investment in employee training and development as critical for enhancing capabilities, promoting cultural alignment and reinforcing health and safety standards across the organisation. The total training hours amounted to 46,751 hours, an increase from 45,351 hours in FY 2023-24. The average training hours per Full-Time Equivalent ("FTE") were 38 hours, which was 46 hours in the previous year. Additionally, the average expenditure per FTE on training and development was ₹ 6,420, compared to ₹ 6,734 in FY 2023-24. These metrics underscore our ongoing focus on employee development and organisational growth.

38
AVERAGE TRAINING HOURS PER FTE

₹ 6,420
AMOUNT SPENT PER FTE ON TRAINING AND DEVELOPMENT

4
TRAINING PROGRAMMES HELD FOR BOD & KMP'S

100%
COVERAGE OF BOD & KMP'S UNDER TRAINING PROGRAMMES

While leadership development and training programmes go a long way to help employees achieve their career goals, they also help the business achieve their strategic objectives and acquire a competitive advantage. We design such programmes and help create new leaders with the goal of long-term value creation. Enhancing managerial and behavioural capabilities is a common theme for these programmes. Our key programmes include ASPIRE and SHINE, as follows:

ASPIRE

AMBITION | **S**UCCESS | **P**ERFORMANCE | **I**NTEGRITY | **R**ESILIENCE | **E**XCELLENCE

ASPIRE is a curated leadership development journey for DGM and above, designed to sharpen strategic thinking, drive business performance and strengthen leadership impact. It aligns with our NEEV competency framework, which defines six competencies for evaluation across all employee levels and aims to develop future-ready leaders equipped to lead with clarity conviction.

SHINE

Supporting **H**er to **I**nspire, **N**avigate and **E**xcel

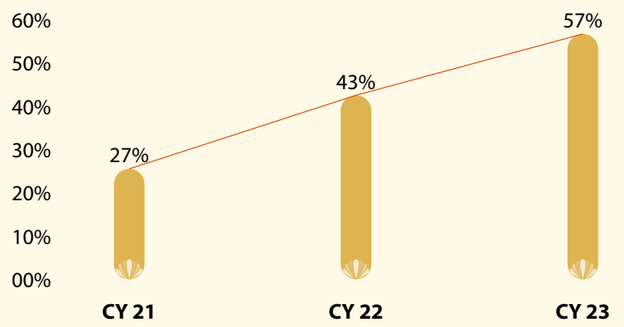
SHINE is a focused development programme for our women professionals, aimed at enabling career growth, building confidence and nurturing leadership potential. Conducted over four months in partnership with Marching Sheep, SHINE reflects our commitment to fostering an inclusive and empowering workplace culture.

Employee Career Development and Performance reviews

We employ a Balanced Score Card ("BSC") approach that incorporates both financial and non-financial measures to deliver a comprehensive view of past performance while also providing insights into future performance. The BSC serves as a robust framework that emphasises the alignment of measurable objectives across ***four key dimensions: Financial, People (Learning and Development), Process and Customers.*** This approach is favoured over Management By Objectives ("MBO") due to its broader scope, which integrates organisational goals and strategies. We have also established various structured processes for effective performance management involving different external agencies tailored to various levels of management.

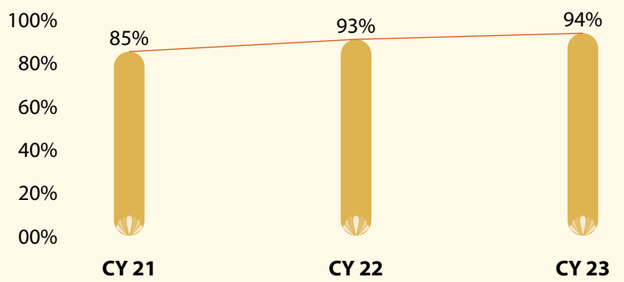
86%
EMPLOYEES COVERED IN PERFORMANCE REVIEWS

No. of employees participated in performance feedback survey*



* Survey is conducted as per Calendar Year ("CY"). Data for CY 2024 yet to be assessed.

Overall Satisfaction Level for Performance Review



* Survey is conducted as per Calendar Year ("CY"). Data for CY 2024 yet to be assessed.

HOGAN 360

The Hogan 360° is a research-backed leadership assessment that captures feedback from managers, peers, and direct reports, offering actionable insights into a leader's behaviors, effectiveness, and influence across key stakeholder groups.

Jombay Assessment

The Jombay Assessment is a behavioral and personality-based tool designed to evaluate competencies, potential, and development areas aligned to leadership and functional roles.

SHL

We build people to build our business- this has been our motto and a way of life. We believe that it is our people who have made all the difference in our journey of growth over the years. It is the Zydus spirit of keeping the organisation before themselves, working together as a team to make things happen, thinking differently and making innovation a part of our DNA and creating a culture of trust and oneness that has been our greatest asset. As a future-focused organisation, our growth has always been dynamic with a plethora of opportunities. This has been a unique strength of our organisation and an essential part of our value proposition - GROW which looks at Global opportunities, Respect, recognition, care and building talent, Opportunities across the value chain and Working with the best. We have collaborated with SHL for the assessment process.

Phase I (Online Assessment- 70 mins): It is an online assessment comprising of following two questionnaires and one survey. The average time mentioned below is the average time taken to respond and these are not timed assessments:

1. Occupational Personality Questionnaire ("OPQ")
2. Motivation Questionnaire
3. Experience Survey

Phase II (One-on-One interaction) - 4.5 hours

Team Based Performance Appraisal

We have a well-defined process of Performance Appraisal encompassing both- Individual as well as Team performance. The Variable pay has got much higher weightage on team performance than the weightage assigned to Individual Performance.

Variable Pay Out calculation puts weightage on the following:

1. Top Line performance measured through Top line growth of the Company

2. Bottom Line performance measured through PBT of Company

3. Individual performance (PEAK Score) measured through KPIs and par growth for revenue functions

Agile Conversations

Agile Conversations foster collaboration and shared understanding through structured dialogue. It encourages active listening, enquiry and alignment on goals. We use Situation Behaviour and Impact ("SBI") Model to support Agile Conversations. This model helps in providing structure to positive and negative feedback, thereby assisting the team to adapt to change.

We have introduced various rewards and recognition programmes, such as Shout Out, Zydus Value Awards, Every win counts and pat on the back, Team Awards, Long Service Awards, CEO Awards, Annual Conference, Zydus Group Awards, SLIM Awards etc.

These are focused on building a culture of appreciation and recognition, celebrating individual and team achievements, promoting core values and encouraging continuous improvement within the organisation.

Great Place to Work

In FY 2024-25, we continued to strengthen our people-first culture, achieving the Great Place to Work® certification for the third consecutive year. This recognition reflects our ongoing focus on building a workplace grounded in trust, fairness and a shared sense of purpose.

Our efforts to enhance employee engagement and organisational alignment are evident in the TRUST INDEX© Score, which climbed to 86 in FY 2024-25- up from 81 in the previous year and representing a 23% improvement since our first certification in 2022. We believe that a truly great workplace is one where employees feel empowered, connected and supported. Key indicators considered for the survey and assessment include overriding sentiment, retention, advocacy, motivation and discretionary effort.

As a result of focused cultural initiatives, employees are now able to dedicate approximately 20% more of their time to meaningful, high-impact work, driving both individual productivity and business outcomes.

To continuously capture employee sentiment and guide our improvement efforts, we conduct a Pulse Survey across all locations. The survey evaluates five key dimensions:

- Work positivity and productivity
- Manager support and feedback system
- Perceived trust, arising from the level of awareness of business information and trust in leadership decisions
- Collaboration, among functional and cross-functional units
- Work Hygiene, enabled by continuous learning environment, clarity in the role and making a positive difference to the business

Employee Well-being

Our financial and non-financial benefits are tailored to align with the diverse needs of our workforce, taking into consideration factors such as employment conditions, locations, gender and human rights. This approach ensures that all employees are supported and motivated, regardless of their specific circumstances.

We aim to provide a comprehensive range of financial and non-financial benefits that cater to the diverse needs of our employees. These include customised benefits packages based on role and contract type, flexible compensation plans, region-specific perks, maternity and paternity leave and Equal opportunity Benefits. We also prioritise inclusive healthcare plans that address a wide range of medical conditions. On the non-financial side, we promote work-life balance through flexible working hours and generous leave policies, while offering continuous professional development opportunities to support career growth. Regular employee surveys and focus groups ensure that our benefits remain relevant and valuable.

We are dedicated to the holistic well-being of our employees, addressing physical, mental, emotional, spiritual and financial aspects of health. To provide comprehensive support, the organisation has implemented a range of practices and programmes. For physical well-being, we offer on-site fitness centres in Ahmedabad and Mumbai, regular health screenings and ergonomic workspaces designed to minimise strain and prevent injuries. In terms of mental well-being, our Employee Assistance Programmes ("EAP") provide confidential counseling services, stress management workshops and flexible work arrangements to help employees manage stress and maintain a healthy work-life balance. Emotional well-being is fostered through recognition and reward programmes that celebrate employees' efforts and achievements, boosting morale. Additionally, our financial well-being initiatives include workshops on financial literacy, investment strategies and competitive insurance and retirement plans to ensure employees' financial security. Through these comprehensive practices and programmes, we strive to create a supportive environment that nurtures the overall well-being of our employees, enabling them to thrive both personally and professionally.

PRISM – Workshop on MBTI based intervention for Marketing team

Human Rights

We strive to protect and respect human rights within the organisation at all times through a comprehensive and structured mechanism that aligns with global standards and ethical practices. Our approach begins with a policy framework, including a human rights policy, a Code of Conduct that emphasises our commitment to human rights, non-discrimination, equal opportunity and the right to a safe and respectful workplace. We also enforce anti-harassment (including sexual harassment) and anti-discrimination policies to ensure fair treatment for all employees.

To promote awareness, we provide regular training sessions on human rights, workplace ethics and the importance of diversity and inclusion, complemented by ongoing awareness campaigns that educate employees about their rights and our responsibilities. All of our employees and workers are provided with training on Human rights issues and the policies of the entity. Our grievance redressal mechanism allows employees to report any human rights violations or unethical behaviour confidentially and impartially, supported by a Whistle Blower Policy that protects those who come forward.

Additionally, we conduct regular internal assessments to ensure compliance with human rights standards and identify areas for improvement, while holding leaders accountable for upholding these practices.

We have a zero child labour and zero forced labour policy in place as a part of Human Rights Policies, our Code of Conduct and Vendors' Code of Conduct and is applicable to all our facilities and subsidiaries. The policy is also extended to our business partners and suppliers. In FY 2024-25, we reported zero incident of violations involving rights of indigenous people.

Zero
COMPLAINTS RECEIVED ON HUMAN RIGHTS

Zero
POSH COMPLAINTS

Occupational Health & Safety

We uphold stringent health and safety measures through a range of initiatives, including regular training sessions, awareness programmes, mock drills and the establishment of a dedicated Occupational Health Centre equipped with visiting doctor facilities. These efforts foster a culture of safety and support the organisation's objective of achieving 'Zero Harm'. Additionally, Occupational Health & Safety ("OHS") is integrated into our operations, guided by our Occupational Health and Safety Policy. We are committed to achieving Zero LTI and adherence to defined Safety Standards.

All of our manufacturing facilities. Ahmedabad, Aligarh and Sikkim are ISO 45001:2018 and FSSC 22000 certified. We are pleased to report zero reportable safety incidents and fatalities in FY 2024-25. We conducted multiple training programmes on health and safety for our workforce and 9% of our employees and 65% of workers were trained under training programme on health and safety measures. We conduct regular assessments of health and safety practices, covering 100% of our facilities and offices in FY 2024-25.

Workshop on the Gift of presence

Mentoring Workshop for Leadership team

Zero
RECORDABLE WORK-RELATED INJURIES

Zero
FATALITIES

ISO 45001:2018
CERTIFIED- ALL FACILITIES

FSSC 22000
CERTIFIED- ALL FACILITIES

100%
FACILITIES ASSESSED FOR HEALTH AND SAFETY MEASURES AND WORKING CONDITIONS

We have established a documented Hazard & Risk Assessment ("HIRA") sheet for all processes, which allows us to identify the risks associated with operational activities and implement mechanisms to safeguard our employees from these hazards. Additionally, we have instituted a Work Permit System at all facilities to mitigate risks related to non-routine activities.

A Plant Safety Committee, comprising equal representation from management and workers, meets monthly to discuss and resolve occupational safety risks reported by workers. Furthermore, we hold monthly meetings with contractual employees to address their health and safety concerns.

We also ensure that Personal Protective Equipment ("PPE") is provided to employees as needed to enhance their safety and protection from risks.

We follow a comprehensive Safety Management System to ensure a safe workplace environment. Some of the key aspects are:

OHS Risk Assessment:

Systematic identification of potential hazards in the workplace

Assessment of risks to understand what could cause harm

Prioritisation & Target Integration:

Quantified targets established to address identified risks

Integration of action plans to mitigate risks and enhance safety

Emergency Preparedness:

Integration of actions to prepare for and respond to emergency situations

Employee training on emergency evacuation, fire extinguisher operation and rescue methods

Progress Evaluation:

Management evaluates progress in reducing health and safety risks against predefined targets

Internal inspections are conducted to ensure ongoing safety compliance

Incident Investigation:

Procedures in place to investigate work-related injuries, illnesses, diseases and incidents

Adequate measures implemented to prevent recurrence

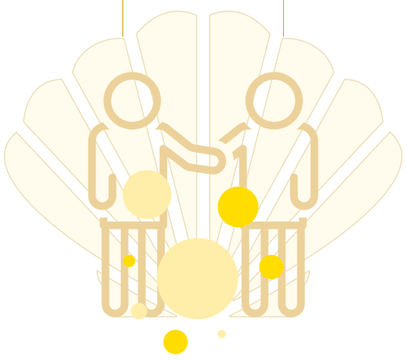
OHS Training:

Training programmes provided to employees and relevant parties to raise safety awareness

Topics include machine safety, hazard reporting, defensive driving and more

Procurement & Contracts:

OHS criteria in-corporated into procurement and contractual requirements to ensure safety compliance

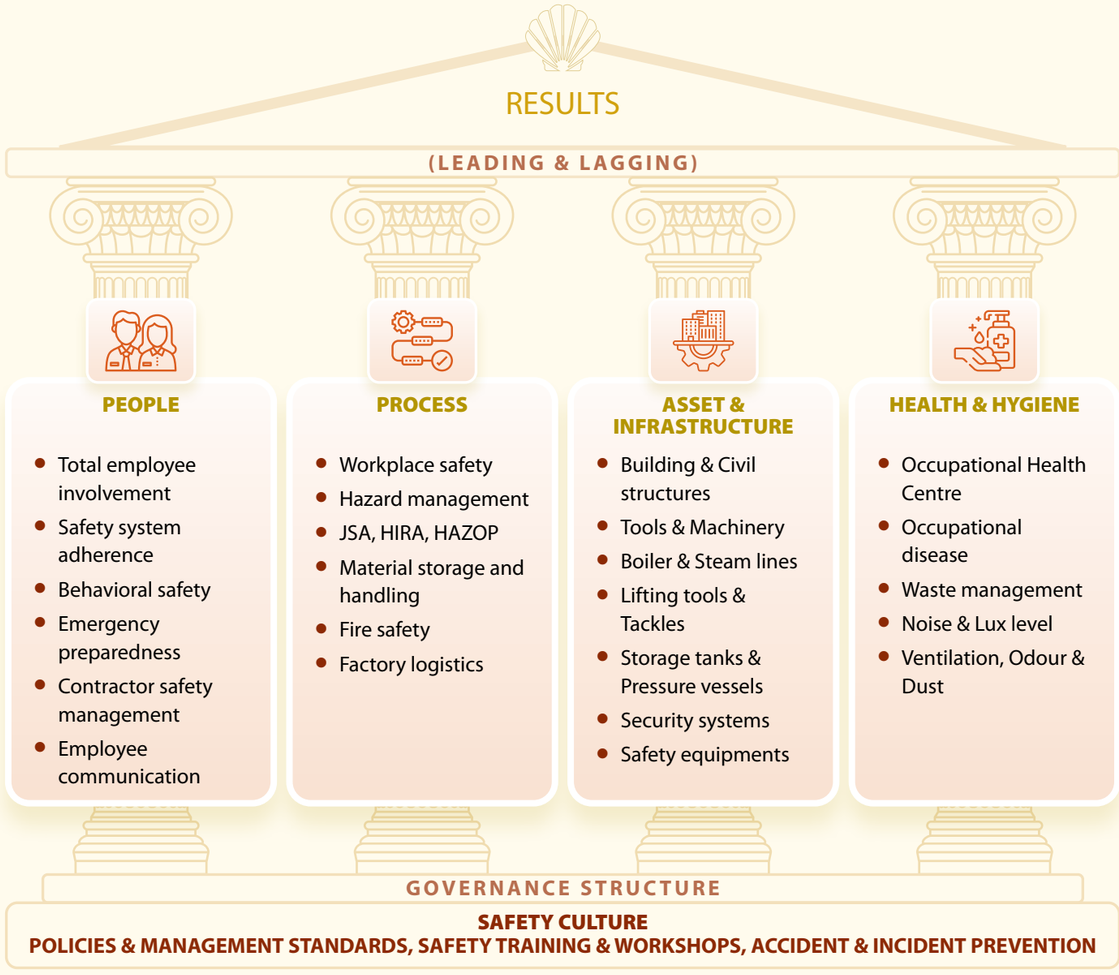


SanKalp

Sanraksha Dil Se

SanKalp - Sanraksha Dil Se is a comprehensive Occupational Health & Safety programme designed to embed a culture of Safety across our value chain. The SanKalp framework establishes a structured process to achieve a safe, sustainable and injury-free workplace.

Built on the strong foundation of Safety Culture supported by robust governance structure; its four core pillars - People, Process, Assets and Infrastructure and Health and Hygiene- focus on adherence to safety systems through 'Total Employee Involvement'. With 'Sanraksha-Dil Se' (Safety from the Heart) as its guiding principle, SanKalp aims to create a sustainable, injury-free workplace through collaboration, accountability and continuous improvement.



Social and Relationship Capital

Partnering for Progress and Shared Value

₹ 6.41 million	5 Lakh	Zero	Zero	Zero
CSR SPEND	DIRECT CSR BENEFICIARIES	DATA BREACHES	COMPLAINTS ON DATA PRIVACY OR CYBERSECURITY	ADVERTISING COMPLAINTS

At Zydus, our purpose, encapsulated in our vision to ***'bring wellness to your life',*** extends beyond the products we offer to the relationships we cultivate with our stakeholders. Our engagement with our stakeholders represents the networks and connections we have with communities, customers, employees, suppliers and other partners, built on trust, collaboration and mutual well-being. We have maintained long term relationships with our key stakeholders in order to understand the needs, concerns and deliver value. This chapter is integral to our long-term sustainability, enabling us to understand and respond to societal expectations, manage risks and create shared value.

Engaging our Stakeholders

Understanding the needs and concerns of our stakeholders is fundamental to our operations. We employ structured processes, including stakeholder consultation, to identify and manage material environmental and social topics. Our most recent comprehensive materiality assessment, conducted in FY 2023-24, involved key stakeholders and provided valuable insights into their priorities and areas of concern. This assessment is integrated into the Company's risk management framework.

We are committed to engaging with various stakeholder groups, including vulnerable and marginalised communities, to understand their unique needs and perspectives and support their social and economic inclusion. Engagement events, both statutory and internal, are part of this commitment.

We have established a comprehensive grievance redressal mechanism to ensure that all stakeholders, including communities, investors, shareholders, employees, customers and value chain partners, can voice their concerns effectively. Our commitment to addressing grievances is reflected in our dedicated channels for communication, such as a customer relationship cell for customers and specific contact points for investors and shareholders. We have also implemented various policies that guide our grievance handling processes, ensuring transparency and accountability.

For instance, our Human Rights Policy & Whistle-blower Policy outline the procedures for employees and workers, while vendors can resolve issues through meetings and specified communication channels. This structured approach not only facilitates timely resolution of complaints but also reinforces our dedication to stakeholder engagement and satisfaction.

DoodhShakti Program, Community Engagement initiative

Building Strong Supply Chain Relationships

Our relationships with suppliers are critical, not only for operational efficiency but also for extending our sustainability commitments across the value chain. We have a comprehensive supply risk assessment framework in place. Our raw material suppliers, packaging suppliers and third-party manufacturing facilities are assessed on 30 ESG parameters. To ensure our supply chain aligns with our broader sustainability commitments, we have introduced an ESG checklist as a vital complement to our established Supplier Qualification Audit. This comprehensive tool extends our assessment beyond the traditional metrics of Quality, Cost and Delivery ("QCD"), allowing us to thoroughly evaluate suppliers across all categories – including raw materials, packaging, services and transportation – on crucial ESG criteria. This process includes gap assessment and documentation of action taken, with oversight from our internal audit team. We maintain rigorous standards in our supplier relationships to ensure the highest quality, food safety and timely availability necessary for seamless business operations. Regular communication with our diverse suppliers is key to consistently meeting these standards. Additionally, we have established a systematic supplier audit process, conducted at regular intervals, to verify compliance with quality and regulatory requirements.

Sustainable Supply Chain - Milk Procurement:

Our supply chain network is designed to ensure efficient milk procurement, collecting 4,00,000 litres of milk daily through 36 strategically located collection centers in and around Aligarh and neighbouring districts. We take pride in our direct collaboration with 25,000 farmers, fostering long-term relationships built on trust and mutual growth. Our unwavering commitment to quality and safety is reinforced through rigorous testing and complete traceability throughout the supply chain. We also maintain a transparent and fair payment system that guarantees timely and equitable compensation for our farmers. Our Milk Procurement Policy emphasises the development of a fair, inclusive and sustainable dairy value chain, promoting long-term benefits for farmers and responsible sourcing while driving community development.

As part of our community engagement initiatives, we organised 25 Dairy Development Camps aimed at enhancing the livelihoods of small and marginal farmers. These camps focus on raising awareness among milk farmers about disease prevention in animals, aligning with our belief that 'Prevention is better than Cure'. During these camps, farmers receive valuable information on creating and maintaining a stress-free environment for their animals, the importance of clean and sufficient water in their diet, infertility treatments, quarterly deworming and annual vaccinations. Additional activities include the distribution of free mineral mixture samples to promote nutrition in milch animals, providing free deworming medicines to improve animal health and productivity, establishing a farmer helpline to address dairy farming queries and capacity building in sustainable dairy farming practices.

Watch the film

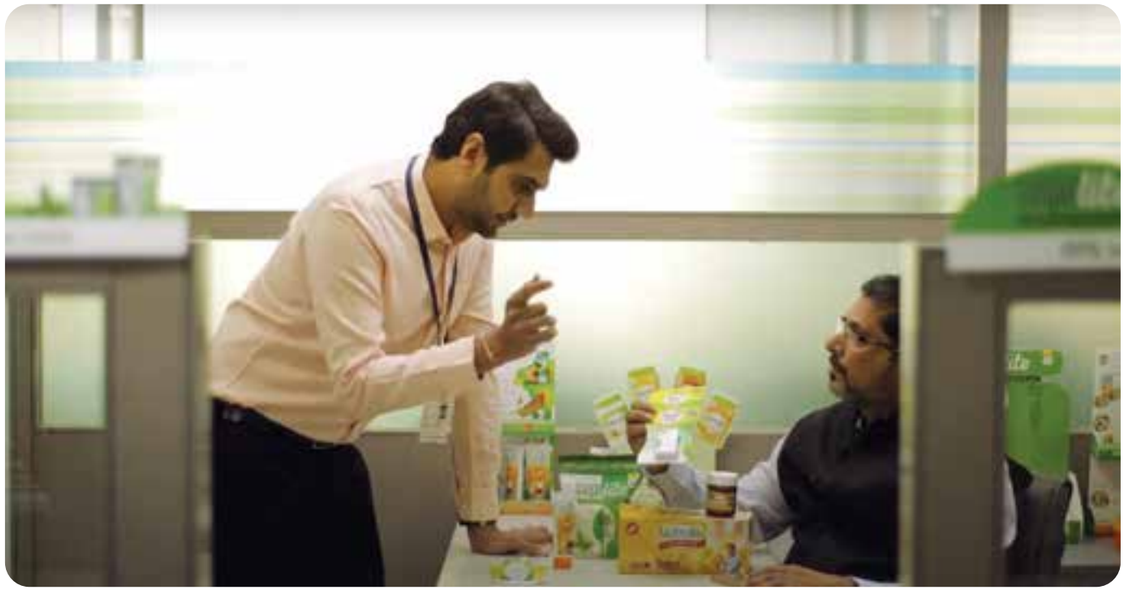
Customer Relationship Management

The safety and quality of our products is paramount to our operations and a fundamental aspect of our relationship with customers. Our manufacturing facilities are subject to rigorous quality and safety certifications. The facilities at Ahmedabad, Sikkim (Unit I & II) and Aligarh are accredited for FSSC 22000, validating process, quality consistency and food safety. The Ahmedabad, Sikkim (Unit I and II) and Aligarh facilities also hold ISO 14001:2015 and 45001:2018 certifications. We believe in providing goods and services in a manner that is sustainable and safe. Our R&D investments include developing capabilities and working on formulations that improve environmental and social impacts, such as reducing sugar content in products like our flagship offering to enhance overall health and wellness.

We have established a robust customer grievance handling mechanism that complies with all applicable rules and regulations set forth by regulatory authorities. Customers are encouraged to reach out with complaints, feedback, or queries through various channels like email/ toll-free number to call and raise a complaint etc. These contact details are also readily available on our website and customer information is kept confidential in accordance with data privacy regulations. All complaints, feedback, or queries received by the customer care executive are addressed within defined timelines. Our Customer Care team handles product inquiries, while a dedicated team addresses complaints with support from relevant functions.

Quality team reviews all product issues and takes corrective action as needed. We actively inform customers about product usage through packaging and digital platforms, including brand websites. With a Customer First approach, we endeavour to provide replacements for all quality-related complaints without hesitation, ensuring that products are delivered directly to customers' addresses via courier or local resources whenever possible.

100%	1,483	Zero	Zero
CUSTOMER COMPLAINTS RESOLVED	CUSTOMER COMPLAINTS RECEIVED	PRODUCT RECALLS	INSTANCES OF CUSTOMER DATA BREACHES



To assess the effectiveness of our distribution network and improve service quality, we conducted a Customer Satisfaction Index ("CSI") survey among our distributors. The overall satisfaction score was calculated based on several key parameters, along with the distributors' likelihood of recommending our services.

The evaluation parameters included:

- ***Delivery operations and stock management:*** Assessing the timeliness, completeness and efficiency of stock replenishment
- ***Order accuracy and documentation:*** Evaluating the precision in order fulfilment and the accuracy of shipping and billing documentation
- ***Invoicing and payments:*** Measuring the clarity, transparency and ease of financial transactions
- ***Technology and systems:*** Analysing the effectiveness of digital platforms for order management and communication
- ***Marketing and business support:*** Reviewing the quality of promotional support, visibility initiatives and business development assistance
- ***Relationship management:*** Gauging responsiveness, engagement and the overall service experience with the company

The insights gained from this evaluation will guide us in driving continuous improvements and strengthening our distributor ecosystem for long-term success.

In the reporting period, a total of 520 distributors, including both Domestic and Export Customers, participated in the survey, exceeding our 50% coverage target from a base of 980+ selected distributors. The survey generated a consolidated average score of 72 out of 100, reflecting key strengths while also identifying areas for improvement. This structured feedback approach supports continuous process enhancement, reinforces distributor relationships and contributes to overall business growth.

Product safety and Responsible Marketing

Our fundamental philosophy centers on building products that enhance people's lives by adding 'wellness'. This commitment is intrinsically linked to ensuring our products are not only safe and of high quality but are also marketed and sold responsibly. We believe in providing goods and services in a manner that is sustainable and safe. Ensuring safe production of consumer goods is crucial for maximising public health benefits and maintaining consumer trust.

Poor product quality can erode consumer confidence and negatively impact sales. We ensure full compliance with all applicable product labelling laws, including the Legal Metrology Rules and relevant sector-specific regulations. All product labels clearly mention ingredients, nutritional information (where applicable), manufacturing/expiry dates, usage instructions and safety warnings. Labels also include the required recyclability logo in accordance with CPCB guidelines.

We maintain accuracy and transparency in all product information to support informed consumer choices. Misleading claims are strictly avoided and marketing communications align with actual product attributes. A dedicated Grievance Redressal Mechanism is in place to address any labelling-related consumer concerns promptly.

Our research and development initiatives are primarily centered on health and nutrition, with clearly defined focus areas that include sweetener science, protein nutrition, paediatric nutrition, adult nutrition, lipid sciences, gut microbiome and immunity. We establish measurable *'healthy nutrition'* criteria for product innovations, ensuring that our offerings are tailored to meet the nutritional needs of specific target segments while adhering to stringent regulatory guidelines.

To prevent excessive intake of micronutrients, we ensure that none of our products exceed 100% of the Recommended Dietary Allowance ("RDA"). For any nutrient claims made on packaging, we guarantee a minimum delivery of 15% RDA for specific nutrients and for health benefit claims, we provide up to 30% RDA of those nutrients.

Additionally, our products undergo rigorous safety and efficacy testing through various pre-clinical and clinical studies conducted in accordance with both Indian and global guidelines, with registrations on the Clinical Trial Registry of India ("CTRI"). Our approach to product innovation and renovation is driven by consumer needs, supported by comprehensive gap analyses and thorough reviews of literature and national health reports. Recently, we have reassessed the nutrient composition of our products in alignment with the RDA 2020 guidelines, implementing necessary adjustments.

Our R&D investments also focus on formulations that enhance environmental and social impacts, such as reducing sugar content per serving in our flagship product to promote overall health and wellness. On each pack of our products, there are clear indications and instructions depicting the ingredients of the product, guidance as to how to use the product, expiry date, caution for consumption of usage and storage with specific disclaimers to ensure proper usage.

We also enable consumers to make better choices by imparting information to consumers through several media channels, social campaigns and provide free trials of new products through different platforms.

Zero
ADVERTISING COMPLAINTS RECEIVED

Nurturing Our Communities

We believe in collaborating closely with our communities to gain a deeper understanding of their unique needs and perspectives, enabling us to take meaningful action to support them through social and economic inclusion. Our engagement efforts include event-based initiatives that are either statutory in nature or part of our internal programmes, as we strive to create healthier and happier communities globally. Zydus Shrishti, the Zydus group's CSR Programme is committed to holistic development and sustainable progress.

In accordance with statutory requirements, we are guided by our CSR Policy, framed in compliance with the Companies Act, 2013. The CSR and ESG Committee, chaired by Dr. Sharvil Patel, oversees these initiatives. For FY 2024-25, we have contributed a total of ₹ 6.41 million towards CSR initiatives. This was done through our contribution to Zydus Foundation, driving impactful community development. Zydus Foundation, the CSR arm of Zydus Group is a company incorporated under Section 8 of the Companies Act, 2013.

Through Zydus Foundation, we along with other group companies support Zydus Medical College and Hospital ("ZMCH") in Dahod, Gujarat.

Zydus Medical College and Hospital, Dahod

ZMCH was established to address the pressing healthcare needs of tribal and underserved communities in one of India's most backward districts. Previously, inadequate medical infrastructure forced residents to seek basic healthcare in Godhra, Gujarat. Since its inception, ZMCH has significantly transformed the region's healthcare landscape. It operates as a self-financed, brownfield medical college under a Public-Private Partnership ("PPP") with the Government of Gujarat, in alignment with the state's Health Policy of 2016. The institution plays a crucial role in nurturing medical talent and generating local employment, thereby significantly improving the region's health indicators.

Academically, ZMCH, offers Bachelor of Medicine, Bachelor of Surgery ("MBBS"), to an estimated cohort of 200 students yearly and postgraduate programmes more than 141 enrolled in various specialists. At a time 1,000 MBBS students are studying presently and 350 has completed their MBBS. Integrating the college with a local hospital provides opportunities for students to pursue medical education locally thus developing healthcare professionals familiar with community-specific challenges. This initiative addresses the shortage of healthcare providers and enhances care quality by training graduates who understand local health issues and cultural contexts. The college implements a 'Family Adoption Programme' where students adopt local families during their internships, bridging the gap between the community and the hospital. To date, over 2,650 families have been adopted by five undergraduate cohorts.

ZMCH has made significant contributions to community health through providing essential healthcare services listed below.

Services	FY 2024-25	Since 2017 till date
OPDs conducted	4,20,646	23,63,585
IPDs attended	44,176	2,58,232
X-rays conducted	1,73,562	7,04,352
USG tests conducted	36,796	1,88,301
Surgeries conducted	48,983	1,49,137
Microbiology tests conducted	2,65,667	11,07,431
Biochemistry tests conducted	18,21,609	60,83,308
Pathology tests conducted	19,11,296	87,78,715

Zydus Medical College and Hospital, Dahod

Impacts:

- Provides a comprehensive range of medical services entirely free of charge, including General Medicine, Surgery, Obstetrics, Gynaecology, Paediatrics, Pulmonology, Psychiatry and Orthopaedics.
- From a modest single-storey structure, the hospital has evolved into a state-of-the-art facility spanning 58,033 sq. m. across seven floors.
- Capacity has expanded from 150 to 1,034 beds, including 118 intensive care unit ("ICU") beds.
- Number of specialist doctors increased from 15 to 197 and nursing staff from 25 to 434.
- Treats over 4,00,000 patients annually, extending its reach to neighbouring districts in Rajasthan and Madhya Pradesh.
- Equipped with advanced diagnostic laboratories, a dialysis centre and imaging services such as CT scans and MRIs.

Testimonials:

"I visited numerous clinics for my child's persistent fever, but it was at ZMCH that the doctor accurately diagnosed it as jaundice. Thanks to their expert care, my child is healthy now and we trust ZMCH completely."

Dimplaben Parmar
(Project beneficiary)
Dahod, Gujarat

Case Studies:

1 15-year-old girl from an interior area of Dahod district experienced persistent abdominal pain and was brought to ZMCH. Upon examination, it was discovered that she had a hairy tumour in her abdomen due to Trichophagia, a condition where individuals eat their own hair. This led to a rare condition known as Rapunzel Syndrome. During surgery, a 90 cm long and 1 kg heavy bundle of hair was found extending from her stomach to her small intestine. The ZMCH surgical team successfully removed the hair bundle. Post-operatively, the patient is stable and has received psychiatric counselling. The doctors at ZMCH demonstrated exceptional skill and care in managing this rare and complex case, ensuring the patient's recovery and well-being.

2 A 37-week pregnant patient from Alirajpur, who was sickle cell positive, presented with a pulse of 109, blood pressure of 104/78 ,and SpO2 of 98%. She was fully dilated and effaced, delivering her baby normally. However, she experienced postpartum haemorrhage ("PPH"), necessitating intubation twice. She had multiple vaginal and cervical tears, which were repaired before being moved to the operating room. She received multiple blood transfusions, including FFP, PCV and CRYO and was on ventilator support for nearly 15 days. After a month of recovery, both mother and baby were healthy and discharged.

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Management Discussion and Analysis

Global Economic Landscape

The International Monetary Fund's ("IMF") World Economic Outlook (April 2025) forecasts a deceleration in global growth from 3.3% in 2024 to 2.8% in 2025, before recovering to 3% in 2026. This moderation reflects the impact of sustained high interest rates, tight monetary conditions and escalating geopolitical fragmentation, including increasing protectionism and trade frictions among major economies.

Inflation and Cost Pressures

Global inflation is projected to ease from 5.9% in 2024 to 4.3% in 2025, eventually declining to 3.6% by 2026. However, core inflation remains elevated due to persistent input cost pressures in key sectors such as food, fuel and packaging materials. Manufacturers continue to face challenges in passing on cost increases to end consumers.

Trade and Supply Chain Dynamics

Global trade volumes remain subdued compared to historical norms, influenced by supply chain disruptions, ongoing trade tensions and a structural shift toward regionalised production. Additionally, the continued pivot in consumption patterns from goods to services has tempered the growth of merchandise trade.

Capital Flows and Financial Conditions

Capital inflows into emerging markets remain volatile, reflecting the uncertainty stemming from fluctuating global monetary policies. These markets remain particularly sensitive to interest rate shifts in developed economies, posing risks to financial stability and investment planning.

Source:
IMF - World Economic Outlook, April 2025

Indian Economic Outlook – A Growth Oasis

In the post-pandemic era, India has emerged as one of the most resilient economies among the top global economies. During FY 2024-25, the Indian economy is estimated to have grown at a pace of 6.4%, despite facing several external headwinds. This growth is particularly noteworthy given the global context, where many large economies struggled to maintain momentum. The expansion was driven by strong performance in the agricultural and services sectors on the supply side, along with a steady increase in private consumption and resilience in core merchandise and services exports on the demand side. The International Monetary Fund, in its Article IV Consultation report released in February 2025, reaffirmed India's position as the fastest-growing major economy, crediting its prudent macroeconomic management and reform-oriented policy framework.

Inflationary pressures eased significantly during the year. Headline inflation averaged 4.7% during April, 2024 to February 2025, compared to 5.4% in the same period of the previous fiscal. The decline was largely due to a sharp correction in food prices, led by a seasonal drop in vegetable prices during the winter months, a continued decline in pulse prices and various administrative interventions by the government. The inflation outlook remains benign, supported by favourable estimates of agricultural production, which suggest continued moderation in food inflation going forward.

Labour market indicators also showed notable improvement. According to the Periodic Labour Force Survey ("PLFS"), the urban unemployment rate declined from 6.5% in Q3 FY 2023-24 to 6.4% in Q3 FY 2024-25. This improvement was accompanied by a rise in the labour force participation rate and an increase in the worker-to-population ratio, indicating broader strengthening of employment conditions in urban regions. Additionally, various employment indices and business surveys pointed towards a positive hiring outlook.

Looking ahead, while the overall economic outlook for India remains positive, significant risks persist. These include uncertainties stemming from geopolitical developments, trade policy shifts, commodity price volatility and financial market turbulence. That said, a relatively stable outlook for commodity prices offers some relief. More importantly, India's strong macroeconomic fundamentals and increasing domestic private sector capital formation are expected to support growth in FY 2025-26. Complementing this is a supportive policy environment–marked by accommodative monetary policy, fiscal prudence and a reform-focused Union Budget–which is geared towards long-term development. These factors are expected to enhance India's economic resilience and sustain growth momentum amid a challenging global landscape.

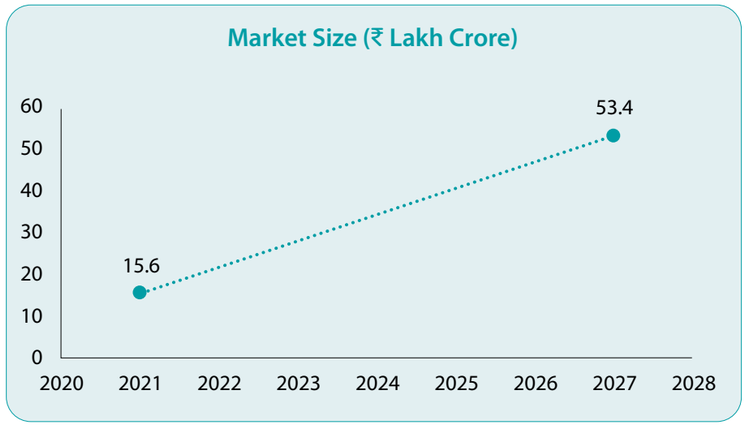
Source:
RBI
International Monetary Fund
Periodic Labour Force Survey

FMCG Sector Overview

The FMCG sector experienced a strong recovery in 2025 after a challenging post-festive period marked by inflation and high inventory levels. Retailers, focused on clearing out excess stock, delayed new billing into late 2024. However, the January–March (JFM) quarter saw a robust rebound, with a 12.4% growth, driven by early seasonal demand and improved consumption sentiment.

By 2027, the total revenue of the FMCG market is expected to reach nearly ₹ 53.4 Lakh Crore (US$ 615.87 billion), reflecting a compound annual growth rate ("CAGR") of 22.76% from 2021. Recent quarters have seen positive momentum, with the October–December, 2024 period recording a 10.6% sales value growth – the highest in four quarters. CRISIL forecasts 7-9% revenue growth for the FMCG sector in the current FY 2025-26, driven by increased volume and rural demand recovery.

Projected Growth of the Indian FMCG Market by Value

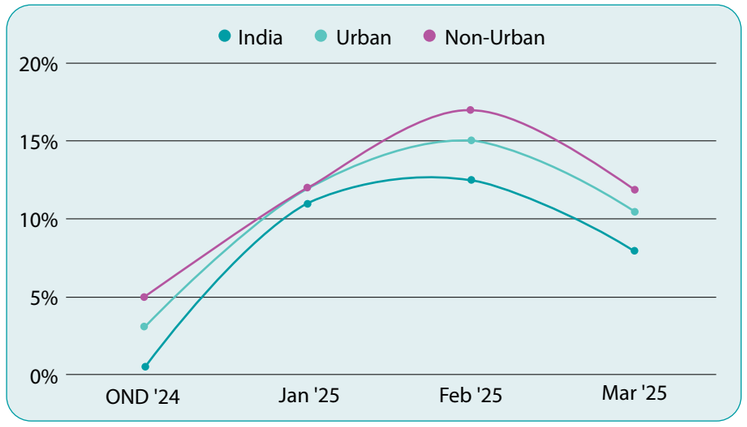


Source: India Brand Equity Foundation

Consumption Landscape: Rural-Urban Dynamics

Rural markets continued to drive growth, benefiting from higher purchasing power and increased product accessibility through smaller pack sizes. On the other hand, urban consumption showed a notable pick-up in 2025, narrowing the gap with rural markets. This shift points to a more balanced market, with rising demand fuelled by early seasonal trends and enhanced availability of products across regions.

Demand Trends Show Fluctuations Over the Last 4 Months



Demand for FMCG products surged in January, 2025 and February, 2025, driven by an early summer and an increase in demand for premium products.

Channel Growth and Consumer Access

The rise of organised retail and digital channels played a crucial role in driving growth:

- Modern trade and e-commerce both expanded significantly, propelled by changing consumer preferences and increased digital adoption.
- Quick commerce gained traction in metropolitan areas, catering to the growing demand for fast, small-basket purchases.
- Marketplace platforms deepened their presence in Tier II and Tier III towns, capitalising on the increase in digital access and aspirational consumption patterns.

Throughout the year, the FMCG sector saw steady demand momentum, particularly in rural areas, where small unit packs supported accessibility and affordability for lower-income segments. While urban demand was more subdued, premium categories remained resilient, reflecting a dual trend of value-seeking behaviour alongside the rise of premiumisation. Seasonal factors, such as an extended and intense summer, also contributed to stronger category performance early in the year.

Nielsen and Kantar World Panel Household data reported that the overall FMCG market in India (Urban + Rural) grew by 9% in value, 6% in volume and saw a 3% increase in household penetration, while Zydus Wellness outperformed on all these fronts –primarily driven by Rural markets, with contributions from Urban areas as well. For example, the report highlights that Zydus Wellness achieved a household penetration estimated to be nearly four times higher than the overall market average, reflecting the brand's increasing consumer acceptance, expanding reach and strong resonance across households

Source:
Bizom-The Kirana Pulse
Nielsen report
Kantar World Panel Household data report

Performance Overview – FY 2024–25

Consolidated financial highlights

Parameters	FY 2024-25	FY 2023-24	Growth (%)
Net Sales	26,912	23,152	16.2%
Total Income from Operations	27,089	23,278	16.4%
EBITDA	3,797	3,082	23.2%
EBITDA Margin (%)	14.0%	13.2%	
Profit Before Tax (before exceptional items)	3,529	2,743	28.7%
PBT Margin (%)	13.0%	11.8%	
Net Profit	3,469	2,669	30.0%
Net Profit Margin (%)	12.8%	11.5%	
Adjusted Net Profit*	3,410	2,623	30.0%

**Excluding Exceptional items and one-time tax impact*

Revenue and Segment-Wise Performance

During the FY 2024–25, the Company recorded consolidated net sales growth of 16.2%, with volume growth of 12.4%, amounting to ₹ 26,912 million. This reflects a healthy CAGR of about 10% in revenue from operations, which stood at ₹ 27,089 million (+16.4% YoY), based on the FY 2020-21 base.

Segment Performance

- The Personal Care segment demonstrated strong consumer traction, delivering a robust growth of 33.4% in FY 2024–25. This momentum underscores the segment's resilience and brand strength, contributing to a healthy CAGR of 16.5% from the FY 2020-21 base.
- The Food and Nutrition segment sustained its upward trajectory, registering growth of 13%, supported by category expansion, innovation and strategic acquisitions. This resulted in a consistent CAGR of 8.3% over the same base period FY 2020-21, reinforcing long-term potential in this space.

The Company continued to drive innovation by leveraging its strong Research & Development capabilities. A wide array of new product launches and portfolio extensions during FY 2024–25 underscored this commitment to innovation. While a comprehensive list of these innovations is available under corporate overview section, it is noteworthy that most of the new launches received a positive response from consumers, reflecting strong market relevance and brand trust.

The Company took proactive measures in response to concerns raised by global regulatory bodies regarding the consumption of non-nutritive sweeteners. In line with this, it launched Sugar Free Gold+, reformulated with Sucralose + Chromium, where Chromium contributes to the maintenance of normal blood glucose levels. The removal of aspartame also helped address consumer concerns and strengthen product trust.

Input Cost Management and Margin Performance

On the macroeconomic front, easing food inflation contributed to a reduction in overall inflation; however, price volatility–particularly in edible oils–remained a concern. The Company remained vigilant, closely tracking price movements of key raw materials and entering long-term contracts where feasible. Risk mitigation strategies included maintaining inventory buffers and diversifying the supplier base.

The Company experienced a gradual reduction in the prices of key inputs such as milk, sucralose and stevia. The Company also deployed strategic hedging, shift toward favourable product mix and calibrated pricing strategies. As a result, the Company achieved consistent margin expansion across all four quarters, with gross margin improvement of 168 basis points for FY 2024–25 and a cumulative 361 basis points added back over FY 2023–24 and FY 2024–25.

Expenses Overview

During the year, advertisement and promotion expenses grew by 18.6%, reflecting increased investments in brand visibility, market penetration and advertising through both media and non-media channels. Other expenses rose by 18.1%, mainly attributable to costs related to long-term strategic consultancy services and other expenditures aligned with evolving business requirements.

Profitability and Operational Efficiency

On the EBITDA front, the Company posted a growth of 23.2% for FY 2024–25, closing the year at ₹ 3,797 million. Net profit (excluding exceptional items and one-time deferred tax assets) rose by 30% to ₹ 3,410 million, reflecting robust operational performance and cost management.

Additionally, reported net profit as a percentage of revenue from operations improved by 1.3% on a year-on-year basis. Earnings Per share ("EPS") also registered strong growth of 30% from 41.94 to 54.52 in FY 2024-25.

Net Worth and Capital Employed

The total net worth as on March 31, 2025, was ₹ 56,716 million, higher by 5.9% from the previous year. The return on equity (ROE = Reported Net profit / Equity) stood at 6.1% during the year. Return on Capital Employed (ROCE = Adjusted earnings before interest net of tax / CE) stood at 6.3% during the year.

Net Debt

The consolidated net debt of the Company as on March 31, 2025, was at ₹ 754 million, against ₹ 76 million last year.

Capital Expenditure

The Company has incurred capital expenditure of ₹ 663 million in FY 2024-25.

Other Key Ratios

The Company's current ratio stood at 1.48 as of March 31, 2025, compared to 1.58 in the previous year.

The debtor's turnover ratio, measured in days, increased to 49 days from 44 days in the prior year. This increase is primarily attributed to higher sales in the organised trade channel and a concentration of sales towards the end of the financial year, resulting in a longer collection cycle.

The trade payables turnover ratio improved marginally, reducing to 53 days from 56 days, indicating slightly faster payments to suppliers and a modest reduction in creditor days.

The inventory turnover ratio improved significantly, decreasing to 67 days from 73 days, reflecting better inventory management and improved sales velocity.

Market Leadership and Reach

The Company retained leadership positions across most categories that it operates in. Also, continued investments in distribution, category expansion, innovation, media campaigns, sales promotions and digital engagement further strengthened competitive positioning and market share across key brands. The Company today nourishes, nurtures and energises over 70 million families through an extensive omnichannel presence–including over 2.8 million retail outlets stocking Zydus Wellness products. This widespread availability underscores the strength of our brands and the Company's capability to meet the everyday needs and diverse shopping preferences of Indian consumers.

The Company continued to deliver on the seven key pillars that supported growth during FY 2024-25

A. Acceleration of growth of core brands

The Company continued to support the growth of both existing and new products through targeted marketing initiatives and a robust Go-To-Market ("GTM") strategy, tailored to the fast-paced and competitive FMCG environment. These efforts included multi-channel advertising campaigns, in-store promotions, strategic pricing and consumer engagement programmes aimed at building brand loyalty and driving product trials. The GTM strategy focused on optimising distribution networks, enhancing visibility at retail touchpoints, leveraging data analytics for demand forecasting and collaborating closely with trade partners to ensure swift product availability and shelf presence. Through these integrated efforts, the Company aimed to accelerate market penetration, improve brand equity and respond dynamically to shifting consumer preferences.

Glucon-D – Resilient performance

- Continued the successful campaign 'Thakaan Gone, Energy On', reinforcing Glucon-D's positioning as a trusted instant energy solution, especially relevant during peak summer months and high-activity occasions.
- Building on last year's pilot in select key states, the Glucon-D Activors Electrolyte Energy Drink was extended to a broader national footprint. To drive relevance and differentiation, a new consumer-facing campaign 'Energy Dilaye, Active Banaye' was launched, targeting the evolving energy needs of active consumers.
- The brand was supported with a comprehensive 360° marketing approach, including ATL campaigns, digital activations and extensive on-ground initiatives. A mega sampling drive at various places including Maha Kumbh (The World's largest gathering), was executed to increase product trials and consumer engagement at scale.
- Popular sports personality Irfan Pathan was onboarded as the face of the campaign, enhancing brand visibility, trust and connect, particularly among younger and fitness-oriented audience.

These concerted efforts were aimed at not only reinforcing Glucon-D's leadership in the instant energy segment but also expanding its appeal among newer, more active consumer cohorts.

Complan – Supporting brand focused communication

By product portfolio expansion, Complan introduced new variants to cater to diverse consumer needs:

- Complan Immuno-Gro: Launched as a pilot in select states.
- Complan Viemax: Targeting adults, this high-protein milk-based drink is enriched with prebiotics and probiotics to support gut muscle strength and digestion.

The brand continues to be endorsed by renowned personalities like Madhuri Dixit and Sneha Prasanna for emphasising nutritional differentiation of the brand. For specific variants like Complan NutriGro and Complan Viemax, the brand has engaged healthcare experts and digital influencers to appeal to health-conscious consumers.

Sweeteners with Purpose: Driving Health-Conscious Growth and Engagement

- With a 360° campaign, Sugar Free Green consistently registered a double-digit growth over last four financial years.
- Introduced Sugar Free D'lite, Cookies and Chocolates in domestic market with flavours like choco chip and mocha hazelnut, catering to health-conscious consumers.
- Sugar Free continues to run forums with doctors and key opinion leaders in regional languages to address concerns around non-nutritive sweeteners.
- Upgraded Sugar Free Gold to Sugar Free Gold+, reformulated with Sucralose + Chromium, where Chromium contributes to the maintenance of normal blood glucose levels. The removal of aspartame also helped address consumer concerns and strengthen product trust.
- Sugar Free Gold+ launched the #TakeControlWithSugarFree campaign on World Diabetes Day, introducing a 'Sweetness Score Card' to help users assess their sugar consumption habits and evaluate the risk of pre-diabetes.

Nycil – Leading the Way in Category Performance

- Continues to lead the prickly heat powder category with the highest market share.
- Registered strong growth ahead of the category, despite intensive competitive scenario building around the category.
- Nycil introduced its soap variant in four different fragrances in the international market.

Everyuth – Outpacing the category growth

- Everyuth continues its strong momentum with double-digit growth even in FY 2024-25, gaining significant traction in both volume and market share in the skincare and personal care categories, backed by a superior product experience.
- The core portfolio, including face washes, scrubs, peel-offs and body lotions, has strengthened its leadership position, driven by robust consumer demand and enhanced brand visibility.
- To meet evolving consumer needs, Everyuth launched the Pink Clay & Charcoal Face Wash, Face Pack and Face Scrub, combining purifying pink clay and detoxifying charcoal for a deep-cleansing effect. In Q4, the brand expanded into the Sheet Mask category, introducing three variants: Golden Glow, Anti-Pollution and Aloe Cucumber.
- TV and digital campaign continued to amplify brand visibility and drive consumer engagement, supporting the growth of its core product lines.

Nutralite – Volume growth driven by Dairy and spreads portfolio

- Continuously broadening the portfolio basket.
- Nutralite has extended a range of innovative offerings, including Nutralite Professional ("NLP") Cheese Analogue, NLP Fat Spread Rich, Nutralite DoodhShakti Professional Processed Cheese, Nutralite Carrot Mayo & Cucumber and Nutralite Active in Olive and Garlic & Herbs variants.
- Continued to support the brand with digital media, e-commerce channel activations and various customer engagement activities.
- The brand launched an AI-powered recipe platform to tap into the digital food market, offering unlimited recipes at the touch of a button through various methods, such as uploading a photo to get the recipe or sending a message with the dish name to a WhatsApp number.
- Focused celebrity engagements with Chef Sanjeev Kapoor to drive growth.

B. Diversifying the Portfolio with Strategic Acquisition and Brand Acceleration – Rite Bite

As part of our long-term strategy to expand our presence in the fast-growing healthy snacking segment, the Company successfully completed the acquisition of 100% equity share capital of NIPL during the year. NIPL owns and operates the brands RiteBite Max Protein (focused on protein-fueled healthy snacks) and RiteBite (focused on fiber-enriched and balanced nutrition snacks), with a diversified portfolio spanning nutrition bars, cookies, chips and other healthy snacking formats.

The acquisition strategically aligns with our commitment to scale our presence in health-focused, functional food categories. Post-acquisition, the integration of NIPL operations is progressing as per plan, supported by a comprehensive digital transformation roadmap.

Key operational systems and processes are being aligned with our enterprise-wide capabilities to unlock synergies in manufacturing, supply chain and go-to-market infrastructure.

NIPL has continued to deliver steady growth across its product portfolio, driven by rising consumer demand for protein-rich, low-calorie and on-the-go nutrition. Digital-first marketing, strong e-commerce visibility and increased consumer engagement through high-impact platforms such as marathons, fitness events and targeted influencer partnerships have enhanced brand visibility and relevance across key urban and health-conscious demographics.

The Company continued to invest in scaling brand presence through digital media campaigns, e-commerce activations and on-ground presence at major lifestyle and fitness events, enabling deeper consumer-connect. These brand-building initiatives, along with strategic distribution expansion and innovation pipelines, have reinforced our confidence in the long-term potential of the acquisition.

This acquisition not only diversifies our portfolio into high-growth, adjacent categories but also strengthens our positioning as a leading player in the health and wellness space, in line with evolving consumer preferences and our broader strategic vision.

Post acquisition introduced a choco-filled fiber bar - Melting Chocolate, along with two variants under the Fruit-filled bar range- Blueberry blast and Berry Delite -as well as Protein Bar Bytes.

C. Building International Presence

The Company is focused on scaling its international business by prioritising key regions such as SAARC, MEA, SEA and ISC. This includes entering new geographies and introducing innovative products tailored to regional market needs. During the financial year, the Company continued to strengthen its foundation across international markets. The Complan and Sugar Free franchises remain the flagship brands in these markets. Notably, despite challenging macro-economic conditions in Nigeria, the business delivered a positive performance.

D. Significant initiatives to grow scale and improve profitability

The Company has taken various initiatives to increase consumer base and improve profitability.

- As the world witnesses shift in consumer desires, choices and how they access them, the Company's prime focus is to innovate new products and extensions that fit into the consumers evolving preferences and bring novel solutions for category expansion. With the strong R&D team and state of the art R&D facility at Ahmedabad, the Company has a strong new product pipeline in

place which could be launched at an appropriate time based on the market requirements and consumer needs. We ensure that all our new products are well researched and scientifically backed and substantiated.

- In today's competitive market, it's crucial to identify the most effective channels for reaching potential and existing customers together and increase overall penetrations of its brands. The Company continues to drive growth of its iconic brands through reimagined narratives and exploring new approaches to media exposure for our brands to achieve consumer connection with greater precision. The Company has been able to increase overall penetration of its key brands.
- The Company has successfully transitioned from a distribution-led model to establishing direct relationships with all modern trade and e-commerce partners. This strategic disintermediation has enhanced supply chain efficiency, improved product availability, reduced lead times and delivered margin benefits. Complementing this shift, the Company has steadily increased its focus on organised trade, introducing channel-specific offerings designed to resonate with new-age consumers.
- As a result, organised trade saliency continued to strengthen, reaching 23% in FY 2024-25–comprising 10% from e-commerce and 13% from modern trade (MT). Quick commerce has emerged as a key growth driver within e-commerce, now accounting for 41.4% of total e-commerce sales, supported by its lower cost-to-serve advantage over traditional e-commerce channels.
- As the Company continues to grow in scale and launch new products and extensions, it is imperative to make these products available across channels to reach to the consumers who are looking for such offerings through a right mix of distribution reach. The Company today nourishes, nurtures and energises over 70 million families through an extensive omnichannel presence–including over 2.8 million retail outlets stocking Zydus Wellness products.

E. Digital Transformation & Data-Led Decision Making

As consumer behaviour shifts to digital, the Company has fast-tracked its digital transformation to enhance customer engagement, streamline operations and improve decision-making. Investments in advanced analytics and AI-driven tools have optimised media spend, improved demand forecasting and streamlined inventory management. The focus on Direct-to-Consumer ("D2C") via brand-owned e-commerce platforms and marketplace integrations has strengthened consumer connections and data ownership.

As part of its ongoing commitment, the Company continues to invest in digitalisation, automation and real-time capabilities to drive operational excellence and future-ready growth.

F. Sustainability & ESG Integration

Recognising the growing consumer and investor emphasis on responsible business, the Company has made sustainability a core strategic priority:

- Sustainable packaging initiatives including increased use of biodegradable, recyclable, or reusable materials across product lines.
- Adoption of green manufacturing practices – reducing water, energy consumption and waste across facilities.
- Ethical sourcing partnerships established with suppliers to ensure fair labour practices and environmentally conscious raw material sourcing.
- Active monitoring and progress reporting on ESG goals, with alignment to global standards.
- For more details refer the BRSR and ESG section, which forms part of the Integrated Annual Report.

G. Talent & Culture Transformation

People are the core of innovation and execution. The Company continues to foster a culture of performance, agility and inclusion:

- Rolled out a Leadership Development Programme to nurture internal talent pipelines and support succession planning.
- Focused on enhancing employee experience through wellbeing programmes and digital HR tools.
- Initiatives on gender diversity, through targeted hiring.
- We also follow a structured recruitment and development approach to attract, nurture and retain top talent. This year we onboarded number of employees, strengthened our future pipeline through programmes like COMPASS and Project Gurukul and enhanced engagement via initiatives like LeaderScape and Zydus Wellness Chronicles.
- We continued to be certified as 'Great place to work'.

Building Stronger Stakeholder Relationships

The Company actively manages a range of key stakeholder relationships and strive to ensure open, honest and constructive communication. This supports the development of the business through a robust engagement process for both internal and external stakeholders.

The stakeholder network includes

Employees

Employees are key stakeholders who drive business objectives as a cohesive unit. It is therefore imperative for the Company to address their needs, challenges and aspirations. The following initiatives are undertaken:

1. **Employee Engagement**

- **Employee-Friendly Workplace**
  Our organisational culture promotes collaboration, innovation and employee empowerment, creating an inclusive and engaging work environment.
- **Safe and Respectful Workplace**
  We are dedicated to ensuring a physically and psychologically safe workspace for all employees. Robust policies such as the Prevention of Sexual Harassment ("POSH") at the workplace, Occupational health safety policy, Human Rights policy help reinforce our commitment to dignity and respect.
- **Performance Recognition**
  A fair and transparent performance management system forms the cornerstone of our recognition framework. Grounded in meritocracy, collaboration and execution excellence, it ensures that outstanding contributions are acknowledged and rewarded.
- **Feedback Mechanisms**
  Regular and open communication is key to our culture. Initiatives such as 'Chai pe Charcha' for field sales teams and 'Expresso with the CEO' for mid-level managers provide platforms for one-on-one dialogue, allowing employees to voice their perspectives and share feedback directly with leadership.

- **Employee Recognition and Celebration**
  We believe in celebrating achievements and milestones. Formal recognition programmes, annual off-sites, sales conferences, team-building events and monthly birthday celebrations foster a strong sense of belonging and camaraderie.
- **Employee Wellness**
  Emphasising a holistic approach to wellbeing, we have introduced a comprehensive Health and Wellness Policy. As part of this initiative, free health check-ups have been conducted for the majority of our employees. Additionally, we are offering reimbursements for health initiatives undertaken by employees, further encouraging proactive care and healthy lifestyle choices.

2. **Professional Development**

We believe that professional development is the foundation of sustainable growth. Our initiatives are designed to build individual capabilities and cultivate leadership at every level.

- **Talent Management**
  Through structured talent reviews and succession planning, we identify and nurture top talent for critical positions, ensuring we are prepared for the future with a strong internal talent pipeline.
- **Skills Development & Training**
  Our comprehensive learning framework includes technical training at facilities and customised learning modules to meet evolving organisational and employee needs.

- **Leadership Development**

  Focused leadership development programmes, supported by tools like Hogan 360, empower employees to become inspiring and value-driven leaders equipped to drive performance and engagement.

3. **Rewards**

- We are committed to fostering a culture of appreciation by recognising and celebrating the contributions of our employees. To support this, we have strengthened our recognition and rewards framework with initiatives such as quarterly individual and team awards, along with SPOT awards that highlight exceptional performance and everyday excellence.
- These efforts have played a vital role in Zydus Wellness being continued as certified as a Great Place to Work, reinforcing our dedication to building an environment where employees feel valued, supported and empowered to succeed.

Shareholders & Investors

The Company values the trust and confidence placed in it by shareholders and investors and is committed to maintaining effective, transparent and timely communication through the following initiatives:

- Quarterly investor conference calls with analysts and institutional investors to share performance updates and address queries.
- Investor presentations, along with earnings call transcripts and audio recordings, are made available on the Company's website and filed with the stock exchanges.
- Annual General Meetings ("AGMs") are conducted and the Annual Report is published on both the Company's website and the stock exchanges.
- Press releases regarding key developments are published on the Company's website and the stock exchanges to ensure consistent stakeholder updates.
- Financial results and statements (unaudited/audited) are disclosed on a quarterly, half-yearly and annual basis across the Company's website, stock exchanges and leading newspapers.
- A dedicated Investors section is maintained on the Company's website in accordance with regulatory requirements, offering easy access to relevant disclosures and updates.
- Investor grievances are actively addressed through the Stakeholders'/Investors' Relationship Committee, comprising Independent and Non-Executive Directors.
- The Company upholds robust corporate governance practices, ensuring accountability, transparency and ethical conduct across all levels of the organisation.

Consumers

At the heart of our business is a deep commitment to prioritising consumers and adapting to their evolving needs through the following initiatives:

- Ongoing consumer engagement to understand preferences and deliver relevant product and packaging solutions.
- Consumer-validated decision-making, where key business strategies are shaped by direct consumer insights, ensuring relevance and impact.
- Empowering informed choices by sharing clear, accessible product information across various media platforms and social awareness campaigns.
- Delivering superior consumer experiences through high-quality products and continuous innovation driven by the latest advancements in science.
- Enhancing value for consumers by actively optimising cost structures and improving affordability without compromising quality.
- Providing responsive support by promptly addressing consumer queries, feedback and grievances through efficient service channels.
- Facilitating product trials by offering free sampling of new launches across both digital and physical touchpoints to encourage discovery and feedback.

Government & Regulatory Authorities

The Company actively supports the government and regulatory authorities through collaborative efforts aimed at policy development and community advancement, including:

- Engaging in policy advocacy by working with government bodies through industry associations to contribute to informed decision-making.
- Supporting government-led initiatives focused on community welfare, development and social impact.
- Participating in key forums such as seminars, meetings and conferences organised by government entities and industry associations to share insights and foster dialogue.

Suppliers & Vendors

The Company supports its suppliers and vendors through consistent engagement and collaborative practices, including:

- Organising dairy camps to connect with farmers and strengthen the supply chain.
- Providing education and health support by distributing mineral mixtures and deworming tablets for better animal health.
- Staying connected with key suppliers through regular virtual and physical interactions to ensure smooth supply in a changing environment.
- Using fair contracts and shared processes to help improve quality and build trust.
- Holding regular meetings between suppliers and company management to discuss progress and future plans.
- Sharing regular updates on quality standards and service expectations to support continuous improvement.

Planet & Society

The Company contributes to the planet and society through the following actions:

- Adhering to all rules and regulations to ensure responsible business practices.
- Developing responsible products that prioritise sustainability and social impact.
- Engaging in policy advocacy to support positive changes for the environment and society.
- Participating in environmental and sustainability initiatives, focusing on energy conservation, water usage and waste reduction.
- Taking part in working groups, events, conferences and community development activities to foster broader societal impact.
- As part of our commitment to transparency and sustainable business practices, we are actively working towards obtaining an ESG score from the globally reputed rating agency, S&P Global. This initiative reflects our dedication to aligning with international ESG standards and continuously improving our performance in these critical areas. Our commitment to collaborative engagement helps us make informed decisions, increase transparency and build valuable relationships with our stakeholders.

Additional details can be found in the Stakeholder Engagement and Materiality Assessment sections of the Integrated Annual Report.

Risk

Risk identification, Risk mitigation and Internal controls

The Company's business comprises manufacturing and marketing of consumer wellness products. Its presence in these segments exposes it to various risks which are explained below.

Risk of fluctuations in prices of key inputs

Prices of key ingredients used in the products manufactured and marketed remain volatile due to several market-related factors, including changes in government policies, inflationary environment and fluctuations in the foreign exchange, resulting in price fluctuations of products. The Company keeps a close watch on the prices and enter long term contracts, wherever feasible, to minimise the risk of fluctuations in the input prices. The Company has also adequate inventory buffers as a risk mitigation measure and there is a continuous effort to increase supplier base in case risk is perceived.

Risk of competition and price pressure

Though most of the Company's products enjoy leading positions in their respective categories, the risk of competition from existing players as well as from new entrants remains high. However, the Company's strength in the marketplace, coupled with its continuous thrust on improving the quality of its products and offering newer products in the wellness segment provide it with an edge over competition. The Company supplies its products in both retail as well as institutional segments. Both segments have their own nuances in terms of customer expectations, competition and pricing. However, the Company is well focused on increasing its share in all segments through a sound marketing strategy and a balanced approach.

Risk of evolving customer tastes, preferences and behaviour

The Covid-19 pandemic has resulted in notable changes in consumer habits and demands which require continued innovation to remain relevant and competitive. While the focus remains on accelerating the growth of core brands through innovation, the Company may lose market share and competitive advantage owing to shifts in consumer behaviour.

Risk of litigation related to quality of products, intellectual properties and other litigation

Being in the consumer healthcare and wellness segment, the Company's products and their manufacturing and supply chain processes are required to maintain high quality standards. Any deviation from prescribed regulations or any variation in quality from standards laid down by regulatory authorities can lead to actions from these authorities or litigation from its customers.

The Company has implemented various policies such as quality risk management, food safety management systems and regulatory controls. Different SOPs such as global food safety management, compliance standards for manufacturing facilities and self-inspection are also implemented. Dedicated team has been deployed to continuously keep a watch on recent changes in regulatory requirements and evaluate their likely impact on the Company to enable proactive measures to mitigate any possible risks of regulatory actions. The Company has procured adequate insurance against the risk of products being recalled from the markets due to quality issues. The Company also faces the risk of litigation from its competitors or customers on claims it makes for values its products offer. The Company always strives to ensure the highest standard of quality for its products and processes and continuously works on improving upon that quality. It also maintains a high level of accuracy in product claims. Having a strong brand equity in each of the segments, the Company faces the risk of unauthorised and illegitimate use of its brand name, packaging designs and other intellectual properties related to its products. The Company ensures protection of its intellectual properties through appropriate registrations and other legal means.

Geopolitical, Trade Disputes and Macro-Economic Risks

The Company operates in a complex global environment and is exposed to risks arising from international trade disputes, protectionist policies and macro-economic or geopolitical disruptions. Trade tensions between countries may result in sudden changes in tariffs, import/export duties and the imposition of non-tariff barriers, leading to increased input costs, restricted market access and supply chain bottlenecks. Similarly, geopolitical and macro-economic challenges–such as political instability, military conflicts, terrorist threats, currency devaluation, inflation and global events–can have widespread implications, including disruption of trade flows, commodity shortages and volatility in resource prices like oil and gas, affecting industrial output and operations worldwide.

In response to these challenges, the Company actively monitors geopolitical developments and collaborates closely with trade consultants and local partners to ensure compliance and continuity of operations. It is also taking strategic measures to enhance resilience, including diversification of sourcing and manufacturing locations, portfolio diversification to reduce dependence on individual markets or products, localisation of manufacturing to mitigate foreign exchange risks and geographic expansion into more stable markets.

Under Penetration of Category

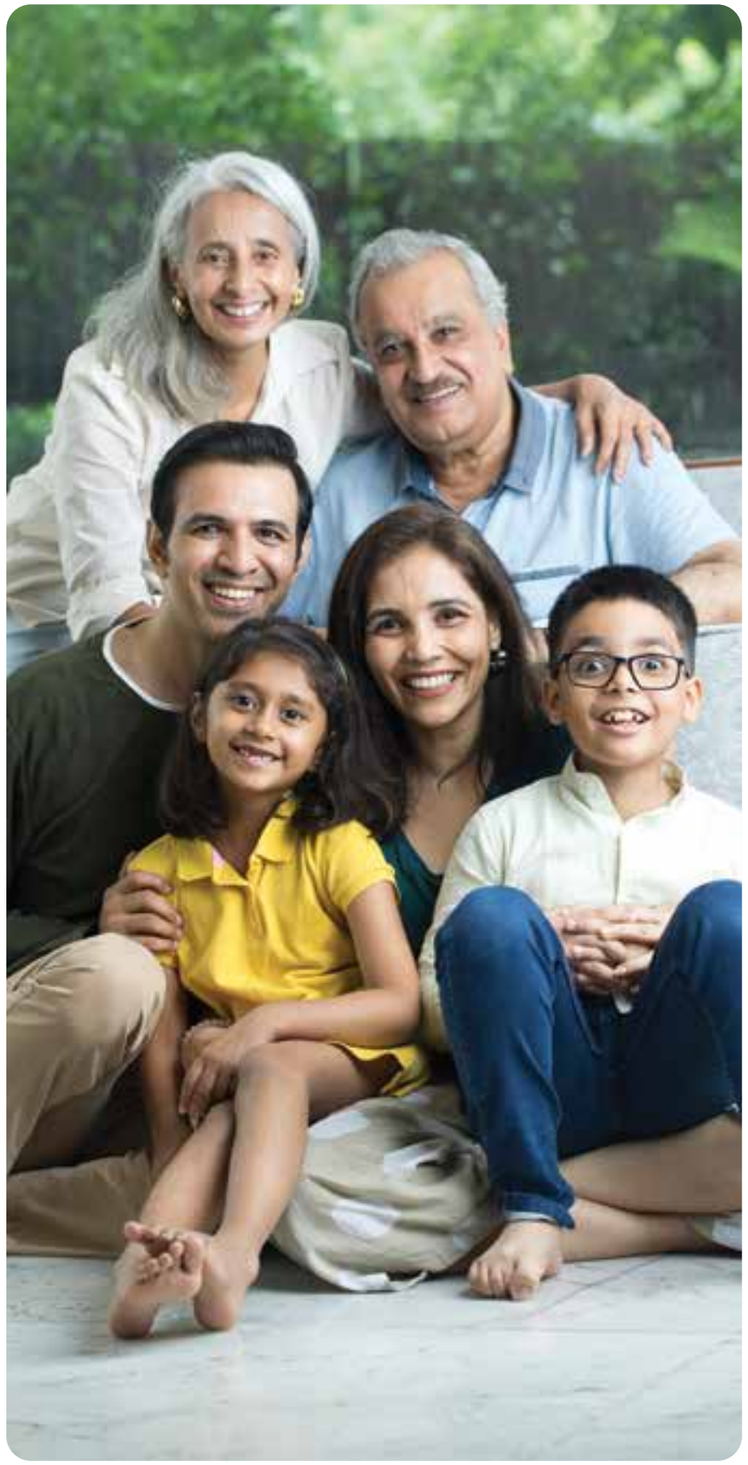
The Company is continuously investing in the development of its brands and the category it operates in. Some of the categories in which the Company operates are under penetrated currently which poses one of the risks for the aspiration and growth strategy of the Company. The Company constantly innovates to meet the expectation of all its customers and therefore offers unique product propositions which would help to grow the brands and their respective categories.

Impact on business due to risk of shift or delay in seasons

The delay or shift in seasons may impact business of some of the brands like Glucon-D and Nycil which are largely dependent on onset of a good summer season in India. This risk can be mitigated by having flexibility in its supply chain to manage the inventory.

Counterfeit Products

The production of counterfeit products poses significant threat to the Company's credibility resulting in loss of sales and customer trust in the brand. The risk is mitigated by taking timely legal action against the fraudulent practices to safeguard its interests.



Supply chain disruptions

Covid-19 and geopolitical uncertainty around the world has put the resilience and continuity of the Company's supply chain at risk. The supply chain network is exposed to potentially adverse events such as physical disruptions, environmental and industrial accidents, labour unrest, trade restrictions or disruptions at a key supplier, which could hamper the Company's efficiency and delivery. These risks may be mitigated by adaptive distributed manufacturing footprint, following harmonious labour practices, always ensuring sufficient inventory and having more than one source of critical supplies.

Category Growth Constraints in Emerging Markets

While the Company sees emerging markets as potential growth drivers, certain categories are yet to mature in these regions due to lower awareness, regulatory limitations, or price sensitivity. This poses a challenge to achieving the desired market penetration. The Company adopts a phased market-entry strategy backed by consumer education programmes, affordability initiatives and alliances with local players to foster category development.

Dependence on Key Brands or Products

A significant portion of the Company's revenues may be derived from a few key brands. Any disruption or loss in consumer confidence in these brands due to quality, supply, or competitive factors may adversely affect business performance. The Company continuously works on brand rejuvenation, diversification of product portfolio and investment in R&D to launch adjacent offerings under its trusted brand umbrella.

Consumer Trust and Brand Reputation

Consumer wellness and healthcare products require a high level of trust. Any negative publicity–whether due to misinformation, influencer backlash, or social media controversies–can quickly impact the brand. The Company has established a crisis communication plan and actively monitors online sentiment to proactively address issues.

Cyber Security

The cyber-attack threat of unauthorised access and misuse of sensitive information poses a great threat to business with the increase in digitalisation efforts and the hybrid model of working. This makes the Company's business operations vulnerable and may inhibit performance. The Company has implemented and installed necessary security tools to safeguard against cyber-attacks.

Risk management and Internal Control Systems

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimise the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organisational objectives with optimum utilisation of resources. Apart from these internal control procedures, a well-defined and established system of internal audit is in operation to independently review and strengthen these control measures, which is carried out by a reputed firm of chartered accountants. The Audit Committee regularly reviews the reports of the internal auditors and recommends actions for further improvement of operations in general and financial controls.

Talent Acquisition, Retention and Development Risks

In an increasingly competitive FMCG landscape, the ability to attract, retain and develop skilled talent–particularly in critical functions such as innovation, digital, Sales and supply chain–is essential for sustaining productivity and driving long-term growth. High attrition rates or gaps in key skill areas can significantly hamper operational efficiency and innovation capability.

The Company takes a comprehensive approach to talent management and human capital development. It has instituted robust employee engagement programmes, leadership development pipelines and flexible work practices to support retention and upskilling efforts. In addition to these strategic talent initiatives, the Company's HR function plays a vital role in ensuring equitable compensation, fostering diversity and inclusion, managing workplace concerns and driving overall employee satisfaction.

Recognising the importance of employee wellbeing, the Company has implemented comprehensive safety protocols across all its locations. This dual focus on professional development and holistic wellbeing reflects the Company's deep commitment to building a resilient, future-ready workforce.

Changes in Regulatory and Tax Environment

Changes in regulatory policies, tax structures, or implementation of new compliance laws across jurisdictions may affect pricing, profitability and ease of doing business. The Company actively monitors policy changes and works with industry bodies and legal advisors to prepare timely responses and adjust its business models accordingly.

Environmental, Social and Governance Risks

Increasing focus on sustainability from regulators, consumers and investors may expose the Company to ESG-related risks such as plastic use, carbon emissions and ethical sourcing. Failure to meet these expectations may lead to reputational damage or regulatory sanctions. The Company has initiated a robust ESG roadmap including greener packaging solutions, waste reduction programmes, responsible sourcing practices and periodic ESG disclosures.

We continue to strengthen our resilience and drive sustainable growth by proactively managing risks and seizing emerging opportunities. For more details, refer to the Risks and Opportunities section of the Integrated Annual Report.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present Company's first-ever Integrated Annual Report ("**Thirty First Annual Report**"), along with the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended on March 31, 2025. This Integrated Report reflects a holistic and transparent approach to corporate reporting, combining financial and non-financial disclosures to offer a comprehensive view of the Company's performance, governance, strategy, and market outlook. Anchored in the principles of integrated thinking, it outlines how the Company creates, delivers, and preserves value across various environmental, social and governance aspects. Through this milestone, the Company strengthens its commitment to sustainable value creation and long-term stakeholder engagement. The narrative section of the Integrated Report is aligned to the Integrated Reporting framework outlined by the International Integrated Reporting Council.

Financial Highlights:

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under section 133 of The Companies Act, 2013 ("the **Act**"), read with Rule 7 of The Companies (Accounts) Rules, 2014 ("the **Accounts Rules**").

The standalone and consolidated financial performance of the Company, for the Financial Year ended on March 31, 2025, are summarized below:

₹ in Million

Particulars	Standalone		Consolidated	
	For the year ended on March 31, 2025	For the year ended on March 31, 2024	For the year ended on March 31, 2025	For the year ended on March 31, 2024
Revenue from Operations and other Income	3,049	2,628	27,225	23,417
Profit before Interest, Depreciation, Amortization and Impairment expenses, exceptional item and tax	489	510	3,933	3,221
Less: Finance Costs	45	26	120	240
Less: Depreciation and amortization expenses	37	36	284	238
Profit before exceptional items and tax	**407**	**448**	**3,529**	**2,743**
Exceptional Items	-	-	59	(142)
Profit Before Tax (PBT)	**407**	**448**	**3,588**	**2,601**
Less: Tax Expenses Debited / (Credited)	101	111	119	(68)
Profit After Tax (PAT)	**306**	**337**	**3,469**	**2,669**
Attributable to:				
Owners of the Parent	306	337	3,469	2,669
Other Comprehensive Loss (net of tax)	(1)	(3)	(10)	(2)
Total Comprehensive Income	**305**	**334**	**3,459**	**2,667**
Attributable to:				
Owners of the Parent	305	334	3459	2,667
Opening balance in Retained Earnings	3,903	3,887	17,117	14,766
Amount available for appropriation	**4,208**	**4,221**	**20,581**	**17,435**
Less:				
Dividend	(318)	(318)	(318)	(318)
Closing Balance in Retained Earnings	**3,890**	**3,903**	**20,263**	**17,117**
Earnings Per Share (EPS) (Face Value of shares of ₹ 10/- each)				
Basic and Diluted (₹)	4.81	5.30	54.52	41.94

Results of operations:

During the year under review, the consolidated revenue from operations grew by 16.4% to ₹ 27,089 million (Rupees Twenty Seven Thousand Eighty Nine Million only) from ₹ 23,278 million (Rupees Twenty Three Thousand Two Hundred Seventy Eight Million only) in 2023-2024. The profit before tax increased by 37.9% y-o-y to ₹ 3,588 million (Rupees Three Thousand Five Hundred Eighty Eight Million only). Net profit after tax (before OCI) increased by 30.0% y-o-y to ₹ 3,469 million (Rupees Three Thousand Four Hundred Sixty Nine Million only). The Net Profit margin, as a % (Percentage) to total operating income during the current year is 12.8%. A detailed analysis of performance for the Financial Year has been included in the Management Discussion and Analysis Report, forming part of the Integrated Annual Report.

During the year under review, the standalone revenue from operations was ₹ 2,926 million (Rupees Two Thousand Nine Hundred Twenty Six Million only). The Company has achieved standalone Profit Before Tax of ₹ 407 million (Rupees Four Hundred Seven Million only) and Profit After Tax of ₹ 306 million (Rupees Three Hundred Six Million only).

Dividend:

During the Financial Year ended on March 31, 2025, your Directors have recommended a final dividend of ₹ 6/- (Rupees Six only) (60.0%) per equity share on 6,36,32,144 Equity Shares of ₹ 10/- (Rupees Ten only) each fully paid-up for the Financial Year ended on March 31, 2025, amounting to ₹ 381.80 million (Rupees Three Hundred Eighty One Million Eight Hundred Thousand only). The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. The dividend, if declared by the members at the ensuing Annual General Meeting ("**AGM**"), will be paid to those Members whose names stands registered in the Register of members on Friday, July 11, 2025 i.e. the Record Date. In respect of shares held in dematerialized form, it will be paid to the Members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited, as beneficial owners.

The Dividend Payout Ratio for the Financial Year ended on March 31, 2025 is 11.0% of consolidated profit after tax. The Income Tax Act, 1961, ("the **IT Act**") as amended by The Finance Act, 2020, mandates that dividend paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source at prescribed rates, at the time of making the payment of dividend. More details on deduction of tax at source are provided in Note No. 4 of the Notice convening Thirty First AGM.

Pursuant to regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") the Company has formulated Dividend Distribution Policy, which is approved by the Board of Directors ("the **Board**") and is uploaded on the website of the Company and the weblink of the same is provided in a separate section in Corporate Governance Report, which forms part of the Integrated Annual Report.

The Dividend Distribution Policy sets out the parameters to be considered by the Board in determining the quantum of the dividend and / or the utilization of the retained profits earned by the Company.

Sub-Division / Split of Equity Shares:

The Board at its meeting held on May 19, 2025, approved, subject to approval of the members of the Company at the ensuing AGM, the sub-division / split of equity shares of the Company, such that 1 (one) equity share having face value of ₹ 10/- (Rupees Ten only) each, fully paid-up, will be sub-divided into 5 (five) equity shares having face value of ₹ 2/- (Rupees Two only) each, fully paid-up and alteration in the existing Capital Clause of the Memorandum of Association of the Company.

Consolidated Financial Statements:

Pursuant to the provisions of Ind AS-110 on Consolidation of Financial Statements, section 129 of the Act read with Schedule III of the Act and Rules framed thereunder and the Listing Regulations, the Audited Consolidated Financial Statements are provided in the Integrated Annual Report, which provides the financial resources, assets, liabilities, income, profits and other details of the Company and its wholly owned subsidiary companies, as a single entity.

Capital Structure and Listing of Shares:

The paid-up share capital of the Company as on March 31, 2025 is ₹ 636,321,440 (Rupees Six Hundred Thirty Six Million Three Hundred Twenty One Thousand Four Hundred Forty only) divided into 63,632,144 (Sixty Three Million Six Hundred Thirty Two Thousand One Hundred Forty Four) equity shares of ₹ 10/- each. The equity shares of the Company are listed on the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"). The equity shares of the Company are actively traded on NSE and BSE and have not been suspended from trading.

Subsidiary companies:

The Company has 7 (seven) wholly owned subsidiary companies viz. Zydus Wellness Products Limited ("**ZWPL**"), Liva Nutritions Limited, Liva Investment Limited ("**LIL**") (under voluntary liquidation), Naturell (India) Private Limited ("**NIPL**"), Zydus Wellness International DMCC, UAE, Zydus Wellness (BD) Pvt. Limited, Bangladesh and Naturell Inc., USA.

To align the Company's strategic vision and expand its footprint in the consumer wellness industry, it forayed into

the rapidly growing healthy snacking segment, pursuant to which Share Purchase Agreement ("**SPA**") was entered with the Promoters and other shareholders of NIPL. The Company acquired 100% equity share capital of NIPL on December 2, 2024 at a consideration of ₹ 3,900 million (Rupees Three Thousand Nine Hundred Million only). Naturell Inc., USA, a wholly owned subsidiary of NIPL also became a step-down subsidiary of the Company on account of the aforesaid transaction.

NIPL is engaged in the business of manufacturing, research and development and marketing of Nutrition bars, Protein cookies, Protein chips and health food products under the brand names "Ritebite Max Protein" (Protein fueled healthy snacks) and "Ritebite" (fiber-enriched snacks). It further strengthened the Company's market presence and commitment to address the evolving needs and preferences of health-conscious consumers.

During the year under review, no companies have become or ceased to be its subsidiaries, joint ventures or associate companies, except the acquisition of NIPL. Over a period of time, LIL had not carried out any transactions and it did not foresee any future business prospects, therefore the members of LIL, on January 6, 2025 passed a special resolution for voluntary liquidation of LIL, to realize the value of the asset and distribute the proceeds amongst the stakeholders. As on March 31, 2025, the application of voluntary liquidation of LIL is under process with Hon'ble National Company Law Tribunal, Ahmedabad Bench.

There has been no material change in the nature of business of the Company as well as subsidiary companies. More details are provided in the Audited Financial Statements. During the year under review, the Board has reviewed the performance / affairs of the subsidiary companies.

Pursuant to the provisions of regulation 16(1)(c) of the Listing Regulations, the Company has formed a Policy relating to material subsidiaries, which is approved by the Board and the weblink of the same is provided in a separate section in Corporate Governance Report, which forms part of the Integrated Annual Report. ZWPL is a material subsidiary of the Company, the details of which are provided in the Corporate Governance Report, which forms a part of the Integrated Annual Report. Pursuant to the provisions of regulation 24(1) of the Listing Regulations, Ms. Dharmishtaben N. Raval, Independent Director ("**ID**"), is nominated on the Board of ZWPL.

Pursuant to the provisions of section 136 of the Act, the Audited Financial Statements of the subsidiary companies are uploaded on the website of the Company at www.zyduswellness.com. The Company will make available free of cost the Audited Financial Statements of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Financial Statements of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company. Pursuant to the provisions of sections 129, 134 and 136 of the Act, Rules framed thereunder and regulation 33 of the Listing Regulations, the Consolidated Financial Statements presented by the Company includes Financial Results of its subsidiary companies.

Pursuant to the provisions of section 134 of the Act and rule 8(1) of the Accounts Rules, the details of the performance of subsidiary companies are covered in the Audited Financial Statements, which forms part of the Integrated Annual Report.

Pursuant to the provisions of section 129(3) of the Act and Rules framed thereunder, a statement containing the salient features of the Financial Statements of its subsidiaries in the prescribed format in Form AOC-1 is attached to the Audited Financial Statements.

Transfer of Shares and Dividend to Investor Education and Protection Fund ("IEPF"):

Pursuant to the provisions of sections 124 and 125 of the Act and Rules framed thereunder, during the Financial Year ended on March 31, 2025, the Company has transferred equity shares and dividend to IEPF Authority as mentioned below:

i. 8,732 (Eight Thousand Seven Hundred Thirty Two) equity shares of ₹ 10/- (Rupees Ten only) each of 171 (One Hundred Seventy One) members whose dividend has remained unclaimed / unpaid for a consecutive period of 7 (seven) years to the demat account of IEPF after giving notice to the members and publishing advertisement in newspapers to claim their shares and;

ii. ₹ 1.06 million (Rupees One Million Sixty Thousand only) held by 3,272 (Three Thousand Two Hundred Seventy Two) members, being the unclaimed dividend for the Financial Year ended on March 31, 2017 to IEPF after giving three notices to the members to claim their unpaid / unclaimed dividend.

As at March 31, 2025, 99,193 (Ninety Nine Thousand One Hundred Ninety Three) equity shares are lying with IEPF.

Public Deposits:

Pursuant to the provisions of sections 73 and 74 of the Act read with Rules framed thereunder, the Company has neither accepted nor renewed any deposits from its members or public and as such, no amount on account of principal or interest on deposits was outstanding as on the end of the Financial Year.

Insurance:

The Company's properties, plants, equipments and stocks / inventory are adequately insured against all major risks. Pursuant to the provisions of regulation 25(10) of the Listing Regulations, Zydus Lifesciences Limited, the Holding company has taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them, which also includes the Directors and Officers' of the Company.

Management Discussion and Analysis ("MDA"):

Pursuant to the provisions of regulation 34(2)(e) read with Part B of Schedule V of the Listing Regulations, MDA, for the Financial Year ended on March 31, 2025, is provided in a separate section, which forms part of the Integrated Annual Report.

Related Party Transactions:

All contracts / arrangements / transactions entered into by the Company during the Financial Year ended on March 31, 2025 with related parties were in the ordinary course of business, on an arm's length basis, in accordance with the Policy on materiality of related party transactions and dealing with related party transactions ("**RPT Policy**") and had no conflict with the interest of the Company.

Pursuant to the provisions of section 134(3)(h) of the Act and Rules framed thereunder, disclosure of particulars of material transactions [i.e. transactions exceeding ₹ 10,000/- million (Rupees Ten Thousand Million only) or 10.0% of the annual consolidated turnover as per the latest Audited Financial Statements] with related parties entered into by the Company in the prescribed format in Form No. AOC-2 is annexed herewith as **Annexure-"A"**. Disclosures on related party transactions as per Ind-AS 24 are set out in Note No. 38 of the Audited Standalone Financial Statements.

As a part of the Company's annual planning process, before the beginning of the Financial Year, omnibus approval of Audit Committee and the Board is obtained for transactions which are planned / repetitive in nature with the related parties and also for unforeseen transactions, within the limits laid down in the Act and Listing Regulations.

Further, approval is sought during the Financial Year for any new transaction / modification to the previously approved limits / terms of contracts with the related parties. This is followed by a quarterly review and approval of the related party transactions by the Audit Committee.

Pursuant to the provisions of regulation 23(1) of the Listing Regulations, the Board has approved RPT Policy and weblink of the same is provided in a separate section in Corporate Governance Report, which forms part of the Integrated Annual Report. During the Financial Year ended on March 31, 2025, RPT Policy was amended to give effect of amendments in the Listing Regulations.

Pursuant to the provisions of regulation 23(9) of the Listing Regulations, during the Financial Year ended on March 31, 2025, the Company has filed the half yearly disclosures of related party transactions with the stock exchanges and uploaded the same on the website of the Company.

Particulars of Loans, Guarantees and Investments:

Pursuant to the provisions of section 134(3)(g) of the Act, details of loans, guarantees and investments covered under section 186(4) of the Act are given in the notes to the Audited Standalone Financial Statements, which forms of the Integrated Annual Report.

Directors and Key Managerial Personnel:

As at March 31, 2025, your Company's Board is comprised of 7 (seven) Directors who have considerable experience in their respective fields. The composition of the Board and category of Directors as on March 31, 2025 is as under:

Sr. No.	Category of Directors	No. of Directors	% to total no. of Directors
1.	Independent Non-Executive Directors	4	57.1
	• Including Woman Director	1	14.3
2.	Executive Directors	1	14.3
3.	Non-Executive Non-Independent Directors	2	28.6
	Total	**7**	**100**

Other statutory details are provided in the Corporate Governance Report, which forms a part of the Integrated Annual Report.

i. Re-appointment of Chief Executive Officer & Whole Time Director ("CEO & WTD"):

Based on the recommendation of the Nomination and Remuneration Committee ("**NRC**") and the Board, the members at the 30th (Thirtieth) AGM held on August 2, 2024 passed an ordinary resolution for re-appointment of Mr. Tarun Arora (DIN: 07185311) as a CEO & WTD of the Company for a further period of 5 (five) years with effect from May 7, 2025 to May 6, 2030, liable to retire by rotation.

ii. Regularization and resignation of Mr. Ashish P. Bhargava as a Nominee Director:

Pursuant to the provisions of regulation 17(1D) of the Listing Regulations and based on the recommendation of NRC and the Board, the members at the 30th (Thirtieth) AGM held on August 2, 2024 passed an ordinary resolution for regularization of

Mr. Ashish P. Bhargava (DIN: 02574919) as a Nominee Director of the Company.

Further, Mr. Ashish P. Bhargava representing Threpsi Care LLP ("**Threpsi**") has tendered his resignation w.e.f. September 30, 2024 due to reduction in the shareholding of Threpsi below specified threshold limit.

Consequent to the resignation of Mr. Ashish P. Bhargava, he also ceased as the member of various Committees of the Board w.e.f. September 30, 2024 and the said Committees were re-constituted, details of which are provided in the Corporate Governance Report, which forms a part of the Integrated Annual Report.

The Board placed on record its sincere appreciation for the contribution made by him during his tenure as a Nominee Director.

iii. Retirement by rotation:

Pursuant to the provisions of section 152(6) of the Act and in terms of the Articles of Association of the Company, Mr. Ganesh N. Nayak (DIN: 00017481) will retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

iv. Declaration of Independence:

Pursuant to the provisions of section 134(3)(d) of the Act, the Company has received declaration of independence as stipulated under sections 149(6) and 149(7) of the Act and regulations 16(1)(b) and 25(8) of the Listing Regulations from IDs confirming that they are not disqualified for continuing as ID's. There has been no change in the circumstances affecting their status as IDs of the Company.

All IDs have complied with the Code for Independent Directors prescribed under Schedule IV to the Act.

As per the declaration received from all IDs, they have registered themselves with The Indian Institute of Corporate Affairs. Further, they have qualified the online proficiency self-assessment test or are exempted from passing the test, as required under section 150 of the Act read with rule 6 of The Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time.

Pursuant to the provisions of rule 8(5)(iiia) of the Accounts Rules, in the opinion of the Board, all IDs possess requisite qualifications, experience, expertise, proficiency and hold high standards of integrity.

v. Details of Director seeking re-appointment:

Pursuant to the provisions of regulation 36(3) of the Listing Regulations and standard 1.2.5 of Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India ("**ICSI**"), particulars of Director seeking re-appointment at the ensuing AGM is annexed to the notice convening Thirty First AGM.

vi. Key Managerial Personnel ("KMP"):

Pursuant to the provisions of sections 2(51) and 203 of the Act, the following persons are the KMP as on March 31, 2025 and there were no changes in KMP during the year under review.

1. Mr. Tarun Arora, CEO & WTD,
2. Mr. Umesh V. Parikh, Chief Financial Officer ("**CFO**"), and
3. Mr. Nandish P. Joshi, Company Secretary ("**CS**") and Compliance Officer.

vii. Board Evaluation:

Pursuant to the provisions of Schedule IV of the Act, Rules framed thereunder and regulation 17(10) of the Listing Regulations, the NRC and the Board have carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its Committees. Pursuant to the provisions of section 134(3)(p) read with rule 8(4) of the Accounts rules, the manner in which the evaluation was carried out is provided in the Corporate Governance Report, which forms a part of the Integrated Annual Report.

In a separate meeting of IDs, the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive and Non-Executive Directors.

The Board and the NRC reviewed the performance of individual Directors on the basis of criteria fixed by the Board / NRC. The NRC and the Board evaluated the performance of the (i) Committees constituted by the Board, (ii) individual Directors taking into consideration various aspects and (iii) Chairman of the Board. While evaluating, following parameters were taken into consideration:

1. **Committees constituted by the Board:** Contribution of the Committee in development of corporate strategy, proper formation of the Committee, robust and effective Risk Management Systems, updates on the latest regulatory developments and allocation of sufficient time for discussion at Committee meetings.
2. **Individual Directors:** Attendance at different meetings, preparedness to devote sufficient time for the meetings, relationship with the Chairman, other Board members, KMP and Senior Management, updating knowledge with

latest developments in regulatory and market conditions, and expressing views on specialized agenda items.

3. **Chairman of the Board:** Effective Leadership, relationship and communication with shareholders, proper information to the Board members in agenda papers circulated to the Directors for meetings and utilization of services of CFO and CS to maximize the value.

The functioning of the Board, the Committees and performance of individual directors was found satisfactory.

viii. Nomination and Remuneration Policy:

The Board has on the recommendation of the NRC, framed a Policy on selection and appointment of Director(s), Senior Management and their remuneration. The weblink of the same is provided in a separate section in Corporate Governance Report, which forms part of the Integrated Annual Report.

During the Financial Year ended on March 31, 2025, the NRC Policy was amended to suitably modify the definition of Senior Management.

ix. Remuneration to Directors, KMP and Senior Management:

The remuneration paid to the Directors, KMP and Senior Management is in accordance with the NRC Policy of the Company. More details are provided in the Corporate Governance Report which forms a part of the Integrated Annual Report.

For the Financial Year ended on March 31, 2025, Mr. Tarun Arora, CEO & WTD, has drawn remuneration of ₹ 14.17 million (Rupees Fourteen Million One Hundred Seventy Thousand only) from the Company and ₹ 91.93 million (Rupees Ninety One Million Nine Hundred Thirty Thousand only) from ZWPL, aggregating to ₹ 106.10 million (Rupees One Hundred Six Million One Hundred Thousand only).

x. Pecuniary relationship:

During the Financial Year ended on March 31, 2025, except those disclosed in the Audited Financial Statements, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

xi. Non-disqualification:

The Company has received disclosure from all the Directors, that they are not disqualified from being appointed / continuing as a Director as specified under sections 164(1) and 164(2) of the Act read with rule 14(1) of The Companies (Appointment and Qualifications of Directors) Rules, 2014 or are debarred or disqualified by the Securities and Exchange Board of India ("**SEBI**"), Ministry of Corporate Affairs ("**MCA**") or any other such statutory authority.

Insider Trading Regulations:

The Company has adopted the Code of Fair Disclosure and Conduct and Code for Prevention of Insider Trading and for internal procedures and conduct for regulating, monitoring and reporting of trading by the Insiders ("**Insider Trading Code**") as per the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**Insider Trading Regulations**"). Other details on Insider Trading Regulations are provided in the Corporate Governance Report, which forms a part of the Integrated Annual Report.

During the Financial Year ended on March 31, 2025, the Insider Trading Code was amended to suitably modify the changes related to the provisions of Trading Plan in the Insider Trading Regulations.

Directors' Responsibility Statement:

Pursuant to the provisions of sections 134(3)(c) and 134(5) of the Act and to the best of their knowledge and belief, and according to the information and explanations provided to them, your Directors hereby make the following statements:

i. that in preparation of the Financial Statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any,

ii. that such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date,

iii. that proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities,

iv. that the Financial Statements have been prepared on a going concern basis,

v. that proper internal financial controls were in place and that the financial controls were adequate and operating effectively, and

vi. that the systems to ensure compliance with the provisions of all applicable laws were in place and adequate and operating effectively.

Board meetings:

Pursuant to the provisions of section 173(1) of the Act, regulation 17(2) of the Listing Regulations and standard

2.1 of Secretarial Standard-1 on Meetings of the Board of Directors issued by the ICSI, 5 (five) Board meetings were held during the Financial Year ended on March 31, 2025 and the time gap between any 2 (two) Board meetings was not more than 120 (one hundred twenty) days. The Board approved 4 (four) resolutions passed by circulation, on September 30, 2024, November 26, 2024, February 1, 2025 and March 28, 2025. Other information with regard to the Board meetings is given in the Corporate Governance Report, which forms a part of the Integrated Annual Report.

Committees of the Board:

As at March 31, 2025, the Board has formed has 7 (seven) Committees viz. (i) Audit Committee, (ii) Nomination and Remuneration Committee, (iii) Risk Management Committee, (iv) Corporate Social Responsibility and Environment Social and Governance Committee, (v) Stakeholder's / Investor's Relationship Committee, (vi) Share Transfer Committee and (vii) Finance and Administration Committee.

The Board has accepted the recommendations of all the Committees constituted by the Board.

Details on the composition of the Board and its Committees, governance of Committees including their terms of reference, number of Committee meetings held during the Financial Year ended on March 31, 2025 and attendance of the members, are provided in the Corporate Governance Report, which forms a part of the Integrated Annual Report.

The composition and terms of reference of all the Committees of the Board are in line with the provisions of the Act and the Listing Regulations.

Corporate Governance:

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under the Listing Regulations. A separate section on detailed report on the Corporate Governance practices followed by the Company under the Listing Regulations along with a certificate from Hitesh Buch & Associates, Company Secretaries, confirming the compliance, forms a part of the Integrated Annual Report.

Auditors:

i. Statutory Auditors and Audit Report:

Mukesh M. Shah & Co., Chartered Accountants (Firm Registration No. 106625W) were appointed as Statutory Auditors from the conclusion of Twenty Sixth AGM of the Company till the conclusion of the ensuing Thirty First AGM of the Company. Their term shall expire after the ensuing AGM.

Based on the recommendation of the Audit Committee, the Board at its meeting held on May 19, 2025 recommended re-appointment of Mukesh M. Shah & Co. as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years from the conclusion of Thirty First AGM till the conclusion of Thirty Sixth AGM.

They have furnished a declaration confirming their independence as well as their arm's length relationship with the Company and that they have not taken up any prohibited non-audit assignments for the Company.

The Company has received the consent and eligibility certificate from the said Statutory Auditors as required under the Act.

The Board has duly reviewed the Statutory Audit Report for the Financial Year ended on March 31, 2025 and the observations and comments, appearing in the audit report are self-explanatory and do not call for any further explanation / clarification by the Board in their Report as provided under section 134(3)(f) of the Act.

ii. Cost Auditors and Audit Report:

Pursuant to the provisions of section 148(3) of the Act read with rule 4 of The Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the cost records maintained by the Company in respect of its product 'Nutralite' are required to be audited. The Board at their meeting held on May 19, 2025, based on recommendation of the Audit Committee, approved appointment of Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) to audit the cost records of the Company for the Financial Year ending on March 31, 2026 at a remuneration of ₹ 0.36 million (Rupees Three Hundred Sixty Thousand only) plus applicable Goods and Services Tax and out of pocket expenses at actuals, if any.

Pursuant to the provisions of section 148 of the Act and rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be placed before the members at General Meeting for ratification. Accordingly, a resolution seeking ratification by the members of the remuneration payable to Dalwadi & Associates, Cost Accountants, is included at Item No. 9 of the Notice convening Thirty First AGM.

Dalwadi & Associates holds a valid certificate of practice. They have confirmed that they are not disqualified under section 141 read with sections 139 and 148 of the Act and their appointment meets the requirements as prescribed under section 141(3) of the Act. They have also confirmed that they are independent of the management and no orders or proceedings are pending against them relating to professional conduct before the Institute of Cost Accountants of India or any other competent court / authority.

The Cost Audit Report for the Financial Year ended on March 31, 2024, did not contain any qualification, reservation, or adverse remarks and was filed with the Central Government within the prescribed time limit.

iii. **Secretarial Auditors and Audit Report:**

Pursuant to the provisions of section 204 of the Act, rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A(1) of the Listing Regulations, the Board has appointed Hitesh Buch & Associates, Company Secretaries, to undertake Secretarial Audit of the Company for the Financial Year ended on March 31, 2025. The Secretarial Audit Report is annexed herewith as **Annexure-"B"**.

The Board has duly reviewed the Secretarial Audit Report and response to the observations and comments appearing in the report are mentioned below:

a. **Intimation with regard to Analysts & Institutional Investors Meet:** The intimation was given one working day in advance as it took some time to freeze the list of participants for the group meeting based on their availability. The Company has disseminated a copy of cautionary emails on websites of NSE and BSE on March 29, 2025 and placed the same for noting before the Board at its meeting held on May 19, 2025 along with corrective measures taken to prevent any such recurrence in the future.

b. **Meetings of Risk Management Committee ("RMC"):** The meeting of RMC was held only once during the Financial Year ended on March 31, 2025. Since the amendment in regulation 21(3A) of the Listing Regulations came in December, 2024, the management tried to contact the members of RMC and took their time to ensure compliance with amended regulation 21(3A) of the Listing Regulations. Due to their pre-occupation and non-availability of dates until March, 2025 and due to Financial Year end, the earliest and aligned date amongst all the RMC members which the management could block was April 30, 2025, on which the RMC meeting was held.

Further, in terms of the amended regulation 24A of the Listing Regulations, the Board at their meeting held on May 19, 2025, based on recommendation of the Audit Committee, has recommended to the members the appointment of Hitesh Buch & Associates, Company Secretaries as the Secretarial Auditors of the Company for a term of 5 (five) consecutive Financial Years commencing from April 1, 2025 to March 31, 2030. Necessary details for appointment are provided in the Notice of AGM, which forms a part of the Integrated Annual Report.

The Company has received from the said Secretarial Auditors the consent, eligibility certificate and confirmation that they hold a valid certificate issued by the 'Peer Review Board' of the ICSI. Further, they have confirmed that they are not disqualified to be appointed as the Secretarial Auditors.

Further, pursuant to the provisions of regulation 24A(1) of the Listing Regulations, the Secretarial Audit Report of ZWPL, the material unlisted subsidiary company is attached herewith as **Annexure-"B1"**.

iv. **Annual Secretarial Compliance Report:**

Pursuant to the provisions of regulation 24A(2) of the Listing Regulations, Hitesh Buch & Associates, Company Secretaries, have issued Annual Secretarial Compliance Report for the Financial Year ended on March 31, 2025. The report was placed before the Board meeting held on May 19, 2025, which is also uploaded on the website of the Company and can be accessed at https://zyduswellness.com/investor/disclosurs/q/secretarial-compliance-report-2024-25.pdf. Response to the observations / remarks in the Annual Secretarial Compliance Report are same as provided in point no. iii above.

Cost Accounts and Records:

Pursuant to the provisions of section 148(1) of the Act and Rules framed thereunder and as specified by the Central Government, the Company has made and maintained the cost accounts and records.

Compliance with Secretarial Standards:

During the Financial Year ended on March 31, 2025, the Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively, issued by the ICSI.

Business Responsibility and Sustainability Report ("BRSR"):

Pursuant to the provisions of regulation 34(2)(f) of the Listing Regulations, BRSR covering disclosures on Company's performance on ESG (Environmental, Social and Governance) parameters for the Financial Year 2024-2025, including BRSR core parameters and Independent reasonable assurance statement issued by Intertek India Private Limited, forms a part of the Integrated Annual Report.

Corporate Social Responsibility ("CSR") and Environment, Social and Governance ("ESG"):

Pursuant to the provisions of section 135 read with section 134(3)(o) of the Act and rule 5 of The Companies

(Corporate Social Responsibility Policy) Rules, 2014 ("**CSR Rules**") framed thereunder, the Board has constituted a CSR and ESG Committee under the Chairmanship of Dr. Sharvil P. Patel. The other members of the Committee includes Mr. Ganesh N. Nayak and Mr. Kulin S. Lalbhai. The CSR Policy and ESG Policy have been framed and adopted by the Board and weblink of the same is provided in a separate section in Corporate Governance Report, which forms a part of the Integrated Annual Report.

During the Financial Year ended on March 31, 2025, the Company contributed an amount of ₹ 6.41 million (Rupees Six Million Four Hundred Ten Thousand only) towards CSR activity. The CSR and ESG Committee confirmed that the implementation and monitoring of the CSR activity was done in compliance with the CSR objectives and Policy of the Company.

Other details on CSR, as required under section 135 of the Act read with the CSR Rules, are given in the Annual Report on CSR Activities annexed herewith as **Annexure-"C"**.

Business Risk Management:

Pursuant to the provisions of section 134(3)(n) of the Act and regulation 21 of the Listing Regulations, the Company has constituted a Risk Management Committee and adopted the Risk Management Policy. The details of the Committee, terms of reference and weblink of the Policy are set out in the Corporate Governance Report, which forms a part of the Integrated Annual Report.

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate them. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

Discussions on risks and concerns are covered in the MDA, which forms a part of the Integrated Annual Report.

Internal Financial Control and its adequacy:

Pursuant to the provisions of section 134(5)(e) of the Act read with rule 8(5) of the Account Rules, the Company has designed and implemented a process driven framework for Internal Financial Controls ("**IFC**"). For the Financial Year ended on March 31, 2025, the Board is of the opinion that the Company has sound IFC commensurate with the size, scale and complexity of its business operations. The IFC operates effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls whenever the effect of such gaps would have a material effect on the Company's operations.

The Company has a well-placed, proper and adequate IFC system, which ensures:

- Orderly and efficient conduct of its business,
- Safeguarding of its assets,
- Prevention and detection of frauds and errors,
- Accuracy and completeness of the accounting records and
- Timely preparation of reliable financial information.

The Board reviews the effectiveness of controls documented as a part of IFC framework and takes necessary corrective and preventive actions wherever weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and Information Technology environment.

Based on this evaluation, no significant events had come to notice during the Financial Year ended on March 31, 2025 that have materially affected or are reasonably likely to materially affect the IFC. The management has also come to a conclusion that the IFC and other financial reporting were effective during the Financial Year ended on March 31, 2025 and is adequate considering the business operations of the Company. The Statutory Auditors of the Company have audited the IFC with reference to Financial Reporting and their Audit Report is annexed as an Annexure to the Independent Auditors' Report under Standalone and Consolidated Financial Statements.

Managing the risks of fraud, corruption and unethical business practices:

i. Vigil Mechanism / Whistle Blower Policy:

The Company has built a reputation for doing business with honesty and integrity and it has zero tolerance for any type of unethical behavior or wrongdoing. The Company has in place a stringent vigil mechanism to report unethical behavior in order to promote professionalism, fairness, dignity and ethical behavior among employees.

Pursuant to the provisions of section 177(9) of the Act, rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and regulation 22 of the Listing Regulations, the Company has established Vigil Mechanism and framed Whistle Blower Policy for Directors and employees, to report concerns about unethical behaviour, actual or suspected fraud or report instances of leakage of unpublished price sensitive information or violation of the Company's Code of Conduct or Ethics Policy and Insider Trading Regulations.

During the Financial Year ended on March 31, 2025, the Board meeting held on August 2, 2024 approved the amendments in Whistle Blower Policy to widen the coverage of the Policy to cover all the stakeholders. The Whistle Blower Policy is uploaded on the website of the Company and weblink of the same is provided in a separate section in Corporate Governance Report, which forms a part of the Integrated Annual Report.

During the Financial Year ended on March 31, 2025, no person was denied access to the Chairperson of the Audit Committee and no complaint was received under the whistle blower mechanism.

ii. **Zydus Business Conduct Policy and Anti-Bribery and Anti-Corruption ("ABAC") Policy:**

The Company has framed "Zydus Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking has to be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and ethical manner. The Policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

The Company has also adopted "Anti-Corruption Policy". The objective of the ABAC Policy is to prohibit all forms (cash and/or in-kind) of bribery and corruption and it is applicable to all the employees (permanent or contractual), consultants, agents, business partners etc.

Disclosure as per the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"):

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the POSH Act and the Rules framed thereunder. In terms of section 134(3) of the Act read with rule 8(5) of the Accounts Rules, the Company has constituted Internal Complaints Committee.

The Company always endeavors to create and provide conducive work environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust Policy on prevention of sexual harassment at workplace. The Policy aims at prevention of harassment of employees, trainees, visitors, employees on contract or at client sites and lays down the guidelines for identification, reporting and prevention of sexual harassment.

During the Financial Year ended on March 31, 2025, the Company conducted virtual training sessions for employees to build awareness about the Policy and the provisions of the POSH Act.

During the Financial Year ended on March 31, 2025, the Company has not received any complaint of sexual harassment.

Annual Return:

Pursuant to the provisions of section 92(3) read with section 134(3)(a) of the Act, the Annual Return for the Financial Year ended on March 31, 2025, in the prescribed Form No. MGT-7 is uploaded on the website of the Company at https://www.zyduswellness.com/investors.php#annual-return.

Particulars of Employees:

Pursuant to the provisions of section 197 of the Act read with rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the information as required with respect to remuneration of Directors and employees is provided in **Annexure-"D"**.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Pursuant to the provisions of section 134(3)(m) of the Act read with rule 8(3) of the Accounts Rules, the information as required to be disclosed on conservation of energy, technology absorption, foreign exchange earnings and outgo is provided in **Annexure-"E"**.

Others Disclosures:

During the Financial Year ended on March 31, 2025, the Company has not-

i. issued any shares, warrants, debentures, bonds or any other convertible or non-convertible securities,

ii. issued any shares with differential voting rights,

iii. issued any sweat equity shares and

iv. made any changes in voting rights.

Pursuant to the provisions of section 134(3) of the Act read with rule 8(5) of the Accounts Rules, for the Financial Year ended on March 31, 2025:

i. Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134(3) of the Act read with rule 8(3) of the Accounts Rules, to the extent the transactions took place on those items,

ii. The Company does not propose to transfer any amount to the general reserves,

iii. There were no proceedings initiated / pending against your Company under the Insolvency and Bankruptcy Code, 2016,

iv. There were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions,

v. Apart from what is mentioned in this report, there are no material changes and commitments affecting the financial position of the Company between the end of the Financial Year and the date of this report,

vi. There is no change in the nature of business,

vii. No significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in the future,

viii. No fraud has been reported by the Auditors to the Audit Committee / the Board, pursuant to section 143(12) of the Act and

ix. There was no revision of the financial statements and the Board's Report during the Financial Year ended on March 31, 2025.

Acknowledgement:

Your Directors place on record their sincere appreciation for the continued co-operation and support extended to the Company by various Banks. Your Directors also thank the Trade and Consumers for their patronage to the Company's products. Your Directors also place on record sincere appreciation of the continued hard work put in by the employees at all levels. Your Directors also thank the Company's Vendors, Investors, Business associates, Stock Exchanges, Government of India, State Governments and various departments and Statutory and Government agencies or bodies for their support and co-operation.

By Order of the Board of Directors

Dr. Sharvil P. Patel
Chairman
DIN: 00131995

Date : May 19, 2025
Place : Ahmedabad

Annexure-"A" to the Directors' Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of
The Companies Act, 2013 and Rule 8(2) of The Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Act, including certain arm's length transactions under third proviso thereto

A. Details of contracts or arrangements or transactions not on an arm's length basis:

During the Financial Year ended on March 31, 2025, there were no contracts or arrangements or transactions entered into with related parties, which are not on an arm's length basis.

B. Details of material contracts or arrangements or transactions on an arm's length basis:

Sr. No.	Name of the Related Party and Nature of Relationship	Nature of contract / arrangement or transaction	Duration of contract / arrangement or transaction	Salient terms of the contract / arrangement or transaction, including value, if any	Date of approval by the Board of Directors	Amount paid as advance, if any
1.	Zydus Wellness Products Limited, a wholly owned subsidiary company	• Purchase and Sale of goods / services • Royalty income • Purchase and Sale of movable capital items • Reimbursement of expenses	Ongoing	The related party transactions entered during the Financial Year were in ordinary course of business and on an arm's length basis. The aggregate amount of transactions for the Financial Year was ₹ 3,022.26 million (Rupees Three Thousand Twenty Two Million Two Hundred Sixty Thousand only).	March 30 2024, May 14, 2024, November 11, 2024 and November 26, 2024	Nil

By Order of the Board of Directors

Dr. Sharvil P. Patel
Chairman
DIN: 00131995

Date : May 19, 2025
Place : Ahmedabad

Annexure-"B" to the Directors' Report

Secretarial Audit Report of Zydus Wellness Limited

For the Financial Year ended on March 31, 2025
(Pursuant to section 204(1) of The Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members of
Zydus Wellness Limited
(CIN: L15201GJ1994PLC023490)
Zydus Corporate Park, Scheme No. 63, Survey No. 536,
Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,
Sarkhej-Gandhinagar Highway, Ahmedabad – 382481.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zydus Wellness Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 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:

1. 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;
   (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
   (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with regard to disclosures thereunder;
   (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
   (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable during the period);
   (iv) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2021 (Not Applicable during the period);
   (v) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable during the period);
   (vi) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable during the period);
   (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable during the period); and
   (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable during the period)
3. We have relied on the representations made by the Company and its officers for the systems and mechanism formed by the Company for compliances under other general laws and regulations applicable to the Company.
4. The Company has identified and confirmed that following specific laws are applicable to the Company:
   (i) Food Safety and Standards Act, 2006
   (ii) Legal Metrology Act, 2009
5. We have also examined compliance with the applicable clauses of the following:
   (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) The compliances by the Company with BSE Limited and National Stock Exchange of India Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

a) Whereas in terms of Reg. 30 r/w sub para 15(a) of Para A of Part A of Schedule III of SEBI (LODR) Regulations, 2015, intimation with regard to Analysts & Institutional Investors Meet should be given at least two working days in advance (excluding the date of intimation and date of meeting), such intimation was given by the Company one working day in advance on one occasion during the Financial Year.

b) Whereas in terms of amended Regulation 21(3A) of SEBI (LODR) Regulations 2015, which came into effect from December 13 2024, meetings of the Risk Management Committee are required to be held twice in a Financial Year, only one such meeting was held during the Financial Year.

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors/Key Managerial Personnel ("**KMP**") that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors/members of the Committees to schedule the Board/Committee Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.

All decisions at meetings of the Board and Committees are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees thereof, as the case may be.

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

We further report that, during the audit period, the Company acquired 100% equity shares of Naturell (India) Private Limited, a company engaged in the business of healthy snacking at a consideration of ₹ 3,900 million. There were no other major events / actions that were taken up by the Company.

Hitesh D. Buch
Proprietor
For, Hitesh Buch & Associates
Company Secretaries
FCS No.: 3145; C P No.: 8195
Peer Review Cert. No. 1265/2021
UIN: S2009GJ110300
UDIN: F003145G000362561

Date : May 19, 2025
Place : Ahmedabad

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

Annexure

To,
The Members of
Zydus Wellness Limited
(CIN: L15201GJ1994PLC023490)
Zydus Corporate Park, Scheme No. 63, Survey No. 536,
Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,
Sarkhej-Gandhinagar Highway, Ahmedabad – 382481.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Hitesh D. Buch
Proprietor
For, Hitesh Buch & Associates
Company Secretaries
FCS No.: 3145; C P No.: 8195
Peer Review Cert. No. 1265/2021
UIN: S2009GJ110300
UDIN: F003145G000362561

Date : May 19, 2025
Place : Ahmedabad

Annexure-"B1" to the Directors' Report

Secretarial Audit Report of Zydus Wellness Products Limited

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 of
Zydus Wellness Products Limited
(CIN: U15400GJ2019PLC106866)
Zydus Corporate Park, Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway,
Ahmedabad – 382481.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zydus Wellness Products Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 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:

1. 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;
   (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
2. The Company being an unlisted company, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act are not applicable.
3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.
4. The Company has identified and confirmed that following specific laws are applicable to the Company:
   (i) Food Safety and Standards Act, 2006
   (ii) Legal Metrology Act, 2009
5. We have also examined compliance with the applicable clauses of the following:
   (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

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

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors / Key Managerial Personnel ("**KMP**") that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at meetings of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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 there were no major events / actions that were taken up by the Company.

Hitesh D. Buch
Proprietor
For, Hitesh Buch & Associates
Company Secretaries
FCS No.: 3145; C P No.: 8195
Peer Review Cert. No. 1265/2021
UIN: S2009GJ110300
UDIN: F003145G000315006

Date : May 19, 2025
Place : Ahmedabad

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

Annexure

To,
The Members of
Zydus Wellness Products Limited
(CIN: U15400GJ2019PLC106866)
Zydus Corporate Park, Scheme No. 63,
Survey No. 536, Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway
Ahmedabad – 382481.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Hitesh D. Buch
Proprietor
For, Hitesh Buch & Associates
Company Secretaries
FCS No.: 3145; C P No.: 8195
Peer Review Cert. No. 1265/2021
UIN: S2009GJ110300
UDIN: F003145G000315006

Date : May 19, 2025
Place : Ahmedabad

Annexure-"C" to the Directors' Report

Annual Report on Corporate Social Responsibility ("CSR") activities

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

The Company has framed a CSR Policy in compliance with the provisions of section 135(4)(a) of the Act and Rules framed thereunder, as amended from time to time. The Company has outlined the following thrust areas in the CSR Policy:

i) Healthcare / Medical Facility

ii) Skill Development / Empowerment

iii) Community Development

iv) Education / Knowledge Enhancement

v) Infrastructure Development

vi) Environment Protection

vii) Others as may be decided.

2. **Composition of CSR and ESG Committee:**

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meeting of CSR and ESG Committee held during the year	Number of meeting of CSR and ESG Committee attended during the year
1.	Dr. Sharvil P. Patel	Chairman of CSR and ESG Committee, Non-Executive Director	1	1
2.	Mr. Kulin S. Lalbhai	Member of CSR and ESG Committee, Independent Director		0
3.	Mr. Ganesh N. Nayak	Member of CSR and ESG Committee, Non-Executive Director		1

3. **Provide the web-link where composition of CSR and ESG committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:**

Composition of CSR and ESG Committee:
https://zyduswellness.com/investor/Committees%20of%20Board%20-%20Website%20-%2001-10-24.pdf

CSR Policy: https://www.zyduswellness.com/investor/CSR-Policy-ZWL-01.02.2021.pdf

CSR Projects approved by the Board: https://zyduswellness.com/investor/CSR%20Projects%20-%20Website.pdf

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

Not applicable.

5. (a) **Average net profit of the Company as per section 135(5):** ₹ 320.50 million (Rupees Three Hundred Twenty Million Five Hundred Thousand only).

(b) **Two percent of average net profit of the Company as per section 135(5):** ₹ 6.41 million (Rupees Six Million Four Hundred Ten Thousand only).

(c) **Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years:** Nil.

(d) **Amount required to be set off for the Financial Year, if any:** Nil.

(e) **Total CSR obligation for the Financial Year (b+c-d):** ₹ 6.41 million (Rupees Six Million Four Hundred Ten Thousand only).

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 6.41 million (Rupees Six Million Four Hundred Ten Thousand only).

(b) **Amount spent in Administrative Overheads:** Nil.

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

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 6.41 million (Rupees Six Million Four Hundred Ten Thousand only).

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

(₹ in Million)

Total amount spent for the Financial Year	Amount Unspent				
	Total amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
6.41	Not Applicable				

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

(₹ in Million)

Sr. No.	Particulars	Amount
i.	Two percent of average net profit of the Company as per section 135(5)	6.41
ii.	Total amount spent for the Financial Year	6.41
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. **Details of Unspent CSR amount for the preceding three Financial Years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount	Date of transfer		
Nil								

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

No

If Yes, enter the number of Capital assets created/ acquired: Not applicable.

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
Not applicable							

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

Not Applicable.

Dr. Sharvil P. Patel
Chairman of the Board and CSR and ESG Committee
DIN: 00131995
Date : May 19, 2025
Place : Ahmedabad

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Date : May 19, 2025
Place : Ahmedabad

Annexure-"D" to the Directors' Report

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. **The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year:**

Name of the Director	Ratio of each Director to the median remuneration of the employee
Dr. Sharvil P. Patel	1.09
Ms. Dharmishtaben N. Raval	2.58
Mr. Srivishnu R. Nandyala	2.73
Mr. Akhil A. Monappa	2.58
Mr. Kulin S. Lalbhai	1.80
Mr. Ganesh N. Nayak	1.56
Mr. Tarun Arora	22.14

b. **The percentage increase in remuneration of each Director, Chief Financial Officer and the Company Secretary in the Financial Year:**

Name of the Director, Chief Financial Officer and the Company Secretary	% increase in the remuneration in the Financial Year
Dr. Sharvil P. Patel	-
Ms. Dharmishtaben N. Raval	17.9%
Mr. Srivishnu R. Nandyala	16.7%
Mr. Akhil A. Monappa	37.5%
Mr. Kulin S. Lalbhai	4.5%
Mr. Ganesh N. Nayak	-
Mr. Tarun Arora	18.9%
Mr. Umesh V. Parikh, Chief Financial Officer	25.8%
Mr. Nandish P. Joshi, Company Secretary	49.7%

c. The percentage increase in the median remuneration of employees in the Financial Year was 8.4%.

d. There were 1,041 permanent employees (excluding workers) on the rolls of the Company (including employees of subsidiaries) as on March 31, 2025.

e. The consolidated profit before tax, for the Financial Year ended on March 31, 2025 increased by 37.9% and the average increase in remuneration of employees was 9.0%.

f. The consolidated profits before tax for the Financial Year ended on March 31, 2025 increased by 37.9% and the remuneration of Key Managerial Personnels, viz. (1) Mr. Tarun Arora, CEO & WTD, (2) Mr. Umesh V. Parikh, Chief Financial Officer and (3) Mr. Nandish P. Joshi, Company Secretary increased by 18.9%, 25.8% and 49.7% respectively.

g. The average annual increase in the salaries of the employees, other than managerial personnel was 9.0%, whereas the average increase in the managerial remuneration was 8.5% for the Financial Year ended on March 31, 2025. The increase in remuneration was on the recommendation of NRC considering the performance of the managerial personnel and the Company.

h. The members have, at the AGM of the Company held on August 2, 2024 approved the payment of commission to the Non-Executive Directors within the ceiling of 1.0% of the Net Profits of the Company, subject to maximum of ₹ 15 million (Rupees Fifteen Million only) in aggregate for each Financial Year, as computed under the applicable provisions of the Act. The said commission is decided each year by the Board and distributed amongst the Non-Executive Directors. The Board, based on the performance of the Company and on the recommendation of NRC, has approved payment of commission of ₹ 0.55 million (Rupees Five Hundred Fifty Thousand only) to each ID of the Company.

i. There was no employee receiving remuneration higher than the highest paid Director during the Financial Year ended on March 31, 2025.

j. The Company affirms that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

k. The statement containing particulars of employees as required under section 197(12) of the Act read with rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure which forms a part of the Integrated Annual Report. In terms of section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. The Integrated Annual Report is being sent to the members excluding the aforesaid separate annexure. Any member interested in obtaining a copy of the same may write to the Company Secretary.

By Order of the Board of Directors

Dr. Sharvil P. Patel
Chairman
DIN: 00131995

Date : May 19, 2025
Place : Ahmedabad

Annexure-"E" to the Directors' Report

Information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as provided under section 134(3)(m) of The Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014

A. Conservation of Energy:

1.	Steps taken or impact on conservation of energy	• Improved productivity of fat spread line by implementing green belt project, which increased product holding time by 30% to 45% from perfector to wrapping machine, resulted in energy savings of 434 Gigajoules. • Reuse of effluent treatment plant (ETP) discharged water after ultrafiltration and reverse osmosis treatment at utilities (HWG and Cooling tower), resulted in water saving of 1,644 kiloliters and reduced usage of borewell thereby reduction in energy consumption. • Improvement in mayonnaise processing by implementing ultraviolet facility for processing water to avoid heating of water up to 80 degree, resulted in energy savings of 559 Gigajoules.
2.	Steps taken for utilization of alternate sources of energy	Nil
3.	Capital Investment on energy conservation equipments	₹ 5.16 million (Rupees Five Million One Hundred Sixty Thousand only).

B. Technology absorption:

1.	Efforts made towards technology absorption	Purchased imported machinery for manufacturing of mayonnaise. It has increased the current mayonnaise production capacity seven to eightfold, from 7 metric tons / day to 60 metric tons / day, ensuring scalability and future readiness.
2.	Benefits derived	Energy savings due to reduced planned stoppages and major breakdowns.
3.	Details of technology imported in last three years	
	a. Details of technology imported	Fryma Koruma Machine
	b. Year of import	2024-2025
	c. Whether the technology been fully absorbed	Yes
	d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Fully absorbed
4.	Expenditure incurred on Research and Development	₹ 44 million (Rupees Forty Four Million).

C. Foreign exchange earnings and outgo:

During the Financial Year ended on March 31, 2025, the foreign exchange earned in terms of actual inflow was ₹ 54 million (Rupees Fifty Four Million only), whereas the foreign exchange in terms of actual outflow was ₹ 3 million (Rupees Three Million only).

By Order of the Board of Directors

Dr. Sharvil P. Patel
Chairman
DIN: 00131995

Date : May 19, 2025
Place : Ahmedabad

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance:

Zydus Wellness Limited ("the **Company**") believes in continuous good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. Therefore, we have designed our systems and action plans to enhance performance and stakeholders' value in the long run. To create a culture of good governance, your Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, fair representation of professionally qualified, Executive, Non-Executive and Independent Directors ("**IDs**") on the Board of Directors ("the **Board**"), adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues. The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**").

Transparency

We believe that transparency is important for healthy and self-sustaining growth. It also promotes deep and long-standing trust amongst our stakeholders. We endeavour to demonstrate highest levels of transparency.

Fairness

We practice fair play and integrity in our transactions with all the stakeholders. We conduct ourselves in an equitable manner.

Accountability

We believe that accountability is about holding ourselves responsible for what we do. By means of openness and transparency, we consider ourselves accountable to the entire universe of stakeholders including our employees, members, vendors, government agencies, regulators, society, customers, business partners, and suppliers.

1. Governance Structure:

The governance structure of the Company comprises of the Board, the Committees of the Board at the top level and the internal governance structure at the operational level. The responsibility of the Board is to determine the overall corporate objectives and give direction and freedom to the management to achieve those objectives within a given framework. The Board is responsible to formulate long-term strategic plan and strategy and monitor its implementation, monitor effectiveness of Company's Corporate Governance practices and exercise effective control of the functioning of the Company to ensure fulfilment of stakeholders' expectation and long-term value creation. The organizational and governance structure enables an environment for value creation through sustainable and profitable growth.

The governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility.

The primary role of the Board is to protect the interest and enhance the value for all the stakeholders. It conducts the overall strategic supervision and control by setting policies, reporting mechanism and accountability and decision making process to be followed.

Under the overall supervision and control of the Board, the Chief Executive Officer ("**CEO**") & Whole Time Director ("**WTD**") is accountable for the overall working of the Company. The Board gives strategic directions, lays down the policy guidelines and the CEO & WTD ensures the implementation of the decisions of the Board and its Committees.

The governance system encourages the entrepreneurship, risk taking and growth orientation with an objective to lead with full accountability enabled by appropriate empowerment.

2. Board of Directors:

The Board has the ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The CEO & WTD looks after the day-to-day business affairs of the Company. The Board reviews the overall business operations atleast once in a quarter based on updates on the Company's performance provided by the CEO & WTD and the Chief Financial Officer.

a. Composition of the Board:

The composition of the Board is in compliance with the provisions of regulation 17(1) of the Listing Regulations and sections 149 and 152 of The Companies Act, 2013 ("the **Act**"). The Board is headed by the Non-Executive Non-Independent

Chairman, Dr. Sharvil P. Patel, who is also a Promoter Director. As at March 31, 2025, your Company's Board comprised of 7 (seven) Directors who have considerable experience in their respective fields. The composition of the Board and category of Directors as at March 31, 2025 are as under:

Sr. No.	Category of Directors	No. of Directors	% to total No. of Directors
1.	Independent Non-Executive Directors	4	57.1
	• Including Woman Director	1	14.3
2.	Executive Directors	1	14.3
3.	Non-Executive Non-Independent Directors	2	28.6
	Total	**7**	**100**

Pursuant to the provisions of section 149(1) of Act and Rules framed thereunder and regulation 17 of the Listing Regulations, the constitution of the Board meets with the requirements stated therein. The Non-Executive Directors and IDs have expert knowledge in the fields of consumer business, information technology / cyber security, Environment, Social and Governance ("**ESG**") and sustainability, marketing, finance, business management, human resource, manufacturing and law. Thus, the Board represents a balanced mix of entrepreneurs and professionals, who bring the benefit of their knowledge, expertise and competence and enable the Board to discharge its responsibilities and provide effective leadership to the business. The brief profile of all the Directors is available on the website of the Company and the weblink of the same is provided separately in this report.

Various details of the Board and its Committees as at March 31, 2025, are provided in the below table:

Board Composition	
Board size	**7**
Non-Independent Directors	3
Independent Directors	4
Gender Diversity	
Women	14.3%
Men	85.7%
Average Age	53 years
Average Board Tenure	9.6 years
Average Tenure – Independent Directors	5.6 years
Number of Board Meetings	5
Board Attendance %	89.2%
Number of Committee Meetings	36
Committee Attendance %	84.5%
Age Diversity	
31-40	14.2%
41-50	28.6%
51-60	28.6%
61-70	28.6%
Board Chairperson	Non-Executive Director
Separate role of Chairperson & WTD	Yes
Board Evaluation	Annual
Board Re-election	
Independent Directors	Fixed term of 5 years (upto 2 terms)
Executive & Non-Executive Directors	Annual retirement by rotation (1/3rd of 2/3rd)
Audit Committee Independence	80.0%
Nomination and Remuneration Committee Independence	100%

IDs are Non-Executive Directors as defined under regulation 16(1)(b) of the Listing Regulations read with section 149(6) of the Act read with Rules framed thereunder. Pursuant to the provisions of regulation 25(8) of the Listing Regulations, the IDs have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impact or impair their ability to discharge their duties. The Board has verified the veracity of disclosures received from IDs and confirmed that they meet the criteria of independence as prescribed under regulation 16(1)(b) of the Listing Regulations and section 149(6) of the Act and that they are independent

of the management. The IDs have confirmed that they have registered themselves with ID's database maintained by The Indian Institute of Corporate Affairs. None of the IDs of the Company have resigned before the expiry of their tenure.

There were no conflict of interest of IDs with the Company.

None of the ID-

i. is employed by the Company in an executive capacity in last 5 (five) years,

ii. is a family member of an individual who is or during last 3 (three) years was employed by the Company, Parent Company or any subsidiary company as an executive officer,

iii. is an advisor or consultant to the Company or a member of the Company's senior management,

iv. is affiliated with a significant customer or supplier of the Company,

v. have any personal service contract with the Company or a member of the Company's senior management,

vi. is affiliated with a not-for-profit entity that receives significant contributions from the Company,

vii. is a partner or employee of the Company's statutory auditors during the past 3 (three) years,

viii. accepts or have a family member who accepts any payments from the company or any subsidiary company,

ix. have any other conflict of interest that the Board itself determines to mean that he/she cannot be considered independent.

The Company shall always maintain a minimum of 50.0% IDs on Board of the Company.

The CEO & WTD is not serving as an ID in any listed company.

b. Board Skills / Expertise / Competencies:

The Company's Board is a skill-based board comprising of Directors who collectively have the skills, knowledge and experience to effectively govern and direct the organisation.

The Board has identified the below mentioned core skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

- Knowledge and/or expertise in one or more of areas like consumer business, information technology / cyber security, ESG and sustainability, marketing, finance, business management, human resource, manufacturing and law.

This criteria is designed to ensure the Board consists of individuals with a balance of skills to oversee the organisation, achieve the strategic goals and direct the organisation's future.

The above core skills / expertise / competencies identified by the Company are also actually available with the Board as under:

Sr. No.	Skills	Dr. Sharvil P. Patel	Ms. Dharmishtaben N. Raval	Mr. Srivishnu R. Nandyala	Mr. Akhil A. Monappa	Mr. Kulin S. Lalbhai	Mr. Ganesh N. Nayak	Mr. Ashish P. Bhargava*	Mr. Tarun Arora
1.	Consumer Business	✓	x	✓	x	✓	✓	✓	✓
2.	Information Technology / Cybersecurity	✓	x	✓	✓	✓	x	✓	✓
3.	ESG and Sustainability	✓	✓	x	✓	✓	✓	✓	✓
4.	Marketing	✓	x	✓	x	✓	✓	✓	✓
5.	Finance	✓	✓	✓	✓	✓	✓	✓	✓
6.	Business Management	✓	x	✓	✓	✓	✓	✓	✓
7.	Human Resource	✓	x	✓	x	✓	✓	✓	✓
8.	Manufacturing	✓	x	x	x	✓	✓	✓	✓
9.	Law	x	✓	x	x	x	x	x	x

* Ceased as a Nominee Director w.e.f. September 30, 2024.

The eligibility of a person to be appointed as a Director of the Company is dependent on possession of the requisite skills, as identified by the Board.

c. Board Meetings / Directors' particulars:

Pursuant to the provisions of regulation 17(2) of the Listing Regulations and section 173(1) of the Act, the Board meets at least once in each quarter and the gap between any 2 (two) Board meetings was not more than 120 (one hundred twenty) days. During the Financial Year ended on March 31, 2025, 5 (five) Board meetings were held on May 14, 2024, August 2, 2024, October 30, 2024, November 11, 2024 and February 2, 2025. Out of them, 1 (one) meeting was held through video conferencing and remaining 4 (four) meetings were held physically at the registered office of the Company. The necessary quorum was present during all the meetings.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly / half yearly / yearly unaudited / audited financial results, audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure and ensures compliance with applicable laws and regulations. It monitors overall performance of the Company and reviews performance of its subsidiaries. The Agenda for the Board meeting covers items set out as guidelines in regulation 17 of the Listing Regulations to the extent the same are applicable and relevant. All agenda items are supported by relevant information, documents and presentations (wherever required) to enable the Board to take informed decisions.

The Board meetings are scheduled well in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from this, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. The physical meetings are usually held in Ahmedabad, where the Registered Office of the Company is situated. The Chief Financial Officer and the Company Secretary in consultation with the Chairman and CEO & WTD prepares detailed agenda for the meetings. The Directors are also free to bring up any matter for discussion at the Board meetings with the permission of the Chairman. Any other business, which may come up after circulation of agenda papers is placed before the Board by way of table agenda with the permission of the Chairman and with the consent of the majority of the Directors. In case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted under the law, which is ratified in the subsequent Board meeting. The Board approved 4 (four) resolutions by circulation on September 30, 2024, November 26, 2024, February 1, 2025 and March 28, 2025.

Moreover, certain urgent matters are also being taken up at a Board meeting which are held at a shorter notice. With the unanimous consent of the Board, unpublished price sensitive information ("**UPSI**"), is circulated to Directors at a shorter notice.

The Company Secretary is responsible for convening Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees and ensures appropriate recording of minutes of the meetings.

The draft minutes of the meetings approved by the Chairman is circulated to all the Directors within 15 (fifteen) days after the conclusion of the meetings. Comments, if any, received from the Directors are incorporated in the minutes, in consultation with the Chairman. Decisions taken at the Board / Committee meetings are communicated to the concerned departments promptly for actions and an Action Taken Report of the status on the decisions taken is placed, for information of the Board / Committee at the next meeting. The minutes of all committee meetings of the Company and Board meetings of all Indian subsidiary companies are placed in the next Board meeting for their noting.

The Board has a complete access to the information within the Company, which *inter-alia* includes –

1. Annual revenue and capital expenditure plans / budgets,
2. Quarterly results and results of operations of the Company and its subsidiaries,
3. All borrowings, investments, loans and guarantees,
4. Minutes of the meetings of the Board, Committees of the Board and minutes of the meetings of the Board of Indian subsidiary companies,
5. Quarterly report on any fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems,

6. Any materially relevant default, if any, in financial obligations to and by the Company or substantial non-payment for goods sold or services rendered, if any,

7. Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company, and

8. Compliance or non-compliance of any regulatory, statutory nature or listing requirements and matters related to investors' services such as non-payment of dividend, delay in transfer of shares, etc.

The IDs play an important role in the deliberations in the Board meetings and bring with them rich expertise in the field of consumer business, manufacturing, marketing, finance, law, ESG and sustainability and other areas.

While constituting the Committee of the Board, the requirements that a Director shall not be a member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees have been ensured and complied with. None of the IDs served as an ID in more than 7 (seven) listed companies. None of the Directors of the Company hold directorship in more than 20 (twenty) companies, including 10 (ten) public companies. All Directors of the Company except the IDs are liable to retire by rotation. During the year, none of the IDs of the Company had resigned before the expiry of their respective tenure(s). Mr. Ashish P. Bhargava, representing Threpsi Care LLP resigned as a Nominee Director of the Company with effect from September 30, 2024 due to reduction in the shareholding of Threpsi Care LLP below specified threshold limit. None of the Directors of the Company are related inter-se.

The following table provide details of name of the Director and DIN, category and position, age and original date of appointment, tenure, attendance of the Director at the Board meetings and last Annual General Meeting ("**AGM**"), Chairmanship / Membership in other Board Committees and number of other directorships held in Indian Public Limited Companies (other than the Company) as at March 31, 2025.

Name of the Director and DIN	Category and Position	Age and Original date of appointment	Tenure (in years)	No. of Board meetings		Whether attended last AGM (Yes / No)	Member (Chairman)[1] Board Committees[2]	Number of other directorships held
				Held	Attended			
Dr. Sharvil P. Patel (DIN: 00131995)	Non-Executive Chairman	46 years April 27, 2009	16	5	5	Yes	3	7
Ms. Dharmishtaben N. Raval (DIN: 02792246)	Non-Executive and Independent Woman Director	69 years March 11, 2019	6		5	Yes	4(1)	6
Mr. Srivishnu R. Nandyala (DIN: 00025063)	Non-Executive and Independent Director	51 years March 11, 2019	6		5	Yes	2	-
Mr. Akhil A. Monappa (DIN: 09784366)	Non-Executive and Independent Director	46 years May 17, 2023	2		5	Yes	2(1)	1
Mr. Kulin S. Lalbhai (DIN: 05206878)	Non-Executive and Independent Director	39 years November 18, 2016	9		2	Yes	3(1)	4
Mr. Ganesh N. Nayak (DIN: 00017481)	Non-Executive Director	70 years July 27, 2006	19		4	Yes	2(1)	2
Mr. Tarun Arora (DIN: 07185311)	CEO & WTD	53 years May 14, 2015	10		5	Yes	1	5

1. Figures in ( ) indicate the number of Board Committees of which a Director is a Chairman / Chairperson.

2. Board Committees means Audit Committee and Stakeholders' / Investors' Relationship Committee.

The following table gives the names of the listed companies where the Directors of the Company are Directors and the category of their respective directorships:

Sr. No.	Name of the Director	Name of the listed companies in which the Director of the Company is a Director	Category of directorship in the listed companies
1.	Dr. Sharvil P. Patel	Zydus Lifesciences Limited	Managing Director
		Gujarat Mineral Development Corporation Limited	Independent Director
2.	Ms. Dharmishtaben N. Raval	None	-
3.	Mr. Srivishnu R. Nandyala	None	-
4.	Mr. Akhil A. Monappa	Zydus Lifesciences Limited	Independent Director
5.	Mr. Kulin S. Lalbhai	Arvind Limited	Executive Director
		Arvind Smartspaces Limited	Non-Executive Director
		Arvind Fashions Limited	Non-Executive Director
6.	Mr. Ganesh N. Nayak	Zydus Lifesciences Limited	Executive Director
7.	Mr. Tarun Arora	None	-

d. Familiarization Programme:

At the time of appointment of an ID, a formal letter of appointment is given to him / her, which *inter-alia* explains the roles, functions, duties and responsibilities expected from him / her as a Director of the Company. All our Directors are aware and also updated, whenever required, of their roles, responsibilities, liabilities and obligations under the provisions of Schedule IV of the Act, and Rules framed thereunder and regulation 25 of the Listing Regulations.

A presentation on familiarization programme made to the IDs of the Company is posted on the website of the Company. The link of the same is provided separately under this report.

e. Evaluation:

During the year, the Nomination and Remuneration Committee ("**NRC**") / Board have carried out evaluation of its own performance and performance of the Committees of the Board, IDs, Directors and the Chairman of the Board.

Evaluation Sheets for evaluation of above were circulated to all the Directors and duly filled evaluation sheets of all the Directors were submitted to the Chairman of the Board.

The Board has evaluated the composition of the Board, its Committees, experience and expertise, performance of specific duties and obligations, governance matters, etc. with an aim to improve their effectiveness.

Performance evaluation of individual Directors and the Chairman of the Board was also carried out in terms of their respective attendance at Board / Committee meetings, contributions at the meetings, circulation of sufficient documents and information to the Directors, timely availability of the agenda, etc. The Directors were satisfied with the evaluation on different criteria.

Performance evaluation of IDs, was also carried out which included, preparedness and information about the Board / Committee meetings, attendance at different meetings, preparedness to devote sufficient time for the meetings, relationship with the Chairman, other Board members, Key Managerial Personnel ("**KMP**") and senior management, updating knowledge with latest developments in regulatory and market conditions, expressing views on specialized agenda items, the statutory requirement being the fulfillment of the independence criteria as specified in the Listing Regulations and their independence from the management. The Directors who were subject to evaluation did not participate in the proceedings of the meeting.

3. Committees of the Board:

The Committees of the Board have been constituted to deal with specific areas / activities as mandated by applicable rules and regulations or as delegated by the Board.

The Chairperson of the respective Committee briefs the Board about the summary of the discussions held at the Committee meetings and the recommendations of the Committee. The terms of reference of the Committees are in line with the applicable provisions of the Listing Regulations, the Act and the Rules framed thereunder.

Currently, the Board has formed the following Committees:

A) Audit Committee;

B) Nomination and Remuneration Committee;

C) Corporate Social Responsibility and Environment Social and Governance Committee;

D) Risk Management Committee;

E) Stakeholders' / Investors' Relationship Committee;

F) Share Transfer Committee; and

G) Finance and Administration Committee

The terms of reference of the Committees of the Board are determined by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees. The meetings of the Committees of the Board are convened by the Chairman / Chairperson of the respective Committee, pursuant to the statutory provisions of the Act and the Listing Regulations.

The Committees operate under the direct supervision of the Board. Normally, the Committee meetings are held prior to the Board meeting and the Chairman / Chairperson of the respective Committee reports to the Board about the deliberations and decisions taken by the Committees.

A. Audit Committee:

I. Terms of Reference:

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible,

2. Recommendation for appointment (including re-appointment), removal, remuneration and terms of appointment of statutory, internal (chief internal auditor) and cost auditors after due consideration of their independence, effectiveness, reviewing with the management and monitoring their performance,

3. Reviewing with the management the quarterly / half-yearly / annual, unaudited / audited financial results, statements and limited review report / audit reports of the Statutory Auditors before recommending for approval by the Board with particular reference to:

   i. matters required to be included in Director's responsibility statement for including in the Director's report in terms of section 134(3)(c) of the Act.

   ii. changes, if any, in the accounting policies and practices and reasons for the same.

   iii. major accounting entries involving estimates based on the exercise of judgment by management.

   iv. significant adjustments made in the financial statements arising out of audit findings.

   v. compliance with listing and other legal requirements relating to financial statements.

   vi. disclosure of related party transactions.

   vii. modified opinion, if any, in the draft audit report.

4. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency about monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter,

5. Reviewing the following information:

   i. Management Discussion and Analysis of financial condition and results of operations.

   ii. Management letters / letters of internal control weaknesses issued by the statutory auditors.

   iii. Internal audit reports relating to internal control weaknesses.

   iv. Appointment, removal and terms of remuneration of the chief internal auditor.

   v. Statement of deviations:

      - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1) of the Listing Regulations.

      - annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of regulation 32(7) of the Listing Regulations.

6. Scrutiny of inter-corporate loans and investments,
7. Reviewing with the management the performance of statutory and internal auditors,
8. Evaluation of internal financial controls and risk management systems,
9. Review and discuss with the management major financial risk exposures and steps taken to monitor and control them,
10. Reviewing the functioning of the whistle blower mechanism,
11. Review the scope of the Internal Auditors and Audit Plan to ensure reasonable coverage of different areas of operations,
12. Review, discuss and monitor the observations reported by Statutory / Internal Auditors and their compliance,
13. Review the findings of any internal investigation by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board,
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern,
15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors,
16. Approval of payment towards additional services rendered by the Statutory Auditors except those enumerated in section 144 of the Act,
17. Reviewing Cost Audit Report submitted by the Cost Auditors,
18. Approval and / or subsequent modification, if any, in the Related Party Transactions and grant omnibus approval for certain related party transactions, which are in the ordinary course of business and on an arm's length basis,
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate,
20. Reviewing the utilization of loans and / or advances from / investment by the Holding Company in the subsidiary in excess of ₹ 1,000 million (Rupees One Thousand Million only) or 10.0% of the asset size of the subsidiary, whichever is lower,
21. Supervising implementation of Insider Trading Code and policies relating thereto,
22. Reviewing valuation of undertakings or assets of the Company, wherever necessary,
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the Company and its members.

The Audit Committee ensures that it has reviewed each area that it is required to review under the terms of reference. Every quarter, the Audit Committee is presented with a summary of audit observations and follow-up actions thereon.

The Audit Committee periodically reviewed and noted all related party transactions. Majority of the related party transactions were entered between the Company and its subsidiaries, Holding company / subsidiaries of the Holding company. All the related party transactions were entered in the ordinary course of business, on an arm's length basis and as per Policy on materiality of related party transactions and dealing with related party transactions ("**RPT Policy**"). The Audit Committee ratified all the related party transactions entered into by the Company during the Financial Year ended on March 31, 2025. The Audit Committee granted omnibus approval for the related party transactions which are repetitive in nature and unforeseen transactions to be entered into by the Company during the Financial Year ending on March 31, 2026. The Company did not enter into any related party transactions that required approval of the members. The Company has also not entered into transaction with related parties that may have potential conflict with the interests of the Company.

Pursuant to the provisions of regulation 23(2) of the Listing Regulations, only IDs participated in the agenda item of approval of related party transactions.

The Audit Committee reviewed on a quarterly basis, the details of related party transactions entered into by the Company pursuant to the omnibus approvals granted. The Audit Committee also took a note of the material subsidiary of the Company.

II. Composition, meetings held and attendance at the meetings during the year:

During the Financial Year ended on March 31, 2025, 4 (four) Audit Committee meetings were held on May 14, 2024, August 2, 2024, November 11, 2024 and February 2, 2025. The time gap between any 2 (two) meetings was less than 120 (one hundred twenty) days. The composition of the Audit Committee as at March 31, 2025 and details of attendance of the members at the meetings of the Committee are as under:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Dharmishtaben N. Raval, Chairperson	Non-Executive and Independent	4	4
Mr. Srivishnu R. Nandyala	Non-Executive and Independent		4
Mr. Akhil A. Monappa	Non-Executive and Independent		4
Mr. Kulin S. Lalbhai	Non-Executive and Independent		2
Mr. Ganesh N. Nayak	Non-Executive		4

Note: Mr. Ashish P. Bhargava ceased as a member of the Committee w.e.f. September 30, 2024.

All the members of the Audit Committee have requisite qualification for appointment as a member of the Committee and possess sound knowledge of accounting practices as well as financial and internal controls.

The Chairperson of the Audit Committee attended the AGM of the Company held on August 2, 2024 to respond to the queries of the members.

III. Invitees in the Audit Committee Meetings:

The representative(s) of the Statutory and the Internal Auditors are regularly invited and they have attended all the Audit Committee meetings held during the Financial Year ended on March 31, 2025. The CEO & WTD and the Chief Financial Officer are invited to attend and participate in these meetings. The Company Secretary acts as a Secretary to the Committee.

The Company continues to derive benefit from the deliberations of the Audit Committee meetings as the members are experienced in the areas of finance, corporate laws and consumer business. It ensures accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

B. Nomination and Remuneration Committee:

Pursuant to the provisions of section 178(1) of the Act and regulation 19 of the Listing Regulations, the Board has constituted the NRC. The terms of reference of the NRC are specified in Para A of Part D of Schedule II of the Listing Regulations which are mentioned hereunder:

I. Terms of reference:

The functions of NRC, *inter-alia*, include the following:

1. To identify the persons, who are qualified to become Directors of the Company or who may be appointed in Senior Management and recommend to the Board their appointment and removal,
2. For appointment of ID, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of role and capabilities of an ID,
3. For re-appointment of ID, to decide whether to extend or continue the term of appointment, on the basis of the report of performance evaluation of IDs,
4. To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, KMP and other employees,
5. To formulate criteria for evaluation of performance of ID and the Board,
6. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management,
7. To ensure the level and composition of remuneration is reasonable and sufficient, its relationship with performance is clear and meets appropriate performance benchmarks,
8. To develop and review the succession plan for the Board, and
9. To devise a policy on diversity of Board of Directors.

II. Composition, meeting held and attendance at the meeting during the year:

During the Financial Year ended on March 31, 2025, 1 (one) NRC meeting was held

on May 14, 2024. All members of the Committee are IDs. The composition of the NRC as at March 31, 2025 and details of the attendance of the members at the meeting of the Committee are as under:

Name of the Member	No. of Meeting held	No. of Meeting attended
Mr. Kulin S. Lalbhai, Chairman		0
Ms. Dharmishtaben N. Raval	1	1
Mr. Srivishnu R. Nandyala		1

Note: Mr. Ashish P. Bhargava ceased as a member of the Committee w.e.f. September 30, 2024.

The Company Secretary acts as a Secretary to the Committee. The Chairman of the NRC attended the AGM of the Company held on August 2, 2024.

III. Nomination and Remuneration Policy and details of remuneration paid / payable to the Directors for the Financial Year ended March 31, 2025:

The Board approved the Nomination and Remuneration Policy on the recommendation of NRC, which is available on the website of the Company and the weblink of the same is provided separately in this report. The salient aspects of the said Policy are outlined below:

a. Objectives:

1. To guide the Board in relation to the appointment and removal of Directors and Senior Management, which includes KMP,
2. To evaluate the performance of the Board, its Committees and individual Directors and provide necessary report to the Board in this regard, and
3. To recommend to the Board remuneration payable to the Directors and Senior Management.

The Company follows the policy for payment of remuneration to the Directors, KMP and Senior Management.

b. Remuneration to the Non-Executive Directors:

i) A Non-Executive Director is paid sitting fees for each meeting of the Board or Committee of the Board attended by him / her, of such sum as may be approved by the Board within the overall limits prescribed under the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Board has approved the payment of sitting fees of ₹ 0.10 million (Rupees One Hundred Thousand only) to each Non-Executive Director towards each of the Board / Committee meetings attended by him / her. Normally, the sitting fees are paid immediately after the Board or Committee meetings, to those who have attended the meetings.

ii) IDs are also paid commission on an annual basis, of such sum as may be recommended by the NRC and approved by the Board. The total commission payable to the IDs does not exceed 1.0% of the net profit of the Company and subject to maximum of ₹ 15 million (Rupees Fifteen Million only) in aggregate for each Financial Year, being the limit approved by the members. In case of loss or if profits are inadequate, the IDs are entitled to receive remuneration, subject to the provisions of the Act. For the Financial Year ended on March 31, 2025, the Board, based on the performance of the Company and on the recommendation of NRC, has approved payment of Commission of ₹ 0.55 million (Rupees Five Hundred Fifty Thousand only) to each ID. The Board and the NRC reviewed the performance of individual Directors on the basis of criteria fixed by the Board / NRC.

iii) In determining the quantum of commission payable to the IDs, the NRC considers the overall performance of the Company, commission paid by other comparable companies and the onerous responsibilities required to be shouldered by the IDs.

iv) ID's are also reimbursed the expenses incurred by him / her for attending the Board / Committee / member's meetings.

v) Apart from the above, there are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors except those disclosed in the financial statements for the Financial Year ended on March 31, 2025.

vi) The Parent Company has taken a Directors' and Officers' Liability Insurance Policy, which also includes the Directors and Officers' of the Company.

c. Re-appointment and Remuneration of CEO & WTD:

The members at the 30th AGM of the Company approved re-appointment of Mr. Tarun Arora as CEO & WTD of the Company for a further period of 5 (five) years, with effect from May 7, 2025 to May 6, 2030.

On the recommendation of the NRC, the Board ratified the remuneration of ₹ 14.17 million (Rupees Fourteen Million One Hundred Seventy Thousand only) paid to him by way of salary and allowances for the Financial Year ended on March 31, 2025, which was within the ceiling provided under section 198 of the Act. Mr. Tarun Arora is also a WTD of Zydus Wellness Products Limited ("**ZWPL**"), a wholly owned material subsidiary company. The Board of ZWPL ratified the remuneration of ₹ 91.93 million (Rupees Ninety One Million Nine Hundred Thirty Thousand only) paid to him by way of salary and allowances for the Financial Year ended on March 31, 2025, which was within the ceiling provided under section 198 and Schedule V of the Act. In aggregate, Mr. Tarun Arora was paid remuneration of ₹ 106.10 million (Rupees One Hundred Six Million One Hundred Thousand only) from the Company and ZWPL for the Financial Year ended on March 31, 2025.

The Company has entered into an agreement with Mr. Tarun Arora for his employment as CEO & WTD for a period of 5 (five) years upto May 6, 2030. Either party to an agreement is entitled to terminate the agreement by giving not less than 3 (three) months' notice in writing to the other party.

d. Remuneration to Senior Management:

The CEO & WTD with the help of HR Head carry out the review of individual performance based on the standard appraisal matrix and after taking into account the appraisal score card and other factors like–Key Performance Area v/s initiatives, balance between fixed and variable pay, fixed components and perquisites and retirement benefits, criticality of roles and responsibilities, industry benchmarks and current compensation trends in the market. Further, any promotion at a senior level management is approved by the Management based on predetermined process after assessing the candidate's capability to shoulder higher responsibility.

e. Details of the commission / sitting fees paid to the Independent / Non-Executive Directors for the Financial Year ended on March 31, 2025 are given below:

₹ in Million

Name of the Independent / Non-Executive Director	Commission	Sitting Fees						Total
		Board Meetings	Audit Committee Meetings	CSR and ESG Committee Meeting	NRC Meeting	Investors' / Stakeholders' Relationship Committee Meeting	Other Meetings*	
Dr. Sharvil P. Patel	-	0.50	-	0.10	-	-	0.10	**0.70**
Ms. Dharmishtaben N. Raval	0.55	0.50	0.40	-	0.10	-	0.10	**1.65**
Mr. Srivishnu R. Nandyala	0.55	0.50	0.40	-	0.10	0.10	0.10	**1.75**
Mr. Akhil A. Monappa	0.55	0.50	0.40	-	-	-	0.20	**1.65**
Mr. Kulin S. Lalbhai	0.55	0.20	0.20	-	-	-	0.20	**1.15**
Mr. Ganesh N. Nayak	-	0.40	0.40	0.10	-	0.10	-	**1.00**

*Other Meetings include Separate Meeting of Independent Directors and Risk Management Committee Meeting.

f. Stock Option:

The Company does not have any stock option scheme for its Directors or employees. Moreover, there is no separate provision for payment of severance fees to the Directors.

C. Corporate Social Responsibility and Environment, Social and Governance ("CSR and ESG") Committee:

The terms of reference of CSR and ESG Committee includes, to frame the CSR Policy and review it from time to time to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and Rules framed thereunder, to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress, oversee and recommend to the Board, the Company's ESG policies, strategies, programs, initiatives, reporting and disclosures.

The CSR Policy and ESG Policy, as recommended by the CSR and ESG Committee is approved by the Board. The details with regard to CSR, its composition, Policy, Projects, etc. are provided in the Board's Report, which forms part of the Integrated Annual Report.

The terms of reference of ESG includes, to provide strategic guidance and oversight to the Company's initiatives and practices towards ESG and respond to challenges posed by climate change through sustainable business practices. It will help to create long-term value for all stakeholders.

The composition of CSR and ESG Committee as at March 31, 2025 and the details of members' participation at the meeting which was held on May 14, 2024 are as under:

Name of the Member	No. of Meeting held	No. of Meeting attended
Dr. Sharvil P. Patel, Chairman		1
Mr. Kulin S. Lalbhai	1	0
Mr. Ganesh N. Nayak		1

D. Risk Management Committee ("RMC"):

Pursuant to the provisions of regulation 21 of the Listing Regulations, the Company has constituted RMC and majority of the members of the Committee are Directors. The Company has a well-defined risk management framework to identify, recognize, monitor and mitigate risks and also identify business opportunities. Business risk evaluation and its management is a continuous process within the organization. The Company has framed a Risk Management Policy which includes the terms of reference and the weblink of the same is provided separately in this report.

The role of RMC, as enumerated in Para C of Part D of Schedule II of the Listing Regulations, is as under:

1. To formulate a detailed risk management policy which shall include:
   i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the RMC.
   ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
   iii. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company,
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems,
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity,
5. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken,
6. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

The RMC reviewed the risks, extent of exposure and potential impact analysis was carried out by the Management. It was confirmed by the CEO & WTD and the Chief Financial Officer that the mitigation actions are monitored.

The composition of the RMC as at March 31, 2025 and the details of members' participation at the meeting held on October 3, 2024 are as under:

Name of the Member	No. of Meeting held	No. of Meeting attended
Dr. Sharvil P. Patel, Chairman	1	1
Mr. Akhil A. Monappa		1
Mr. Kulin S. Lalbhai		1
Mr. Umesh V. Parikh		1

The Company Secretary acts as a Secretary to the Committee.

E. Stakeholders'/ Investors' Relationship Committee ("SRC"):

Pursuant to the provisions of section 178(5) of the Act and regulation 20 of the Listing Regulations, the Board has formed the SRC.

I. Terms of reference:

The SRC reviews the redressal of grievances of stakeholders pertaining to the requests / complaints of the members related to transfer of shares, dematerialization of shares, non-receipt of annual reports, non-receipt of dividend or revalidation of expired dividend warrants, recording the change of address, nomination, etc.

The role of the SRC has been specified in Para B of Part D of Schedule II of the Listing Regulations, which is as under:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.,
2. Review of measures taken for effective exercise of voting rights by the members,
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent ("**RTA**") and
4. Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend cheques / annual reports / statutory notices by the members of the Company.

The Chairman of the SRC attended the AGM of the Company held on August 2, 2024.

II. Composition, meeting held and attendance at the meeting during the year:

The composition of SRC as at March 31, 2025 and details of attendance of the Committee members at the meeting are given in the following table. The Committee met once during the Financial Year on May 14, 2024.

Name of the Member	No. of Meeting held	No. of Meeting attended
Mr. Ganesh N. Nayak, Chairman	1	1
Mr. Srivishnu R. Nandyala		1
Mr. Tarun Arora		1

Mr. Nandish P. Joshi, Company Secretary of the Company acts as the Secretary to the Committee, who is designated as a Compliance Officer pursuant to regulation 6 of the Listing Regulations.

The Committee ensures that the members' / investors' grievances and correspondence are attended and resolved expeditiously.

465 (Four Hundred Sixty Five) equity shares remained in the in-transit account with National Securities Depository Limited and the Central Depository Services (India) Limited (collectively referred to as "the **Depositories**") as at March 31, 2025.

III. Number of requests / complaints:

The Company and / or its RTA have received 6 (six) complaints from The Securities and Exchange Board of India ("**SEBI**") / Stock Exchanges and also directly from the members, which were resolved expeditiously and within the time frame laid down by SEBI.

F. Share Transfer Committee ("STC"):

I. Terms of reference:

The STC is empowered to perform all the functions of the Board in relation to approval and monitoring of transfer, transmission, transposition, dematerialization, rematerialization, issue of duplicate share certificates / letter of confirmation, splitting and consolidation of shares issued by

the Company. The Committee also oversees the functions of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the RTA of the Company. The Board has delegated the powers to approve the transfer of shares to the Committee.

II. Composition:

As at March 31, 2025, the Share Transfer Committee comprises of the following members:

1. Dr. Sharvil P. Patel – Chairman,
2. Mr. Ganesh N. Nayak – Member, and
3. Mr. Tarun Arora – Member.

The Company Secretary acts as a Secretary to the Committee.

III. Meetings held and the attendance of members at the meetings:

The Committee meets on a need basis to ensure the regular process of transfer / transmission of shares, split, consolidation, demat / remat and issuance of duplicate share certificates / letter of confirmation.

During the Financial Year ended on March 31, 2025, the STC met 19 (nineteen) times and all / majority of the members were present in the meetings.

G. Finance and Administration Committee ("FAC"):

The Board at its meeting held on August 27, 2020 constituted the FAC with Dr. Sharvil P. Patel as the Chairman and Mr. Tarun Arora, Mr. Ganesh N. Nayak and Mr. Ashish P. Bhargava as the members of FAC. Mr. Ashish P. Bhargava ceased as a member of the Committee w.e.f. September 30, 2024. The FAC looks after the business, which are broadly relating to financing i.e. borrowing of funds, making investments / providing loan / corporate guarantee to subsidiary companies and other business which are of routine / administrative nature and within the overall Board approved directions and framework. The Company Secretary acts as a Secretary to the Committee. During the Financial Year ended on March 31, 2025, the FAC met 9 (nine) times and all / majority of the members were present in the meetings.

Minutes of the FAC meetings are placed before the Board for information.

4. Independent Directors' Meeting:

Pursuant to the provisions of regulation 25(3), during the Financial Year ended on March 31, 2025, a separate meeting of IDs, without the attendance of the Non-Independent Directors and members of the management of the Company was held on February 2, 2025, inter alia, to discuss:

1. Evaluation of performance of Non-Independent Directors and the Board as a whole,
2. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors, and
3. Evaluation of the quality, content and timeliness of flow of information between the Management and the Board and that is necessary to effectively and reasonably perform its duties.

All the IDs were present at the meeting. The performance of the Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated by the IDs, taking into account the views of Executive Directors and Non-Executive Directors.

5. Particulars of Senior Management including the changes therein since the close of the previous Financial Year:

The Senior Management of the Company comprises of members of the management who are reporting to the CEO & WTD and includes functional heads by whatever name called and KMP's.

The list of Senior Management Personnel's as on March 31, 2025 is given below:

Sr. No.	Name of Senior Management Personnel	Function
1.	Mr. Umesh V. Parikh	Chief Financial Officer
2.	Mr. Lalit Ahuja	Sales (India & ISC)
3.	Mr. Shantanu Das	Human Resources
4.	Mr. Himanshu Pandey	Manufacturing
5.	Mr. Manoj Kothari	Global Demand & Supply Organization
6.	Dr. Siva M Sivaramakrishnan	Research and Development
7.	Mr. Arijit Sengupta*	Marketing
8.	Mr. Manish Joshi	Business Development and Projects
9.	Mr. R. Phani Kumar	Quality and Regulatory
10.	Mr. Bhupesh Desale#	Neo Foods Vertical
11.	Mr. Santosh Mane^	Legal
12.	Mr. Nandish P. Joshi	Company Secretary and Compliance Officer

*Joined and categorized as a Senior Management Personnel w.e.f. October 14, 2024 and Mr. Saurabh Jain, Chief Digital Excellence Officer ceased as a Senior Management Personnel due to resignation w.e.f. close of business hours of January 31, 2025.

#Categorized as a Senior Management Personnel w.e.f. October 14, 2024.

^Categorized as Senior Management Personnel w.e.f. April 1, 2024.

6. Material Subsidiary Company:

ZWPL is the only Indian material unlisted subsidiary company.

The financial statements of subsidiaries, in particular, the investments made by subsidiaries, if any, are reviewed by the Audit Committee on a quarterly basis. The policy relating to material subsidiaries and dealing with related party transactions, as approved by the Board is provided separately in this report.

The minutes of the Board meetings of Indian unlisted subsidiary companies along with a report on significant developments are periodically placed at the Board meeting of the Company.

Pursuant to regulation 16(1)(c) of the Listing Regulations, ZWPL is determined as the material subsidiary of the Company. Details of incorporation and Statutory Auditors of ZWPL are provided in the below table:

Details of Incorporation		Details of Statutory Auditors	
Date	Place	Name	Date of appointment
February 28, 2019	Ahmedabad, Gujarat	Talati & Talati LLP	August 1, 2024

7. Disclosures:

A. Related Party Transactions:

All transactions entered into with the Related Parties as defined under section 2(76) of the Act and regulation 2(1)(zb) read with regulation 23 of the Listing Regulations during the Financial year ended on March 31, 2025 were in the ordinary course of business, on an arm's length basis, as per RPT Policy and do not attract the provisions of section 188 of the Act. There were no materially significant transactions with the related parties during the Financial Year ended on March 31, 2025 which were in the conflict of interest with the Company. Suitable disclosures as required by Ind AS-24 have been made in the notes to the Financial Statements.

Pursuant to the provisions of first proviso of regulation 23(1) of the Listing Regulations, the transactions with ZWPL are considered as material related party transactions. However, as the criteria prescribed under regulation 23(5) of the Listing Regulations are met, approval of the members of the Company is not required for entering into material related party transactions with ZWPL.

Pursuant to the provisions of regulation 24(1) of the Listing Regulations, the Company has appointed Ms. Dharmishtaben N. Raval, ID of the Company on the Board of ZWPL.

Pursuant to the provisions of regulation 23(1) of the Listing Regulations, the Board has approved RPT Policy, which includes the clear threshold limits, beyond which a transaction will be considered as a material related party transaction, which has been uploaded on the website of the Company and the weblink of the same is provided separately in this report.

During the Financial Year ended on March 31, 2025, there was no transaction between the Company and any of the promoter or members of the promoter group or any person or any entity, which holds 10.0% or more equity shares of the Company.

Pursuant to the provisions of regulation 23(9) of the Listing Regulations, the related party transactions are disclosed to the stock exchanges in the prescribed format and are uploaded on the website of the Company.

B. Code of Conduct:

The Company has laid down a Code of Conduct for all the Board members and Senior Management. The Code of Conduct is available on the website of the Company and the weblink of the same is provided separately in this report.

Pursuant to the provisions of regulation 26(3) of the Listing Regulations, all the Board Members and the Senior Management have affirmed compliance with the Code of Conduct for the year under review. The declaration of CEO & WTD is given below:

To the members of
Zydus Wellness Limited

Sub.: Compliance with Code of Conduct

I hereby declare that all the Board Members and Senior Management have affirmed compliance with the Code of Conduct as adopted by the Board.

Tarun Arora
CEO & Whole Time Director
DIN: 07185311

Date : May 19, 2025
Place : Ahmedabad

C. Prohibition of Insider Trading:

Pursuant to the provisions of The SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**PIT Regulations**") as amended, the Company has framed a Code of Conduct to regulate, monitor and report trading by all the employees, directors, designated persons and their immediate relatives, connected persons and such employees of the Company who are expected to have access to the UPSI relating to the Company. The Code of conduct lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company.

The Company uses a software to monitor the trading in the equity shares of the Company mainly during the trading window closure and the reversal of the transactions, by the designated persons. The Company also maintains the structured digital database as mandated in the PIT Regulations.

Details of equity shares held by the Directors as at March 31, 2025 are mentioned below:

Name of the Director	No. of Equity Shares held	Details of Equity Shares bought (+) / sold (-) during the Financial Year ended on March 31, 2025
Dr. Sharvil P. Patel	533	-
Ms. Dharmishtaben N. Raval	-	-
Mr. Srivishnu R. Nandyala	-	-
Mr. Akhil A. Monappa	-	-
Mr. Kulin S. Lalbhai	-	-
Mr. Ganesh N. Nayak	6,550	-
Mr. Tarun Arora	2,000	-

D. Whistle Blower Policy:

Pursuant to the provisions of section 177(9) of the Act and regulation 22 of the Listing Regulations, the Company has formulated a Whistle Blower Policy to deal with any instance of fraud and mismanagement and to report instances of leakage of UPSI. Under this policy, all the stakeholders are free to report violations (by email or in writing) of any laws, rules, regulations and concerns about unethical conduct to the Sr. Vice President – Human Resources / Chief Financial Officer or to the Chairperson of the Audit Committee, if the complaint relates to Sr. Vice President – Human Resources / Chief Financial Officer or the complainant is not satisfied with the outcome of the investigation. During the Financial Year, no personnel have been denied access to the Audit Committee pertaining to Whistle Blower complaint. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is done with any person for a genuinely raised concern. The Board at

its meeting held on August 2, 2024 amended the Policy to widen the coverage to all the stakeholders, which is available on the website of the Company and the weblink of the same is provided separately in this report.

E. Management:

i. Management Discussion and Analysis Report:

The Management Discussion and Analysis Report is set out in a separate section, which forms a part of the Integrated Annual Report.

ii. Disclosure of material financial and commercial transactions:

Pursuant to the provisions of regulation 26(5) of the Listing Regulations, during the Financial year ended on March 31, 2025, the Senior Management have confirmed that they have not entered into material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

iii. Disclosure of compensation or profit sharing in connection with dealing in the equity shares of the Company:

Pursuant to the provisions of regulation 26(6) of the Listing Regulations, during the Financial year ended on March 31, 2025, the Directors, Promoters, the members of Promoter Group, KMP and Senior Management have confirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any member or any other third party with regard to compensation or profit sharing in connection with dealings in the equity shares of the Company.

F. Credit Ratings:

During the year under review, the Company has not obtained any credit rating.

G. Certificate regarding non-debarment and non-disqualification of Directors:

The Company has obtained a certificate from Hitesh Buch & Associates, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed to this Report.

H. Fees paid to the Statutory Auditors:

During the Financial Year ended on March 31, 2025, Mukesh M. Shah & Co., the Statutory Auditors of the Company, Liva Nutritions Limited and Liva Investment Limited, wholly owned subsidiary companies, were paid fees for audit and providing other services as per the below details:

₹ in Million

Sr. No.	Name of the Company	Fees paid (excl. taxes)		Total
		For Statutory Audit	For providing other services	
1.	Zydus Wellness Limited	1.14	0.49	**1.63**
2.	Liva Nutritions Limited	0.03	-	**0.03**
3.	Liva Investment Limited	0.03	-	**0.03**
	Total	**1.20**	**0.49**	**1.69**

I. Disclosure regarding re-appointment of Director:

The particulars about the brief resume and other information of the Director seeking re-appointment as required to be disclosed under this section are provided as per regulation 36(3) of the Listing Regulations and standard 1.2.5 of Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India as an annexure to the notice convening the Thirty First AGM.

J. Compliance by the Company:

The Company has complied with all the mandatory requirements of the Listing Regulations, except regulation 21(3A) of the Listing Regulations regarding holding of two meetings of the Risk Management Committee in the Financial Year 2024-2025, other applicable regulations and guidelines prescribed by SEBI. Further, during last 3 (three) years, no penalties or strictures were imposed on the Company by any Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets. The equity shares of the Company were not suspended from trading at any time during the Financial Year ended on March 31, 2025.

The Company has in place a comprehensive and robust legal compliance management digital tool, which provides automated alerts to the respective compliance owners for ensuring compliance with the applicable laws and regulations, within stipulated timelines. A compliance report along with the certificate of compliance issued by CEO & WTD and General Counsel is placed before the Board on a quarterly basis.

K. CEO / CFO Certification:

The requisite certification from the CEO & WTD and the Chief Financial Officer required to be given under

regulation 17(8) read with Part B of Schedule II of the Listing Regulations was placed before the Board and forms a part of this report.

L. Transfer of unclaimed / unpaid dividend amount and shares to Investor Education and Protection Fund ("IEPF"):

Pursuant to the provisions of sections 124 and 125 of the Act read with the Rules framed thereunder, dividend, if not claimed for a period of 7 (seven) consecutive years or more from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for 7 (seven) consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of members, the Company has sent reminder to the members to claim their dividend / shares before transferring dividend / shares to IEPF. Notice in this regard was also published in the newspapers and the details of unclaimed dividends and members whose shares are liable to be transferred to IEPF, are uploaded on the website of the Company.

In light of the aforesaid provisions, 8,732 (Eight Thousand Seven Hundred Thirty Two) equity shares of ₹ 10/- (Rupees Ten only) each of 171 (One Hundred Seventy One) members were transferred to IEPF for which the Company has complied with the necessary requirement. Moreover, ₹ 1.06 million (Rupees One Million Sixty Thousand only) held by 3,272 (Three Thousand Two Hundred Seventy Two) members, being the unclaimed dividend, pertaining to the Financial Year ended on March 31, 2017 was transferred to IEPF after giving notice to the members to claim their unpaid / unclaimed dividend. As at March 31, 2025, 99,193 (Ninety Nine Thousand One Hundred Ninety Three) equity shares are lying with IEPF.

Status of unclaimed dividend and shares which are transferred to IEPF is as under:

Unclaimed dividend and shares	Status	Can it be claimed	Can be claimed from	Actions to be taken
Upto and including the Financial Year 2017-2018	Transferred to IEPF	Yes	IEPF Authority. The member to file web Form No. IEPF-5 and send the said form to the Nodal Officer of the Company at the Registered Office of the Company along with necessary documents. The Nodal Officer will file e-verification report with IEPF Authority.	IEPF authority to credit the claimed shares and / or dividend amount based on the e-verification report filed by the Company and the documents submitted by the member.
For the Financial Years 2018-2019 to 2023-2024	Amount is lying in the respective unclaimed dividend account	Yes	The Company and / or RTA	The member to make an application to the Company / RTA along with KYC documents.

Details of date of declaration of dividend and the due date of transfer to IEPF is provided in the Note No. 9 of the Notice convening the Thirty First AGM.

M. Utilization of funds:

During the Financial Year ended on March 31, 2025, the Company has not raised any funds through preferential allotment or qualified institutional placement.

N. Recommendations of the Committees:

During the Financial Year ended on March 31, 2025, recommendations of the Committees were submitted to the Board for approval and the Board has, after due deliberations, accepted all the recommendations.

O. Disclosure regarding Prevention of Sexual Harassment of Women at Workplace:

The Company has adopted a policy on Prevention of Sexual Harassment of Women at Workplace for prevention, prohibition and redressal of sexual harassment at workplace pursuant to the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

During the Financial Year ended on March 31, 2025, the Company has not received any complaint on sexual harassment.

P. Accounting Standards:

In preparing the annual financial statements of the Company for the Financial Year ended on March 31, 2025, the treatment as prescribed in the Accounting Standards has been followed.

Q. Dividend Distribution Policy:

Pursuant to regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy, which is approved by the Board and is uploaded on the website of the Company and the weblink for the same is provided separately in this report.

R. Policy to determine Materiality of an event or information:

The Board has approved the Policy to determine materiality of an event or information and the same is available on the website of the Company and the weblink for the same is provided separately in this report. The details of the KMP authorized to determine materiality of an event or information and who is authorized to inform an event or information to the Stock Exchanges is also uploaded on the website of the Company and the weblink for the same is provided separately in this report.

8. Means of Communication:

i) The Company has 66,208 (Sixty Six Thousand Two Hundred Eight) members as on March 31, 2025. The main channel of communication to the members is through Integrated Annual Report, which *inter-alia* includes, the Directors' Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report and Audited Financial Statements.

ii) The AGM is a platform for face-to-face / virtual communication with the members. The Chairman, CEO & WTD and other KMP respond to the specific queries of the members.

iii) The Company intimates to the Stock Exchanges all price sensitive information, which in its opinion is material and of relevance to the members and subsequently issues a Press Release on such matters, wherever necessary.

iv) The quarterly, half yearly and yearly results are published in widely circulated national and local daily newspaper "Financial Express" in English and Gujarati language. The results are also posted on the website of the Company at www.zyduswellness.com and the same are not sent individually to the members.

v) The Company's results and official news releases are displayed on the website of the Company at www.zyduswellness.com. Post announcement of the quarterly financial results, the Company interacts with the institutional investors and analysts over a conference call and makes a presentation. Generally, the conference call is attended by the Chairman, CEO & WTD, Non-Executive Director and Chief Financial Officer of the Company. The copies of the presentation made in the conference call, transcript and recording of such audio call are also made available on the website of the Company. Information to the Stock Exchanges is being filed online on NEAPS portal of National Stock Exchange of India ("**NSE**") Limited and online listing portal of BSE Limited ("**BSE**").

vi) Pursuant to the provisions of regulation 46 of the Listing Regulations, a separate section on "Disclosure under regulation 46 of the Listing Regulations" is created on the website of the Company which provides information on various announcements made by the Company and statutory documents.

9. General Body Meetings:

I. Details of last 3 (three) AGMs held are provided hereunder:

Year	Date and Time	Venue
2023-2024	30th AGM on August 2, 2024 at 10:00 a.m. (IST)	Through Video Conference ("**VC**") / Other Audio Visual Means ("**OAVM**")
2022-2023	29th AGM on August 3, 2023 at 10:00 a.m. (IST)	
2021-2022	28th AGM on July 29, 2022 at 10:00 a.m. (IST)	

II. Special Resolutions passed in the previous 3 (three) AGMs:

The members of the Company have passed the following Special Resolutions in the previous 3 (three) AGMs.

Sr. No.	Nature of Special Resolution Passed	Relevant provisions	Details of AGM
1.	Re-appointment of Ms. Dharmishtaben N. Raval (DIN: 02792246) as an Independent Director of the Company for the second term of 5 (five) consecutive years.	Sections 149, 150, 152 of the Act	29th AGM held on August 3, 2023
2.	Re-appointment of Mr. Srivishnu R. Nandyala (DIN: 00025063) as an Independent Director of the Company for the second term of 5 (five) consecutive years.		
3.	Appointment of Mr. Akhil A. Monappa (DIN: 09784366) as an Independent Director of the Company for the first term of 5 (five) consecutive years.		

III. Approval of members through Postal Ballot:

During the Financial Year ended on March 31, 2025, the Company has not sought or passed any resolution through Postal Ballot.

10. General Shareholder Information:

i. General information:

Corporate Identification Number (CIN)	L15201GJ1994PLC023490
Registered Office Address	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad - 382481
Compliance Officer	Mr. Nandish P. Joshi, Company Secretary and Compliance Officer
Website address	www.zyduswellness.com
Date and Time of 31st AGM	Wednesday, July 30, 2025 at 10.00 a.m. (IST)
Venue of 31st AGM	The venue shall be deemed to be the Registered Office of the Company as the AGM will be held through VC/OAVM
Record Date	Friday, July 11, 2025
Cut-off Date	Wednesday, July 23, 2025
E-voting start time	Sunday, July 27, 2025
E-voting end time	Tuesday, July 29, 2025
Date of Dividend Payment	On or after Monday, August 4, 2025
Financial Year	April 1, 2024 to March 31, 2025

ii. Tentative financial calendar:

First Quarter Results	On or before August 14, 2025
Half Yearly Results	On or before November 14, 2025
Third Quarter Results	On or before February 14, 2026
Audited Results for the year 2024-2025	On or before May 30, 2026

The trading window closure for the financial results shall be from the first day from the closure of the quarter till the completion of 48 hours after the financial results become generally available.

iii. Listing of shares:

The Equity Shares of the Company are listed on BSE and NSE.

iv. Listing Fees:

The Company has paid annual listing fees for the Financial Year 2025-2026 to the above Stock Exchanges.

v. Registrar and Share Transfer Agent:

MUFG Intime India Private Limited is the RTA of the Company. Mitsubishi UFJ Trust & Banking Corporation, a member of MUFG, a global financial group, has acquired Link Group, parent company of Link Intime India Private Limited. Accordingly, the name of RTA of the Company has changed from Link Intime India Private Limited to MUFG Intime India Private Limited with effect from December 31, 2024.

For lodgment of any documents or any grievances / complaints, members may contact the Company's RTA at the following address:

MUFG Intime India Private Limited
(earlier known as Link Intime India Private Limited)
(Unit: Zydus Wellness Limited)
5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad-380006.
Telephone: 079-2646 5179/86/87
Fax: 079 - 2646 5179
Email: ahmedabad@in.mpms.mufg.com

vi. Share Transfer System:

The STC has been constituted to approve the transfer, transmission, issue of duplicate shares etc. The Company's RTA has adequate infrastructure to process the above matters.

vii. Reconciliation of Share Capital Audit:

Hitesh Buch & Associates, Company Secretaries have carried out audit in each of the quarters during the Financial Year ended on March 31, 2025, to reconcile the total admitted capital with Depositories and total issued and listed capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of shares in physical mode and the total number of shares in dematerialized mode held with Depositories.

viii. Distribution of shareholding of Equity Shares as at March 31, 2025:

No. of Equity Shares	No. of Folios	% of total folios	No. of Equity Shares	% of shareholding
1 to 500	65185	98.45	2324393	3.65
501 to 1000	545	0.82	395967	0.62
1001 to 2000	224	0.33	322079	0.51
2001 to 3000	70	0.10	173284	0.27
3001 to 4000	40	0.06	142252	0.22
4001 to 5000	27	0.04	121167	0.19
5001 to 10000	48	0.07	335732	0.53
10001 & above	69	0.10	59817270	94.00
Grand Total	66208	100.00	63632144	100.00
Members in Physical Mode	1188	1.79	134546	0.21
Members in Dematerialized Mode	65020	98.21	63497598	99.79
Grand Total	**66208**	**100.00**	**63632144**	**100.00**

ix. Shareholding Pattern as at March 31, 2025:

Category	No. of Equity Shares held		Total Equity Shares	% of shareholding
	Physical	Electronic		
Promoter's holding	0	44310141	44310141	69.63
Mutual Funds	46	7387182	7387228	11.61
Banks, FI's and Insurance Companies	0	507638	507638	0.80
Alternate Investment Funds	0	4678291	4678291	7.35
Foreign Institutional Investors / Foreign Portfolio Investors	0	2094557	2094557	3.29
NRIs / Foreign National	64686	286516	351202	0.55
Other Corporate Bodies	53	268851	268904	0.43
Indian Public / HUF / Trusts	69761	3829441	3899202	6.13
Other	0	134981	134981	0.21
Total	**134546**	**63497598**	**63632144**	**100.00**

x. Top 10 (ten) equity members of the Company as at March 31, 2025:

Sr. No.	Name of the shareholder	Category	Sub-Category	No. of Equity Shares held	% of shareholding
1.	Zydus Lifesciences Limited	Promoter	Promoter	36647509	57.59
2.	Zydus Family Trust	Promoter	Promoter	7645159	12.01
3.	Threpsi Care LLP	Public	Alternative Investment Funds	4627111	7.27
4.	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	Public	Mutual Funds	3883990	6.10
5.	Quant Mutual Fund - Quant Small Cap Fund	Public	Mutual Funds	2453931	3.86
6.	ICICI Prudential Value Discovery Fund	Public	Mutual Funds	771651	1.21
7.	Rohini Nilekani	Public	Individual	590340	0.93
8.	Life Insurance Corporation of India - P & Gs Fund	Public	Insurance Companies	355474	0.56
9.	Vanguard Total International Stock Index Fund	Public	Foreign Portfolio Investors	294117	0.46
10.	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	Public	Foreign Portfolio Investors	290105	0.46
	Total	**N.A.**	**N.A.**	**57559387**	**90.45**

xi. Dematerialization of Shares and Liquidity:

The Company's equity shares are required to be compulsorily traded on the Stock Exchanges in dematerialized form. Approximately 99.8% of the equity shares have been dematerialized. ISIN for dematerialization of the equity shares of the Company is INE768C01010.

xii. Location of the Company's manufacturing plants and R&D center:

The details of the location of the manufacturing plants and R&D center of the Company and its subsidiaries are mentioned in the Corporate Information page of the Integrated Annual Report.

xiii. Address for correspondence:

The members' correspondence should be addressed to the RTA at the address mentioned above in point no. v.

For any assistance, members may also contact Mr. Nandish P. Joshi, Company Secretary and Compliance Officer at Telephone: 079-48040336 or send an e-mail at investor.grievance@zyduswellness.com / nandish.joshi@zyduswellness.com.

Pursuant to the provisions of IEPF Rules, the Board has appointed Mr. Nandish P. Joshi as the Nodal Officer for the purpose of co-ordination with the IEPF Authority.

The members holding shares in the dematerialized mode should address all their correspondence to their respective Depository Participants ("**DP**").

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

During the Financial Year ended on March 31, 2025, the Company has not issued any GDRs / ADRs, warrants or any convertible instruments.

xv. Details of non-compliance:

During the Financial Year ended on March 31, 2025, there was no non-compliance, except regulation 21(3A) of the Listing Regulations regarding holding of two meetings of the Risk Management Committee in the Financial Year 2024-2025 and no penalties were imposed or strictures passed on the Company by the Stock Exchanges, SEBI or any other Statutory Authority. Hitesh Buch & Associates, Company Secretaries have certified the compliance of the conditions of Corporate Governance and the certificate is annexed to this report. The certificate shall also be sent to the Stock Exchanges along with the Integrated Annual Report.

xvi. Commodity price risk or foreign exchange risk and hedging activities:

a. Macroeconomic Overview and Input Cost Management:

On the macroeconomic front, easing food inflation has contributed to a decline in overall inflation. However, volatility in the prices of edible oils and dextrose monohydrate continues to be a key concern. The Company remains vigilant and proactive in managing input costs. It closely monitors price trends of critical raw materials and, where feasible, enters into long-term contracts to mitigate the risks associated with price fluctuations. Adequate inventory buffers are maintained as part of the Company's risk mitigation strategy. Additionally, continuous efforts are made to diversify the supplier base in response to any perceived risk. During the Financial Year, the Company experienced a gradual reduction in the prices of several key inputs, including milk, sucralose, and stevia.

b. Margin Performance:

Gross margins have remained stable and shown a strong upward trend on a year-on-year basis, despite persistent inflationary pressures. This performance reflects the Company's effective strategic hedging, favorable product mix, and calibrated pricing strategies. As a result, consistent margin expansion has been achieved across all quarters on a year-on-year basis—amounting to 168 basis points (bps) for FY 2024-2025, and a cumulative 361 bps over FY 2023-2024 and FY 2024-2025.

c. Foreign Exchange Risk Management:

The Company is exposed to foreign exchange risk due to the import of raw materials and export of finished goods. However, a natural hedge exists as the inflows and outflows in foreign currency largely offset each other. Consequently, the Company does not engage in foreign exchange derivatives for hedging purposes. For further details on foreign exchange risk and the Company's hedging strategy, please refer to the Management Discussion and Analysis, which forms a part of the Integrated Annual Report.

xvii. Loans and advances:

During the Financial Year ended on March 31, 2025, the Company and its subsidiaries have not given any loans and advances in the nature of loan to firms / companies in which the Directors of the Company / subsidiaries are interested, except those disclosed in the Audited Financial Statements.

xviii. Binding Agreements:

During the Financial Year ended on March 31, 2025, no agreements were entered that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

xix. Equity Shares lying in the Unclaimed Suspense Account:

Pursuant to the provisions of regulation 39(4) read with Schedule VI of the Listing Regulations, the Company

has opened Unclaimed Suspense Account and transferred equity shares of those members, whose shares are unclaimed, to the said account after following the due procedure. Voting rights of all the shares transferred to Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

The members who have not claimed their shares are requested to immediately approach RTA of the Company by forwarding a request letter duly signed by all the joint holders furnishing their complete postal address along with pin code, self-attested copies of PAN card and proof of address, self-attested copy of client master list and Form ISR-2 (confirmation of signature of securities holder by the Banker), to enable the Company to release the said shares to the rightful owner.

The details of equity shares lying in the unclaimed suspense account as at March 31, 2025, are as under:

Sr. No.	Particulars	No. of Members	No. of Equity Shares
1.	Aggregate number of members and the outstanding equity shares in the unclaimed suspense account lying at the beginning of the year i.e. April 1, 2024	145	9576
2.	Number of members who approached the Company / RTA for transfer of equity shares from unclaimed suspense account during the year ended on March 31, 2025 and to whom shares were transferred	5	166
3.	Number of equity shares transferred to IEPF authority from unclaimed suspense account during the year ended on March 31, 2025	21	1011
4.	Aggregate number of members and the outstanding equity shares lying in the unclaimed suspense account at the end of the year i.e. as on March 31, 2025 (1-2-3)	119	8399

xx Weblink of various policies / other details of the Company:

List of various policies approved by the Board and other details and their respective weblink are provided in the below table:

Sr. No.	Policy / Weblink
1.	Dividend Distribution Policy https://www.zyduswellness.com/investor/Dividend%20distribution%20policy.pdf
2.	Policy for Determination and Disclosure of Materiality of an Event or Information https://zyduswellness.com/investor/Policy%20to%20determine%20materiality%20of%20an%20event%20or%20information.pdf
3.	Familiarization Program for Independent Directors https://www.zyduswellness.com/investor/Presentation-on-Familiarizat-on-Programme.pdf
4.	Code of Business Conduct and Ethics https://zyduswellness.com/investor/code-of-business-conduct-and-ethics-policy.pdf
5.	Corporate Social Responsibility Policy https://www.zyduswellness.com/investor/CSR-Policy-ZWL-01.02.2021.pdf
6.	Policy on Preservation of Documents https://www.zyduswellness.com/investor/Policy-on-Preservation-of-Documents.pdf
7.	Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions https://zyduswellness.com/investor/Policy%20on%20RPT28-03-2025.pdf
8.	Policy to determine Material Subsidiary https://zyduswellness.com/investor/Policy_to_determine_Material_Subsidiary.pdf
9.	Risk Management Policy https://www.zyduswellness.com/investor/Risk%20Management%20Policy.pdf
10.	Environment Health and Safety Policy https://www.zyduswellness.com/investor/Coroprate-EHS-policy.pdf
11.	Whistle Blower Policy https://zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf
12.	Nomination and Remuneration Policy https://zyduswellness.com/investor/NRC%20Policy%20Feb'%2025.pdf
13.	Policy on Prevention of Sexual Harassment of Women at Workplace https://zyduswellness.com/investor/POSH-Policy-Latest-Rev.pdf
14.	Archival Policy https://www.zyduswellness.com/investor/archival-policy.pdf

Sr. No.	Policy / Weblink
15.	Human Rights Policy https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf
16.	Policy for determination of Legitimate Purpose for sharing Unpublished Price Sensitive Information https://www.zyduswellness.com/investor/policy-on-determination-of-legitimate-purpose-for-sharing-upsi.pdf
17.	Policy on inquiry on leakage of Unpublished Price Sensitive Information https://www.zyduswellness.com/investor/Policy-on-inquiry-on-leakage-of-UPSI.pdf
18.	Public Policy https://www.zyduswellness.com/investor/public-policy.pdf
19.	Policy on Prevention of Insider Trading https://zyduswellness.com/investor/Insider%20Trading%20code%20-%20Clean.pdf
20.	Policy for monitoring Stationery https://www.zyduswellness.com/investor/Policy-for-monitoring-stationery-etc-as-per-SEBI-Circular.pdf
21.	Code of Conduct for Vendors https://zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2025.pdf
22.	Board Diversity Policy https://www.zyduswellness.com/investor/board-diversity-policy-feb-23.pdf
23.	Details of KMP authorised to determine Materiality of an event or information https://www.zyduswellness.com/investor/disclosurs/Reg%2030%20-%20Materiality%20of%20events%20or%20information%20-%2028-12-13.pdf
24.	Ethical and Responsible Marketing Policy https://www.zyduswellness.com/investor/Ethical%20and%20Responsible%20Marketing%20Policy.pdf
25.	Occupational Health and Safety Policy https://zyduswellness.com/investor/Occupational-Health-Safety-Policy.pdf
26.	Environment Policy https://zyduswellness.com/investor/Environment-Policy.pdf
27.	Biodiversity Policy https://www.zyduswellness.com/investor/Biodiversity%20Policy.pdf
28.	Diversity and Inclusion Policy https://www.zyduswellness.com/investor/Diversity%20and%20Inclusion%20Policy.pdf
29.	Anti-Bribery and Anti-Corruption Policy https://www.zyduswellness.com/investor/Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf
30.	ESG Policy https://www.zyduswellness.com/investor/ESG%20Policy.pdf
31.	Profile of the Board of Directors https://zyduswellness.com/about-us.php#board-directors

xxi. Evolution of equity share capital:

Details of evolution of equity share capital since incorporation are provided in below table:

Sr. No.	Date of Allotment	No. of Equity Shares	Remarks
1.	November 10, 1994	70	Subscribers to the Memorandum of Association and the Articles of Association (Face Value ₹ 10/-).
2.	February 25, 1995	3,50,000	Preferential allotment (Face Value ₹ 10/-).
3.	December 20, 1995	52,25,030	Initial Public Offer at ₹ 10/- per equity share.
4.	June 02, 2005	9,14,200	Re-issue of forfeited shares at ₹ 70/- per equity share.
5.	January 17, 2009	3,34,96,989	Allotment of 3,34,96,989 equity shares, pursuant to the Scheme of Arrangement between the Company, Zydus Lifesciences Limited and Zydus Hospitals and Medical Research Private Limited.
6.	January 29, 2019	1,85,92,055	Preferential allotment (Face Value ₹ 10/- and Issue Price ₹ 1,385/-).
7.	September 19, 2020	21,22,000	Preferential allotment (Face Value ₹ 10/- and Issue Price ₹ 1,649/-).
8.	September 28, 2020	38,46,000	Qualified Institutional Placement (Face Value ₹ 10/- and Issue Price ₹ 1,690/-).
	Total	**6,36,32,144**	

In January, 2009 upon demerger of consumer products division of Zydus Lifesciences Limited, the Holding company into the Company, the members of the Holding company, got additional shares of the Company in the ratio of 15:4 i.e. for every 15 (fifteen) equity shares of the Holding company, 4 (four) equity shares of the Company were allotted.

As at March 28, 2025, the market capitalization of the Company was ₹ 1,06,364 million (Rupees One Lakh Six Thousand Three Hundred Sixty Four Million only).

xxii. Compliance status of Corporate Governance requirements as prescribed in the Listing Regulations:

The compliance status of corporate governance requirements as prescribed under regulations 17 to 27 and 46(2)(b) to (i) of the Listing Regulations is provided in below table:

Regulation	Details of regulation	Complied (Yes / No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders' / Investors' Relationship Committee	Yes
21	Risk Management Committee	Yes*
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the listed company	Yes
24A	Secretarial Audit Report and Secretarial Compliance Report	Yes
25	Obligations of Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other corporate governance requirements	Yes
46(2)(b) to (i)	Website	Yes

*Except regulation 21(3A) regarding holding of two meetings of the Risk Management Committee in the Financial Year 2024-2025.

11. Non-Mandatory requirements of regulation 27(1) & Part E of Schedule II of the Listing Regulations:

i. The Company has a Non-Executive Chairman and is entitled to maintain its office at the Company's expense and allowed reimbursement of expenses incurred in performance of duties.

ii. The quarterly, half yearly and yearly results are not sent to the members. However, the same are published in the newspapers and are also posted on the website of the Company.

iii. The Company's financial statements for the Financial Year ended on March 31, 2025 do not contain any audit qualification.

iv. The internal auditor reports to the Audit Committee and they make quarterly presentations on their reports.

v. The auditors' report on financial statements of the Company is with unmodified opinion.

Chief Executive Officer and Whole Time Director and the Chief Financial Officer (CFO) Certification

To
The Board of Directors
Zydus Wellness Limited

Pursuant to the provisions of regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") read with Part B of Schedule II of the Listing Regulations, we hereby certify that:

(a) We have reviewed financial statements and cash flow statement for the year ended on March 31, 2025 and to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended on March 31, 2025 which are fraudulent, illegal or in violation of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that, we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken or proposed to be taken to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee;

  (i) significant changes in internal control over financial reporting during the year ended on March 31, 2025,

  (ii) significant changes in accounting policies during the year ended on March 31, 2025 and that, the same have been disclosed in the notes to the financial statements, and

  (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Tarun Arora
CEO & Whole Time Director
DIN: 07185311

Umesh V. Parikh
Chief Financial Officer

Date : May 19, 2025
Place : Ahmedabad

Certificate of Compliance with Corporate Governance Requirements

To,
The Members of
Zydus Wellness Limited
(CIN: L15201GJ1994PLC023490)
Zydus Corporate Park, Scheme No. 63, Survey No. 536,
Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway,
Ahmedabad – 382481

We have examined the compliance of the conditions of corporate governance by Zydus Wellness Limited (the "Company") for the Financial Year ended on March 31, 2025 as stipulated in regulation 17 to 27, clause (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**").

Management's Responsibility

The compliance of corporate governance requirements as stipulated in the Listing Regulations, including the preparation and maintenance of all relevant supporting records and documents is the responsibility of the management.

Auditors' Responsibility

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations except Regulation 21(3A) of the Listing Regulations with regard to the holding of two meetings of the Risk Management Committee in the Financial Year. It is observed that only one such meeting was held during the Financial Year.

Disclaimer

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Hitesh D. Butch
Proprietor
For, Hitesh Buch & Associates
Company Secretaries
FCS No.: 3145; C P No.: 8195
Peer Review Cert. No. 1265/2021
UIN: S2009GJ110300
UDIN: F003145G000362636

Date : May 19, 2025
Place : Ahmedabad

Certificate of Non-Disqualification of Directors

(Pursuant to regulation 34 (3) read clause 10 (i) of Part C of Schedule V of the SEBI [Listing Obligations and Disclosure Requirements], Regulations, 2015, as amended)

To,
The Members of
Zydus Wellness Limited
Zydus Corporate Park,
Scheme No. 63, Survey No. 536,
Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway,
Ahmedabad – 382481

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Zydus Wellness Limited** having CIN: L15201GJ1994PLC023490 and registered office at Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad – 382481 (hereinafter referred to as "the Company"), produced before me/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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ("**DIN**") status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 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 of the Director	DIN	Date of appointment in Company
1	Dr. Sharvil Pankajbhai Patel	00131995	April 27, 2009
2	Ms. Dharmishta Narendraprasad Raval	02792246	March 11, 2019
3	Mr. Srivishnu Raju Nandyala	00025063	March 11, 2019
4	Mr. Akhil Arun Monappa	09784366	May 17, 2023
5	Mr. Kulin Sanjay Lalbhai	05206878	November 18, 2016
6	Mr. Ganesh Narayan Nayak	00017481	July 27, 2006
7	Mr. Ashish Bhargava*	02574919	January 30, 2019
8	Mr. Tarun Arora	07185311	May 14, 2015

*Ceased as a Nominee Director w.e.f. September 30, 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion 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.

Hitesh D. Butch
Proprietor
For, Hitesh Buch & Associates
Company Secretaries
FCS No.: 3145; C P No.: 8195
Peer Review Cert. No. 1265/2021
UIN: S2009GJ110300
UDIN: F003145G000362603

Date : May 19, 2025
Place : Ahmedabad

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity:

S No.	Particulars	Response
1.	**Corporate Identity Number (CIN) of the Listed Entity**	L15201GJ1994PLC023490
2.	**Name of the Listed Entity**	Zydus Wellness Limited
3.	**Year of incorporation**	1994
4.	**Registered office address**	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad - 382481
5.	**Corporate address**	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad - 382481
6.	**E-mail**	Ravindra.K.Singh@zyduswellness.com
7.	**Telephone**	+91-2717684213
8.	**Website**	www.zyduswellness.com
9.	**Financial year for which reporting is being done**	2024-2025
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	₹ 636 million (Rupees Six Hundred Thirty Six Million only)

12. Details of the person who may be contacted in case of any queries on the BRSR report.

S No.	Name	Telephone	Email
1.	Ravindra Kumar Singh	+91-2717684213	Ravindra.K.Singh@zyduswellness.com

13. Reporting boundary - Are the disclosures under this report made standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).

Consolidated basis.

The disclosure under this report for both the financial years includes the Standalone Parent Company i.e. Zydus Wellness Limited, its wholly owned subsidiary companies, their manufacturing facilities, national and international offices, excluding two wholly owned subsidiaries as mentioned in point no. V(23)(a).

Naturell (India) Private Limited and Naturell Inc., USA were acquired during the financial year 2024-2025 (w.e.f. December 2, 2024).

14. Name of assessment or assurance provider

Intertek India Private Limited

15. Type of assessment or assurance obtained

Reasonable assurance on BRSR Core parameters

II. Products / services

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

S No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Fast Moving Consumer Goods	The Company is engaged in health and wellness segments. six of its eighth brands are market leading brands viz. Sugar Free, Nutralite, Glucon-D, Nycil and Everyuth Skin care range, Max Protein - Rite Bite. It is engaged in research and development, manufacturing, marketing and distribution and sale of its products.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Sugar Free	10729	100%
2.	Im'lite	10729	
3.	Complan	10509	
4.	Glucon-D	10623	
5.	Nutralite	10504	
6.	Everyuth	20237	
7.	Nycil	20237	
8.	RiteBite – Max Protein	10797	

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	12	16
International	-	2	2

19. Markets served by the entity.

a. Number of locations

Location	Number
National	Pan India
International	26

b. What is the contribution of exports as a percentage of the total turnover of the entity?

2.9%

c. A brief on types of customers

The Company is a leading consumer wellness company with an Indian heritage and a global footprint with a market leadership in six of its eight brand categories. The Company continues to focus on expanding the category size of each of these brands and increasing the market share with necessary investments in each brand through product innovations, various media campaigns, sales promotions, and digital initiatives. The Company enjoys a Pan India marketing presence through a distribution network comprising of 24 (twenty-four) integrated Carrying and Forwarding Agents ("**CFA**") partners, 1950+ distributors and 2800+ feet-on-street representatives reaching to more than 30 million consumers as a testament to brands that are engraved in consumer's daily needs and shopping basket.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
		Employees				
1.	Permanent (D)	1,041	973	94%	68	7%
2.	Other than permanent (E)	47	35	74%	12	26%
3.	**Total Employees (D+E)**	**1,088**	**1,008**	**93%**	**80**	**7%**
		Workers				
1.	Permanent (F)	206	204	99%	2	1%
2.	Other than permanent (G)	2,220	2,041	92%	179	8%
3.	**Total workers (F+G)**	**2,426**	**2,245**	**93%**	**181**	**7%**

b. Differently abled Employees and workers:

S No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently Abled Employees					
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D+E)**	**0**	**0**	**0%**	**0**	**0%**
	Differently Abled Workers					
1.	Permanent (D)	2	2	100%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D+E)**	**2**	**2**	**100%**	**0**	**0%**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	1	14.3%
Key Management Personnel	2	0	0%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2024-2025			FY 2023-2024			FY 2022-2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	21%	14%	25%	30%	33%	31%	33%	33%	33%
Permanent Workers	3%	0%	3%	3%	0%	3%	6%	0%	6%

V. Holding, Subsidiary, and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures(A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
1.	Zydus Lifesciences Limited	Holding Company	57.59%	No
2.	Zydus Wellness Products Limited	Wholly owned subsidiary	100%	Yes
3.	Liva Nutritions Limited			No ***
4.	Liva Investment Limited*			No ***
5.	Zydus Wellness International DMCC, UAE			Yes
6.	Zydus Wellness (BD) Pvt. Limited, Bangladesh			Yes
7.	Naturell India Private Limited**			Yes
8.	Naturell Inc., USA**			No ***

* Under liquidation.

** W.e.f. December 2, 2024.

*** Do not have any physical operational activities.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes.

(ii) Turnover (in ₹) : 2,926* million (Rupees Two Thousand Nine Hundred Twenty Six Million).

(iii) Net worth (in ₹) : 40,346* million (Rupees Forty Thousand Three Hundred Forty Six Million).

*For standalone operations of the Company.

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-2025		FY 2023-2024	
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
Communities	Yes. https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf https://www.zyduswellness.com/investor/public-policy.pdf https://www.zyduswellness.com/investor/CSR-Policy-ZWL-01.02.2021.pdf	0	0	0	0
Investors (other than shareholders)	Yes. Investors can connect with us on 079-48040000, 079-71800000 or send us an email at investorcommunication@zyduswellness.com	0	0	0	0
Shareholders	Yes. For lodgement of any documents or any grievances / complaints, members may contact the Company or MUFG Intime India Private Limited, the Registrar and Share Transfer Agent of the Company at 079-48040000, 079-71800000 or 079–26465179/86/87 or send email at investor.grievance@zyduswellness.com or ahmedabad@in.mpms.mufg.com	6	0	16	0
Employees and workers	Yes. Mentioned in below policies. https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf https://www.zyduswellness.com/investor/POSH-Policy-Latest-Rev.pdf https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf	0	0	0	0
Customers	Yes. The Company has a dedicated customer relationship cell to address customer related grievances. Customers can connect with us at 18001206868 for feedback and queries or send us a mail at customercare@zyduswellness.com	1,483	0	1,378	0

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-2025		FY 2023-2024	
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
Value Chain Partners	Yes. Vendor's grievances are addressed via email communication mentioned in respective agreements. Materials are supplied only after specifications are signed off with the vendor, and any non-conformance is assessed against these specifications. In the event of disagreement, meetings are convened to resolve issues against these specifications. Additionally, we have a policy in place which can be accessed at https://www.zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2025.pdf	0	0	0	0
Other (Please Specify)	-	-	-	-	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Plastic & Waste Management	Opportunity	Increasing regulatory pressure and consumer demand for sustainable packaging make transition to recyclable plastic a key opportunity to enhance brand value and market positioning.	Zydus Wellness aims to shift from multi-material to fully recyclable plastic by 2027, targeting zero waste to landfill across sites and reducing 1,000 tons of packaging waste in three years.	**Positive:** Reduction in long-term compliance costs, enhanced brand reputation, and consumer trust. Potential savings from waste reduction and improved packaging efficiency.
2.	Energy & GHG Emissions	Both (R/O)	Rising energy costs, evolving climate regulations, and stakeholder expectations present both risks and an opportunity for cost reduction and brand enhancement via sustainable operations.	The Company has established ambitious goals for the year 2030 compared to the base line year CY 2022: - Reduction of GHG Emission in Direct Operations by 50% by 2030. - Energy Saving of 50% by 2030 through Process Optimization & Efficiency improvement. - Increasing the contribution of Renewable Energy to 50% of total requirement, by 2030.	**Positive:** Long-term cost savings from renewable energy, potential eligibility for green finance. **Negative:** Initial capex and risk of non-compliance if targets are missed.

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Water Management	Both (R/O)	Increasing water scarcity and stress on local water sources could disrupt operations and pose regulatory risks.	Committed to 25% reduction in water intensity by 2030 vs base year 2022 and Zero Liquid Discharge ("**ZLD**") implementation across all sites. Achieved ZLD at 3 out of 4 sites; savings in groundwater and surface water consumption noted.	**Positive:** Improved operational resilience and compliance. **Negative:** Upfront investment in water treatment and recycling infrastructure.
4.	Diversity, Inclusion & Employee Well-being	Opportunity	A diverse and inclusive workforce improves innovation and performance. Rising employee expectations on work-life balance, safety, and well-being necessitate strategic focus to attract and retain talent.	Zydus Wellness has increased female participation in key units (14.3% in leadership roles); launched Health & Wellness Policy, provided free health check-ups, and invested in leadership development programs.	**Positive:** Improved employee productivity, reduced attrition, stronger employer brand; also, recognition as a "Great Place to Work" supports long-term human capital sustainability.
5.	Data Privacy & Cyber Security	Both (R/O)	Growing reliance on digital platforms and e-commerce makes data breaches and cyber-attacks a significant operational and reputational risk.	Implemented security tools and systems to prevent unauthorized access, ensured zero data breaches in FY 2024-25, and maintains regular IT audits and awareness trainings.	**Positive:** Zero incidents reduce risk exposure and help maintain consumer and partner trust. **Negative:** In case of breach, high financial and legal penalties.
6.	Corporate Governance & Compliance	Both (R/O)	Any gaps in governance or ethical misconduct can severely impact brand reputation, investor trust, and legal standing.	Maintaining strong governance structure with independent Board, ESG committee oversight, and ISO/FSSC certifications; updated all internal policies to align with ESG expectations.	**Positive:** Strong governance improves investor confidence. **Negative:** Non-compliance can result in penalties or shareholder activism.
7.	Customer Grievance Management	Opportunity	In the competitive FMCG sector, effective grievance management is essential to retain consumer trust, improve product quality, and uphold brand reputation. Prompt resolution also supports regulatory compliance and enhances consumer confidence.	Implementing a robust, transparent grievance redressal mechanism; tracking metrics such as Customer Complaints Per Million Packs ("**CCPMP**") and Customer Satisfaction Index ("**CSI**").	**Positive:** Reduces healthcare and litigation costs, improves customer loyalty, strengthens brand value, and identifies areas for product improvement.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Question			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Yes[1]	Yes[2]	Yes[3]	Yes[4]	Yes[5]	Yes[6]	Yes[7]	Yes[8]	Yes[9]
	b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	Web Link of the Policies, if available	Policies can be accessed on the website of the Company under "Policies and Compliances" at https://www.zyduswellness.com/investors.php								
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. Our Policies viz. ESG, Human Rights, Anti-Corruption and Bribery, Biodiversity, Occupational Health & Safety, Environment, and Code of Conduct for Vendors are extended to our Value Chain Partners. This demonstrates our commitment to upholding these standards across our entire network.								
			[1]We have adopted Anti-corruption & Bribery policy, Company's Code of Business Conduct and Ethics, Policy on Prevention of Insider Trading, other HR policies and various other HR practices. [2]We have adopted ESG Policy, Environment Policy and Code of Conduct for Vendors, which *inter-alia* relates to safe and sustainable products. [3]We have Occupational Health & Safety and Corporate Health & Safety Policies for the wellbeing of employees. [4]We have adopted CSR Policy and adhere strictly to our Code of Business Conduct & Ethics, ensuring the utmost consideration for stakeholder interests. [5]We have adopted policies in place, including Human Rights and Prevention of Sexual Harassment of Women at Workplace to protect and address human rights issues. [6]We have policies in place, including Environment Policy, Corporate Environment Health & Safety Policy and Biodiversity Policy to ensure the protection and restoration of environment. [7]We are dedicated to upholding our Code of Business Conduct & Ethics with unwavering and strict adherence. [8]We have implemented a CSR policy to advance inclusive growth and equitable development, alongside a Diversity & Inclusion policy for our Company and subsidiaries, ensuring equal and fair opportunities for all. [9]The Company meets requirements through the introduction of innovative products and services. Additionally, it has adopted Ethical and Responsible Marketing Policy and Cybersecurity Policy and established a customer complaint redressal system to ensure effective redressal of complaints and customer satisfaction.								
			Policy and Management System								
4.		Name of the national and international codes/ certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company's manufacturing plants situated at Ahmedabad, Sikkim (Unit I & II) and Aligarh are accredited for FSSC 22000 and plants situated at Ahmedabad, Sikkim (Unit I & II) and Aligarh are ISO 14001:2015 & 45001:2018 certified, GMP certification as applicable, for validating process, quality consistency and food safety. Additionally, as part of our ESG initiatives, beginning from the financial year 2021-2022, we have voluntarily participated in S&P Global Corporate Sustainability Assessment ("**CSA**").								

Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	The Company has outlined specific 2030 goals against the base year FY 2021-2022: - • Energy Saving of 50% through Process Optimization & Efficiency improvement. Renewable Energy contribution to be 50% of total requirement. • Reduction of freshwater consumption by 25%. • Zero Liquid discharge and Zero Waste to landfill. • Reduction of GHG Emission of Direct Operations by 50% by 2030. • Ensuring 100% of Critical Active Suppliers & Co-Packers adhere to Company's Sustainability Standards. • Zero LTI and adherence to defined Safety Standards								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	• 22.18% Reduction in Specific Energy Consumption and 9% of total energy reduction on absolute basis over FY 2023-24. • 7.35% Reduction in Specific Water Consumption and 5% overall reduction in water consumption on absolute basis over FY 2023-24. • Green Fuel contribution in Manufacturing Operations is 88.3%. • 2 MW Solar Power Purchase agreement for Aligarh Plant completed. • Supplier evaluation on ESG parameters for 34 critical vendors accounting to 29% of business value. • Zero LTI for current year FY 2024-25.								
	Governance, leadership and oversight								
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	As a leading FMCG company, we remain deeply committed to embedding responsible and sustainable practices across our value chain. Guided by our Sustainability Goals-2030 , we continue to make measurable progress in Environmental stewardship, Social responsibility, and Ethical governance. Following our commitment towards increasing the contribution of green and renewable energy sources, we've committed to a 25-year deal to generate 2MW of solar power at our Aligarh plant, a significant step towards reducing our carbon footprint and promoting clean energy. Further, we are in the process of signing similar agreements. Our total energy consumption has decreased by 9% primarily driven by higher operational efficiencies and energy conservation measures across the manufacturing - supply chain. Furthermore, a significant 40% reduction in non-renewable fuel usage exemplifies our commitment to transition to renewable sources of energy. Building on our Sustainability agenda, we have evaluated biodiversity-related risks and opportunities across all our manufacturing units—Aligarh, Ahmedabad, and Sikkim. This assessment has enabled us to identify critical gaps in our surrounding ecosystems, along with understanding the influence of our operations on, and their dependence upon, nature. To further strengthen our ESG governance, we have implemented a suite of ESG-focused policies and frameworks. Our latest Business Responsibility and Sustainability Report (BRSR) reflects our integrated sustainability approach—highlighting key efforts to reduce our environmental footprint, promote diversity and inclusion, and maintain high standards of ethical conduct. From carbon footprint reduction efforts to community engagement and social equity initiatives, we continue to drive impact through innovation and collaboration. For Zydus Wellness, Sustainability is not just a strategic priority; it is central to our long-term success and our responsibility to people and the planet. As we scale our operations, we remain focused on creating shared value for all stakeholders and contributing meaningfully to a resilient, inclusive, and low-carbon future.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Tarun Arora, Chief Executive Officer ("**CEO**") and Whole Time Director ("**WTD**").								

Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	In FY 2022-2023, our Board of Directors ("**Board**") transformed the "Corporate Social Responsibility Committee" into the "Corporate Social Responsibility and ESG Committee" to underscore our commitment to ESG principles. This Committee oversees ESG performance, strategies and initiatives, ensuring alignment with our long-term value creation goals. Its expanded mandate includes shaping ESG programs, endorsing public disclosures, making ESG related investment decisions and providing regular reports to the Board. The Committee is headed by Dr. Sharvil P. Patel (DIN: 00131995), Chairman of the Board who is a Non-Executive Director and comprises Mr. Ganesh N. Nayak (DIN: 00017481), Non-Executive Director and Mr. Kulin S. Lalbhai (DIN: 05206878), Independent Director as members of the Committee. The Risk Management Committee ("**RMC**") of the Board supports the Board in directing the risk management process, the controls and risk tolerance including sustainability (Environment, Social and Governance) related risks, information & cyber security. The Board is responsible for reviewing and ratifying the risk management structure, processes and guidelines which are developed and maintained by the RMC.								

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
10. Details of Review of NGRBCs by the Company:									
Performance against above policies and follow up action	The business responsibility performance of the Company is regularly monitored by the Company and reviewed by the Chairman and respective departmental heads. The Board of Directors reviews it annually.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all the applicable laws and a statutory compliance certificate on applicable laws is provided by the CEO & WTD to the Board of Directors on a quarterly basis.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency	The processes and compliances are assessed by independent Internal and Statutory auditors, as applicable. On a regular basis, the policies are reviewed and updated by senior functional heads and approved by the management, Committees of Directors or the Board. At our factories, we uphold rigorous standards, holding certifications in ISO 14001:2015, ISO 45001:2018, and FSSC 22000. Additionally in FY 2024-2025, we are conducting reasonable assurance for BRSR core parameters on a voluntary basis, ensuring transparency and accountability in our sustainability reporting.								
12. If the answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
The entity does not consider the principles material to its business (Yes/ No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total Number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	During the Committee / Board meetings discussions are held on various topics including but not limited to business updates, market outlook, innovation, new product launches, Risk Management, Governance, Compliance and Regulatory updates and Environment, Social and Governance (ESG)	100%
Key Managerial Personnel	4	Prevention of Sexual Harassment at Workplace, Cyber Security, Human Rights, Environment, Social and Governance (ESG), Updates and awareness related to Governance and regulatory compliance requirements	100%
Employees other than BoD and KMPs	152	Prevention of Sexual Harassment at Workplace, Cyber Security, Human Rights, ASPIRE, SHINE, DNAIC, 7QC Tools, Leaders as Mentors, Passion 2.0, Employee Hygiene and Jewellery Policy, YouTube unboxing, Digital content marketing, LinkedIn Learning, Building and sustaining trust, Performance Management System, Positive attitude, work culture and ethics, ISO Training, LMI EPP, Conflict Management, Executive presence in business storytelling, application of AI in data analytics and dynamic dashboards, SAP Training	100%
Workers	230	Prevention of Sexual Harassment at Workplace, Cyber Security, Human Rights, Safety induction training, Emergency preparedness, 5S Awareness, Machine Operations, Employee Hygiene and Jewellery Policy, Positive attitude, work culture and ethics, electrical safety, fire safety, housekeeping, near miss, safety and hazard at work place, use of PPE	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine Settlement/ Compounding fee	There have been no instances of fines and penalties imposed by the Statutory Authorities on the Company.				

Non - Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment	There have been no instances of fines and penalties imposed by the Statutory Authorities on the Company.				

3. **Of the instances disclosed in Question 2 above, details of Appeal/Revision preferred in case where monetary non-monetary actions has been appealed**

S.No.	Case Detail	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable		

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes, the Company has an anti-corruption and anti-bribery policy in place. Policy is uploaded on the website of the Company at https://www.zyduswellness.com/investor/Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption**

Designation	FY 2024-2025	FY 2023-2024
Director	No such actions have been taken against our Directors/KMPs/ employees/workers both for FY 2024-2025 and FY 2023-2024.	
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest**

Designation	FY 2024-2025		FY 2023-2024	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Numbers of Complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. **Provides details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on case of corruption and conflicts of interest:**

   Not applicable.

8. **Number of days of accounts payables ((Accounts payable *365)/Cost of goods/service procured) in the following format:**

	FY 2024-2025	FY 2023-2024
Number of days of accounts payables	75	73

9. **Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along- with loans and advances & investments, with related parties, in the following format:**

Parameter	Metric		FY 2024-2025	FY 2023-2024
Concentration of purchases*	a.	Purchase from trading houses as % of total purchases	Nil	Nil
	b.	Number of trading houses where purchases are made from	Nil	Nil
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	63.30%	63.96%
	b.	Number of dealers / distributors to whom sales are made	2,015	1,320
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	8.04%	8.24%
Share of RPTs in**	a.	Purchases (purchases with related parties / Total Purchases)	0.00%	0.01%
	b.	Sales (Sales to related parties / Total Sales)	0.38%	0.59%
	c.	Loans and advances (Loans and advances given to related parties / Total loans and advances)	0.00%	0.00%
	d.	Investments (Investments in related parties / Total Investments made)	0.00%	0.00%

*For procurement of Packing Materials, we conduct 100% of our business directly with manufacturers, while for Raw Materials, we exclusively engage with authorized distributors and manufacturers.

**Transactions were entered with Related Parties on arm's length basis after approval of the Audit Committee and the Board of Directors.

Leadership Indicators

1. **Awareness programs conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmed held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
25	• Good Animal Husbandry Practices • Ration Balancing • Proper Animal Nutrition, Water feeding importance and Management • Infertility Causes and Prevention • Mastitis disease causes and Prevention • Clean Milk Production • Do and Don'ts in animal upkeep, Management of Cattle Shed • Important of vaccination and deworming for animal productivity • Pregnant Animal Care and Management • Importance of AI, Cross breeding of Animal	2.5%

2. **Does the entity have processes in place to avoid / manage conflict of interests involving members of Board? If yes, provide details of the same have process: (Yes/No)**

   Yes. The Company has adopted "Code of Business Conduct and Ethics", which expects Directors and Senior Management to disclose actual and potential conflicts of a material nature with the interests of the Company and they submit their affirmation for the compliance with the Code on an annual basis. Additionally, all Directors and Senior Management employees are expected to not engage in any business, relationship or activity which might detrimentally conflict with the interest of the Company and not divert to his / her advantage any business opportunity that the Company is in pursuit. The Code is available on the website of the Company at
   https://zyduswellness.com/investor/code-of-business-conduct-and-ethics-policy.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-2025	FY 2023-2024	Details of improvements in environmental and social impacts
R&D	3%	0%	The Company has invested in a semi-automatic liquid filler and sealing machine used in a project that could potentially replace thick laminate used in an aseptic carton to thinner laminates with spout. This would help reduce consumption of laminate by 30% thereby reducing the overall carbon footprint per sku.
Capex	8%	44%	**Ahmedabad Plant:** We have significantly scaled up our mayonnaise production capacity—by 7 to 8 times—through the installation of the advanced *Fryma Koruma* machine. This investment enhances scalability, ensures future readiness, and reduces energy consumption by minimizing planned stoppages and major breakdowns. **Aligarh Plant:** In the new Glucon-D block, we installed a timer on the bin vibrator motor, resulting in electricity savings of 61,974 kWh. **Sikkim Plant:** Variable Frequency Drives (**"VFDs"**) have been installed across high-energy-consuming equipment and utilities, driving substantial energy efficiency improvements.

   Note: The previous year's figure, previously stated as 100%, has been restated to 0% due to a typographical error.

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?**

   Yes. Currently, our vendor evaluation process relies on a quality checklist, and vendor audits are conducted for all vendors during onboarding as part of organizational initiatives. However, we recognize the importance of integrating Sustainable Sourcing performance factors into our vendor selection process. Moving forward, we plan to incorporate these factors into our vendor selection criteria.

Recognizing the growing importance of sustainability in procurement, we are committed to integrating Sustainable Sourcing performance factors into our vendor selection process going forward.

As part of our initial assessment, we rolled out an ESG Vendor assessment checklist to our top 34 critical vendors, selected based on material criticality and business volume. These vendors collectively account for 29.0% of our total vendor value. The responses revealed that all of the milk collection centres are certified by the FSSAI. Further all the vendors are certified by applicable quality standards, EHS standards and compliance requirements like FSSC 22000, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, Kosher, Halal, SGS Non-GMO IP Supply Chain Standards etc.

We aim to expand this ESG assessment to 100% of our critical vendors to ensure broader coverage and stronger adherence to sustainable sourcing practices.

To uphold responsible business conduct, we have adopted a "Code of Conduct for Vendors", outlining the minimum standards expected from all our partners. This code is publicly accessible on our website: https://www.zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2025.pdf. Additionally, we leverage an electronic bidding platform to procure high-quality materials at competitive prices, supporting our commitment to long-term sustainable sourcing.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:**

Process Description
The waste generated in the Company's manufacturing operations is recycled/reused to the extent possible. Waste is recycled by authorized third party agencies and records of the same are maintained at all our plants. Additionally, the Company's manufacturing facility has its own Effluent Treatment Plant, which ensures discharge of waste below the norms prescribed by the Pollution Control Board. Important raw materials and solvents are recovered and reused. It is a part of operational management. In line with the Ministry of Environment, Forest and Climate Change's notification on Extended Producers Responsibility, we have strengthened our approach to the management of plastic packaging. Additionally, we have also undertaken design level changes to our products to reduce the raw materials used in their manufacturing.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Yes, EPR applies to the Company's activities and the waste collection plan is in line with the EPR action plan submitted to Central Pollution Control Board ("**CPCB**").

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	If results communicated in public domain, provide the web-link.
The Company hasn't conducted LCA for any of its products.						

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Current Financial Year	Description of the risk / concern	Action Taken
	Not Applicable	

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2024-2025	FY 2023-2024
Paper	100%	100%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2024-2025			FY 2023-2024		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	0	Refer Note	0	0	6,943	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

Note: EPR Annual Return Submission for FY 2024-25 is in progress. The final data would be disclosed in Annual ESG Report 2024-25.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
In line with the Plastic Waste Management (PWM) Rules and the national guidelines on Extended Producer Responsibility (EPR), the Company has partnered with authorized Waste Management Agency for collection, recycling, co-processing and safe disposal of pre & post-consumer waste. All our products which are expired or damaged and cannot be consumed, are not sold to the vendors for feeding cattle / consumption and are taken back from trade, audited by government approved agencies and disposed off as per the guidelines enumerated in the internal policy and adhering to the local laws and rules. Proof of products destroyed is maintained by the Company. Thereby, we ensure safe disposal of expired or damaged products.	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1 a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	973	973	100%	973	100%	-	-	973	100%	-	-
Female	68	68	100%	68	100%	68	100%	-	-	-	-
Total	**1,041**	**1,041**	**100%**	**1,041**	**100%**	**68**	**7%**	**973**	**93%**	**-**	**-**
Other than Permanent employees											
Male	35	35	100%	35	100%	-	-	35	100%	-	-
Female	12	12	100%	12	100%	12	100%	-	-	-	-
Total	**47**	**47**	**100%**	**47**	**100%**	**12**	**26%**	**35**	**74%**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	204	204	100%	204	100%	-	-	204	100%	-	-
Female	2	2	100%	2	100%	2	100%	-	-	-	-
Total	**206**	**206**	**100%**	**206**	**100%**	**2**	**1%**	**204**	**99%**	**-**	**-**
Other than Permanent workers											
Male	2,041	2,041	100%	2,041	100%	-	-	2,041	100%	-	-
Female	179	179	100%	179	100%	179	100%	-	-	-	-
Total	**2,220**	**2,220**	**100%**	**2,220**	**100%**	**179**	**8%**	**2,041**	**92%**	**-**	**-**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2024-2025	FY 2023-2024
Cost incurred on well-being measures as a % of total revenue of the company	0.2%	0.2%

2. **Details of retirement benefits:**

Benefits	FY 2024-2025			FY 2023-2024		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
ESI	9%*	100%	Yes	3%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
Other - please specify						
National Pension Scheme	8%	NA	Yes	8%	NA	Yes
Superannuation	3%	NA	Yes	3%	NA	Yes

*Covering 100% of eligible employees.

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers? (Yes/No) If not, whether any steps are being taken by the entity in this regard:

Yes, the premises / offices of the company are accessible to differently abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act 2016.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 (Yes / No). If so, provide a web-link to the policy:**

The Company is an equal opportunity employer. We treat all job applicants fairly and do not support any form of unlawful discrimination. We respect all related laws in our employment decisions and do not discriminate against individuals based on race, colour, gender, age, national origin, religion, sexual orientation, gender identity or expression, marital status or disability. However, the emphasis will continue to remain on merit, skill fitment and business requirement. For further details refer: https://www.zyduswellness.com/investor/Zydus%20Business%20Conduct%20Policy.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave:**

Gender	Permanent employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	85%	NA	NA
Female	100%	80%	NA	NA
Total	**100%**	**84%**	**NA**	**NA**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers Permanent Employees	Yes, Whistle Blower policy is in place for reporting instances of unethical behaviour, improper practices, actual or suspected fraud or violation of the company's code of conduct and leakage of unpublished price sensitive information, which is available on the website of the company at https://zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf
Other than Permanent Employees	Yes, A) **Aligarh Plant:** The grievances of on roll workers are redressed through Zydus Wellness Association in conjunction with Unit HR Head on regular basis, whereas the grievances of contract workers are redressed through Contractor and unit HR Head. In addition, we have five number of suggestion boxes to redress the grievances reviewed by regular MIS. B) **Ahmedabad Plant:** There is provision of Grievance Register wherein grievances are registered and addressed. 2 (two) number of suggestion boxes are placed at prominent places in the unit. Suggestion boxes are opened, reviewed and addressed periodically. C) **Sikkim Plant:** Six number of suggestion boxes are placed in the prominent location. The suggestions are reviewed and implemented to address before development of the grievances.
Other than Permanent Workers	No

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Benefits	FY 2024-2025			FY 2023-2024		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent employees	**1,041**	**0**	**0**	**774**	**0**	**0**
-Male	973	0	0%	725	0	0%
-Female	68	0	0%	49	0	0%
Total Permanent workers	**206**	**148**	**72%**	**234**	**164**	**70%**
-Male	204	148	73%	233	163	70%
-Female	2	0	0%	1	1	100%

8. Details of training given to employees and workers:

Category	FY 2024-2025					FY 2023-2024				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	973	88	9%	736	76%	758	83	11%	614	81%
Female	68	2	3%	68	100%	60	1	1.7%	60	100%
Total	**1,041**	**90**	**9%**	**804**	**77%**	**818**	**84**	**10.3%**	**674**	**67%**
Workers										
Male	2,245	1,430	64%	1949	87%	2,551	2,551	100%	1,729	67%
Female	181	157	87%	120	66%	165	165	100%	57	34.5%
Total	**2,426**	**1,587**	**65%**	**2,069**	**85%**	**2,716**	**2,716**	**100%**	**1,786**	**66%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-2025			FY 2023-2024		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	936	809	86%	758	725	96%
Female	58	42	72%	60	49	82%
Total	**994***	**851**	**86%**	**818**	**774**	**95%**
Workers						
Male	2,041	322	16%	2,551	233	9%
Female	179	113	63%	165	1	1%
Total	**2,220**	**435**	**20%**	**2,716**	**234**	**9%**

*Eligible employees

10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes. The Company follows all applicable rules and regulations directed by Authorities for Employees' Health and Safety and it is covered at the group level including all the plants. The Company has adopted Occupational Health and Safety Policy which is available on the website of the Company at - https://zyduswellness.com/investor/Occupational-Health-Safety-Policy.pdf

The safety and wellbeing of our employees is of utmost importance to us. We continuously strive to promote safe practices to be followed by all our employees. We are committed to implementing and monitoring relevant requirements set forth by ISO standards for our plants. Our manufacturing plants at Ahmedabad and Sikkim are ISO 45001:2018 (OH&S) certified. We have established Occupational and Health centers, equipped with Ambulance facilities, at all our plants to serve 24*7.

In FY 2024-2025 we have invested 3,131.5 hours in training our employees on topics related to safety practices at the workplace. In FY 2024-2025, zero fatalities occurred, and zero lost days were recorded across all the plants.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a centralized Environment, Health and Safety ("**EHS**") Cell, both at a group and the plant level to identify work related hazards and assess risks on a routine and non-routine basis. All relevant updated EHS documents, guidelines, policies, SOPs, and checklists are being regularly updated to the employees through this EHS portal and necessary compliance perspective actions are tracked. Further, at regular intervals, EHS interactions like seminars, group meetings, focused training etc. are organised for awareness amongst all levels of employees. At the group level, the Corporate EHS team has created EHS Software viz. "Zysafe" for EHS governance and to monitor all EHS related Activities.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes / No)

Yes. The company has a legal obligation to provide a safe and healthy work environment to the employees. Part of this responsibility involves establishing procedures for reporting hazards and removing workers from hazardous situations. The company carries out following activities to create process for workers to report work related hazards and remove themselves from the risk:

i. Identify and assess all potential hazard at workplace to develop hazard reporting procedures.

ii. Training given to employees to identify hazards and how to remove themselves from hazardous situations.

iii. Encourage employees to report the hazard and potential hazards wherever possible and ensure workers are not punished or retaliated against reporting hazards.

iv. Investigation of hazards and implement appropriate measure to avoid re-occurrence of the hazards.

v. We have a well-designed EHS Software named Zysafe which is used for reporting of Unsafe act, Unsafe conditions. We regularly monitor and review the hazards reporting and removal process to ensure that it is effective and to make any necessary improvements.

The Company celebrates EHS campaigns like National Safety Month, Fire Safety Month, World Environment Day and also celebrates theme based EHS campaigns like Electrical Safety, Slip & Trip, Machine Safety etc.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes. 100% of our Permanent workers and employees have access to non-occupational medical and health care services through Health Insurance. We recognize that access to healthcare services is a fundamental human right and we are committed to providing our employees and workers with access to quality healthcare services through below mentioned measures:

i. Providing permanent employees / workers and their loved ones with comprehensive health insurance which includes coverage for non-occupational medical and healthcare services.

ii. On-site medical clinics that are staffed by qualified medical professionals to provide medical care and treatment to the employees/ workers.

iii. Telemedicine services that allow employees and workers to consult with medical professional remotely, providing them with access to medical care and treatment from the comfort of their homes or workplaces.

iv. Conducting programs for the employees and workers to help them maintain their physical and mental health. These programs include fitness classes, stress management programs and nutrition counselling.

11. Details of safety related incidents, in the following format:

Salary Incident / Number	Category	FY 2024-2025	FY 2023-2024
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill- health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

1. Implementation of International Standards of Occupational Health & Safety Management System ISO 45001:2018 at all three sites.
2. Regular Training & Awareness to all employees
3. Preparing Safe Operating Procedures of operational activities to prevent from incidents.
4. Providing Personal Protective Equipment to employees wherever necessary to protect from incidents.
5. Hazard identification, Safety theme drives on different Hazards, ownership by all staff through EHS index system, involvement of senior management in safety and health related activities, Promotional activities on EHS, Fire Safety Management, Occupational Health Centre with medicine facility, Clean & hygiene canteen, are some other initiatives are implemented to ensure a safe and healthy work place.

13. Number of Complaints on the following made by employees and workers:

Assessment Type	FY 2024-2025			FY 2023-2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil			Nil		
Health & Safety						

14. Assessments for the year:

Assessment Type	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Our Sikkim and Ahmedabad plants are undergoing third-party assessments, while Aligarh is being assessed internally by an independent audit team, focusing on health and safety. Additionally, we had no reportable incidents during the year.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N): Y (B) Workers (Y/N): Y

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. -

The Company has a robust control system and conforms to all laid down laws of the land. It has an efficient tax system to track and control and reconcile that Goods and Services Tax ("**GST**"), Tax Deducted at Source ("**TDS**") and Tax Collected at Source ("**TDS**") have been duly recorded, levied by the suppliers and deposited with the relevant statutory authorities. During the financial year 2024-2025 ₹ 18,754.14 million towards GST and ₹ 367.06 million towards TDS and TCS were deposited with relevant statutory authorities. Further, the system also assists us to check if the TDS have been duly deducted by the Customers and paid to the relevant statutory authorities, wherever applicable.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-2025	FY 2023-2024	FY 2024-2025	FY 2023-2024
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, in case of retirement of employee on a case-to-case basis, the company provides extended service to the employees as a retainer/consultant and in case of termination of employee the company provides career counselling.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	29%*
Working Conditions	

*We have sent an ESG checklist as a preliminary assessment to our top 34 critical vendors. Going forward, we will implement a plan to assess all the vendors.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

Based on the evaluation, low scoring vendors (3) have been identified and advised to go for relevant certifications (e.g., ISO 14001:2015, ISO 45001:2018, ISO 50001, SA 8000). Additionally, they have been advised to start monitoring data on their energy and water consumption, with a target of Y-o-Y reduction. Vendors with manual handling were advised to opt for ergonomic studies and modify the working practices accordingly.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Key stakeholder groups are identified through an internal assessment based on their influence on and interest in the company's operations. The identification process considers strategic relevance, the level of impact on the business, and the stakeholders' expectations. During the FY 2023–24 materiality assessment, stakeholder groups were prioritized using international reporting standards. This involved direct engagement mechanisms to gather insights on critical issues, followed by detailed analysis of feedback from both stakeholders and internal management.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of Engagement	Purpose and Scope of Engagement (including key topics and concerns)
Employees	No	Email, SMS, Meetings, Surveys, Feedback, Website, Internal Portals	Monthly, Quarterly, Annually, Need-Based	Employee wellbeing, health & safety, performance reviews, training, and career development conversations
Investors	No	Meetings, Conferences, Investor Calls, Correspondence	Monthly, Quarterly, Half-Yearly, Annually, Need-Based	Financial performance, growth strategy, returns and dividends
Customers	No	Meetings, Surveys, Web Portals	Monthly, Annually, Need-Based	Customer experience, product and service quality
Suppliers	No	Vendor meetings, Supplier audits, Facility visits, Annual reports, Compliance filings	Monthly, Quarterly, Half-Yearly, Annually, Need-Based	Supplier performance, compliance with Supplier Code of Conduct
Communities	Yes	Social media, Website, Meetings, Newsletters, Surveys, Trainings, Fieldwork, Virtual engagement	Half-Yearly, Annually, Need-Based	CSR initiatives, employee volunteering, upliftment and development activities
Government & Regulatory Authorities	No	In-person meetings, Conferences, Official communications, Statutory publications, Industry associations, Correspondence	Quarterly, Annually, Need-Based	Compliance, policy alignment, regulatory updates, industry representation

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board**

   Stakeholder engagement is facilitated through various channels such as meetings, surveys, reports, and formal communications. The outcomes and key concerns arising from these engagements are consolidated and presented to senior management and the Board. Feedback mechanisms include regular internal reporting, integration of stakeholder insights into board agendas, and updates during strategic planning sessions to ensure stakeholder voices inform decision-making on economic, environmental, and social matters.

   To facilitate the engagement, we have established several committees dedicated to key areas of concern. The CSR and ESG Committee assesses our performance in environmental, social and governance matters, overseeing the implementation of relevant policies and strategies to drive sustainable practices, formulating and recommending to the Board CSR policy, monitoring CSR budget allocation, activities and expenditure to ensure alignment with our commitment to social responsibility. Stakeholders' Relationship Committee is entrusted with evaluating statutory compliances and services related to non-receipt of Annual Report and dividend, transfer / transmission etc. and review the performance of Registrar and Transfer Agent, thereby enhancing trust and transparency in our interactions. In line with our dedication to shareholder engagement, we offer the Institutional Investors and Analysts the opportunity to interact with the Chairman

and CEO quarterly through post earnings call and to interact with all Board members annually during the Annual General Meeting. This forum allows us to stay attuned to the evolving needs and concerns of our stakeholders, reinforcing our pledge to remain accountable and responsive to their interests. Our engagement with vendors includes the use of an ESG checklist to evaluate their performance and compare against ESG related certifications and labels.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. Stakeholder consultations were central to the FY 2023–24 materiality assessment process. Feedback received from stakeholders was directly used to identify material environmental and social topics such as climate change, waste management, employee wellness, health and safety, and community relations. These topics have since been incorporated into the entity's sustainability framework, influencing the formulation of related policies, operational practices, and long-term business strategies.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company recognizes the importance of engaging with and addressing the concerns of vulnerable and marginalized stakeholder groups. We believe that by working closely with these groups, we can better understand their unique needs and perspectives and take meaningful action to support their social and economic inclusions. We conduct event-based engagement that are either statutory in nature or serves as part of our internal programme. The Group continues to create healthier, happier communities globally. Zydus Shrishti, the Group's CSR programme focuses in the areas of health, education and research. Making a difference to serve the needs of the patients and bring world-class medical education to the rural interiors of Gujarat, Zydus Foundation has set up the Zydus Medical College and Hospital at Dahod. For further details please refer Page no. 91-96 of Integrated Annual Report.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2024-2025			FY 2023-2024		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1,041	1,041	100%	774	774	100%
Other than permanent	47	47	100%	44	44	100%
Total Employees	**1,088**	**1,088**	**100%**	**818**	**818**	**100%**
Workers						
Permanent	206	206	100%	234	234	100%
Other than permanent	2,220	2,220	100%	2,317	2,317	100%
Total Workers	**2,426**	**2,426**	**100%**	**2,551**	**2,551**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Permanent Employees										
Male	973	0	0%	973	100%	725	0	0%	725	100%
Female	68	0	0%	68	100%	49	0	0%	49	100%
Total	**1,041**	**0**	**0%**	**1,041**	**100%**	**774**	**0**	**0%**	**774**	**100%**
Other than Permanent										
Male	35	0	0%	35	100%	33	0	0%	33	100%
Female	12	0	0%	12	100%	11	0	0%	11	100%
Total	**47**	**0**	**0%**	**47**	**100%**	**44**	**0**	**0%**	**44**	**100%**

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Permanent Workers										
Male	204	0	0%	204	100%	233	0	0%	233	100%
Female	2	0	0%	2	100%	1	0	0%	1	100%
Total	**206**	**0**	**0%**	**206**	**100%**	**234**	**0**	**0%**	**234**	**100%**
Other than Permanent										
Male	2,041	1,578	77%	486	24%	2,153	367	15%	1,786	83%
Female	179	62	35%	94	53%	164	164	100%	0	0%
Total	**2,220**	**1,640**	**74%**	**580**	**26%**	**2,677**	**531**	**20%**	**1,786**	**77%**

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages: **(₹ in Million)**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	7	1.35	1	1.6
Key Managerial Personnel*	3	20.11	0	0
Employees other than BoD and KMP	715	14.5	56	20.0
Workers	200	7.38	2	2.93

*Includes Mr. Tarun Arora, CEO & WTD.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-2025	FY 2023-2024
Gross wages paid to females as % of total wages	7%	6%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At Zydus, we prioritize human rights across our operations, striving for a safe and inclusive work environment while preventing issues like child labor, forced labor, and discrimination. Our Human Rights Policy extends to all employees, including part-time and contractual workers, and we require the same commitment from our value chain partners. We conduct regular risk assessments to identify and address potential human rights risks, incorporating stringent due diligence processes. To ensure accountability, we have established grievance redressal policies such as the Human Rights Policy, Whistle Blower Policy, Prevention of Sexual Harassment of Women at Workplace Policy and Code of Conduct for Vendors. The human rights concerns/grievances can be reported to the Immediate Supervisor, Head of Department or Human Resources department. We believe that businesses play a vital role in upholding human rights, and we are committed to promptly addressing any concerns raised by stakeholders. The Human Rights Policy is available on the website of the Company at: https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2024-2025			FY 2023-2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil			Nil		
Discrimination at Workplace						
Child Labour						
Forced Labour/ Involuntary						
Labour						
Wages						
Other Human rights related Issue						

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act,2013, in the following format:**

	FY 2024-2025	FY 2023-2024
Total Complaints reported under the Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act,2013(POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers		
Complaints on POSH upheld		

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. It encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Committees have been constituted across locations to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required. The Company is committed to ensure that no employee who brings forward a Sexual Harassment concern is subject to any form of reprisal. Any reprisal will be subject to disciplinary action. The Company ensures that the victim or witnesses are not victimized or discriminated against while dealing with complaints of Sexual Harassment. However, anyone who abuses the procedure are subject to applicable disciplinary action by the Company. Also, awareness sessions are organized for all employees at regular intervals. Also, Company has in place, a Whistle Blower policy which provides necessary safeguards to all Whistle Blowers for making disclosures in Good Faith and any other employee assisting the investigation.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. Agreements provide for compliance with accepted standards on issues related to EHS, Human Rights and labour practices. Additionally, the Company has adopted "Code of Conduct for Vendors". This requires suppliers to comply with labour laws, environmental regulations, and uphold human rights and principles of ethics and integrity in their operations. All Suppliers are expected to meet the requirements of this Code. Additionally, the Vendor Code of Conduct is a mandatory requirement for all our suppliers and forms an integral part of their contract and a link of the code is also mentioned in purchase order.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	No plants and offices were assessed for human rights issues.
Forced/ involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - Please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above:**

Not Applicable

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints:**

   Not Applicable.

2. **Details of the scope and coverage of any Human rights due diligence conducted:**

   No Human rights due diligence was conducted.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?** Yes

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	29%*
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

*We have sent an ESG checklist as a preliminary assessment to our top 34 critical vendors. Going forward, we will implement a plan to assess all the vendors.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   No risks identified.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter (In Gigajoules)	FY 2024-2025	FY 2023-2024
From renewable sources		
Total electricity consumption (A)	6,754	-
Total fuel consumption (B)	4,15,252	3,62,550
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**4,22,006**	**3,62,550**
From non-renewable sources		
Total electricity consumption (D)	50,815	44,235
Total fuel consumption (E)	1,93,224*	3,24,132
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**2,44,039**	**3,68,457**
Total energy consumed (A+B+C+D+E+F)	**6,66,045**	**7,30,917**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in million)	**24.6**	**31.4**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations in million adjusted for PPP)	**550.7**	**703.3**
Energy intensity in terms of physical output (GJ/MT)	**7.71**	**9.60**

Notes:

a) *Includes NIPL plant data effective from Jan-Mar'25.

b) Purchasing Power Parity (PPP) - Revenue from operations is adjusted as per International Monetary Fund Implied PPP conversion rate.

c) Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

   Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:**
No

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-2025	FY 2023-2024
Water withdrawal by source (in kilolitres)		
(i) Surface water	62,658	67,118
(ii) Ground water	3,55,402	3,49,223
(iii) Third party water	0	0
(iv) Sea water / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**4,18,060**	**4,16,341**
Total volume of water consumption (in kilolitres)	**3,89,852***	**4,10,270***
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations in million)	**14.39**	**17.52**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP) (Total water consumption / Revenue from operations in million adjusted for PPP)	**322.4**	**392.5**
Water intensity in terms of physical output (kilolitres/MT)	**4.5**	**4.7**

Methodology for tracking: We have dedicated magnetic flow water meters at plants on each borewell for tracking of freshwater consumption and these details are being then transferred to excel sheet for easy tracking.

Notes:

a. *The data includes of 4 manufacturing plants of Zydus wellness - Ahmedabad (1), Sikkim (2) and Aligarh (1) and restated figures for previous year

b. Purchasing Power Parity (PPP) - Revenue from operations is adjusted as per International Monetary Fund Implied PPP conversion rate.

c. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

4. **Provide the following details related to water discharged:**

Parameter	FY 2024-2025	FY 2023-2024
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	-	-
With treatment – please specify level of treatment	-	
(ii) To Groundwater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to Third parties		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others		
No treatment	-	-
With treatment – please specify level of treatment	29,528	50,287
Total water discharged (in kilolitres)	**29,528**	**50,287**

Methodology for tracking: We have flow meters for recording the details at Effluent Treatment Plant (ETP) for tracking of Inlet & Outlet water. All water from plants is treated at both the ETP before being reused for gardening, road cleaning, flushing, etc., on-site or released off-site

Notes:

a. The data includes of 4 manufacturing plants of Zydus wellness - Ahmedabad (1), Sikkim (2) and Aligarh (1)

b. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, we have Installed ZLD in Plant with Ultrafiltration (UF) and 2 stage Reverse Osmosis (RO), we are using treated water in Cooling tower, toilet flush and Boiler. In Sikkim location, we reduced 3,379 KL of raw water consumption in Year 2024.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-2025*	FY 2023-2024
NOx	mg/Nm3	8,277.3	72.3
Sox	mg/Nm3	925.33	112.3
Particulate matter (PM)	mg/Nm3	2,726.4	107.5
Persistent organic pollutants matter (POP)	-	NA	
Volatile organic compounds (VOC)	-	NA	
Hazardous air pollutants (HAP)	-	NA	
Others – please specify.	-	NA	

*The air emissions reported for FY 2024-25 are from all our direct manufacturing facilities.

Methodology for tracking: We conduct third-party testing from the govt. approved environmental laboratories for air emission equipment's as per the defined frequencies in respective locations PCB consent order and data showing is taken from one of the third-party report. These tests are conducted against the prescribed limits of Central Pollution Control Board.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-2025	FY 2023-2024
Total Scope 1 emissions*	tCO_2e	11,343	31,304
Total Scope 2 emissions	tCO_2e	10,289	8,798
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in million)	tCO_2e/INR	**0.8**	**1.7**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO_2e/INR	**17.88**	**38.6**
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO_2e/ MT	**0.25**	**0.5**

*Scope 1 encompasses emissions from coal, diesel and refrigerants

Parameter	Unit	FY 2024-2025	FY 2023-2024
Biogenic Emissions	tCO_2e	47,298	41,294

Notes:

a. Emission factors are based on the IPCC 2006 National Greenhouse Gas guidelines.

b. Scope 2 emissions for purchased grid electricity are calculated using the Central Electricity Authority (CEA) CO2e baseline database for 2024, with a grid emission factor of 0.727 tCO2e/MWh.

c. For Dubai office, we have used a grid emission factor for electricity as 0.4041 tCO2e/MWh as per Dubai Electricity and Water Authority Climate Change report.

d. For Bangladesh office, we have used grid emission factor for electricity as 0.67 tCO2e/MWh as per the circular issued by Department of Environment, Bangladesh

e. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the entity has undertaken multiple initiatives aimed at reducing greenhouse gas (GHG) emissions across its manufacturing facilities. These projects are primarily focused on improving energy efficiency, optimizing operational processes, and reducing dependence on high-energy-consuming systems. Key initiatives include:

- HVAC Optimization: Sikkim plants (Unit 1 & 2) have started operating Air Handling Units (AHUs) through cooling towers instead of chillers during the winter season, leading to energy savings and cost reduction of ₹12.97 lakh.
- Boiler Efficiency Enhancement: Boiler performance was improved, resulting in a 3.8% increase in efficiency in 2024, saving approximately ₹11 lakh in costs.
- Electrical Energy Reduction Projects:
  - **Sikkim Plant:** Achieved a total energy saving of over 3 lakh KWH through various initiatives such as installing timers on bin vibrator motors in the new Glucon-D block and increasing condensate recovery by 10% compared to the previous year.
  - **Aligarh Plant:** Implemented energy saving projects that resulted in savings of over 4.1 lakh KWH. Additional process optimizations included enhancing fat spread line productivity by increasing product holding time between equipment and upgrading the mayonnaise process by using UV treatment for processed water, thereby eliminating the need for heating water to 80°C.
  - **Ahmedabad Plant:** Contributed to energy conservation by saving a total of approximately 2.76 lakh KWH through energy efficiency measures.

These combined efforts demonstrate the entity's commitment to reducing its carbon footprint through energy optimization, process innovation, and cost-effective sustainability initiatives.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-2025	FY 2023-2024
Total Waste Generated (in metric tonnes)		
Plastic waste (**A**)	1013.4	419
E-waste (**B**)	-	-
Bio-medical Waste (**C**)	-	-
Construction and demolition waste (**D**)	-	-
Battery Waste (**E**)	-	-
Radioactive Waste (**F**)	-	-
Other Hazardous waste. Please specify, if any. (**G**)	112.5	86
Other Non-hazardous waste generated (**H**)	586	784
Total (A + B + C + D + E + F + G + H)	**1,712**	**1,289**
Waste intensity per rupee of turnover (Total Waste generated / Revenue from operations in million)	**0.06**	**0.05**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Waste generated / Revenue from operations in million adjusted for PPP)	**1.42**	**1.24**
Waste intensity in terms of physical output unit (MT of waste / MT of production)	**0.02**	**0.02**

Parameter	FY 2024-2025	FY 2023-2024
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of Waste		
(i) Recycled	1,604	1,240
(ii) Re-Used	-	-
(iii) Other recovery operations	-	-
Total	**1,604**	**1,240**

For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations (Co-processing)	108	49
Total	**1,712**	**1,289**

Notes:

a. Purchasing Power Parity (PPP) - Revenue from operations is adjusted as per International Monetary Fund Implied PPP conversion rate.

b. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

The company has adopted a holistic approach to waste management and chemical usage, focusing on resource efficiency, waste minimization, and product innovation. Waste management practices across operations emphasize closed-loop systems, plastic reduction, and extended producer responsibility (EPR) compliance. Simultaneously, the organization is committed to reducing the use of hazardous and toxic chemicals through the development of sustainable, low-impact formulations and safer processing techniques. These initiatives are aligned with broader environmental goals and consumer demand for eco-friendly products.

Sr. No.	Details of activities and output	Description of the impact caused
	FY 2024-25	
1	Reducing waste generation through closed-loop systems & improved resource efficiency. Reduction of Plastics Waste (Jar, Laminates, Polybags and Caps) forms a part of the Performance Mgmt. System (PMS) as a key KPI of the Site leadership and Production Heads of all factories.	Achieved reduction in waste generation by implementing closed-loop systems and optimizing resource use across Operations.
2	Developing sustainable products with reduced environmental footprints to meet evolving consumer preferences for eco-friendly solutions.	Introduced lower oil-content formulations for products like Retail Mayonnaise to reduce resource dependency. Innovating heat-resistant and low-carbon products.
3	Scaling up partnerships with third-party Recyclers to meet and exceed EPR compliance requirements.	Strengthened EPR performance by expanding collaborations with certified recyclers, ensuring responsible end-of-life management of packaging waste.
4	Supporting the establishment of decentralized waste collection hubs to facilitate effective segregation and processing.	Enabled localized waste segregation and processing through support of decentralized hubs, enhancing material recovery and circularity at the community level.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The Company does not operate in ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain. (Yes / No)	Relevant Web link
EIA is not mandatory for the projects which are carried out by the Company.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S.No.	Specify the law / regulation / guidelines which was not complied	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is compliant with the applicable environmental law/ regulations/ guidelines applicable in India.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

(i) **Name of the area:** Aligarh, Ahmedabad and Sikkim

(ii) **Nature of operations:** Manufacturing and R&D

(iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter		FY 2024-2025	FY 2023-2024
Water withdrawal by source (in kilolitres)			
(i)	Surface water	62,658	67,118
(ii)	Groundwater	3,55,402	3,49,223
(iii)	Third party water	-	-
(iv)	Seawater / desalinated water	-	-
(v)	Others	-	-
Total volume of water withdrawal (in kilolitres)		**4,18,060**	**4,16,341**
Total volume of water consumption (in kilolitres)		**3,89,852***	**4,10,270***
Water intensity per rupee of turnover (Water consumed / revenue from operations in million)		**14.4**	**17.52**
Water discharge by destination and level of treatment (in kilolitres)			
(i)	To Surface water		
	No treatment		-
	With treatment – please specify level of treatment	-	
(ii)	To Groundwater		
	No treatment	-	-
	With treatment – please specify level of treatment	-	-
(iii)	To Seawater		
	No treatment	-	-
	With treatment – please specify level of treatment	-	-
(iv)	Sent to Third parties		
	No treatment	-	-
	With treatment – please specify level of treatment	-	-
(v)	Others		
	No treatment	-	-
	With treatment – please specify level of treatment	29,528	50,287
Total water discharged (in kilolitres)		**29,528**	**50,287**

Notes:

a) Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

b) *The data includes of 4 manufacturing plants of Zydus wellness - Ahmedabad (1), Sikkim (2) and Aligarh (1) and restated the figure for previous year

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-2025	FY 2023-2024
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available	tCO_2e	31,614*	26,504**
Total Scope 3 emissions per rupee of turnover	tCO_2e/ revenue from operations in million	1.17	1.13

*&**: Standalone emissions

Scope 3 emissions accounted for the following Categories – Calculation Methodology from the GHG protocol:

(a) Capital Goods - Spend-based Method

(b) Waste generated in operations - Waste Type-Specific Method

(c) Employee commuting - Distance-Based Method

(d) Upstream Leased Assets - Asset-Specific Method

(e) Downstream, Transportation & Distribution - Spend-based Method

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Limited Assurance has been carried out by Intertek India Private Limited

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

The Company does not operate in ecologically sensitive areas

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

The company has implemented a range of targeted initiatives and technological innovations to enhance resource efficiency and reduce environmental impacts associated with emissions, effluent discharge, and waste generation. These measures include the adoption of renewable energy sources, optimization of energy and water usage, and implementation of cleaner production technologies. Through strategic investments in infrastructure and process improvements, the organization has not only achieved significant energy and cost savings but has also contributed to lowering its carbon and water footprints. Key initiatives and their outcomes are summarized below:

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Purchased electricity unit through Solar power	Open access 2 MW solar energy adopted from August, 2024	1. Saving of ₹ 48 Lakhs. 2. Reduction in Carbon Emission
Energy Saving in operational cost through revised production plan	Through additional day shut down on Diwali festival.	20 % Electricity Reduction in per ton of Complan production
Energy saving through innovative technological improvement	In New Glucon-D block, installation of timer on bin vibrator motor	61975 KWH energy saving
Energy saving by reusing of condensate water	10% increase in condensate water recovery	352,940 KWH energy saving
Increasing boiler efficiency by 1.1 %.	Technological Improvement	783 MT of fuel saving
Reduced consumption of coal (fossil Fuel) with rice husk (Green Fuel)	Technological Improvement	Reduced carbon emissions
Water Saving by utilizing ETP treated wastewater	Reuse of ETP discharge water after UF and RO treatment at Utilities (HWG and Cooling tower)	1,644 KL water saving

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Cooling Tower fan interlocking with Temperature to save energy	Technological Improvement	Saved ₹ 0.15 Lakhs (1,899 KWH)
Installation of VFD on Octagonal blender to reduce th energy consumption	Technological Improvement	Saved ₹ 0.13 Lakhs (1,645 KWH)
Installation of sensor in BOPP taping to stop in Ideal time for the reduction of energy consumption	Technological Improvement	Saved ₹ 0.07 Lakhs (886 KWH)
Water Saving by utilizing ETP treated wastewater	Reuse of ETP discharge water after UF and RO treatment at Utilities (HWG and Cooling tower)	8% water Consumption (3,379 KL) reduced in Year 2024.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, the entity has a Business Continuity and Disaster Management Plan integrated within its risk management framework. It ensures preparedness against disruptions such as pandemics, cyber threats, and operational failures. Senior Management oversees implementation, while the Risk Management Committee regularly reviews high-risk scenarios. Emphasis is placed on timely response, recovery strategies, and stakeholder protection to ensure uninterrupted operations and long-term resilience.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:**

   No significant adverse impact has arisen from any of the value chain of the entity.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:**

   Our top critical vendors were assessed representing 29% of the business conducted.

8. **How many Green Credits have been generated or procured:**

   a. By the listed entity: Nil

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners:

S. No.	Green Credits generated	FY 2024-2025
1	By the company	Nil
2	By the value chain partners	Nil

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations:** We are associated with 6 (Six) trade and industry chambers/associations.

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	The Confederation of Indian Industry	National
2.	Federation of Indian Chambers of Commerce & Industry	National
3.	All India Food Processors' Association	National
4.	Protein Foods and Nutrition Development Association of India	National
5.	International Market Assessment India Private Limited (IMA)	National
6.	The Advertising Standards Council of India	National

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
We have no cases pending before the Competition Commission of India ("**CCI**") nor have we received any notice regarding anticompetitive conduct from the CCI.		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
The Company engages with various stakeholders as mentioned in point 1(b) such as industry chambers, associations, governments, and regulators, to offer insights for the development and execution of public policies. This engagement, guided by principles of commitment, integrity, and transparency, prioritizes the interests of all stakeholders. The methods employed include participation in meetings, conferences, official communications, and engagement as needed.					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Project Name	SIA Notification	Date Notification	Conducted by independent	Result Communicated	Web link
Not applicable, none of the projects are applicable for SIA Assessment in FY 2024-2025.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company visits nearby farmers of Aligarh in Uttar Pradesh and seeks to ask their grievances and provide solution to improve the health and hygiene of their cattle. Also, farmer's helpline is started to resolve issues related to animals' health and feeding. The Company also uses digital tools to redress any concerns and grievances posted by members of community on social media.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2024-2025	FY 2023-2024
Directly sourced from MSMEs/ small producers	12%	12%
Directly from within India	98%	94%

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost. (Place as per RBI Classification System - rural/semi-urban/urban/Metropolitan)**

Location	FY 2024-2025	FY 2023-2024
Rural	0%	0%
Semi-urban	7%	6%
Urban	37%	34%
Metropolitan	56%	60%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments**

Negative Social Impact	Corrective Action
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (in ₹)
1	Gujarat	Dahod	64,11,000

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No :** No

   (b) **From which marginalized /vulnerable groups do you procure?:** Not Applicable

   (c) **What percentage of total procurement (by value) does it constitute?:** Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Intellectual Property	Owned Acquired	Benefit Shared	Calculate Benefit Share
Not Applicable			

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Authority Name	Brief Case	Corrective Action
Not Applicable		

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Zydus Medical College and Hospital, Dahod	5,00,000	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Company has a customer grievance handling mechanism in place and is in compliance with the applicable rules and regulations stipulated by the regulators. Customers can reach out to the Company to complain / share feedback / for queries. Customers can either:

   a. Write a letter to Company's registered office address, or

   b. Send an email to customercare@zyduswellness.com, or

   c. Call on customer care phone number: 18001206868.

   The contact details are also available on the website of the Company. Customer's contact details are kept confidential to comply with data privacy rules and regulations. Action on all the complaints are taken within 1 (one) working day of receiving a complaint / feedback / query by the customer care executive. The customer care team also resolves customer's queries on usage of the Company's products, product benefits, product availability and others. There is a dedicated resource for handling customer complaints. Within related functions such as, Quality & Regulatory, Research & Development, Manufacturing, Marketing and Sales, as per the nature of the grievance, there are dedicated single point of contact to address and take necessary action on the complaints. All product related complaints are evaluated by Quality function and corrective actions are taken. The Company takes necessary steps to make customers aware on the usage of its products on the packs as well through digital medium including the brand websites. The Company's Customer First approach makes every endeavour to give replacement to all customers who have registered quality related complaints without any questions asked. Wherever possible, the products are directly sent to the customer's address by courier or through local resources.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Services	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%: There are social parameters relevant to the responsible, safe and prescribed usage of the products.
Safe and responsible usage	100%: All products of the Company have the usage/ directions mentioned on leaflets/ packaging.
Recycling and/or safe disposal	All our products which are expired or damaged and cannot be consumed, are not sold to the vendors for feeding cattle / consumption and are taken back from trade, audited by government approved agencies and disposed off as per the guidelines enumerated in the internal policy and adhering to the local laws and rules. Proof of products destroyed is maintained by the Company. Thereby, we ensure safe disposal of expired or damaged products.

3. **Number of consumer complaints in respect of the following:**

Complaint Type	FY 2024-2025		Remarks	FY 2023-2024		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	0	0		0	0	
Advertising	-	-		-	-	
Cyber Security	0	0		0	0	
Delivery of essential service	-	-		-	-	
Restrictive trade practices	-	-		-	-	
Unfair trade practice	-	-		-	-	
Other (Customer Complaints)	1,483	0		1,378	0	

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reason to recall
Voluntary Recall	Nil	NA
Forced Recall	Nil	NA

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes. We have a Cybersecurity Policy in place which is internally available for employees. Additionally, we have CrowdStrike software which serves as both Endpoint detection and response (EDR) and antivirus, enforcing data privacy by blocking USB ports and controlling data flow through them. Further, from a governance perspective, cyber risks are monitored and mitigated through the Risk Management framework implemented under Risk Management Policy, which is available on the website of the Company at https://www.zyduswellness.com/investor/Risk%20Management%20Policy.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   There has been no incidence of product recall, and no penal action was taken by regulatory authorities on safety of products

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches:** Nil

   b. **Percentage of data breaches involving personally identifiable information of customers:** Nil

   c. **Impact, if any, of data breaches:** Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Channels/Platforms available (Yes / No)

   Information on products of the Company are available on the website of the Company at www.zyduswellness.com, brand websites, brand social media handles etc. Brand and product related information is available on brand website as mentioned below:

   www.sugarfree-india.com, www.everyuth.com, www.complanforgrowth.com, www.nutralite.com, https://maxprotein.in/ etc. Customers can also access these websites from the dedicated pages available on the website of the Company at www.zyduswellness.com under the tab "Brands".

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   On each pack of our products, there are clear indications and instructions depicting the ingredients of the product, guidance as to how to use the product, expiry date, caution for consumption of usage and storage with specific disclaimers to ensure proper usage. We also enable consumers to make better choices by imparting information to consumers through several media channels, social campaigns and provide free trials of new products through different platforms.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Not Applicable, as the Company does not provide any essential services.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes. The Company follows the legal requirements of Food Safety and Standards Authority of India ("**FSSAI**") recommended labeling guidelines for food products. The Company also has internal guidelines to check for varieties of branding aspects such as logos, claims etc.

   Also, we carry out regular consumer surveys to understand consumer opinions and perceptions about our products and brands.

intertek assuris
Science Based Assurance in Quality, Safety & Sustainability.

Independent Reasonable Assurance Statement to Zydus Wellness Limited on their Business Responsibility & Sustainability Report (BRSR) FY2024-25 Core Disclosures.

To the Management of Zydus Wellness Ltd., Ahmedabad, India

Introduction

Intertek India Private Limited ("Intertek") was engaged by Zydus Wellness Limited ("ZWL") to provide an independent reasonable assurance on its consolidated BRSR (Business Responsibility & Sustainability Report) core disclosures for FY2024-25 as part of their Integrated Annual Report ("the Report"). The scope of the Report comprises the reporting periods of FY2024-25. The Report is prepared by ZWL based on SEBI's (Securities and Exchange Board of India) BRSR guidelines. The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Objective

The objectives of this reasonable assurance engagement were, by review of objective evidence, to confirm whether the sustainability related disclosures in the Report are in alignment with the Business Responsibility and Sustainability Report (BRSR) Core disclosures requirements laid down by SEBI and were accurate, complete, consistent, transparent and free of material errors or omission in accordance with the criteria outlined below.

Intended Users

This Assurance Statement is intended to be a part of the Integrated Annual Report of Zydus Wellness Limited.

Responsibilities

The management of ZWL is solely responsible for the development of the Report and its presentation. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with the management of ZWL, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The assurance has been provided for selected sustainability performance disclosures as per BRSR core disclosures with reference to SEBI's "BRSR Core - Framework for assurance and ESG disclosures for value chain" vide circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, presented by ZWL in its Report. The assurance boundary included data and information of 04 Plants, R&D Centre, other offices, and corporate office.

Our scope of assurance included verification of internal control systems, data and information on core disclosures reported as summarized below:

BRSR-Core Disclosures

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

- Number of days of accounts payable
- Concentration of purchases & sales done with trading houses, dealers, and related parties.

- Loans and advances & investments with related parties

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

- Cost incurred on well-being measures of employees and workers as a percentage of total revenue of the company
- Safety related incidents for employees and workers (LTIFR + Fatality + Permanent Disabilities) including contractual workforce

Principle 5: Businesses should respect and promote human rights

- Gross wages paid to females as percentage of total wages paid
- Complaints on POSH

Principle 6: Businesses should respect and make efforts to protect and restore the environment

- Total scope 1 and scope 2 emissions
- GHG emissions intensity (scope 1 and 2)
- Total water consumption, water consumption Intensity and water discharge by destination and levels of treatment
- Total energy consumed, percentage of energy consumed from renewable sources and energy intensity
- Total waste generated (category wise), waste intensity, Total waste recovered through recycling, re-using or other recovery operations; Total waste disposed by nature of disposal method; waste diverted from landfill.

Principle 8: Businesses should promote inclusive growth and equitable development

- Input material sourced (from MSMEs/ small producers and from within India)
- Job creation in smaller towns– Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

- Instances involving loss / breach of data of customers as % of total data breaches or cyber security events

Assurance Criteria

Intertek conducted the assurance work in accordance with the requirements of 'Reasonable Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement

A reasonable assurance engagement involved assessing the risks of material misstatement of the agreed indicators/parameters whether due to fraud or error, responding to the assessed risks as necesaary in the circumtances. A materiality threshold level of 5% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Limitations

We have relied on the information, documents, records, data, and explanations provided to us by ZWL for the purpose of our review.

The assurance scope excludes:

- Any disclosures beyond those specified in the Scope section above.
- Data and information falling outside the defined reporting period.
- Data pertaining to the Company's financial performance, strategy, and associated linkages are articulated in the Report.
- Assertions made by the Company encompassing expressions of opinion, belief, aspiration, expectation, forward-looking statements, and claims related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our

procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within software/IT systems.

Methodology

Intertek performed assurance work using a risk-based approach to obtain the information, explanations and evidence that was considered necessary to provide a reasonable level of assurance. The assurance was conducted by desk reviews, visit to ZWL's manufacturing site in Aligarh, Uttar Pradesh and stakeholder interviews with regards to the reporting and supporting records for the fiscal year 2024-25. Our assurance task was planned and carried out during April- June'2025. The assessment included the following:

- Assessment of the select sustainability performance disclosures in accordance with the SEBI's BRSR Core guidelines.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available at a selected ZWL's operational site and digitally.
- Conducted physical interviews with key personnel responsible for data management at a selected ZWL's site in Aligarh, Uttar Pradesh.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by ZWL for data analysis.
- Review of BRSR core disclosures for the duration from April 1, 2024 to March 31, 2025 for ZWL was carried out onsite at a selected business location.
- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed and details would be provided in a separate management report.

Conclusions

Intertek reviewed BRSR core disclosures provided by ZWL in its Business Responsibility and Sustainability Report (BRSR) in Integrated Annual Report FY2024-25. Based on the data and information provided by ZWL, Intertek concludes that the sustainability data and information is fairly presented in all material aspects as on the reporting standards.

Intertek's Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Intertek maintains complete impartiality towards any people interviewed.

For Intertek India Pvt. Ltd.

Poonam Sinha

Beth Mielbrecht

Poonam Sinha, Verifier
Manager-Sustainability

2025/06/30

Elizabeth Mielbrecht, Reviewer
Project Director

2025/06/30

No member of the verification team (stated above) has a business relationship with Zydus Wellness Ltd., stakeholders beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

INDEPENDENT AUDITORS' REPORT

To the Members of **Zydus Wellness Limited**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Zydus Wellness Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2025, Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the standalone 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 we have obtained is sufficient and appropriate to provide a basis for our 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 year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Assessment of impairment of Goodwill amounting to ₹ 228 Million (Refer Note No. 3 of the Standalone Financial Statements)** The Company's evaluation of goodwill for impairment testing, involves the comparison of its recoverable amount to its carrying amount as at March 31, 2025. The Company has carrying value of goodwill amounting to ₹ 228 Million in its standalone financial statements relating to Consumer Health & Wellness Cash Generating Units ("CGU's"). This is subject to test of impairment by the management in accordance with the applicable accounting standards. The recoverable amount is determined based on value in use, which represents the present value of the estimated future cash flows expected to arise from the use of the asset group comprising each cash generating unit or group of cash generating units. There is a risk that the goodwill will be impaired if these cash flows do not meet the company's expectations.	**Principal Audit Procedures** Procedures performed by us have been enumerated herein below: • Assessed the appropriateness of the accounting policies in respect of impairment by comparing with the applicable accounting standards. • Evaluated the design, tested the implementation and operating effectiveness of the internal controls over impairment assessment process, including those over the forecast of future revenues, operating margins, growth rate and terminal values, external market conditions and the selection of the appropriate discount rate. • Gained an understanding and assessed the reasonableness of business plans by comparing them to prior year's assumptions;

Sr. No.	Key Audit Matter	Auditor's Response
	In addition to significance of the amounts involved, management's assessment process is complex as it involves significant judgement in determining the assumptions to be used to estimate the forecasted cash flows, principally relating to long-term revenue growth rates, terminal values, margins, external market conditions and the discount rate used. Considering the materiality of amounts involved together with the inherent subjectivity related to principal assumptions, which are dependent on current and future economic factors and trading conditions varying for different economic and geographical territories, assessment of carrying value of goodwill is considered to be complex and determined to be a key audit matter in our current period audit.	• Tested the reasonableness of the key business projections and valuation assumptions carried out by the management/ independent valuer in determining the fair value of the CGU, discount rate, revenue growth rate, EBITDA growth rate, terminal growth rate used in computing the fair value of the components. • Performed retrospective review of projections by comparison with historical performance, inquiries with management and forecast trends in the industry. • Considered sensitivity to reasonable possibility of changes in the key assumptions and inputs to ascertain whether these possible changes have a material effect on the fair value.

Information other than the Standalone Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including annexures to Board's Report, Corporate Governance Report, Business Responsibility and Sustainability Report and Shareholder's Information, but does not include the standalone financial statements and our audit reports thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India including the accounting Standards 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 of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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:

a) 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.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) 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 control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements for the financial year ended March 31, 2025, that they would be considered key audit matters. Accordingly, such matters have been described in our auditor's report. Furthermore, there were no circumstances where disclosure was precluded by law or regulation, or where adverse consequences were expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the company, so far as it appears from our examination of those books.

c) The Company does not have any branches therefore the reporting under this clause is not applicable.

d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this report are in agreement with the books of account.

e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

f) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the company.

g) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act.

h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

i) With respect to the other matters to be included in the Auditor's Report under section 197(16) of the Act, 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 read with Schedule V to the Companies Act, 2013.

j) 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 no. 27 to the standalone financial statements.;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations given under (a) and (b) above, contain any material misstatement.

v. The dividend proposed in the previous year, declared and paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

The Board of Directors of the Company has proposed dividend for the year which is subject to the approval of the members in the ensuing Annual General Meeting. The dividend proposed is in accordance with the accordance with section 123 of the Companies Act, 2013.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial 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 instances of the audit trail feature being tempered with. The audit trail has been preserved by the company as per the statutory requirements for record retention.

For **MUKESH M. SHAH & CO.,**
Chartered Accountants
Firm Registration No.: 106625W

Mukesh M. Shah
Partner
Membership No.: 030190
UDIN : 25030190BMSBRM8268

Place : Ahmedabad
Date : May 19, 2025

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2025.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

   B. The Company has maintained proper records showing full particulars of intangible assets.

   (b) The Company has a program of verification of property, plant and equipment so as to cover all the items in phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

   (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed under property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement.

   (d) According to the information and explanations given to us and the records examined by us and based on the examination, the Company has not revalued any of its Property, plant and equipment (including Right of Use assets) and intangible assets during the year.

   (e) According to the information and explanations given to us and the records examined by us and based on the examination, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. (a) The inventories were physically verified by the Management at reasonable intervals during the year. 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 the books of account.

   (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

3. (a) The Company, according to the information and explanations given to us and on the basis of our examination of the records of the Company, has made investments, provided/ stood guarantee and granted loans, secured or unsecured and the details of which are given below:

₹ in Million

Particulars	Investments	Loans	Guarantees
A. Aggregate amount granted/ provided during the year			
- Subsidiaries	-	196	-
- Related Parties	-	-	-
B. Balance outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries	40,610	243	-
- Related Parties	-	-	-

The Company has not provided any advances in the nature of loans or security to any other entity during the year.

(b) According to the information and explanations given to us, and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of examination of the records of the Company, repayment of loan instalment together with interest, as stipulated, are regular.

(d) According to the information and explanations given to us and on the basis of our examination of records of the Company, there is no overdue loans for more than ninety days in respect of the loan as at the balance sheet date.

(e) According to the information and explanations given to us and on the basis of our examination of records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

4. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security or made any investments to which provisions of Section 185 and Section 186 of the Companies Act, 2013 are applicable. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

5. The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal, in this regard.

6. 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.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records, the company has been regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Custom, Duty of Excise, Value added Tax, Cess and any other material statutory dues wherever payable have been paid during the year with the appropriate authorities. Moreover, as at March 31, 2025, there are no such undisputed dues payable for a period of more the six months from the day they became payable.

(b) Details of statutory dues of clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Sr. No.	Name of Statute	Nature of Dues	[₹ in Million] Gross Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
1	Sales Tax Act and VAT Laws	Sales Tax	1	0	2003-04 2004-05	High Court of Andhra Pradesh
		Value Added Tax	67	1	2009-10 2010-11 2011-12	The Appellate Authority up to Commissioner Level
		Goods and Service Tax	12	0	2018-19 2019-20	The Appellate Authority up to Commissioner Level
		Central Sales Tax	19	0	2013-14	Tribunal
2	The Income Tax Act, 1961	Income Tax	5	1	AY 2018-19	Commissioner of Income tax (Appeal)
			2	0	AY 2016-17	Commissioner of Income tax (Appeal)

8. According to the information and explanations given to us, 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.

9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

   (b) According to the information and explanations given to us and on the basis of our audit procedure, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

   (c) According to the information and explanations given to us, the Company has not availed term loans, hence reporting under Paragraph 3(ix)(c) is not applicable.

   (d) According to the information and explanations given to us, and the procedures performed by us, and on overall examination of financial statements of the Company, we report that funds raised on short term basis have not been used during the year for the long-term purpose by the Company.

   (e) According to the information and explanations given to us, and the procedures performed by us, and on overall examination of financial statements of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

   (f) According to the information and explanations given to us, and the procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiary companies.

10. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under this clause of the Order is not applicable to the Company.

    (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under this clause of the Order is not applicable to the Company;

11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

    (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

    (c) According to the information and explanations given by management/Audit Committee, there were no whistle blower complaints received by the Company during the year.

12. The Company is not a Nidhi Company and hence reporting under this clause of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, 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 as required by the applicable accounting standards.

14. (a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

    (b) We have considered, the internal audit reports to the Company issued till date for the period under audit.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16. According to the information and explanations given to us and based on our examination of the records of the Company, we report that

    (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;

    (b) The company has not conducted any non-banking or housing finance activities during the year;

    (c) The Company is not a Core Investment Company, as defined in the regulations made by the Reserve Bank of India;

(d) The Group has more than One Core Investment Company (two Core Investment Companies) as part of the Group.

17. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. (a) In respect of other than ongoing projects, there are no unspent amounts in respect of CSR that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

    (b) There is no unspent amount towards Corporate Social Responsibility (CSR) as at the end of the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

21. The reporting under clause 3(xxi) of the Order is not applicable in respect of Standalone Financial. Accordingly, no comment in respect of the said clause has been included in this report.

For **MUKESH M. SHAH & CO.,**
Chartered Accountants
Firm Registration No.: 106625W

Mukesh M. Shah
Partner
Membership No.: 030190
UDIN : 25030190BMSBRM8268

Place : Ahmedabad
Date : May 19, 2025

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

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 over financial reporting of Zydus Wellness Limited ("the **Company**") as of March 31, 2025 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

MANAGEMENT RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ["ICAI"]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 material misstatement of the Standalone 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 system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MUKESH M. SHAH & CO.,**
Chartered Accountants
Firm Registration No.: 106625W

Mukesh M. Shah
Partner
Membership No.: 030190
UDIN : 25030190BMSBRM8268

Place : Ahmedabad
Date : May 19, 2025

STANDALONE BALANCE SHEET

As at March 31, 2025

₹ in Million

Particulars	Note No.	As at March 31 2025	As at March 31 2024
ASSETS:			
Non-current assets:			
Property, plant and equipment	3 [A]	342	313
Capital work-in-progress	3 [C]	80	40
Goodwill	3 [B]	228	228
Financial assets:			
Investments	4	40,610	36,713
Loans	5	-	2,125
Other financial assets	6	3	4
Deferred tax asset [net]	7	260	359
Other non-current assets	8	3	2
Assets for tax [net]	9	34	56
Total Non-Current Assets		**41,560**	**39,840**
Current assets:			
Inventories	10	117	101
Financial assets:			
Investments	11	-	48
Trade receivables	12	36	78
Cash and cash equivalents	13 [A]	20	92
Bank balances other than cash and cash equivalents	13 [B]	4	4
Loans	14	243	698
Other current financial assets	15	18	101
Other current assets	16	137	196
Total Current Assets		**575**	**1,318**
Total Assets		**42,135**	**41,158**
EQUITY AND LIABILITIES:			
EQUITY:			
Equity share capital	17	636	636
Other equity	18	39,710	39,723
Total Equity		**40,346**	**40,359**
LIABILITIES:			
Non-current liabilities:			
Financial liabilities:			
Borrowings	19	440	-
Lease liabilities	42	4	6
Other financial liabilities	20	10	11
Provisions	21	45	32
Total Non-Current Liabilities		**499**	**49**
Current liabilities:			
Financial liabilities:			
Borrowings	22	850	500
Lease liabilities	42	2	1
Trade payables:			
Dues to Micro and Small Enterprises	23	17	14
Dues to other than Micro and Small Enterprises	23	117	179
Other financial liabilities	24	226	31
Other current liabilities	25	63	12
Provisions	26	15	13
Total Current Liabilities		**1,290**	**750**
Total Liabilities		**1,789**	**799**
Total Equity and Liabilities		**42,135**	**41,158**
Material Accounting Policies	2		
Notes to the Financial Statements	3 to 48		

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2025

₹ in Million

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
INCOME:			
Revenue from operations	29	2,926	2,448
Other income	30	123	180
Total Income		**3,049**	**2,628**
EXPENSES:			
Cost of materials consumed		1,923	1,567
Changes in inventories of finished goods, work-in-Progress and stock-in-trade	31	(5)	3
Employee benefits expense	32	425	299
Finance costs	33	45	26
Depreciation and amortisation expense	3 [A], 3 [B]	37	36
Other expenses	34	221	251
Net gain on foreign currency transactions		(4)	(2)
Total Expenses		**2,642**	**2,180**
Profit before Tax		**407**	**448**
Less : Tax expense:			
Current tax	35	2	1
Deferred tax	35	99	110
		101	**111**
Profit for the year		**306**	**337**
OTHER COMPREHENSIVE INCOME [OCI]:			
Items that will not be reclassified to profit or loss:			
Re-measurement losses on post employment defined benefit plans		(1)	(4)
Income tax effect on OCI		-	1
Other Comprehensive Income/ [Loss] for the year [net of tax]		**(1)**	**(3)**
Total Comprehensive Income for the year [net of tax]		**305**	**334**
Basic & Diluted Earnings per equity share [EPS] [in ₹]	36	4.81	5.30
Material Accounting Policies	2		
Notes to the Financial Statements	3 to 48		

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flows from operating activities		
Profit before tax	407	448
Adjustments for:		
Depreciation and amortisation expense	37	36
Net loss/ [gain] on disposal of Property, plant and equipment	3	(1)
Net loss on investments in subsidiary under liquidation	1	-
Net gain on sale of investments	(12)	(7)
Interest income	(111)	(172)
Interest expense, Bank commission and charges	45	26
Effect of foreign exchange movement in loans	(1)	(2)
Provision for employee benefits	14	2
Operating profit before working capital changes	**383**	**330**
Adjustment for:		
Decrease/ [Increase] in trade receivables	72	(49)
Decrease in other assets	52	33
Increase in inventories	(16)	(11)
Decrease in other liabilities	(3)	(26)
Decrease in trade payables	(51)	(14)
Cash generated from operations	**437**	**263**
Income taxes paid [net of refunds]	20	(3)
Net cash generated from operating activities	**457**	**260**
B. Cash flows from investing activities:		
Purchase of Property, plant and equipment and Other intangible assets	(114)	(67)
Proceeds from sale of Property, plant and equipment	4	12
Proceeds from disposal of non-current investments in subsidiary under liquidation	2	-
Purchase of Non-current investment in subsidiary	(3,690)	-
Repayment of loan by subsidiaries	2,777	200
Loan given to subsidiaries	(196)	(984)
Proceeds from liquid mutual funds [net]	60	228
Change in Bank balances (including fixed deposits) not considered as cash and cash equivalents	-	1
Interest received	194	139
Net cash used in investing activities	**(963)**	**(471)**
C. Cash flows from financing activities:		
Borrowings [net - (repayment)/ taken]	790	500
Repayment of lease liabilities	(2)	(2)
Interest paid	(36)	(25)
Dividend paid	(318)	(319)
Net cash generated from financing activities	**434**	**154**
Net decrease in cash and cash equivalents [A+B+C]	**(72)**	**(57)**
Cash and cash equivalents at the beginning of the year	**92**	**149**
Cash and cash equivalents at the end of the year	**20**	**92**

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2025

Notes to the Cash Flow Statement

1. The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".
2. All figures in brackets are outflows.
3. Previous year's figures have been regrouped wherever necessary.
4. Summary of Cash and cash equivalents, bank balances and liquid mutual funds:

₹ in Million

Particulars	Note No.	As at March 31		
		2025	2024	2023
a. Cash and cash equivalents	13 [A]	20	92	149
b. Bank balances other than cash and cash equivalents	13 [B]	4	4	5
c. Investment in liquid mutual funds	11	-	48	269
Total		**24**	**144**	**423**

5. Change in liability arising from financing activities:

₹ in Million

Particulars	Borrowings [Refer note 19 and 22]		
	Non-Current	Current	Total
As at March 31, 2023	-	-	-
Cash Flow [net]	-	500	500
As at March 31, 2024	-	**500**	**500**
Cash Flow [net]	440	350	790
As at March 31, 2025	**440**	**850**	**1,290**

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2025

A Equity Share Capital:

	No. of Shares	₹ in Million
Equity Shares of ₹ 10/- each, Issued, subscribed and fully paid-up:		
As at March 31, 2023	**6,36,32,144**	**636**
As at March 31, 2024	**6,36,32,144**	**636**
As at March 31, 2025	**6,36,32,144**	**636**

B Other Equity:

₹ in Million

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
As at March 31, 2023	**35,370**	**450**	**3,887**	**39,707**
Add: Profit for the year	-	-	337	337
Add: Other Comprehensive Loss	-	-	(3)	(3)
Total Comprehensive Income	-	-	334	334
Transactions with Owners in their capacity as owners:				
Less: Dividends	-	-	(318)	(318)
As at March 31, 2024	**35,370**	**450**	**3,903**	**39,723**
Add: Profit for the year	-	-	306	306
Add: Other Comprehensive Loss	-	-	(1)	(1)
Total Comprehensive Income	-	-	305	305
Transactions with Owners in their capacity as owners:				
Less: Dividends	-	-	(318)	(318)
As at March 31, 2025	**35,370**	**450**	**3,890**	**39,710**

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
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Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 1 - COMPANY OVERVIEW:

Zydus Wellness Limited ["the Company"] [CIN: L15201GJ1994PLC023490] was incorporated on November 1, 1994 and operates as an integrated consumer Company with business encompassing the entire value chain in the development, production, marketing and distribution of health and wellness products. The product portfolio of the Company includes brands like Sugar Free, Everyuth and Nutralite. The Company's shares are listed on the National Stock Exchange of India Limited [NSE] and BSE Limited [BSE]. The registered office of the Company is located at Zydus Corporate Park, Scheme No. 63, Survey No. 536 Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad 382 481. These financial statements were authorised for issuance in accordance with a resolution passed by Board of Directors at its meeting held on May 19, 2025.

NOTE: 2 - MATERIAL ACCOUNTING POLICIES:

A The following note provides list of the Material Accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1 Basis of preparation:

A The Standalone financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards [Ind AS] notified under section 133 of the Companies Act ,2013 read with [Indian Accounting Standards] Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.

B The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value at the end of the reporting periods:

i Derivative financial instruments

ii Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]

iii Defined benefit plans

iv Contingent consideration

2 Use of key Estimates and Judgements:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Critical accounting judgments and estimates:

A Taxes on Income:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions and possibility of utilisation of Minimum Alternate Tax [MAT] credit in future.

B Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

C Impairment of property, plant and equipment, goodwill, intangible assets and investments:

Significant judgments are involved in determining the estimated future cash flows from the Investments, Property, Plant and Equipment and Goodwill to determine their value in use to assess whether there is any impairment in their carrying amounts as reflected in the financials.

D Employee Benefits:

Actuarial valuation involves key assumptions of life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of

NOTES TO THE FINANCIAL STATEMENTS

future liabilities on account of employee benefits by way of defined benefit plans.

E Product warranty and expiry claims:

Significant judgments are involved in determining the estimated stock lying in the market with product shelf life and estimates of likely claims on account of expiry of such unsold goods lying with stockist.

F Contingent liabilities:

Significant judgment is involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources.

3 Foreign Currency Transactions:

The Company's financial statements are presented in Indian Rupees [₹], which is the functional and presentation currency.

A The transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of transactions.

B Foreign Exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the Statement of Profit and Loss.

C Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of Profit and Loss within finance costs. All the other foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis.

D Investments in foreign subsidiaries and other companies are recorded in ₹ [functional currency] at the rates of exchange prevailing at the time when the investments were made.

4 Revenue Recognition:

A The following is the material accounting policy related to revenue recognition under Ind AS 115.

a Sale of Goods:

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognised at a point in time when the control of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenues from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights. The goods are often sold with volume discounts/ pricing incentives and customers have a right to return damaged or expired products. Revenue from sales is based on the price in the sales contracts, net of discounts. When a performance obligation is satisfied, Revenue is recognised with the amount of the transaction price [excluding estimates of variable consideration] that is allocated to that performance obligation. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

b Service Income:

Service income is recognised as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable.

c Royalty Income:

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement [provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably]. Royalty arrangements that are based on sales and other measures are recognised by reference to the underlying arrangement.

d Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

5 Taxes on Income:

Tax expenses comprise of current and deferred tax.

A Current Tax:

a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

b Current tax items are recognised in correlation to the underlying transaction either in profit or loss, Other Comprehensive Income (OCI) or directly in equity.

B Deferred Tax:

a Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

b Deferred tax liabilities are recognised for all taxable temporary differences.

c Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

d The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

e Deferred tax assets and liabilities are measured at the tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

f Deferred tax items are recognised in correlation to the underlying transaction either in profit or loss, OCI or directly in equity.

g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

h Minimum Alternate Tax [MAT] paid in a year is charged to the Statement of Profit and Loss as current tax.

i The Company recognizes MAT credit available as an asset only when and to the extent there is a convincing evidence of actual utilisation of such credit and also based on historical experience that the company will pay normal income tax during the specified period i.e. the period for which MAT Credit is allowed to be carried forward. Such asset, if recognised, is reviewed at each Balance sheet date and the carrying amount is written down to the extent there is no longer a convincing evidence that the Company will be liable to pay normal tax during the specified period.

6 Property, Plant and Equipment:

A Freehold land is carried at historical cost less impairment, if any. All other items of Property, Plant and Equipment are stated at historical cost of acquisition/ construction less accumulated depreciation and impairment loss. Historical cost [Net of Input tax credit received/ receivable] includes related expenditure and pre-operative & project expenses for the period up to completion of construction/ assets are ready for its intended use, if the recognition criteria are met and the present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the statement of profit and loss during the reporting period in which they are incurred, unless they meet the recognition criteria for capitalisation under Property, Plant and Equipment.

B Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognised separately as independent items and are depreciated over their estimated economic useful lives.

C Depreciation on tangible assets is provided on "straight line method" based on the useful lives as prescribed under Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods.

NOTES TO THE FINANCIAL STATEMENTS

The estimated useful lives are as follows:

Asset Class	No. of years
Leasehold Land and Building	Over the period of lease
Buildings	30 to 60 Years
Plant and Equipment	3 to 15 Years
Furniture, Fixtures and Office Equipments	5 to 10 Years
Vehicles	8 Years

D Depreciation on impaired assets is calculated on its residual value, if any, on a systematic basis over its remaining useful life.

E Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets are used.

F Where the actual cost of purchase of an asset is below ₹ 10,000/-, the depreciation is provided @ 100%.

G Capital work in progress is stated at cost less accumulated impairment loss, if any.

H An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognised.

7 Intangible Assets:

A Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

B Internally generated intangibles are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

C Goodwill arising on acquisition of business is assessed at each balance sheet date for any impairment loss.

D Technical Know-how Fees and other similar rights are amortised over their estimated economic life.

E Capitalised cost incurred towards purchase/ development of software is amortised using straight line method over its useful life of four years as estimated by the management at the time of capitalisation.

F Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

G An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the statement of Profit and Loss when the asset is derecognised.

8 Research and Development Cost:

A Expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.

B Capital expenditure on research and development equipment is given the same treatment as Property, plant and equipment.

9 Borrowing Costs:

A Borrowing costs consist of interest and other borrowing costs that are incurred in connection with the borrowing of funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognised as per Effective Interest Rate [EIR] method. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

B Borrowing costs that are directly attributable to the acquisition/ construction of a qualifying asset are capitalised as part of the cost of such assets, up to the date the assets are ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

10 Impairment of Non Financials Assets:

The Property, Plant and Equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least

NOTES TO THE FINANCIAL STATEMENTS

annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or Groups of assets [cash generating units]. Non-financial assets other than goodwill that suffered an impairment loss are reviewed for possible reversal of impairment at the end of each reporting period. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

11 Inventories:

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

A Raw Materials, Stores & Spare Parts, Packing Materials, Finished Goods, Stock-in-Trade and Works-in-Progress are valued at lower of cost and net realisable value.

B Cost [Net of Input tax credit availed] of Raw Materials, Stores & Spare Parts, Packing Materials, Finished Goods, Stock-in-Trade and Work-in-Progress is determined on Moving Average Method.

C Costs of Finished Goods and Works-in-Progress are determined by taking material cost [Net of Input tax credit availed], labour and relevant appropriate overheads based on the normal operating capacity, but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Write down of inventories to net realisable value is recognised as an expenses and included in "Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade" and "Cost of Material Consumed" in the relevant note in the Statement of Profit and Loss.

12 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks.

13 Provisions, Contingent Liabilities and Contingent Assets:

A Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised but are disclosed separately in financial statements.

B If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

14 Provision for Product Expiry Claims:

Provisions for product expiry related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of product expiry claim related costs is revised annually.

15 Employee Benefits:

A Short term obligations:

Liabilities for wages and salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

B Long term employee benefits obligations:

a Leave Wages and Sick Leave:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months period after the end of the period in which the employees render the related service. They are therefore, measured at the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the

NOTES TO THE FINANCIAL STATEMENTS

projected unit credit method, as determined by actuarial valuation, performed by an independent actuary. The benefits are discounted using the market yields at the end of reporting period that have the terms approximating to the terms of the related obligation. Gains and losses through re-measurements are recognised in statement of profit and loss.

b Defined Benefit Plans:

Gratuity:

The Company operates a defined benefit gratuity plan with contributions to be made to a separately administered fund through Life Insurance Corporation of India through Employees Group Gratuity Plan. The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discounting rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit and Loss.

Re-measurements gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "Other Comprehensive Income" and are included in retained earnings in the Statement of Changes in Equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

i Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and

ii Net interest expense or income.

c Defined Contribution Plans - Provident Fund Contribution:

Employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The company have no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employees benefit expenses when they are due in the statement of profit and loss.

C Employee Separation Costs:

The compensation paid to the employees under Voluntary Retirement Scheme is expensed in the year of payment.

16 Dividends :

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by Board of Directors of the Company.

17 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A Financial assets:

a Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognised on the settlement date, i.e., the date that the Company settles to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

NOTES TO THE FINANCIAL STATEMENTS

b Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in five categories:

i Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate [EIR] method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of profit and loss.

ii Debt instruments at fair value through other comprehensive income [FVTOCI]:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objectives of both collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii Debt instruments and derivatives at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv Investments in subsidiaries :

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the differences between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

v Equity instruments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income . The Company has made such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. .

NOTES TO THE FINANCIAL STATEMENTS

c **Derecognition:**

A financial asset [or, where applicable, a part of a financial asset] is primarily derecognised [i.e. removed from the Company's balance sheet] when:

i The rights to receive cash flows from the asset have expired, or

ii The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. When the Company has transferred the risk and rewards of ownership of the financial asset, the same is derecognised.

d **Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables or any contractual right to receive cash or another financial asset. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it requires the Company to recognise the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

ECL impairment loss allowance [or reversal] is recognized as expense/ income in the Statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance , i.e., as an integral part of the measurement of those assets in the balance sheet, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics.

B **Financial liabilities:**

a **Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value

NOTES TO THE FINANCIAL STATEMENTS

through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b Subsequent measurement:

Subsequently all financial liabilities are measured at amortised cost, using EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

c Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

d Embedded derivatives:

An embedded derivative is a component of a hybrid [combined] instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

C Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model as per Ind AS 109.

D Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

18 Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a In the principal market for the asset or liability, or

b In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset

NOTES TO THE FINANCIAL STATEMENTS

takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

b Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation [based on the lowest level input that is significant to the fair value measurement as a whole] at the end of each reporting period.

19 Leases:

As a lessee:

For any new contracts entered into, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset [the underlying asset] for a period of time in exchange for consideration'.

Measurement and recognition of leases as a lessee:

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date [net of any incentives received].

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments [including in substance fixed], variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to the in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement of Profit and Loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment."

As a lessor:

As a lessor the Company classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

20 Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element

NOTES TO THE FINANCIAL STATEMENTS

in a right issue, shares split and reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

B Recent Accounting Pronouncements:

The Ministry of Corporate Affairs [MCA] notifies new standards or amendments to the existing standards under Companies [Indian Accounting Standards] Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified amendments to Ind AS 116 – Leases relating to sale and lease back transactions, applicable from April 1, 2024. The Company has reviewed the new amendments and based on evaluation there is no significant impact on its financial statements.

On May 7, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable.

The amendments are effective for the year beginning from April 1, 2025. The Company has reviewed the new amendments and based on evaluation there is no significant impact on its financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 3 - PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS:

[A] Property, plant and equipment:

₹ in Million

Particulars	Freehold Land	Leasehold Land [*]	Buildings [**]	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block:								
As at March 31, 2023	**5**	**0**	**141**	**486**	**29**	**29**	**19**	**709**
Additions	-	-	7	28	-	7	1	43
Disposals	-	-	-	(18)	-	(1)	-	(19)
As at March 31, 2024	**5**	**0**	**148**	**496**	**29**	**35**	**20**	**733**
Additions	-	-	23	36	-	14	-	73
Disposals	-	-	-	(7)	-	(9)	-	(16)
As at March 31, 2025	**5**	**0**	**171**	**525**	**29**	**40**	**20**	**790**
Depreciation and Impairment:								
As at March 31, 2023	**-**	**0**	**36**	**308**	**23**	**10**	**16**	**393**
Depreciation for the year	-	-	6	23	2	3	1	35
Disposals	-	-	-	(8)	-	-	-	(8)
As at March 31, 2024	**-**	**0**	**42**	**323**	**25**	**13**	**17**	**420**
Depreciation for the year	-	-	6	25	1	4	1	37
Disposals	-	-	-	(5)	-	(4)	-	(9)
As at March 31, 2025	**-**	**0**	**48**	**343**	**26**	**13**	**18**	**448**
Net Block:								
As at March 31, 2024	**5**	**-**	**106**	**173**	**4**	**22**	**3**	**313**
As at March 31, 2025	**5**	**-**	**123**	**182**	**3**	**27**	**2**	**342**

[B] Intangible assets:

₹ in Million

Particulars	Goodwill	Other intangible assets				
		Brand/ Trade Mark	Softwares	Commercial Rights	Technical Know-how [***]	Total
Gross Block:						
As at March 31, 2023	**228**	**1**	**4**	**1**	**0**	**6**
Additions	-	-	-	-	-	-
Disposals	-	-	(2)	-	-	(2)
As at March 31, 2024	**228**	**1**	**2**	**1**	**0**	**4**
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2025	**228**	**1**	**2**	**1**	**0**	**4**
Amortisation and Impairment:						
As at March 31, 2023	**-**	**1**	**3**	**1**	**0**	**5**
Amortisation for the year	-	-	1	-	-	1
Disposals	-	-	(2)	-	-	(2)
As at March 31, 2024	**-**	**1**	**2**	**1**	**0**	**4**
Amortisation for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2025	**-**	**1**	**2**	**1**	**0**	**4**
Net Block:						
As at March 31, 2024	**228**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2025	**228**	**-**	**-**	**-**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 3 - PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS: (Contd...)

[C] Ageing of Capital work-in-progress (CWIP):

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Projects in progress:		
Less than 1 year	63	40
1 - 2 years	17	-
Total Capital work-in-progress	**80**	**40**

There are no overdue or temporary suspended projects.

Project execution plans are modulated on the basis of capacity requirement assessment annually and all the projects are executed based on rolling annual plan.

Notes:

1 Legal titles of the immovable properties are in the name of the Company [excluding lease assets].

[*] Gross block and amortisation amount of Leasehold land is ₹ 262,500.

[**] Includes right of use assets, Refer Note 42 for detailed breakup.

[***] Gross block and amortisation amount of Technical know-how is ₹ 200,000.

NOTE: 4 - INVESTMENTS [NON-CURRENT]:

₹ in Million

Particulars	Face Value [*]	Nos. [**]	As at March 31, 2025	As at March 31, 2024
Investments in Subsidiaries				
Investments in equity instruments			26,926	23,029
Investments in preference shares			13,684	13,684
Total			**40,610**	**36,713**
A Details of Investments in Subsidiaries				
Investments in equity instruments [valued at cost]:				
Subsidiary Companies [Unquoted]:				
In fully paid-up equity shares of:				
Zydus Wellness Products Limited	10	17,28,90,343	23,020	23,020
Liva Nutritions Limited	10	50,000	1	1
Liva Investment Limited [1]	10	0 [250,000]	-	3
Zydus Wellness International DMCC	AED 1000	250	5	5
Naturell (India) Private Limited [2]	1	1,50,78,605 [0]	3,900	-
			26,926	**23,029**
Investments in preference shares [carried at cost]:				
In fully paid-up 7% Optionally Convertible Non-Cumulative redeemable preference shares of:				
Zydus Wellness Products Limited	10	4,36,06,742	13,654	13,654
Liva Nutritions Limited	10	30,00,000	30	30
			13,684	**13,684**
Total			**40,610**	**36,713**
B Aggregate book value of unquoted investment			40,610	36,713
C Explanations:				
a In "Face Value [*]", figures in Indian ₹, unless stated otherwise.				
b In "Nos. [**]" figures of previous year are same unless stated in [ ].				

[1] Company is under liquidation.

[2] Pursuant to the Share Purchase Agreement ("SPA") entered into by the Company on October 30, 2024, to acquire Naturell (India) Private Limited ("NIPL"), the Company has successfully completed the acquisition of NIPL on December 2, 2024. The cost of acquisition is ₹3,690 million as upfront consideration. Over and above upfront consideration, additional consideration of ₹210 million is payable on the achievement of agreed milestones for the financial year 2024-25.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 5 - LOANS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Loans to related party [*]	-	2,125
Total	**-**	**2,125**

[*] Details of loans pursuant to Section 186(4) of Companies Act, 2013 [**]:

Name of party and relationship with party [Refer Note-38 for relationship] are as under [**]:

₹ in Million

Particulars		As at March 31, 2025			As at March 31, 2024		
		Non-Current	Current [Refer Note 14]	Maximum Outstanding balance	Non-Current	Current [Refer Note 14]	Maximum Outstanding balance
A	Subsidiary Companies:						
a	Zydus Wellness Products Limited	-	-	2,715	2,000	635	2,635
b	Zydus Wellness International DMCC	-	243	243	125	63	188
Total		**-**	**243**		**2,125**	**698**	

[**] Loans which are outstanding at the end of the respective financial year.

Notes:

a All the above loans have been given for business purposes.

b The loan to subsidiary Companies are receivable within 2 years from the date of loan given.

NOTE: 6 - OTHER FINANCIAL ASSETS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Security deposits	3	4
Total	**3**	**4**

NOTE: 7 - DEFERRED TAX ASSETS [NET]:

A. Break up of deferred tax liabilities and assets into major components of the respective balances are as under:

₹ in Million

Particulars	As at March 31, 2023	Impact for the pervious year	As at March 31, 2024	Impact for the current year	As at March 31, 2025
Deferred tax liabilities:					
Depreciation	7	3	10	-	10
	7	**3**	**10**	**-**	**10**
Deferred tax assets:					
Employee benefits	14	1	15	3	18
Business loss	461	(108)	353	(101)	252
Others	-	1	1	(1)	-
	475	**(106)**	**369**	**(99)**	**270**
Net deferred tax assets	**468**	**(109)**	**359**	**(99)**	**260**

B. The Net deferred tax expense of ₹ 99 Million [₹ 109 Million as at March 31, 2024] for the year has been debited in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 7 - DEFERRED TAX ASSETS [NET]: (Contd...)

C. The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

D. The Company has tax losses of ₹ 1,001 Million [March 31, 2024: ₹ 1,404 Million] which are available for offset for eight years against future taxable profits of the company in which the losses arose. These losses will expire in March 2029.

NOTE: 8 - OTHER NON-CURRENT ASSETS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Capital advances	2	1
Balances with statutory authorities	1	1
Total	**3**	**2**

NOTE: 9 - ASSETS FOR TAX [NET]:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of tax [Net of provision for taxation of ₹ 32 Million (as at March 31, 2024: ₹ 30 Million)]	34	56
Total	**34**	**56**

NOTE: 10- INVENTORIES:

[The Inventory is valued at lower of cost and net realisable value]

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Classification of Inventories:		
Raw Materials	64	54
Work-in-progress	2	1
Finished Goods	32	24
Stock-in-Trade	-	4
Packing Materials	19	18
Total	**117**	**101**
The above includes Goods in transit as under:		
Raw Materials	11	11
Amount recognised as an expense in statement of profit and loss resulting from write-down of inventories:		
- Net of reversal of write down.	4	4

NOTE: 11 - INVESTMENTS [CURRENT]:

₹ in Million

Particulars	Nos. [*]	As at March 31, 2025	As at March 31, 2024
Investment in Mutual Funds [Quoted] [Valued at fair value through profit or loss]			
ICICI prudential Overnight Fund DP Growth	- [36,966.012]	-	48
Total		**-**	**48**
A. Aggregate amount of quoted investments and market value thereof		-	48
[*] In "Nos." figures of previous year are stated in [ ]			

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 12 - TRADE RECEIVABLES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - Considered good	36	79
Less: Allowances for credit losses	-	(1)
Total	**36**	**78**

Ageing of Trade receivables :

[A] As at March 31, 2025

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed – considered good	29	7	-	-	-	-	36
Undisputed – have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed – considered good	-	-	-	-	-	-	-
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
Total	**29**	**7**	**-**	**-**	**-**	**-**	**36**
Less: Allowances for credit losses							-
Trade Receivables							**36**

[B] As at March 31, 2024

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed – considered good	78	-	-	-	1	-	79
Undisputed – have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed – considered good	-	-	-	-	-	-	-
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
Total	**78**	**-**	**-**	**-**	**1**	**-**	**79**
Less: Allowances for credit losses							(1)
Trade Receivables							**78**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 13 [A] - CASH AND CASH EQUIVALENTS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks	20	92
Cash on hand [₹ 96,326 (as at March 31, 2024: ₹ 220,661)]	0	0
Total	**20**	**92**

A. Company keeps fixed deposits with the Nationalised/ Scheduled banks, which can be withdrawn by the company as per its own discretion/ requirement of funds.

B. There are no amounts of cash and cash equivalent balances held by the entity that are not readily available for use.

NOTE: 13 [B] - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Unclaimed dividend accounts	4	4
Total	**4**	**4**

NOTE: 14 - LOANS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Loans to related party [*]	243	698
Total	**243**	**698**
[*] Details of Loans to Related Parties [Refer Note-38 for relationship] are as under:		
A Subsidiary Companies:		
a Zydus Wellness Products Limited	-	635
b Zydus Wellness International DMCC	243	63
Total	**243**	**698**

Notes:

a All the above loans have been given for business purposes.

b The loan to subsidiary companies are receivable within 1 year.

NOTE: 15 - OTHER CURRENT FINANCIAL ASSETS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Interest receivable but not due [*]	-	83
Other receivables	18	18
Total	**18**	**101**
[*] Details of interest receivable from Related Parties are as under:		
A Subsidiaries Companies		
a Zydus Wellness Products Limited	-	81
b Zydus Wellness International DMCC	-	2
Total	**-**	**83**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 16 - OTHER CURRENT ASSETS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Advances to suppliers	4	12
Prepaid expenses	2	2
Balances with statutory authorities	131	182
Total	**137**	**196**

NOTE: 17 - EQUITY SHARE CAPITAL:

₹ in Million

Particulars		As at March 31, 2025	As at March 31, 2024
Authorised:			
100,000,000 [as at March 31, 2024: 100,000,000] Equity shares of ₹ 10 each	₹ in Million	1,000	1,000
		1,000	**1,000**
Issued, subscribed and fully paid-up:			
63,632,144 [as at March 31, 2024: 63,632,144] Equity shares of ₹ 10 each	₹ in Million	636	636
Total		**636**	**636**
A. The reconciliation in number of Equity shares is as under:			
Number of shares at the beginning and end of the year		6,36,32,144	6,36,32,144
B. The Company has issued only one class of equity shares having a face value of ₹ 10 each per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts and all liabilities.			
C. Details of Shareholders holding more than 5% of total equity shares of the Company			
Zydus Lifesciences Limited			
Number of Shares		3,66,47,509	3,66,47,509
% to total share holding		57.59%	57.59%
Zydus Family Trust			
Number of Shares		76,45,159	76,45,159
% to total share holding		12.01%	12.01%
Threpsi Care LLP (True North)			
Number of Shares		46,27,111	64,40,216
% to total share holding		7.27%	10.12%
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund			
Number of Shares		38,83,990	22,21,106
% to total share holding		6.10%	3.49%
D. Number of shares held by Holding Company			
Zydus Lifesciences Limited		3,66,47,509	3,66,47,509

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 17 - EQUITY SHARE CAPITAL: (Contd...)

E. Details of Equity Shares held by promoters/ promoter group.

As at March 31, 2025

Sr. No.	Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
1	Zydus Lifesciences Limited	3,66,47,509	57.59%	0.00%
2	Zydus Family Trust	76,45,159	12.01%	0.00%
3	Mr. Pankaj R. Patel	1,599	0.00%	0.00%
4	Pankaj R. Patel HUF	1,066	0.00%	0.00%
5	Pripan Investment Private Limited	640	0.00%	0.00%
6	Taraben Patel Family Will Trust	533	0.00%	0.00%
7	Mrs. Pritiben P. Patel	533	0.00%	0.00%
8	Dr. Sharvil P. Patel	533	0.00%	0.00%
9	Mrs. Shivani P. Patel	533	0.00%	0.00%
10	Mrs. Jasodaben Babubhai Patel	7,450	0.01%	0.00%
11	Mrs. Arati Rajiv Mehta jointly with Mr. Rajiv Vastupal Mehta	2,746	0.00%	0.00%
12	Mrs. Ritaben Yatinbhai Desai	1,200	0.00%	0.00%
13	Ms. Ayushi Rajiv Mehta jointly with Mrs. Arati Rajiv Mehta	640	0.00%	0.00%

As at March 31, 2024

Sr. No.	Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
1	Zydus Lifesciences Limited	3,66,47,509	57.59%	0.00%
2	Zydus Family Trust	76,45,159	12.01%	3.17%
3	Mr. Pankaj R. Patel	1,599	0.00%	0.00%
4	Pankaj R. Patel HUF	1,066	0.00%	0.00%
5	Pripan Investment Private Limited	640	0.00%	0.00%
6	Taraben Patel Family Will Trust	533	0.00%	0.00%
7	Mrs. Pritiben P. Patel	533	0.00%	0.00%
8	Dr. Sharvil P. Patel	533	0.00%	0.00%
9	Mrs. Shivani P. Patel	533	0.00%	0.00%
10	Mrs. Jasodaben Babubhai Patel	7,450	0.01%	0.00%
11	Mrs. Arati Rajiv Mehta jointly with Mr. Rajiv Vastupal Mehta	2,746	0.00%	0.00%
12	Mrs. Ritaben Yatinbhai Desai	1,200	0.00%	0.00%

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 18 - OTHER EQUITY:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium: [*]		
Balance as per last Balance Sheet	35,370	35,370
General Reserve: [**]		
Balance as per last Balance Sheet	450	450
Retained Earnings:		
Balance as per last Balance Sheet	3,903	3,887
Add: Profit for the year	306	337
Less: Other Comprehensive Loss for the year		
Re-measurement losses on defined benefit plans [net of tax]	(1)	(3)
	4,208	**4,221**
Less: Dividends	(318)	(318)
	(318)	**(318)**
Balance as at the end of the year	**3,890**	**3,903**
Total	**39,710**	**39,723**

[*] Securities premium is created due to premium on issue of shares. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

[**] General Reserve can be used for the purposes and as per guidelines prescribed in the Companies Act, 2013.

NOTE: 19 - BORROWINGS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Loans from related party [Unsecured] [*]	440	-
Total	**440**	-
[*] **Terms of repayment of Unsecured Borrowing:**		
The loan from subsidiary company is repayable within 5 years along with applicable rate of interest.		
Name of the party and relationship with the party from whom received:		
Subsidiary Company:		
a Zydus Wellness Products Limited	440	-
Total	**440**	-

NOTE: 20 - OTHER FINANCIAL LIABILITIES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Others deposits	10	11
Total	**10**	**11**

NOTE: 21 - PROVISIONS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits	45	32
Total	**45**	**32**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 21 - PROVISIONS: (Contd...)

Defined benefit plan and long term employment benefit

A General description:

Leave wages [Long term employment benefit]:

The leave encashment scheme is administered through Life Insurance Corporation of India's Employees' Group Leave Encashment cum Life Assurance [Cash Accumulation] Scheme. The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

Gratuity [Defined benefit plan]:

The Company has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary increment risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

₹ in Million

Particulars	March 31, 2025			March 31, 2024		
	Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
B Change in the present value of the defined benefit obligation:						
Opening obligation	7	40	55	6	42	46
Transfer in Obligation	-	-	-	-	-	-
Interest cost	-	3	4	-	4	3
Current service cost	1	6	7	1	3	7
Benefits paid	-	(5)	(2)	-	(9)	(4)
Actuarial [gains]/ losses on obligation due to:						
Experience adjustments	1	5	(1)	-	(1)	2
Change in financial assumptions	-	1	2	-	1	1
Closing obligation	**9**	**50**	**65**	**7**	**40**	**55**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 21 - PROVISIONS: (Contd...)

₹ in Million

	Particulars	March 31, 2025			March 31, 2024		
		Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
C	**Change in the fair value of plan assets:**						
	Opening fair value of plan assets	-	20	37	-	19	36
	Transfer out Obligation	-	-	-	-	-	-
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	(1)
	Expected return on plan assets	-	1	3	-	1	3
	Contributions by employer	-	-	5	-	-	3
	Benefits paid	-	-	(2)	-	-	(4)
	Closing fair value of plan assets	**-**	**21**	**43**	**-**	**20**	**37**
	Total actuarial losses to be recognised	**1**	**6**	**1**	**-**	**-**	**3**
D	**Actual return on plan assets:**						
	Expected return on plan assets	-	1	3	-	1	3
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	(1)
	Total actual return on plan assets	**-**	**1**	**3**	**-**	**1**	**2**
E	**Amount recognised in the Balance Sheet:**						
	Liabilities at the end of the year	9	50	65	7	40	55
	Fair value of plan assets at the end of the year	-	(21)	(43)	-	(20)	(37)
	Liabilities recognised in the Balance Sheet [*]	**9**	**29**	**22**	**7**	**20**	**18**
F	**Expenses/ [Incomes] recognised in the Statement of Profit and Loss:**						
	Current service cost	1	6	7	1	3	7
	Interest cost on benefit obligation	-	3	4	-	4	3
	Expected return on plan assets	-	(1)	(3)	-	(1)	(3)
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	-
	Net actuarial losses in the year	1	6	-	-	-	-
	Amount included in "Employee Benefits Expense"	2	14	8	1	6	7
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	1
	Net actuarial losses in the year	-	-	1	-	-	3
	Amounts recognized in Other Comprehensive income [OCI]	**-**	**-**	**1**	**-**	**-**	**4**
G	**Movement in net liabilities recognised in Balance sheet:**						
	Opening net liabilities	7	20	18	6	23	10
	Transfer in Obligation	-	-	-	-	-	-
	Expenses as above [Profit & Loss Charge]	2	14	8	1	6	7
	Amount recognised in OCI	-	-	1	-	-	4
	Contribution to plan assets	-	-	(5)	-	-	(3)
	Benefits Paid	-	(5)	-	-	(9)	-
	Liabilities recognised in the Balance Sheet [*]	**9**	**29**	**22**	**7**	**20**	**18**
H	**Principal actuarial assumptions for defined benefit plan and long term employment benefit plan:**						
	Discount rate	6.65%	6.65%	6.65%	7.20%	7.20%	7.20%
	[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post employment benefit obligations.]						
	Annual increase in salary cost		9%			9%	
	[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.]						

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 21 - PROVISIONS: (Contd...)

₹ in Million

Particulars	March 31, 2025			March 31, 2024		
	Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
Withdrawal rates [p.a.]	40% at younger ages reducing to 1% at older ages			40% at younger ages reducing to 1% at older ages		
[The estimates of level of attrition is based on broad economic outlook, type of sector the Company operates in and measures taken by the management to retain/ relieve the employees]						
I The categories of plan assets as a % of total plan assets are:						
Insurance plan	0%	100%	100%	0%	100%	100%

The expected contributions for Defined Benefit Plan for the next financial year will be ₹ 9 Million [Previous year: ₹ 7 Million].

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 6.27 years [as at March 31, 2024 : 6.61 years].

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption is shown below:

₹ in Million

Assumptions	Medical Leave		Leave Wages		Gratuity	
	As at March 31					
	2025	2024	2025	2024	2025	2024
Impact on obligation:						
Discount rate increase by 0.5%	(1)	(1)	(2)	(2)	(3)	(2)
Discount rate decrease by 0.5%	1	1	1	1	1	2
Annual salary cost increase by 0.5%	(1)	1	1	1	1	2
Annual salary cost decrease by 0.5%	1	(1)	(2)	(2)	(3)	(2)
Withdrawal rate increase by 10%	(1)	(1)	(1)	(1)	(1)	(0)
Withdrawal rate decrease by 10%	1	1	1	0	1	0

The following payments are expected contributions to the defined benefit plan in future years:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Within the next 12 months [next annual reporting period]	16	10
Between 2 and 5 years	44	41
Between 6 and 10 years	79	66
Total expected payments	**139**	**117**

[*] **Liabilities recognised in the Balance Sheet**

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current	45	32
Current [Refer Note 26]	15	13

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 22 - BORROWINGS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand:		
Working Capital Loans from Banks [Unsecured] [*]	500	500
Loans from related parties [Unsecured] [**]	350	-
Total	**850**	**500**
[*] The loans are repayable within a period of 1 year along with applicable of interest.		
[**] Terms of repayment of Unsecured Borrowing:		
The loans are repayable within a period of 1 year along with applicable of interest.		
Name of the party and relationship with the party from whom received:		
Fellow Subsidiary Company:		
a. Zydus Healthcare Limited	350	-
Total	**350**	-

NOTE: 23 -TRADE PAYABLES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Dues to Micro and Small Enterprises [*]	17	14
Dues to other than Micro and Small Enterprises	117	179
Total	**134**	**193**
[*] Disclosure in respect of Micro and Small Enterprises:		
A. Principal amount remaining unpaid to any supplier as at year end	17	14
B. Interest due thereon	-	-
C. Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year. [₹ 27,413 (Previous Year: ₹ 77,696)]	0	0
D. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
E. Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
F. Amount of further interest remaining due and payable in succeeding years.	-	-
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises on the basis of information available with the Company.		

Ageing of Trade payables :

[A] As at March 31, 2025

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Micro and Small Enterprises [MSME]	17	-	-	-	-	17
Undisputed Others	88	26	-	1	2	117
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	**105**	**26**	**-**	**1**	**2**	**134**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 23 -TRADE PAYABLES: (Contd...)

[B] **As at March 31, 2024**

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Micro and Small Enterprises [MSME]	14	-	-	-	-	14
Undisputed Others	146	29	2	-	2	179
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	**160**	**29**	**2**	**-**	**2**	**193**

NOTE: 24 - OTHER FINANCIAL LIABILITIES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	8	-
Payable to employees	4	27
Unpaid dividends [*]	4	4
Financial liabilities related to contingent consideration [Refer Note 4]	210	-
Total	**226**	**31**

[*] There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

NOTE: 25 - OTHER CURRENT LIABILITIES:

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Advances from customers	31	1
Payable to statutory authorities	32	11
Total	**63**	**12**

NOTE: 26 - PROVISIONS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits [*]	15	13
Total	**15**	**13**

[*] Refer Note 21.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 27 - CONTINGENT LIABILITIES AND COMMITMENTS [TO THE EXTENT NOT PROVIDED FOR]:

₹ in Million

Particulars				As at March 31, 2025	As at March 31, 2024
A	**Contingent Liabilities:**				
	a	Other money for which the Company is contingently liable:			
		i	In respect of Sales Tax and VAT matters pending before appellate authorities/ court which the Company expects to succeed, based on decisions of Tribunals/ Courts	98	86
			- Net of advance of	1	1
		ii	In respect of Income Tax matters pending before appellate authorities which the Company expects to succeed, based on decisions of Tribunals/ Courts	6	6
			- Net of advance of	1	1
B	**Commitments:**				
	Estimated amount of contracts remaining to be executed on capital account and not provided for			45	26
		-	Net of advance of	2	1

NOTE: 28 - PROPOSED DIVIDEND:

The Board of Directors, at their meeting held on May 19, 2025, recommended the final dividend of ₹ 6 per equity share of ₹ 10/- each. The recommended dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 29 - REVENUE FROM OPERATIONS:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	2,513	2,096
Other operating revenues:		
Royalty income	367	318
Miscellaneous income	46	34
Total	**2,926**	**2,448**
Pursuant to Ind AS 115 "Revenue from Contracts with Customers" reconciliation of revenue recognised in the statement of profit and loss with the contracted price is under:		
Revenue as per contracted price, net of returns	2,513	2,096
Less:		
Discounts/ Price Reduction/ Rebates/ Other adjustments	-	-
Revenue from contract with customers	**2,513**	**2,096**

NOTE: 30 - OTHER INCOME:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Finance income:		
Interest income on financial assets measured at amortised cost	111	172
Net gain on sale of investments	12	7
Net gain on disposal of Property, plant and equipment	-	1
Total	**123**	**180**

NOTE: 31 - CHANGES IN INVENTORIES:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Stock at commencement:		
Work-in-progress	1	1
Finished Goods	24	29
Stock-in-Trade	4	2
	29	**32**
Less: Stock at close:		
Work-in-progress	2	1
Finished Goods	32	24
Stock-in-Trade	-	4
	34	**29**
Total	**(5)**	**3**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 32 - EMPLOYEE BENEFITS EXPENSE:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	394	270
Contribution to provident and other funds [*]	17	16
Defined benefit plan expenses	8	7
Staff welfare expenses	6	6
Total	**425**	**299**
Above expenses include:		
Research related expenses:		
Salaries and wages	42	20
Contribution to provident and other funds	2	1
Total	**44**	**21**
[*] The Company's contribution towards the defined contribution plan	17	15

NOTE: 33 - FINANCE COST:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense [*]	45	26
Bank commission and charges [₹ 293,552 (Previous Year: ₹ 167,776)]	0	0
Total	**45**	**26**
[*] Interest expenses includes:		
On working capital loans	44	25
On lease liabilities	1	1
Total	**45**	**26**

NOTE: 34 - OTHER EXPENSES:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	7	7
Power and fuel	35	41
Labour charges	69	71
Rent	2	5
Repairs to buildings	3	1
Repairs to plant and machinery	12	10
Repairs to others	11	10
Insurance	7	6
Rates and taxes [excluding taxes on income]	4	2
Traveling expenses	11	7
Legal and professional fees [*]	34	49
Freight and forwarding on sales	6	7
Directors' fees	6	6
Commission to independent directors	2	2
Net loss on investments in subsidiary under liquidation	1	-
Net Loss on disposal of Property, plant and equipment [Net of gain of ₹ Nil (Previous Year: ₹ Nil) Million]	3	-
Miscellaneous expenses [**]	8	27
Total	**221**	**251**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 34 - OTHER EXPENSES: (Contd...)

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Above expenses include Research related expenses as follows:		
Miscellaneous expenses [₹ 393,630 (Previous Year: ₹ 369,299)]	0	0
Total	-	-
[*] Legal and professional fees include:		
a Payment to the Statutory Auditors [excluding Taxes]:		
As Auditor [₹ 1,144,900 (Previous Year: ₹ 1,070,000)]	1	1
For Other Services [₹ 490,450 (Previous Year: ₹ 498,898)]	0	0
Reimbursement of expenses [₹ 34,053 (Previous Year: ₹ Nil)]	0	-
Total	**1**	**1**
b Cost Auditor's Remuneration including fees for other services [₹ 369,000 (Previous Year: ₹ 321,000]	0	0
[**] Miscellaneous expenses include:		
a Expenditure on Corporate Social Responsibility [CSR] Activities as required u/s 135 of the Companies Act, 2013	6	-
Particulars with regard to CSR activities :		
1 Amount required to be spent during the year	6	-
2 Amount of expenditure incurred	6	-
3 Shortfall at the end of the year	-	-
4 Total of previous years shortfall	N.A.	N.A.
5 Reasons for shortfall	N.A.	N.A.
6 Nature of CSR Activities:		
A Healthcare & Education	6	-
7 Details of Related Parties:		
A Contribution to Zydus Foundation[^]	6	-
8 Movements in the provision of CSR:		
A Opening Balance	-	-
B Provision made during the year	6	-
C Provision utilised during the year	6	-
D Closing Balance	-	-

[^] During the year, the holding company Zydus Lifesciences Limited [ZLL] has entered into an arrangement with Zydus Family Trust [ZFT], a related party of ZLL, whereby Zydus Foundation would cease to be subsidiary of ZLL. Zydus Foundation is a Section 8 not for profit Company exclusively engaged in charitable activities. The said arrangement is subject to necessary approvals which are under process at the year end.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 35 - TAX EXPENSE:

The major components of income tax expense are:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Statement of profit and loss:		
Profit or loss section:		
Current income tax:		
Current income tax charge	-	5
Adjustments in respect of current income tax of previous year	2	(4)
	2	**1**
Deferred tax:		
Deferred tax relating to origination and reversal of temporary differences	99	110
Total reported in profit or loss	**101**	**111**
OCI Section:		
Tax related to items recognised in OCI during the year:		
Deferred tax relating to origination and reversal of temporary differences		
Net loss on remeasurements of defined benefit plans	-	(1)
	-	**(1)**
Tax charged to OCI		
Current tax	2	1
Deferred tax	99	109
Total reported in the Statement of Profit and Loss	**101**	**110**
B. Reconciliation of tax expense and accounting profit/ loss multiplied by India's domestic tax rate:		
Profit before tax:	407	448
Enacted Tax Rate in India (%)	25.17%	25.17%
Expected Tax Expenses	102	113
Adjustments for:		
Effect of unrecognised deferred tax assets/ liabilities	(6)	-
Effect of other non-deductible expenses	5	2
Others [including prior period tax adjustments]	-	(4)
Tax expense as per Profit or loss	**101**	**111**

NOTE: 36 - CALCULATION OF EARNINGS PER EQUITY SHARE [EPS]:

₹ in Million

Particulars			Year ended March 31, 2025	Year ended March 31, 2024
A.	The numerators and denominators used to calculate the basic and diluted EPS are as follows:			
i	Profit attributable to Shareholders	₹- in Million	306	337
ii	Basic and weighted average number of Equity shares outstanding during the year	Numbers	6,36,32,144	6,36,32,144
iii	Nominal value of equity share	₹	10	10
iv	Basic & diluted Earnings per equity share [EPS]	₹	4.81	5.30

NOTE: 37 - SEGMENT INFORMATION:

The Company operates in one segment, namely "Consumer Products".

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 38 - RELATED PARTY TRANSACTIONS:

A Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place:

a	**Entity having control over Holding Company:** Zydus Family Trust	
b	**Holding Company:** Zydus Lifesciences Limited	
c	**Subsidiary Companies:**	
	Liva Investment Limited [under liquidation]	Liva Nutritions Limited
	Zydus Wellness Products Limited	Zydus Wellness International DMCC [UAE]
	Zydus Wellness (BD) Pvt Limited [Bangladesh]	Naturell (India) Private Limited [w.e.f. December 02, 2024]
	Naturell Inc. [USA] [w.e.f. December 02, 2024]	
d	**Fellow Subsidiaries/ Concerns:**	
	Zydus Healthcare Limited	Zydus Lifesciences Global FZE [UAE] [w.e.f. February 20, 2024]
	German Remedies Pharmaceuticals Private Limited	Zydus Healthcare (USA) LLC [USA]
	Zydus Animal Health and Investments Limited	Sentynl Therapeutics Inc. [USA]
	Dialforhealth Unity Limited	Zydus Noveltech Inc. [USA] [dissolved on December 15, 2023]
	Dialforhealth Greencross Limited	Hercon Pharmaceuticals LLC [USA] [dissolved on May 24, 2023]
	Violio Healthcare Limited	Viona Pharmaceuticals Inc. [USA]
	Zydus Pharmaceuticals Limited	Zydus Therapeutics Inc. [ZTI] [USA]
	Biochem Pharmaceutical Private Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
	Zydus Strategic Investments Limited	Alidac Pharmaceuticals SA Pty. Ltd. [South Africa]
	Zydus VTEC Limited	Script Management Services (Pty) Ltd [South Africa]
	Zydus Medtech Private Limited [w.e.f. May 31, 2024]	Zydus France, SAS [France]
	Zydus Foundation [Refer Note 34]	Laboratorios Combix S.L. [Spain]
	M/s Recon Pharmaceuticals and Investments, a Partnership Firm	Etna Biotech S.R.L. [Italy]
	LM Manufacturing India Private Limited [w.e.f. November 6, 2023]	Zydus Nikkho Farmaceutica Ltda. [Brazil]
	Alidac Healthcare (Myanmar) Limited [Myanmar]	Zydus Pharmaceuticals Mexico SA De CV [Mexico]
	Zydus Healthcare Philippines Inc. [Philippines]	Zydus Pharmaceuticals Mexico Services Company SA De C.V. [Mexico]
	Zydus Lanka (Private) Limited [Sri Lanka]	Zydus Worldwide DMCC [UAE]
	Zydus International Private Limited [Ireland]	Nesher Pharmaceuticals (USA) LLC [USA] [merged with Zydus Pharmaceuticals (USA) Inc. [USA] on October 25, 2024]
	Zydus Netherlands B.V. [the Netherlands]	
	Zydus Pharmaceuticals (USA) Inc. [USA]	Zydus Pharmaceuticals UK Ltd. [UK]
	ZyVet Animal Health Inc. [USA]	Zynext Ventures Pte. Ltd. [Singapore]
	Zynext Ventures USA LLC [USA]	LM Manufacturing Limited [UK] [w.e.f. November 6, 2023]
	LiqMeds Worldwide Limited [UK] [w.e.f. November 6, 2023]	Medsolutions (Europe) Limited [UK] [w.e.f. November 6, 2023]
	LiqMeds Limited [UK] [w.e.f. November 6, 2023]	Zydus Pharmaceuticals (Canada) Inc. [Canada] [w.e.f. September 6, 2023]
	LiqMeds Lifecare Limited [UK] [LiqMed] [w.e.f. November 6, 2023]	
e	**Directors:**	
	Dr. Sharvil P. Patel	Non-Executive Chairman
	Mr. Ganesh N. Nayak	Non-Executive Director
	Mr. Kulin S. Lalbhai	Independent Director
	Mr. Akhil A. Monappa	Independent Director
	Mr. Savyasachi S. Sengupta	Independent Director upto November 01, 2023
	Mr. Ashish P. Bhargava	Nominee Director upto September 30, 2024
	Mr. Srivishnu R. Nandyala	Independent Director
	Ms. Dharmishtaben N. Raval	Independent Director

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 38 - RELATED PARTY TRANSACTIONS: (Contd...)

f	**Key Managerial Personnel [KMPs]:**	
	Mr. Tarun Arora	Chief Executive Officer [CEO] & Whole Time Director
	Mr. Umesh V. Parikh	Chief Financial Officer
	Mr. Nandish P. Joshi	Company Secretary
g	**Enterprises significantly influenced by Directors and/ or their relatives of Holding Company with whom transactions have taken place:**	
	Mukesh M. Patel & Co.	
h	**Enterprises significantly influenced by Directors and/ or their relatives of the Company:**	
	Cadmach Machinery Company Private Limited	
	Zydus Hospitals and Healthcare Research Private Limited	
i	**Post Employment Benefits Plans:**	
	Zydus Wellness Limited Employee Group Gratuity Scheme	

B Transactions with Related Parties:

The following transactions were carried out with the related parties in the ordinary course of business:

a Details relating to parties referred to in Note 38 - A [a, b, c, d and i]

₹ in Million

Nature of Transactions	Value of the Transactions					
	Holding Company/ Entity having control over Holding Company		Subsidiaries and Fellow Subsidiaries/ concerns		Post Employment Benefits Plan	
	Year ended March 31					
	2025	2024	2025	2024	2025	2024
Sales:						
Goods:						
Zydus Wellness Products Limited	-	-	2,481	2,079	-	-
Zydus Wellness International DMCC	-	-	32	17	-	-
Royalty:						
Zydus Wellness Products Limited	-	-	367	318	-	-
Services:						
Zydus Wellness Products Limited	-	-	33	25	-	-
Property, Plant and Equipment:						
Zydus Wellness Products Limited	-	-	1	11	-	-
Reimbursement of Expenses Recovered:						
Zydus Wellness International DMCC	-	-	9	7	-	-
Purchase:						
Goods:						
Zydus Wellness Products Limited	-	-	139	152	-	-
Services:						
Zydus Lifesciences Limited	8	8	-	-	-	-
Property, Plant and Equipment:						
Zydus Wellness Products Limited	-	-	2	3	-	-
Reimbursement of Expenses Paid:						
Zydus Lifesciences Limited	1	2	-	-	-	-
Zydus Wellness Products Limited	-	-	-	13	-	-
CSR Expenses						
Zydus Foundation	-	-	6	-	-	-
Finance:						
Inter Corporate Loan accepted:						
Zydus Wellness Products Limited	-	-	440	-	-	-
Zydus Healthcare Limited	-	-	700	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 38 - RELATED PARTY TRANSACTIONS: (Contd...)

₹ in Million

Nature of Transactions	Value of the Transactions					
	Holding Company/ Entity having control over Holding Company		Subsidiaries and Fellow Subsidiaries/ concerns		Post Employment Benefits Plan	
	Year ended March 31					
	2025	2024	2025	2024	2025	2024
Inter Corporate Loan repaid to:						
Zydus Healthcare Limited	-	-	350	-	-	-
Intercompany Loan given:						
Zydus Wellness International DMCC	-	-	116	149	-	-
Zydus Wellness Products Limited	-	-	80	835	-	-
Intercompany Loan repaid by:						
Zydus Wellness International DMCC	-	-	60	-	-	-
Zydus Wellness Products Limited	-	-	2,715	200	-	-
Interest Income:						
Zydus Wellness International DMCC	-	-	13	6	-	-
Zydus Wellness Products Limited	-	-	97	155	-	-
Interest Expenses:						
Zydus Healthcare Limited	-	-	18	-	-	-
Contributions during the year:						
Zydus Wellness Limited Employee Group Gratuity Scheme	-	-	-	-	5	4
Dividend Paid:						
Zydus Lifesciences Limited	183	183	-	-	-	-
Zydus Family Trust	38	38	-	-	-	-

₹ in Million

Nature of Transactions	Value of the Transactions					
	Holding Company/ Entity having control over Holding Company		Subsidiaries and Fellow Subsidiaries/ concerns		Post Employment Benefits Plan	
	As at March 31					
	2025	2024	2025	2024	2025	2024
Outstanding Receivable:						
Zydus Wellness Products Limited	-	-	-	2,782	-	-
Zydus Wellness International DMCC	-	-	278	201	-	-
Outstanding Payable:						
Zydus Wellness Products Limited	-	-	484	-	-	-
Zydus Lifesciences Limited	1	7	-	-	-	-
Zydus Healthcare Limited	-	-	358	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 38 - RELATED PARTY TRANSACTIONS: (Contd...)

₹ in Million

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
b	**Details relating to persons referred to in Note 38-A [e] and [f] above:**		
(i)	Salaries and other employee benefits to KMPs	35	29
(ii)	Commission and Sitting Fees to Non Executive/ Independent Directors	8	8
(iii)	Outstanding payable to above (i) and (ii)	7	4
c	**Details relating to persons referred to in Note 38-A [g] and [h] above:**		
(i)	Purchase of services	1	1

NOTE: 39 - FINANCIAL INSTRUMENTS:

(i) Fair values hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data relying as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements:

₹ in Million

Particulars	As at March 31, 2025				As at March 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments at FVTPL								
Mutual funds	-	-	-	-	48	-	-	48
Total	-	-	-	-	**48**	-	-	**48**
Financial liabilities								
Financial liabilities related to contingent consideration	-	-	210	210	-	-	-	-
Total	-	-	**210**	**210**	-	-	-	-

(iii) Fair value of instruments measured at amortised cost:

Financial assets and liabilities measured at amortised cost for which fair values are disclosed.

Financial Assets: The carrying amounts of trade receivables, loans and other financial assets and cash and cash equivalents are considered to be the approximately equal to the fair values.

Financial Liabilities: The carrying amounts of loans, other financial liabilities and trade payables are considered to be approximately equal to the fair values.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 40 - FINANCIAL RISK MANAGEMENT:

(i) Financial instruments by category:

₹ in Million

Particulars	As at March 31, 2025				As at March 31, 2024			
	FVTPL	FVOCI	Amortised Cost	Total	FVTPL	FVOCI	Amortised Cost	Total
Financial assets								
Investments [other than investment in subsidiary]	-	-	-	-	48	-	-	48
Trade receivables	-	-	36	36	-	-	78	78
Cash and cash equivalents	-	-	20	20	-	-	92	92
Bank balance other than cash and cash equivalents	-	-	4	4	-	-	4	4
Loans	-	-	243	243	-	-	2,823	2,823
Other financial assets	-	-	21	21	-	-	105	105
Total	**-**	**-**	**324**	**324**	**48**	**-**	**3,102**	**3,150**
Financial liabilities								
Borrowings	-	-	1,290	1,290	-	-	500	500
Lease liabilities			6	6	-	-	7	7
Trade payables	-	-	134	134	-	-	193	193
Financial liabilities related to contingent consideration	210	-	-	210	-	-	-	-
Other financial liabilities	-	-	26	26	-	-	42	42
Total	**210**	**-**	**1,456**	**1,666**	**-**	**-**	**742**	**742**

(ii) Risk Management:

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

A. Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from loans and advances to related parties, trade receivables, bank deposits and other financial assets. The Company periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual customer limits are set accordingly.

i Investments at Amortised Cost : They are investments in the normal course of business of the company.

ii Bank deposits: The Company maintains its Cash and cash equivalents and Bank deposits with reputed and highly rated banks Hence, there is no significant credit risk on such deposits.

iii Loans to related parties: They are given for business purposes. The Company reassesses the recoverability of loans periodically. Interest recoveries from these loans are regular and there is no event of defaults.

iv Trade Receivable: The Company trades with recognized and credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant.

v There are no significant credit risks with related parties of the Company. The Company is exposed to credit risk in the event of non-payment by customers. Credit risk concentration with respect to trade receivables is mitigated by the Company's large customer base. Adequate expected credit losses are recognized as per the assessments. No single third party customer contributes to more than 10% of outstanding accounts receivable [excluding outstanding from subsidiaries] as at March 31, 2025 and March 31, 2024.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 40 - FINANCIAL RISK MANAGEMENT: (Contd...)

The Company has used expected credit loss [ECL] model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Financial assets for which loss allowances is measured using the expected credit loss:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Trade receivables:		
Less than 180 days	36	78
Total	**36**	**78**

Movement in the expected credit loss allowance on trade receivables:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	1	1
Addition	-	-
Reduction	(1)	-
Balance at the end of the year	-	**1**

Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

B Liquidity risk:

a Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

b Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which it operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities :

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in Million

Particulars	As at March 31, 2025				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Non-derivatives financial liabilities					
Borrowings [including interest accrued but not due]	858	-	-	440	1,298
Lease liabilities	2	2	2	-	6
Trade payables	134	-	-	-	134
Other financial liabilities [excluding interest accrued but not due]	218	-	-	10	228
Total	**1,212**	**2**	**2**	**450**	**1,666**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 40 - FINANCIAL RISK MANAGEMENT: (Contd...)

₹ in Million

Particulars	As at March 31, 2024				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Non-derivatives financial liabilities					
Borrowings [including interest accrued but not due]	500	-	-	-	500
Lease liabilities	1	2	2	2	7
Trade payables	193	-	-	-	193
Other financial liabilities [excluding interest accrued but not due]	31	-	-	11	42
Total	**725**	**2**	**2**	**13**	**742**

C. Foreign currency risk:

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and Other currency. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company's operations in foreign currency creates natural foreign currency hedge. This results in insignificant net open foreign currency exposures considering the volumes and operations of the Company.

a Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period is expressed as follows:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
	Exposure of USD	
Financial assets:		
Trade receivable	36	13
Loans to related parties along with interest	243	188
Total exposure to foreign currency risk [assets]	**279**	**201**
Financial liabilities:		
Trade payable	2	2
Total exposure to foreign currency risk [liabilities]	**2**	**2**
Net exposure to foreign currency risk [assets]	**277**	**199**
	Exposure of Other Foreign Currency	
Financial liabilities:		
Trade payable	4	2
Total exposure to foreign currency risk [liabilities]	**4**	**2**
Net exposure to foreign currency risk [liabilities]	**(4)**	**(2)**

Sensitivity:

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in Million

Particulars	As at March 31, 2025		As at March 31, 2024	
	Movement in Rate [*]	Impact on PAT	Movement in Rate [*]	Impact on PAT
USD	2.5%	5	1.5%	2
USD	(2.5%)	(5)	(1.5%)	(2)
Others	5%	-	1%	(0)
Others	(5%)	-	(1%)	0

[*] Holding all other variables constant

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 40 - FINANCIAL RISK MANAGEMENT: (Contd...)

D. Interest rate risk:

The Company's policy is to minimise interest rate cash flow risk exposures on financing. As at March 31, 2025, the Company is exposed to changes in market interest rates through borrowings at variable interest rates. The Company's investments in Fixed Deposits are at fixed interest rates.

Sensitivity:

Below is the sensitivity of profit or loss and equity changes in interest rates:

₹ in Million

Particulars	Movement in Rate [*]	As at March 31, 2025	As at March 31, 2024
Interest rates	0.50%	(3)	(2)
Interest rates	(0.50%)	3	2

[*] Holding all other variables constant

E Price Risk:

(a) Exposure:

The Company's exposure to price risk arises from investments in mutual funds held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments in equity securities and mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

(b) Sensitivity- Mutual Fund:

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit and loss for the period. The analysis is based on the assumption that the price of the instrument has increased by 2% or decreased by 2% with all other variables held constant.

₹ in Million

Particulars	Movement in Rate [*]	As at March 31, 2025	As at March 31, 2024
Mutual Funds [Quoted]			
Increase	2%	-	1
Decrease	(2%)	-	(1)

[*] Holding all other variables constant

NOTE 41- CAPITAL MANAGEMENT:

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders
- to maintain an optimal capital structure to reduce the cost of capital.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars		As at March 31, 2025	As at March 31, 2024
Gross debts	₹ in Million	1,290	500
Total equity	₹ in Million	40,346	40,359
Gross debt to equity ratio [No. of times]		0.03	0.01

As at March 31,2025 and March 31,2024, there are no covenant applicable to the Company.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 42 - LEASES:

Lessee:

A Relating to statement of financial position:

Under Ind AS 116, the Company recognises right to use assets and lease liabilities for most leases.

Right of use assets are part of financial statement caption "Property plant and equipment'. Depreciation and impairment is similar to measurement of owned assets. Interest is part of financial statement caption "Finance cost".

₹ in Million

Right of use assets	Total
Balance as at April 1, 2023 [net]	**3**
Additions during the year	6
Depreciation charge for the year	(2)
Balance as at March 31, 2024 [net]	**7**
Additions during the year	-
Depreciation charge for the year	(2)
Balance as at March 31, 2025 [net]	**5**

The Company leases assets include office buildings.

Movement in lease liabilities:

₹ in Million

Lease liabilities	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	7	3
Additions	-	6
Redemptions	(1)	(2)
Balance at the end of the year	**6**	**7**
of which:		
Non-Current portions	4	6
Current portions	2	1

Maturity analysis of lease liabilities:

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

₹ in Million

Minimum lease payments due	As at March 31, 2025	As at March 31, 2024
Within 1 years	2	2
1-5 years	4	7
Total	**6**	**9**

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 43-ANALYTICAL RATIOS:

Sr. No.	Ratio	Numerator	Denominator	FY 2024-2025	FY 2023-2024	% of variance	Refer note
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.45	1.76	(74%)	i, iv
2	Debt-Equity Ratio (in times)	Total Debt	Equity	0.03	0.01	200%	i
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	8.09	12.65	(36%)	ii
4	Return on Equity Ratio (in %)	Net Profits after taxes	Average shareholder equity	0.76	0.84	(10%)	-
5	Inventory turnover ratio (in times)	Net Sales	Average Inventory	23.06	21.95	5%	-
6	Trade Receivables turnover ratio (in times)	Net Sales	Average Trade Receivables	44.09	39.18	13%	-
7	Trade payables turnover ratio (in times)	Net Purchases	Average Trade Payables	13.18	9.28	42%	iii
8	Net capital turnover ratio (in times)	Net Sales	Working Capital	(3.51)	3.69	(195%)	v
9	Net profit ratio (in %)	Net Profits	Net Sales	12.18	16.08	(24%)	-
10	Return on Capital employed (in %)	Earnings before interest and taxes	Average Capital Employed	1.10	1.17	(6%)	-
11	Return on investments (in%)						
a	Fixed Deposit	Income generated from investments	Time weighted average of investments	6.50	6.50	0%	
b	Mutual Fund	Income generated from investments	Time weighted average of investments	6.58	6.72	(2%)	

Notes

i Mainly driven by proceeds from borrowings.

ii Mainly due to increase in finance cost on account of proceeds from borrowings.

iii Mainly due to increase in purchase and decrease in average trade payables.

iv Mainly due to decrease in current assets on account of decrease in current loans.

v Mainly due to increase in sale of products.

NOTE: 44 - DISCLOSURE OF TRANSACTION WITH STRUCK OFF COMPANIES:

The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.

NOTE: 45:

The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 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. The audit trail has been preserved by the company as per the statutory requirements for record retention.

NOTES TO THE FINANCIAL STATEMENTS

NOTE: 46:

[a] The Company has not advanced or loaned or invested funds [either from borrowed funds or share premium or any other sources or kind of funds] to any other persons or entities, 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 to or on behalf of the Ultimate Beneficiaries.

[b] 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 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.

NOTE: 47:

The Board of Directors, at their meeting held on May 19, 2025, has approved the split/ sub-division of equity shares from face value of ₹ 10/- each to ₹ 2/- each, fully paid-up. This is subject to the approval of the shareholders at the ensuing Annual General Meeting.

NOTE: 48:

Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

Signatures to Material Accounting Policies and Notes 1 to 48 to the Financial Statements

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah	**Dr. Sharvil P. Patel**	**Tarun Arora**	**Umesh V. Parikh**	**Nandish P. Joshi**
Partner	Chairman	CEO & Whole Time Director	Chief Financial Officer	Company Secretary
Membership Number: 030190	DIN: 00131995	DIN: 07185311		Membership Number: A39036
Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad
Date: May 19, 2025	Date: May 19, 2025	Date: May 19, 2025	Date: May 19, 2025	Date: May 19, 2025

INDEPENDENT AUDITORS' REPORT

To the Members of **Zydus Wellness Limited**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated financial statements of Zydus Wellness Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprises of the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, 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 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the other auditors in terms of their report referred to in Other matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. 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	**Assessment of impairment of Goodwill amounting to ₹ 40,105 Million and Intangible assets having indefinite useful life amounting to ₹ 5,387 Million respectively (Refer Note 3 of the Consolidated Financial Statements)** The Group's evaluation of goodwill and intangible assets for impairment testing, involves the comparison of its recoverable amount to its carrying amount as at March 31, 2025. The Group has carrying value of goodwill and intangible assets amounting to ₹ 40,105 and ₹ 5,387 Million respectively in its Consolidated financial statements relating to Consumer Health & Wellness Cash Generating Units ("CGU's"). These intangibles are subject to test of impairment by the management in accordance with the applicable accounting standards. The recoverable amount is determined based on value in use, which represents the present value of the estimated future cash flows expected to arise from the use of the asset group comprising each cash generating unit or group of cash generating units. There is a risk that the goodwill / intangible assets will be impaired if these cash flows do not meet the Group's expectations. In addition to significance of the amounts involved, management's assessment process is complex as it involves significant judgement in determining the assumptions to be used to estimate the forecasted cash flows, principally relating to long-term revenue growth rates, terminal values, margins, external market conditions and the discount rate used. Considering the materiality of amounts involved together with the inherent subjectivity related to principal assumptions, which are dependent on current and future economic factors and trading conditions varying for different economic and geographical territories, assessment of carrying value of goodwill and intangible assets is considered to be complex and determined to be a key audit matter in our current year audit.	**Principal Audit Procedures** Procedures performed by us have been enumerated herein below: • Assessed the appropriateness of the accounting policies in respect of impairment by comparing with the applicable accounting standards. • Evaluated the design, tested the implementation and operating effectiveness of the internal controls over impairment assessment process, including those over the forecast of future revenues, operating margins, growth rate and terminal values, external market conditions and the selection of the appropriate discount rate. Gained an understanding and assessed the reasonableness of business plans by comparing them to prior year's assumptions; • Tested the reasonableness of the key business projections and valuation assumptions carried out by the management / independent valuer in determining the fair value of the CGU, discount rate, revenue growth rate, EBITDA growth rate, terminal growth rate used in computing the fair value of the components. • Performed retrospective review of projections by comparison with historical performance, inquiries with management and forecast trends in the industry. • Considered sensitivity to reasonable possibility of changes in the key assumptions and inputs to ascertain whether these possible changes have a material effect on the fair value.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance Report and Directors' Report, but does not include the consolidated financial statements, the standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding 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 Consolidated financial statements that give a true and fair view of the Consolidated financial position, the Consolidated financial performance and the changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective Company's management and Board of Directors of the entities included in the Group is responsible for assessing the Group'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 respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a) 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.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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 Group'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 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.

e) 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of 5 subsidiaries included in the Consolidated financial statements, whose financial statements reflect [the figures reported below are before giving effect to consolidation adjustments] total assets of ₹ 31,823 million as at March 31, 2025, total revenues of ₹ 27,597 million, total net loss after tax of ₹ 426 million, total comprehensive income of ₹ (430) million and net cash outflows amounting to ₹ 227 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 and conclusion on the statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

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

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, 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 financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 and taken on record by the Board of Directors of the Holding 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 March 31, 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 over financial reporting with reference to the financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in the Annexure -A, which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting 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, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended March 31, 2025.

iv. (a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India, whose financial statement have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, other than as disclosed in the notes 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 Holding Company or any of such subsidiaries or in any other person(s) or entity(ies), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other person(s) or entity(ies) 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 such audit procedures that we have considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid during the year by the Holding Company, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with Section 123 of the Act, as applicable.

As stated in notes to the consolidated financial statements, the Board of Directors of the Holding Company, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, the Company and its Indian subsidiaries have used accounting software for maintaining its books of account for the financial year ended March 31, 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 and the respective auditors of above referred subsidiaries

did not come across any instances of the audit trail feature being tempered with. The audit trail has been preserved by the company as per the statutory requirements for record retention.

vii. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and by other auditors of its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **MUKESH M. SHAH & CO.,**
Chartered Accountants
Firm Registration No.: 106625W

Mukesh M. Shah
Partner
Membership No.: 030190
UDIN : 25030190BMSBRN5914

Place : Ahmedabad
Date : May 19, 2025

"ANNEXURE A" TO THE AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROL 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 of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of Zydus Wellness Limited (hereinafter referred to as "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Holding company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal financial control over financial reporting 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 ICAI.

OTHER MATTER

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 3 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **MUKESH M. SHAH & CO.,**
Chartered Accountants
Firm Registration No.: 106625W

Mukesh M. Shah
Partner
Membership No.: 030190
UDIN : 25030190BMSBRN5914

Place : Ahmedabad
Date : May 19, 2025

CONSOLIDATED BALANCE SHEET

As at March 31, 2025

₹ in Million

Particulars	Note No.	As at March 31 2025	As at March 31 2024
ASSETS:			
Non-current assets:			
Property, plant and equipment	3 [A]	2,904	2,467
Capital work-in-progress	3 [C]	151	97
Goodwill	3 [B]	40,105	39,200
Other intangible assets	3 [B]	8,240	5,408
Financial assets:			
Investments	4	7	7
Other financial assets	5	46	38
Deferred tax asset [net]	6	1,447	1,563
Other non-current assets	7	414	111
Assets for tax [net]	8	63	93
Total Non-Current Assets		**53,377**	**48,984**
Current assets:			
Inventories	9	5,175	4,676
Financial assets:			
Investments	10	357	769
Trade receivables	11	3,670	2,833
Cash and cash equivalents	12 [A]	667	800
Bank balances other than cash and cash equivalents	12 [B]	72	1,595
Loans	13	13	16
Other current financial assets	14	198	312
Other current assets	15	890	1,142
Total Current Assets		**11,042**	**12,143**
Asset classified as held for sale	16	-	357
Total Assets		**64,419**	**61,484**
EQUITY AND LIABILITIES:			
EQUITY:			
Equity share capital	17	636	636
Other equity	18	56,080	52,939
Total Equity		**56,716**	**53,575**
LIABILITIES:			
Non-current liabilities:			
Financial liabilities:			
Lease liabilities	45	14	32
Other financial liabilities	19	18	17
Provisions	20	212	159
Other non-current liabilities	21	4	7
Total Non-Current Liabilities		**248**	**215**
Current liabilities:			
Financial liabilities:			
Borrowings	22	1,850	3,240
Lease liabilities	45	19	15
Trade payables:			
Dues to Micro and Small Enterprises	23	493	316
Dues to other than Micro and Small Enterprises	23	3,795	3,313
Other financial liabilities	24	355	162
Other current liabilities	25	497	361
Provisions	26	446	287
Total Current Liabilities		**7,455**	**7,694**
Total Liabilities		**7,703**	**7,909**
Total Equity and Liabilities		**64,419**	**61,484**
Material Accounting Policies	2		
Notes to the Consolidated Financial Statements	3 to 50		

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2025

₹ in Million

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
INCOME:			
Revenue from operations	29	27,089	23,278
Other income	30	136	139
Total Income		**27,225**	**23,417**
EXPENSES:			
Cost of materials consumed		11,845	10,355
Purchases of stock-in-trade		1,440	1,124
Changes in inventories of finished goods, work-in-Progress and stock-in-trade	31	(504)	(95)
Employee benefits expense	32	2,372	1,934
Finance costs	33	120	240
Depreciation and amortisation expense	3 [A], 3 [B]	284	238
Other expenses	34	8,138	6,879
Net loss / [gain] on foreign currency transactions		1	(1)
Total Expenses		**23,696**	**20,674**
Profit before exceptional items and tax		**3,529**	**2,743**
Less: Exceptional items	35	(59)	142
Profit before Tax		**3,588**	**2,601**
Less : Tax expense:			
Current tax	36	2	2
Deferred tax	36	117	(70)
		119	**(68)**
Profit for the year		**3,469**	**2,669**
OTHER COMPREHENSIVE INCOME [OCI]:			
Items that will not be reclassified to profit or loss:			
Re-measurement loss on post employment defined benefit plans		(6)	-
Income tax effect	36	1	-
Items that will be reclassified to profit or loss:			
Exchange differences on transaction of financial statement of a foreign operations		(5)	(2)
Other Comprehensive Loss for the year [net of tax]		**(10)**	**(2)**
Total Comprehensive Income for the year [net of tax]		**3,459**	**2,667**
Profit attributable to:			
Owners of the parent		3,469	2,669
Other Comprehensive Income Attributable to:			
Owners of the parent		(10)	(2)
Total Comprehensive Income Attributable to:			
Owners of the parent		3,459	2,667
Basic & diluted Earnings per equity share [EPS] [in ₹]	37	54.52	41.94
Material Accounting Policies	2		
Notes to the Consolidated Financial Statements	3 to 50		

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

CONSOLIDATED CASH FLOW STATEMENT

For the year ended March 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flows from operating activities:		
Profit before tax	3,588	2,601
Adjustments for:		
Depreciation and amortisation expense	284	238
Net loss/ [gain] on disposal of Property, plant and equipment and asset held for sale	3	(35)
Expected credit loss on trade receivables [net]	3	10
Net loss on investments in subsidiary under liquidation	1	-
Profit on sale of investments [net]	(98)	(21)
Net gain on investments mandatorily measured at fair value through statement of profit and loss	-	(4)
Interest income	(31)	(110)
Interest expense, Bank commission and charges	120	240
Effect of foreign exchange movement in loans	2	-
Amortisation of deferred revenue on Government grants	(3)	(27)
Provision for employee benefits	49	37
Provisions for probable product expiry claims and return of goods	121	-
Operating profit before working capital changes	**4,039**	**2,929**
Adjustment for:		
Increase in trade receivables	(653)	(761)
Decrease/ [Increase] in other assets	353	(18)
Increase in inventories	(398)	(101)
Decrease in other liabilities	(83)	(43)
Increase in trade payables	513	485
Cash generated from operations	**3,771**	**2,491**
Income taxes paid [net of refunds]	29	(27)
Net cash generated from operating activities	**3,800**	**2,464**
B. Cash flows from investing activities:		
Purchase of Property, plant and equipment and Other intangible assets	(663)	(285)
Purchase of Non-current investment in subsidiary	(3,690)	-
Proceeds from sale of property, plant and equipment and assets held for sale	10	21
Proceeds from disposal of non-current investments in subsidiary under liquidation	2	-
Repayment of loan by other than related party	1	8
Investment in liquid mutual funds [net]	510	(44)
Proceeds from non-current fixed deposit [net]	37	4
Purchase of non-current investments -other than subsidiaries	-	(7)
Change in Bank balances (including fixed deposits) not considered as cash and cash equivalents	1,526	(1,584)
Interest received	31	110
Net cash used in investing activities	**(2,236)**	**(1,777)**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C. Cash flows from financing activities:		
Repayment of non-current borrowings	-	(625)
Current Borrowings [net - (repayment/taken)]	(1,390)	940
Repayment of lease liabilities	(19)	(18)
Interest paid	(136)	(235)
Dividend paid	(318)	(319)
Net cash used in financing activities	**(1,863)**	**(257)**
Net [decrease]/ increase in cash and cash equivalents [A+B+C]	**(299)**	**430**
Cash and cash equivalents at the beginning of the year	**800**	**370**
Cash and cash equivalents of the acquired subsidiary	**166**	**-**
Cash and cash equivalents at the end of the year	**667**	**800**

Notes to the Cash Flow Statement

1. The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".
2. All figures in brackets are outflows.
3. Previous year's figures have been regrouped wherever necessary.
4. Summary of Cash and cash equivalents, bank balances, liquid mutual funds and fixed deposits more than twelve months:

₹ in Million

Particulars	Note No.	As at March 31		
		2025	2024	2023
a. Cash and cash equivalents	12 [A]	667	800	370
b. Bank balances other than cash and cash equivalents	12 [B]	72	1,595	11
c. Investment in liquid mutual funds	10	357	769	700
d. Fixed deposits more than 12 months		-	-	4
Total		**1,096**	**3,164**	**1,085**

5. Change in liability arising from financing activities:

₹ in Million

Particulars	Borrowings [Refer note 22]		
	Non-Current	Current	Total
As at March 31, 2023	**625**	**2,300**	**2,925**
Cash Flow [net]	(625)	940	315
As at March 31, 2024	**-**	**3,240**	**3,240**
Cash Flow [net]	-	(1,390)	(1,390)
As at March 31, 2025	**-**	**1,850**	**1,850**

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2025

A EQUITY SHARE CAPITAL:

	No. of Shares	₹ in Million
Equity Shares of ₹ 10/- each, Issued, subscribed and fully paid-up:		
As at March 31, 2023	**6,36,32,144**	**636**
As at March 31, 2024	**6,36,32,144**	**636**
As at March 31, 2025	**6,36,32,144**	**636**

B OTHER EQUITY:

₹ in Million

Particulars	Reserves and Surplus			Items of OCI	Total
	Securities Premium	General Reserve	Retained Earnings	Foreign currency translation reserves	
As at March 31, 2023	**35,370**	**450**	**14,766**	**4**	**50,590**
Add: Profit for the year	-	-	2,669	-	2,669
Add: Other Comprehensive Income/ [Loss]	-	-	-	(2)	(2)
Total Comprehensive Income	-	-	2,669	(2)	2,667
Transactions with Owners in their capacity as owners:					
Less: Dividends	-	-	(318)	-	(318)
As at March 31, 2024	**35,370**	**450**	**17,117**	**2**	**52,939**
Add: Profit for the year	-	-	3,469	-	3,469
Add: Other Comprehensive Income/ [Loss]	-	-	(5)	(5)	(10)
Total Comprehensive Income/ [Loss]	-	-	3,464	(5)	3,459
Transactions with Owners in their capacity as owners:					
Less: Dividends	-	-	(318)	-	(318)
As at March 31, 2025	**35,370**	**450**	**20,263**	**(3)**	**56,080**

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
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Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 1 - GROUP OVERVIEW:

The consolidated financial statements comprise financial statements of Zydus Wellness Limited ["the Parent"] [CIN: L15201GJ1994PLC023490] and its Subsidiaries [collectively, "the Group"] for the year ended as at March 31, 2025. The Group operates as an integrated consumer Group with business encompassing the entire value chain in the development, production, marketing and distribution of health and wellness products. The product portfolio of the Group includes brands like Sugar Free, I'm Lite, Everyuth, Nutralite, Complan, Glucon-D, Nycil, Sampriti Ghee, RiteBite and its sub-brands. The Parent's shares are listed on the National Stock Exchange of India Limited [NSE] and BSE Limited [BSE]. The registered office of the Parent is located at Zydus Corporate Park, Scheme No. 63, Survey No. 536 Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad 382 481. These financial statements were authorised for issuance in accordance with a resolution passed by Board of Directors at its meeting held on May 19, 2025.

NOTE: 2 - MATERIAL ACCOUNTING POLICIES:

A The following note provides list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1 Basis of preparation:

A The Consolidated financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards [Ind AS] notified under section 133 of the Companies Act ,2013 read with [Indian Accounting Standards] Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.

B The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value at the end of the reporting periods:

- i Derivative financial instruments
- ii Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]
- iii Defined benefit plans
- iv Contingent consideration

2 Basis of consolidation:

A The consolidated financial statements comprise the financial statements of the Parent and its subsidiaries as at March 31, 2025. Control is achieved when the Group has:

- a Power over the investee [i.e. existing rights that give it the current ability to direct the relevant activities of the investee]
- b Exposure, or rights, to variable returns from its involvement with the investee and
- c The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a The contractual arrangement with the other vote holders of the investee.
- b Rights arising from other contractual arrangements.
- c The Group's voting rights and potential voting rights.
- d The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

B The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

C Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

D The financial statements of all entities used for the purpose of consolidation are drawn up to same

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

reporting date as that of the Group, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary.

3 Business combinations and Goodwill:

A Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred at acquisition date fair value. Acquisition related costs are recognised in profit or loss as accrued.

B At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the Deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements acquired in a business combination are recognised and measured in accordance with Ind AS-12 "Income Tax" and Ind AS-19 "Employee Benefits" respectively.

C When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

D Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS-109 "Financial Instruments", is measured at fair value with changes in fair value recognised in Statement of profit and loss. If the contingent consideration is not within the scope of Ind AS-109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequently its settlement is accounted for within equity.

E Goodwill is initially measured at the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as Capital Reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as Capital Reserve, without routing the same through OCI.

F After initial recognition, Goodwill is not amortised. Goodwill is accordingly recognised at original value less any accumulated impairment. For the purpose of impairment testing, Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

G A cash generating unit to which Goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any Goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for Goodwill is recognised in Statement of profit and loss. An impairment loss recognised for Goodwill is not reversed in subsequent periods.

H If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I Wherever any business combination is governed by the Scheme approved by the Hon'ble High Court/ National Company Law Tribunal [NCLT], the business combination is accounted for as per the accounting treatment sanctioned in the Scheme. Goodwill arising on such business combination is amortised over the period, as provided in the Scheme, as approved by the Hon'ble High Court or NCLT.

4 Use of key Estimates and Judgements:

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Critical accounting judgments and estimates:

A **Taxes on Income:**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions and possibility of utilisation of Minimum Alternate Tax [MAT] credit in future.

B **Property, Plant and Equipment:**

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

C **Impairment of goodwill and intangible assets:**

Significant judgments are involved in determining the estimated future cash flows from Goodwill and intangible assets to determine their value in use to assess whether there is any impairment in their carrying amounts as reflected in the financials.

D **Employee Benefits:**

Actuarial valuation involves key assumptions of life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

E **Product warranty and expiry claims:**

Significant judgments are involved in determining the estimated stock lying in the market with product shelf life and estimates of likely claims on account of expiry of such unsold goods lying with stockist.

F **Contingent liabilities:**

Significant judgment is involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources.

5 Foreign Currency Transactions:

The Group's consolidated financial statements are presented in Indian Rupees [₹], which is the functional currency of the Parent Company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

A The transactions in foreign currencies are translated into functional currency by the Group's entities at their respective functional currency rate of exchange prevailing on the dates of transactions.

B Foreign Exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the Statement of Profit and Loss.

C Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of Profit and Loss within finance costs. All the other foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

D Investments in foreign companies are recorded in functional currency at the rates of exchange prevailing at the time when the investments were made.

E Group Companies:

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their Statements of profit and loss are translated at average exchange rates prevailing during the year. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the statement of profit and loss.

6 Revenue Recognition:

A The Group has applied Ind AS 115 - "Revenue from Contracts with Customers" which is effective for an annual period beginning on or after April 1, 2018. The following is the material accounting policy related to revenue recognition under Ind AS 115.

a Sale of Goods:

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognised at a point in time when the control of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenues from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of significant risks and rewards and acceptance by the customer. The goods are often sold with volume discounts/ pricing incentives/ chargebacks/ rebates and customers have a right to return damaged or expired products. Revenue from sales is based on the price in the sales contracts/ MRP, net of discounts, chargebacks and other similar allowances. When a performance obligation is satisfied, Revenue is recognised with the amount of the transaction price [excluding estimates of variable consideration] that is allocated to that performance obligation. These are calculated on the basis of historical experience and the specific terms in the individual contracts. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Group.

b Service Income:

Service income is recognised as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable.

c Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

7 Government Grants:

A Government grants are recognised only when there is a reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.

B Government grants related to revenue are recognised on a systematic and gross basis in the Statement of Profit and Loss over the period during which the related costs intended to be compensated are incurred.

C Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.

8 Taxes on Income:

Tax expenses comprise of current and deferred tax.

A Current Tax:

a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961 for Indian entities or provisions of respective countries where the Group operates and generate taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Current tax items are recognised in correlation to the underlying transaction either in profit or loss, Other Comprehensive Income (OCI) or directly in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B Deferred Tax:

a Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

b Deferred tax liabilities are recognised for all taxable temporary differences.

c Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

d The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

e Deferred tax assets and liabilities are measured at the tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

f Deferred tax items are recognised in correlation to the underlying transaction either in profit or loss, OCI or directly in equity.

g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

h Minimum Alternate Tax [MAT] paid in a year is charged to the Statement of Profit and Loss as current tax.

i The Group recognizes MAT credit available as an asset only when and to the extend there is a convincing evidence of actual utilisation of such credit and also based on historical experience that the Group will pay normal income tax during the specified period i.e., the period for which MAT credit is allowed to be carried forward. Such asset, if any recognised, is reviewed at each balance sheet date and the carrying amount is written down to the extent there is no longer a convincing evidence that the Group will be liable to pay normal tax during the specified period.

9 Property, Plant and Equipment:

A Freehold land is carried at historical cost less impairment, if any. All other items of Property, Plant and Equipment are stated at historical cost of acquisition/ construction less accumulated depreciation and impairment loss. Historical cost [Net of Input tax credit received/ receivable] includes related expenditure and pre-operative & project expenses for the period up to completion of construction/ assets are ready for its intended use, if the recognition criteria are met and the present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs charged to the statement of profit and loss during the reporting period in which they are incurred, unless they meet the recognition criteria for capitalisation under Property, Plant and Equipment.

B Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognised separately as independent items and are depreciated over their estimated economic useful lives.

C Depreciation on tangible assets is provided on "straight line method" based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 which may be different for foreign entities. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The estimated useful lives are as follows:

Asset Class	No. of years
Leasehold Land and Building	Over the period of lease
Buildings	30 to 60 Years
Plant and Equipment	3 to 15 Years
Furniture, Fixtures and Office equipment	5 to 10 Years
Vehicles	8 Years

D Depreciation on impaired assets is calculated on its residual value, if any, on a systematic basis over its remaining useful life.

E Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets are used.

F Where the actual cost of purchase of an asset is below ₹ 10,000/-, the depreciation is provided at 100%.

G Capital work in progress is stated at cost less accumulated impairment loss, if any.

H An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the statement of profit and loss when the asset is derecognised.

10 Intangible Assets:

A Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

B Internally generated intangibles are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

C Technical Know-how Fees, Trademark and other similar rights are amortised over their estimated useful life.

D Capitalised cost incurred towards purchase/ development of software is amortised using straight line method over its useful life as estimated by the management at the time of capitalisation.

E Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

F An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the statement of profit and loss when the asset is derecognised.

The estimated useful lives are as follows:

Asset Class	No. of years
Brands/ Trademarks/ Other intangibles	5 to 15 Years
Technical Know-how, Commercial Rights	3 to 10 Years
Computer Software	3 to 5 Years

11 Research and Development Cost:

A Expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.

B Capital expenditure on research and development is given the same treatment as Property, Plant and Equipment.

12 Borrowing Costs:

A Borrowing costs consist of interest and other borrowing costs that are incurred in connection with the borrowing of funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognised as per Effective Interest Rate [EIR] method. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

B Borrowing costs that are directly attributable to the acquisition/ construction of a qualifying asset are capitalised as part of the cost of such assets, up to the date the assets are ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

13 Impairment of Non Financial Assets:

The Property, Plant and Equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

amount may not be recoverable. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or Groups of assets [cash generating units]. Non-financial assets other than goodwill that suffered an impairment loss are reviewed for possible reversal of impairment at the end of each reporting period. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

14 Inventories:

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

A Raw Materials, Stores & Spare Parts, Packing Materials, Finished Goods, Stock-in-Trade and Works-in-Progress are valued at lower of cost and net realisable value.

B Cost [Net of Input tax credit availed] of Raw Materials, Stores & Spare Parts, Packing Materials, Finished Goods, Stock-in-Trade and Work-in-Progress is determined on Moving Average Method.

C Costs of Finished Goods and Works-in-Progress are determined by taking material cost [Net of Input tax credit availed], labour and relevant appropriate overheads based on the normal operating capacity, but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Write down of inventories to net realisable value is recognised as an expenses and included in "Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade" and "Cost of Material Consumed" in the relevant note in the Statement of Profit and Loss.

15 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks.

16 Provisions, Contingent Liabilities and Contingent Assets:

A Provisions are recognised when the Group has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised but are disclosed separately in financial statements.

B If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

17 Provision for Product Expiry Claims:

Provisions for product expiry related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of product expiry claim related costs is revised annually.

18 Employee Benefits:

A Short term obligations:

Liabilities for wages and salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

B Long term employee benefits obligations:

a Leave Wages and Sick Leave:

The liabilities for earned leave and sick leave are not expected to be settled wholly within

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 months period after the end of the period in which the employees render the related service. They are therefore, measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, as determined by actuarial valuation, performed by an independent actuary. The benefits are discounted using the market yields at the end of reporting period that have the terms approximating to the terms of the related obligation. Gains and losses through re-measurements are recognised in statement of profit and loss.

b Defined Benefit Plans:

Gratuity:

The Group operates a defined benefit gratuity plan with contributions to be made to a separately administered fund through Life Insurance Corporation of India through Employees Group Gratuity Plan. The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at the end of the reporting period using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discounting rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit and Loss.

Re-measurements gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "Other Comprehensive Income" and are included in retained earnings in the Statement of Changes in Equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

i Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and

ii Net interest expense or income.

Group administered Provident Fund:

In case of a specified class of employees, who are eligible to receive benefits of Group administered provident funds, such contributions are deposited to Employee's Provident Fund Trust. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. Contributions to such provident fund are recognised as employee benefits expenses when they are due in the statement of profit and loss.

c Defined Contribution Plans - Provident Fund Contribution:

Specified class of employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the entities make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The Group have no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employees benefit expenses when they are due in the statement of profit and loss.

C Employee Separation Costs:

The compensation paid to the employees under Voluntary Retirement Scheme is expensed in the year of payment.

19 Dividends :

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by the Parent's Board of Directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A Financial assets:

a Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognised on the settlement date, i.e., the date that the Group settles to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

b Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified into four categories as follows:

i Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate [EIR] method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of profit and loss.

ii Debt instruments at fair value through other comprehensive income [FVTOCI]:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objectives of both collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii Debt instruments and derivatives at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv Equity instruments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income . The Group has made such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c Derecognition:

A financial asset [or, where applicable, a part of a financial asset] is primarily derecognised [i.e. removed from the Group's balance sheet] when:

i The rights to receive cash flows from the asset have expired, or

ii The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either [a] the Group has transferred substantially all the risks and rewards of the asset, or [b] the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. When the Group has transferred the risk and rewards of ownership of the financial asset, the same is derecognised.

d Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss [ECL] model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables or any contractual right to receive cash or another financial asset. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it requires the Group to recognise the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

ECL impairment loss allowance [or reversal] is recognized as expense/ income in the Statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance , i.e., as an integral part of the measurement of those assets in the balance sheet, which reduces the net carrying amount. Until the asset meets

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics.

B Financial liabilities:

a Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b Subsequent measurement:

Subsequently all financial liabilities are measured at amortised cost, using EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

c Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

d Embedded derivatives:

An embedded derivative is a component of a hybrid [combined] instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

C Reclassification of financial assets:

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model as per Ind AS 109.

D Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

21 Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a In the principal market for the asset or liability, or

b In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

b Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation [based on the lowest level input that is significant to the fair value measurement as a whole] at the end of each reporting period.

22 Leases:

As a lessee:

For any new contracts entered into, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset [the underlying asset] for a period of time in exchange for consideration'.

Measurement and recognition of leases as a lessee:

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date [net of any incentives received].

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments [including in substance fixed], variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to the in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement of Profit and Loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment.

As a lessor:

As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

23 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

25 Assets held for sale

Assets and liabilities of disposal groups held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less cost to sell includes use of management estimates and assumptions. The fair value of the disposal groups is estimated using valuation techniques [including income and market approach] which includes unobservable inputs.

B Recent Accounting Pronouncements:

The Ministry of Corporate Affairs [MCA] notifies new standards or amendments to the existing standards under Companies [Indian Accounting Standards] Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified amendments to Ind AS 116 – Leases relating to sale and lease back transactions, applicable from April 1, 2024. The Group has reviewed the new amendments and based on evaluation there is no significant impact on its financial statements.

On May 7, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable.

The amendments are effective for the year beginning from April 1, 2025. The Group has reviewed the new amendments and based on evaluation there is no significant impact on its financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 3 - PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS:

[A] Property, plant and equipment:

₹ in Million

Particulars	Freehold Land	Leasehold Land [*]	Buildings [*]	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block:								
As at March 31, 2023	**624**	**162**	**1,422**	**2,439**	**75**	**51**	**52**	**4,825**
Additions	-	-	142	155	9	18	6	330
Disposals	-	-	-	(10)	-	(4)	-	(14)
Asset held for sale [**]	-	(104)	(426)	-	-	-	-	(530)
As at March 31, 2024	**624**	**58**	**1,138**	**2,584**	**84**	**65**	**58**	**4,611**
Additions	-	-	136	137	2	20	3	298
Disposals	-	-	-	(74)	(5)	(13)	-	(92)
Acquired through business combination [***]	-	-	-	4	2	-	-	6
Reclassified from Asset held for sale [**]	-	104	426	-	-	-	-	530
As at March 31, 2025	**624**	**162**	**1,700**	**2,651**	**83**	**72**	**61**	**5,353**
Depreciation and Impairment:								
As at March 31, 2023	**-**	**16**	**359**	**1,640**	**51**	**25**	**30**	**2,121**
Depreciation for the year	-	2	59	129	5	5	7	207
Disposals	-	-	-	(10)	0	(1)	-	(11)
Asset held for sale [**]	-	(10)	(163)	-	-	-	-	(173)
As at March 31, 2024	**-**	**8**	**255**	**1,759**	**56**	**29**	**37**	**2,144**
Depreciation for the year	-	2	63	129	4	6	7	211
Disposals	-	-	-	(68)	(4)	(7)	-	(79)
Reclassified from Asset held for sale [**]	-	10	163	-	-	-	-	173
As at March 31, 2025	**-**	**20**	**481**	**1,820**	**56**	**28**	**44**	**2,449**
Net Block:								
As at March 31, 2024	**624**	**50**	**883**	**825**	**28**	**36**	**21**	**2,467**
As at March 31, 2025	**624**	**142**	**1,219**	**831**	**27**	**44**	**17**	**2,904**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 3 - PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS: (Contd...)

[B] Intangible assets:

₹ in Million

Particulars	Goodwill	Other intangible assets				
		Brand/ Trade Mark	Softwares	Commercial Rights	Technical Know-how [#]	Total
Gross Block:						
As at March 31, 2023	**39,200**	**5,388**	**193**	**1**	**0**	**5,582**
Additions	-	-	19	-	-	19
Disposals	-	-	(75)	-	-	(75)
As at March 31, 2024	**39,200**	**5,388**	**137**	**1**	**0**	**5,526**
Additions	-	-	3	-	-	3
Acquired through business combination [***]	905	2,902	-	-	-	2,902
Disposals	-	-	-	-	-	-
As at March 31, 2025	**40,105**	**8,290**	**140**	**1**	**0**	**8,431**
Amortisation and Impairment:						
As at March 31, 2023	**-**	**1**	**160**	**1**	**0**	**162**
Amortisation for the year	-	-	31	-	-	31
Disposals	-	-	(75)	-	-	(75)
As at March 31, 2024	**-**	**1**	**116**	**1**	**0**	**118**
Amortisation for the year	-	65	8	-	-	73
As at March 31, 2025	**-**	**66**	**124**	**1**	**0**	**191**
Net Block:						
As at March 31, 2024	**39,200**	**5,387**	**21**	**-**	**-**	**5,408**
As at March 31, 2025	**40,105**	**8,224**	**16**	**-**	**-**	**8,240**

Goodwill:

1 Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units [CGUs] those are expected to get benefit from that business combination. The carrying amount of goodwill has been allocated to Consumer Health & Wellness.

2 The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The value-in-use is determined based on specific calculations. These calculations use pre-tax cash flow projections for a CGU/ groups of CGU over a period of five years. An average of the range of key assumptions used is mentioned below. As of March 31, 2025 and March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount. The carrying amount of the CGU was computed by allocating the net assets to operating segments for the purpose of impairment testing. The key assumptions used for the calculations are as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Long Term Growth Rate	6.00%	6.00%
Discount Rate	11.50%	10.50%

The above discounted rate is based on the Weighted Average Cost of Capital [WACC]. These estimates are likely to differ from future actual results of operations and cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 3 - PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS: (Contd...)

[C] Ageing of Capital work-in-progress (CWIP):

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Projects in progress:		
Less than 1 year	133	95
1 - 2 years	18	2
Total Capital work-in-progress	**151**	**97**

There are no overdue or temporary suspended projects.

Project execution plans are modulated on the basis of capacity requirement assessment annually and all the projects are executed based on rolling annual plan.

Notes:

1 Legal titles of the immovable properties are in the name of the Group [excluding lease assets].

[*] Includes right of use assets, Refer Note 45 for detailed breakup.

[**] Refer Note 16

[***] Refer Note 43

[#] Gross block and amortisation amount of Technical know-how is ₹ 200,000.

NOTE: 4 - INVESTMENTS [NON-CURRENT]:

₹ in Million

Particulars	Face Value [*]	Nos. [**]	As at March 31, 2025	As at March 31, 2024
Investments - Others				
Investments in equity instruments			1	1
Investments in debentures			6	6
Total			**7**	**7**
A Details of Investments - Others				
Investments in equity instruments [valued at fair value through OCI]:				
Others [Unquoted]:				
In fully paid-up equity shares of:				
AMP Energy Green Thirteen Private Limited	10	72,000	1	1
Investments in Compulsorily Convertible Debentures [valued at amortised cost]: Debentures:				
Others [Unquoted]:				
AMP Energy Green Thirteen Private Limited	1,000	6,480	6	6
Total			**7**	**7**
B Aggregate book value of unquoted investment			7	7
C Explanations:				
a In "Face Value [*]", figures in Indian ₹, unless stated otherwise.				
b In "Nos. [**]" figures of previous year are same unless stated in [ ].				

NOTE: 5 - OTHER FINANCIAL ASSETS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Security deposits	46	38
Total	**46**	**38**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 6 - DEFERRED TAX ASSETS [NET]:

A. Break up of deferred tax liabilities and assets into major components of the respective balances are as under:

₹ in Million

Particulars	As at March 31, 2023	Impact for the pervious year	As at March 31, 2024	Impact for the current year	As at March 31, 2025
Deferred tax liabilities:					
Depreciation	137	29	166	54	220
	137	**29**	**166**	**54**	**220**
Deferred tax assets:					
Employee benefits/ Payable to statutory authorities	21	29	50	2	52
Unabsorbed business loss and depreciation	461	(108)	353	(101)	252
Provision for Expiry and Breakages	73	-	73	37	110
Disallowance under section 40(a)(ia) of Income tax Act	20	(14)	6	-	6
Others	4	4	8	-	8
	579	**(89)**	**490**	**(62)**	**428**
Minimum alternative tax credit entitlement	**1,051**	**188**	**1,239**	**-**	**1,239**
Net deferred tax assets	**1,493**	**70**	**1,563**	**(116)**	**1,447**

B. The Net deferred tax expense of ₹ 116 Million [Net deferred tax expense reversal of ₹ 70 Million as at March 31, 2024] for the year has been debited/ [credited] in the Statement of Profit and Loss.

C. Deferred tax expense for the year ended March 31, 2025, includes recognition of Minimum Alternate Tax (MAT) credit entitlement amounting to ₹ Nil [March 31, 2024: ₹ 188 Million].

D. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

E. The Group has tax losses which arose in India of ₹ 1,001 Million [March 31, 2024: ₹ 4,463 Million] which are available for offset for eight years against future taxable profits of the company in which the losses arose. These losses will expire in March 2029.

In India, unabsorbed depreciation is allowed to be set-off for indefinite period. MAT Credit not recognised as at March 31, 2025 is ₹ 354 Million [March 31,2024: ₹ 354 Million]. Such MAT credit has not been recognised and included as a component of deferred tax asset in the balance sheet, as, on the basis of the assessment made by the management of the respective Company's profitability and operational plans in the foreseeable future, the management is of the view that presently, there is no convincing evidence that the respective Company would be liable to pay income tax under the normal provisions of the Income-tax Act for the periods up to which the Group is eligible to utilise the unused MAT credit.

Further, notwithstanding the foregoing, the respective Company can elect to exercise the option permitted u/s 115BAA of the Income- tax Act, 1961 consequent to which the entire MAT credit would no longer be allowed for utilisation.

NOTE: 7 - OTHER NON-CURRENT ASSETS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Capital advances	309	8
Balances with statutory authorities	105	103
Total	**414**	**111**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 8 - ASSETS FOR TAX [NET]:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of tax [Net of provision for taxation]	63	93
Total	**63**	**93**

NOTE: 9- INVENTORIES:

[The Inventory is valued at lower of cost and net realisable value]

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Classification of Inventories:		
Raw Materials	673	704
Work-in-progress	1,673	1,527
Finished Goods	2,216	1,851
Stock-in-Trade	210	171
Store and Spares	102	131
Packing Materials	301	292
Total	**5,175**	**4,676**
The above includes Goods in transit as under:		
Raw Materials	11	80
Amount recognised as an expense in statement of profit and loss resulting from write-down of inventories:		
- Net of reversal of write down.	209	106

NOTE: 10 - INVESTMENTS [CURRENT]:

₹ in Million

Particulars	Nos. [*]	As at March 31, 2025	As at March 31, 2024
Investment in Mutual Funds [Quoted] [Valued at fair value through profit or loss]			
ICICI prudential Overnight Fund DP Growth	1,09,096.856 [5,95,818.948]	291	769
ICICI prudential Liquid Fund DP Growth	5,38,485.279 [0]	66	-
Total		**357**	**769**
A. Aggregate amount of quoted investments and market value thereof		357	769
[*] In "Nos." figures of previous year are stated in [ ]			

NOTE: 11 - TRADE RECEIVABLES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - Considered good	3,670	2,833
Unsecured - Credit impaired	23	23
	3,693	**2,856**
Less: Allowances for credit losses	(23)	(23)
Total	**3,670**	**2,833**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 11 - TRADE RECEIVABLES: (Contd...)

Ageing of Trade receivables :

[A] **As at March 31, 2025**

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed – considered good	2,946	659	54	10	-	-	3,669
Undisputed – have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed – credit impaired	-	-	5	5	1	-	11
Disputed – considered good	-	-	-	-	1	-	1
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	5	2	5	12
Total	**2,946**	**659**	**59**	**20**	**4**	**5**	**3,693**
Less: Allowances for credit losses							(23)
Trade Receivables							**3,670**

[B] **As at March 31, 2024**

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed – considered good	2,296	490	47	-	-	-	2,833
Undisputed – have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed – credit impaired	-	-	5	8	1	4	18
Disputed – considered good	-	-	-	-	-	-	-
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	1	4	5
Total	**2,296**	**490**	**52**	**8**	**2**	**8**	**2,856**
Less: Allowances for credit losses							(23)
Trade Receivables							**2,833**

NOTE: 12 [A] - CASH AND CASH EQUIVALENTS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks	666	798
Cash on hand	1	2
Total	**667**	**800**

NOTE: 12 [B] - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Earmarked balances with bank for unclaimed dividend accounts	4	4
Fixed deposits	68	1,591
Total	**72**	**1,595**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 13 - LOANS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Loans to others	13	16
Total	**13**	**16**

NOTE: 14 - OTHER CURRENT FINANCIAL ASSETS:

₹ in Million

	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Other receivables	198	312
Total	**198**	**312**

NOTE: 15 - OTHER CURRENT ASSETS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, Considered Good unless otherwise stated]		
Advances to suppliers	72	84
Prepaid expenses	31	33
Balances with statutory authorities	787	1,025
Total	**890**	**1,142**

NOTE: 16 - ASSET CLASSIFIED AS HELD FOR SALE:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Leasehold land [*]	-	94
Buildings [*]	-	263
Total	-	**357**

[*] Considering the long term objective, the entity's management has decided in last quarter of the current financial year to reclassify assets located at Sitarganj in Uttarakhand from Asset Held for Sale to Property Plant and equipment, refer note 3 [A].

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 17 - EQUITY SHARE CAPITAL:

Particulars		As at March 31, 2025	As at March 31, 2024
Authorised:			
100,000,000 [as at March 31, 2024: 100,000,000] Equity shares of ₹ 10 each	₹ in Million	1,000	1,000
		1,000	**1,000**
Issued, subscribed and fully paid-up:			
63,632,144 [as at March 31, 2024: 63,632,144] Equity shares of ₹ 10 each	₹ in Million	636	636
Total		**636**	**636**
A. The reconciliation in number of Equity shares is as under:			
Number of shares at the beginning and end of the year		6,36,32,144	6,36,32,144
B. The Parent has issued only one class of equity shares having a face value of ₹ 10 each per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Parent Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts and all liabilities.			
C. Details of Shareholders holding more than 5% of total equity shares of the Company			
Zydus Lifesciences Limited			
Number of Shares		3,66,47,509	3,66,47,509
% to total share holding		57.59%	57.59%
Zydus Family Trust			
Number of Shares		76,45,159	76,45,159
% to total share holding		12.01%	12.01%
Threpsi Care LLP (True North)			
Number of Shares		46,27,111	64,40,216
% to total share holding		7.27%	10.12%
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund			
Number of Shares		38,83,990	22,21,106
% to total share holding		6.10%	3.49%
D. Number of shares held by Holding Company			
Zydus Lifesciences Limited		3,66,47,509	3,66,47,509

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 17 - EQUITY SHARE CAPITAL: (Contd...)

E. Details of Equity Shares held by promoters/ promoter group.

As at March 31, 2025

Sr. No.	Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
1	Zydus Lifesciences Limited	3,66,47,509	57.59%	0.00%
2	Zydus Family Trust	76,45,159	12.01%	0.00%
3	Mr. Pankaj R. Patel	1,599	0.00%	0.00%
4	Pankaj R. Patel HUF	1,066	0.00%	0.00%
5	Pripan Investment Private Limited	640	0.00%	0.00%
6	Taraben Patel Family Will Trust	533	0.00%	0.00%
7	Mrs. Pritiben P. Patel	533	0.00%	0.00%
8	Dr. Sharvil P. Patel	533	0.00%	0.00%
9	Mrs. Shivani P. Patel	533	0.00%	0.00%
10	Mrs. Jasodaben Babubhai Patel	7,450	0.01%	0.00%
11	Mrs. Arati Rajiv Mehta jointly with Mr. Rajiv Vastupal Mehta	2,746	0.00%	0.00%
12	Mrs. Ritaben Yatinbhai Desai	1,200	0.00%	0.00%
13	Ms. Ayushi Rajiv Mehta jointly with Mrs. Arati Rajiv Mehta	640	0.00%	0.00%

As at March 31, 2024

Sr. No.	Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
1	Zydus Lifesciences Limited	3,66,47,509	57.59%	0.00%
2	Zydus Family Trust	76,45,159	12.01%	3.17%
3	Mr. Pankaj R. Patel	1,599	0.00%	0.00%
4	Pankaj R. Patel HUF	1,066	0.00%	0.00%
5	Pripan Investment Private Limited	640	0.00%	0.00%
6	Taraben Patel Family Will Trust	533	0.00%	0.00%
7	Mrs. Pritiben P. Patel	533	0.00%	0.00%
8	Dr. Sharvil P. Patel	533	0.00%	0.00%
9	Mrs. Shivani P. Patel	533	0.00%	0.00%
10	Mrs. Jasodaben Babubhai Patel	7,450	0.01%	0.00%
11	Mrs. Arati Rajiv Mehta jointly with Mr. Rajiv Vastupal Mehta	2,746	0.00%	0.00%
12	Mrs. Ritaben Yatinbhai Desai	1,200	0.00%	0.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 18 - OTHER EQUITY:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium: [*]		
Balance as per last Balance Sheet	35,370	35,370
General Reserve: [**]		
Balance as per last Balance Sheet	450	450
Foreign Currency Translation Reserve:		
Balance as per last Balance Sheet	2	4
Less: Debited during the year	(5)	(2)
Balance as at the end of the year	**(3)**	**2**
Retained Earnings:		
Balance as per last Balance Sheet	17,117	14,766
Add: Profit for the year	3,469	2,669
Less: Other Comprehensive Loss for the year		
Re-measurement losses on defined benefit plans [net of tax]	(5)	-
	20,581	**17,435**
Less: Dividends	(318)	(318)
	(318)	**(318)**
Balance as at the end of the year	**20,263**	**17,117**
Total	**56,080**	**52,939**

[*] Securities premium is created due to premium on issue of shares. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

[**] General Reserve can be used for the purposes and as per guidelines prescribed in the Companies Act, 2013.

NOTE: 19 - OTHER FINANCIAL LIABILITIES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Others deposits	18	17
Total	**18**	**17**

NOTE: 20 - PROVISIONS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits	212	159
Total	**212**	**159**

Defined benefit plan and long term employment benefit

A General description:

Leave wages [Long term employment benefit]:

The leave encashment scheme is administered through Life Insurance Corporation of India's Employees' Group Leave Encashment cum Life Assurance [Cash Accumulation] Scheme. The employees of the Group are entitled to leave as per the leave policy of the Group. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 20 - PROVISIONS: (Contd...)

Gratuity [Defined benefit plan]:

The Group has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary increment risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

₹ in Million

	Particulars	March 31, 2025			March 31, 2024		
		Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
B	**Change in the present value of the defined benefit obligation:**						
	Opening obligation	44	157	252	35	141	227
	Acquired through business combination	-	4	11	-	-	-
	Interest cost	3	11	17	2	10	15
	Current service cost	8	42	29	7	27	25
	Benefits paid	(12)	(36)	(30)	(10)	(31)	(21)
	Actuarial [gains]/ losses on obligation						
	Experience adjustments	7	7	(3)	10	9	3
	Change in financial assumptions	1	5	9	-	2	3
	Translation difference	-	-	-	-	(1)	-
	Closing obligation	**51**	**190**	**285**	**44**	**157**	**252**
C	**Change in the fair value of plan assets:**						
	Opening fair value of plan assets	-	25	213	-	24	201
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	6
	Expected return on plan assets	-	1	15	-	1	14
	Contributions by employer	-	-	12	-	-	13
	Benefits paid	-	-	(30)	-	-	(21)
	Closing fair value of plan assets	**-**	**26**	**210**	**-**	**25**	**213**
	Total actuarial losses to be recognised	**8**	**12**	**6**	**10**	**11**	**6**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 20 - PROVISIONS: (Contd...)

₹ in Million

	Particulars	March 31, 2025			March 31, 2024		
		Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
D	**Actual return on plan assets:**						
	Expected return on plan assets	-	1	15	-	1	14
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	6
	Total actual return on plan assets	**-**	**1**	**15**	**-**	**1**	**20**
E	**Amount recognised in the Balance Sheet:**						
	Liabilities at the end of the year	51	190	285	44	157	252
	Fair value of plan assets at the end of the year	-	(26)	(210)	-	(25)	(213)
	Liabilities recognised in the Balance Sheet [*]	**51**	**164**	**75**	**44**	**132**	**39**
F	**Expenses/ [Incomes] recognised in the Statement of Profit and Loss:**						
	Current service cost	8	42	29	7	27	25
	Interest cost on benefit obligation	3	11	17	2	10	15
	Expected return on plan assets	-	(1)	(15)	-	(1)	(14)
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	-
	Net actuarial losses in the year	8	12	-	10	11	-
	Amount included in "Employee Benefits Expense"	**19**	**64**	**31**	**19**	**47**	**26**
	Return on plan assets excluding amounts included in interest income	-	-	-	-	-	(6)
	Net actuarial losses in the year	-	-	6	-	-	6
	Amounts recognized in Other Comprehensive income [OCI]	**-**	**-**	**6**	**-**	**-**	**-**
G	**Movement in net liabilities recognised in Balance sheet:**						
	Opening net liabilities	44	132	39	35	117	26
	Acquired through business combination	-	4	11	-	-	-
	Expenses as above [Profit & Loss Charge]	19	64	31	19	47	26
	Amount recognised in OCI	-	-	6	-	-	-
	Contribution to plan assets	-	-	(12)	-	-	(13)
	Benefits Paid	(12)	(36)	-	(10)	(31)	-
	Translation difference	-	-	-	-	(1)	-
	Liabilities recognised in the Balance Sheet [*]	**51**	**164**	**75**	**44**	**132**	**39**
H	**Principal actuarial assumptions for defined benefit plan and long term employment benefit plan:**						
	Discount rate	6.65%	6.65% - 12.10%	6.65% - 12.10%	7.20%	7.20% - 12.50%	7.20% - 12.50%
	[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post employment benefit obligations.]						
	Annual increase in salary cost	7% - 9%			9%		
	'[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market]						
	Withdrawal rates [p.a.]	40% at younger ages reducing to 1% at older ages			40% at younger ages reducing to 1% at older ages		
	'[The estimates of level of attrition is based on broad economic outlook, type of sector the Group operates in and measures taken by the management to retain/ relieve the employees]						
I	**The categories of plan assets as a % of total plan assets are:**						
	Insurance plan	0%	100%	100%	0%	100%	100%

The expected contributions for Defined Benefit Plan for the next financial year will be ₹ 37 Million [Previous year: ₹ 23 Million].

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 5.60 to 12.70 years [as at March 31, 2024: 5.25 to 7.54 years].

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 20 - PROVISIONS: (Contd...)

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption is shown below: ₹ in Million

Assumptions	Medical Leave		Leave Wages		Gratuity	
	As at March 31					
	2025	2024	2025	2024	2025	2024
Impact on obligation:						
Discount rate increase by 0.5%	(1)	(2)	(7)	(7)	(8)	(8)
Discount rate decrease by 0.5%	2	2	8	6	11	8
Annual salary cost increase by 0.5%	0	0	7	6	8	5
Annual salary cost decrease by 0.5%	(1)	(0)	(7)	(7)	(5)	(6)
Withdrawal rate increase by 10%	(0)	(1)	(3)	(4)	(2)	(1)
Withdrawal rate decrease by 10%	2	1	3	3	3	1

The following payments are expected contributions to the defined benefit plan in future years: ₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Within the next 12 months [next annual reporting period]	90	86
Between 2 and 5 years	229	221
Between 6 and 10 years	205	175
Total expected payments	**524**	**482**

[*] **Liabilities recognised in the Balance Sheet**

in Million

	As at March 31, 2025	As at March 31, 2024
Non-current	212	159
Current [Refer Note 26]	78	56

NOTE: 21 - OTHER NON-CURRENT LIABILITIES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred revenue government grants	4	7
Total	**4**	**7**

NOTE: 22 - BORROWINGS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand:		
Working Capital Loans from Banks [Unsecured] [*]	1,500	1,500
Loans from related parties [Unsecured] [**]	350	1,740
Total	**1,850**	**3,240**
[*] The loans are repayable within a period of 1 year along with applicable of interest.		
[**] **Terms of repayment of Unsecured Borrowing:**		
The loans from fellow subsidiary company are repayable within the period of one year along with applicable of interest.		
Name of the party and relationship with the party from whom received:		
Fellow Subsidiary Company:		
a. Zydus Healthcare Limited	350	1,740
Total	**350**	**1,740**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 23 -TRADE PAYABLES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Dues to Micro and Small Enterprises	493	316
Dues to other than Micro and Small Enterprises	3,795	3,313
Total	**4,288**	**3,629**

Ageing of Trade payables :

[A] As at March 31, 2025

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Micro and Small Enterprises [MSME]	458	35	-	-	-	493
Undisputed Others	2,965	801	19	5	5	3,795
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	**3,423**	**836**	**19**	**5**	**5**	**4,288**

[B] As at March 31, 2024

₹ in Million

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Micro and Small Enterprises [MSME]	315	1	-	-	-	316
Undisputed Others	2,460	831	17	2	3	3,313
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	**2,775**	**832**	**17**	**2**	**3**	**3,629**

NOTE: 24 - OTHER FINANCIAL LIABILITIES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	8	29
Payable to employees	133	129
Unpaid dividends [*]	4	4
Financial liabilities related to contingent consideration [Refer Note 43]	210	-
Total	**355**	**162**

[*] There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

NOTE: 25 - OTHER CURRENT LIABILITIES:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Payable to statutory authorities	411	285
Deferred revenue government grants	4	4
Advances from customers	82	72
Total	**497**	**361**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 26 - PROVISIONS:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits [*]	78	56
Provision for claims for product expiry and return of goods [**]	368	231
Total	**446**	**287**
[*] Refer note 20.		
[**] Provision for claims for product expiry and return of goods:		
a. Provision for product expiry claims in respect of products sold during the year is made based on the management's estimates considering the estimated stock lying with retailer. The Group does not expect such claims to be reimbursed by any other party in future.		
b. The movement in such provision is stated as under:		
Opening balance at the beginning of the financial year	231	231
Addition through business combination	16	-
Additional provision (net of utilisation) made during the year	121	-
Closing balance at the end of the financial year	**368**	**231**

NOTE: 27 - CONTINGENT LIABILITIES AND COMMITMENTS [TO THE EXTENT NOT PROVIDED FOR]:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
A Contingent Liabilities:		
a Other money for which the Group is contingently liable: [*]		
i In respect of Sales Tax, GST and VAT matters pending before appellate authorities/ court which the group expects to succeed, based on decisions of Tribunals/ Courts	1,044	975
- Net of advance of	175	138
ii In respect of the demands raised by the Central Excise, State Excise & Service Tax Authority	128	128
- Net of advance of	12	12
iii In respect of Income Tax matters pending before appellate authorities which the group expects to succeed, based on decisions of Tribunals/ Courts	1,764	1,764
- Net of advance of	183	183
iv In respect of Stamp Duty and other matters	203	203
- Net of advance of	4	4
[*] The Group has signed tax indemnity with erstwhile seller shareholder of acquired Heinz India Private Limited that purchasing buyer shall have the rights to make a tax indemnity claim to extent of the loss suffered by the Company for the period prior to acquisition. Of the above ₹ 2,783 Million (Net of advance of ₹ 339 Million) and ₹ 2,734 Million (Net of advance of ₹ 310 Million) as at March 31, 2025 and March 31, 2024, respectively, is covered under agreed tax indemnity clause and reimbursable from erstwhile shareholder of the Heinz India Private Limited on the amount being crystalized.		
B Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	920	59
- Net of advance of	309	8

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 28 - PROPOSED DIVIDEND:

The Board of Directors of the Parent, at their meeting held on May 19, 2025, recommended the final dividend of ₹ 6 per equity share of ₹ 10/- each. The recommended dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

NOTE: 29 - REVENUE FROM OPERATIONS:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	26,912	23,152
Other operating revenues:	177	126
Total	**27,089**	**23,278**
Pursuant to Ind AS 115 "Revenue from Contracts with Customers" reconciliation of revenue recognised in the statement of profit and loss with the contracted price is under:		
Revenue as per contracted price, net of returns	29,179	24,792
Less:		
Provision for claims for product expiry and return of goods [net]	121	-
Discounts/ Price Reduction/ Rebates/ Other adjustments	2,146	1,640
	2,267	**1,640**
Revenue from contract with customers	**26,912**	**23,152**

NOTE: 30 - OTHER INCOME:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Finance income:		
Interest income on financial assets measured at amortised cost	31	110
Net gain on sale of investments	98	21
Gain on investments mandatorily measured at fair value through statement of profit and loss	-	4
Other non-operating income	7	4
Total	**136**	**139**

NOTE: 31 - CHANGES IN INVENTORIES:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Stock at commencement:		
Work-in-progress	1,527	1,149
Finished Goods	1,851	2,154
Stock-in-Trade	171	151
	3,549	**3,454**
Add: Acquired through business combination		
Finished goods	46	-
Less: Stock at close:		
Work-in-progress	1,673	1,527
Finished Goods	2,216	1,851
Stock-in-Trade	210	171
	4,099	**3,549**
Total	**(504)**	**(95)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 32 - EMPLOYEE BENEFITS EXPENSE:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	2,197	1,766
Contribution to provident and other funds	79	94
Defined benefit plan expenses	31	26
Staff welfare expenses	65	48
Total	**2,372**	**1,934**
Above expenses include:		
Research related expenses:		
Salaries and wages	98	55
Contribution to provident and other funds	5	4
Staff welfare expenses	2	1
Total	**105**	**60**

NOTE: 33 - FINANCE COST:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense [*]	116	237
Bank commission and charges	4	3
Total	**120**	**240**
[*] Interest expenses includes:		
On term loans	-	1
On working capital loans	110	229
On lease liabilities	5	6
On others	1	1
Total	**116**	**237**

NOTE: 34 - OTHER EXPENSES:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	94	77
Power and fuel	359	415
Labour charges	459	396
Rent	100	90
Repairs to buildings	19	12
Repairs to plant and machinery	58	49
Repairs to others	98	94
Insurance	71	76
Rates and taxes [excluding taxes on income]	126	97
Traveling expenses	179	134
Legal and professional fees	437	299
Commission on sales	278	234
Freight and forwarding on sales	994	849
Advertisement and sales promotions	3,543	2,988

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 34 - OTHER EXPENSES: (Contd...)

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Representative allowances	121	125
Other marketing expenses	878	679
Directors' fees	6	6
Commission to independent directors	4	2
Allowances of credit losses		
Trade receivables written off	8	3
Expected credit loss	3	7
	11	10
Less: Transferred from expected credit loss	(8)	-
	3	10
Net loss on investments in subsidiary under liquidation	1	-
Net Loss on disposal of Property, plant and equipment [Net of gain of ₹ 1 {Previous Year: ₹ 0.1} Million]	3	-
Miscellaneous expenses	307	247
Total	**8,138**	**6,879**
Above expenses include Research related expenses as follows:		
Consumption of Stores and spare parts	1	1
Miscellaneous expenses	24	20
Total	**25**	**21**

NOTE: 35 - EXCEPTIONAL ITEMS:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Exceptional items comprise:		
A. As a part of manufacturing and supply chain network optimisation and to make manufacturing operations leaner and agile to the consumer needs, the Group had conducted a strategic review of its manufacturing footprint. In view of the same, the Board of Directors of Zydus Wellness Products Limited (ZWPL), a wholly owned subsidiary company of the Group, at their meeting held on June 17, 2022, passed a resolution to cease the operations of Sitarganj manufacturing facility. The expenses incurred so far in connection with the cessation of Sitarganj facility have been classified as Exceptional items.	-	177
B. ZWPL has sold its assets located at Rabale, Mumbai which were classified as "Assets held for sale" from Property, Plant and Equipment in the previous financial year (as per Ind AS 105), the corresponding gain have been recognized as Exceptional items.	-	(35)
C. ZWPL has sold "Equals Two" brand including its trademark to Zydus Lifesciences Limited ("The Parent Company") and recorded the profit as an Exceptional items.	(59)	-
Total	**(59)**	**142**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 36 - TAX EXPENSE:

The major components of income tax expense are:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Statement of profit and loss:		
Profit or loss section:		
Current income tax:		
Current income tax charge	2	6
Adjustments in respect of current income tax of previous year	-	(4)
	2	**2**
Deferred tax:		
Deferred tax relating to origination and reversal of temporary differences	117	(70)
Total reported in profit or loss	**119**	**(68)**
OCI Section:		
Tax related to items recognised in OCI during the year:		
Net loss on remeasurements of defined benefit plans	(1)	-
Tax charged to OCI	**(1)**	**-**
Current tax	2	2
Deferred tax	116	(70)
Total reported in the Statement of Profit and Loss	**118**	**(68)**
B. Reconciliation of tax expense and accounting profit/ loss multiplied by India's domestic tax rate:		
Profit before tax:	3,588	2,601
Enacted Tax Rate in India (%)	25.17%	25.17%
Expected Tax Expenses	903	655
Adjustments for:		
Effect of Non-taxable Income	(1)	(8)
Effect of Special tax deductions	(35)	-
Effect of differences in tax rate in standalone and consolidated	(3)	(34)
Effect of unrecognised deferred tax assets/ liabilities	(761)	(673)
Effect of other non-deductible expenses	5	(3)
Others [including prior period tax adjustments]	10	(5)
Tax expense as per Profit or loss	**118**	**(68)**

NOTE: 37 - CALCULATION OF EARNINGS PER EQUITY SHARE [EPS]:

₹ in Million

Particulars			Year ended March 31, 2025	Year ended March 31, 2024
The numerators and denominators used to calculate the basic and diluted EPS are as follows:				
i	Profit attributable to Shareholders	₹- in Million	3,469	2,669
ii	Basic and weighted average number of Equity Shares outstanding during the period	Numbers	6,36,32,144	6,36,32,144
iii	Nominal value of equity share	₹	10	10
iv	Basic & diluted Earnings per equity share items [EPS]	₹	54.52	41.94

NOTE: 38 - SEGMENT INFORMATION:

The Chief Operating Decision Maker [CODM] reviews the Group as a single "Consumer" segment. The Group operates in one segment only, namely "Consumer Products." The Group also exports its products to other countries. However the value being below threshold limit as prescribed under Ind AS provisions of "Segment Reporting", the reporting is not required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 39 - RELATED PARTY TRANSACTIONS:

A Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place:

a	**Entity having control over Holding Company :** Zydus Family Trust	
b	**Holding Company:** Zydus Lifesciences Limited	
c	**Fellow Subsidiaries/ Concerns:**	
	Zydus Healthcare Limited	Zydus Lifesciences Global FZE [UAE] [w.e.f. February 20, 2024]
	German Remedies Pharmaceuticals Private Limited	Zydus Healthcare (USA) LLC [USA]
	Zydus Animal Health and Investments Limited	Sentynl Therapeutics Inc. [USA]
	Dialforhealth Unity Limited	Zydus Noveltech Inc. [USA] [dissolved on December 15, 2023]
	Dialforhealth Greencross Limited	Hercon Pharmaceuticals LLC [USA] [dissolved on May 24, 2023]
	Violio Healthcare Limited	Viona Pharmaceuticals Inc. [USA]
	Zydus Pharmaceuticals Limited	Zydus Therapeutics Inc. [ZTI] [USA]
	Biochem Pharmaceutical Private Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
	Zydus Strategic Investments Limited	Alidac Pharmaceuticals SA Pty. Ltd. [South Africa]
	Zydus VTEC Limited	Script Management Services (Pty) Ltd [South Africa]
	Zydus Medtech Private Limited [w.e.f. May 31, 2024]	Zydus France, SAS [France]
	Zydus Foundation [*]	Laboratorios Combix S.L. [Spain]
	M/s Recon Pharmaceuticals and Investments, a Partnership Firm	Etna Biotech S.R.L. [Italy]
	LM Manufacturing India Private Limited [w.e.f. November 6, 2023]	Zydus Nikkho Farmaceutica Ltda. [Brazil]
	Alidac Healthcare (Myanmar) Limited [Myanmar]	Zydus Pharmaceuticals Mexico SA De CV [Mexico]
	Zydus Healthcare Philippines Inc. [Philippines]	Zydus Pharmaceuticals Mexico Services Company SA De C.V. [Mexico]
	Zydus Lanka (Private) Limited [Sri Lanka]	Nesher Pharmaceuticals (USA) LLC [USA] [merged with Zydus Pharmaceuticals (USA) Inc. [USA] on October 25, 2024]
	Zydus International Private Limited [Ireland]	
	Zydus Netherlands B.V. [the Netherlands]	Zydus Pharmaceuticals UK Ltd. [UK]
	Zydus Pharmaceuticals (USA) Inc. [USA]	Zynext Ventures Pte. Ltd. [Singapore]
	ZyVet Animal Health Inc. [USA]	LM Manufacturing Limited [UK] [w.e.f. November 6, 2023]
	Zynext Ventures USA LLC [USA]	Medsolutions (Europe) Limited [UK] [w.e.f. November 6, 2023]
	LiqMeds Worldwide Limited [UK] [w.e.f. November 6, 2023]	Zydus Pharmaceuticals (Canada) Inc. [Canada] [w.e.f. September 6, 2023]
	LiqMeds Limited [UK] [w.e.f. November 6, 2023]	Zydus Worldwide DMCC [UAE]
	LiqMeds Lifecare Limited [UK] [LiqMed] [w.e.f. November 6, 2023]	
d	**Directors:**	
	Dr. Sharvil P. Patel	Non-Executive Chairman
	Mr. Ganesh N. Nayak	Non-Executive Director
	Mr. Kulin S. Lalbhai	Independent Director
	Mr. Akhil A. Monappa	Independent Director
	Mr. Savyasachi S. Sengupta	Independent Director upto November 01, 2023
	Mr. Ashish P. Bhargava	Nominee Director upto September 30, 2024
	Mr. Srivishnu R. Nandyala	Independent Director
	Ms. Dharmishtaben N. Raval	Independent Director
e	**Key Managerial Personnel [KMPs]:**	
	Mr. Tarun Arora	Chief Executive Officer [CEO] & Whole Time Director
	Mr. Umesh V. Parikh	Chief Financial Officer
	Mr. Nandish P. Joshi	Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 39 - RELATED PARTY TRANSACTIONS: (Contd...)

f	**Enterprises significantly influenced by Directors and/ or their relatives of Holding Company with whom transactions have taken place:**	
	Mukesh M. Patel & Co.	
g	**Enterprises significantly influenced by Directors and/ or their relatives of the Company:**	
	Cadmach Machinery Company Private Limited	
	Zydus Hospitals and Healthcare Research Private Limited	
h	**Post Employment Benefits Plans:**	
	Zydus Wellness Limited Employee Group Gratuity Scheme	Heinz India Private Limited Employee Provident Fund [**]
	Zydus Wellness Sikkim Employee Group Gratuity Scheme	Heinz India Private Limited Gratuity fund
	Heinz India Private Limited Provident Fund [**]	Heinz India Private Limited Pension fund

[*] During the year, the holding company Zydus Lifesciences Limited [ZLL] has entered into an arrangement with Zydus Family Trust [ZFT], a related party of ZLL, whereby Zydus Foundation would cease to be subsidiary of ZLL. Zydus Foundation is a Section 8 not for profit Company exclusively engaged in charitable activities. The said arrangement is subject to necessary approvals which are under process at the year end.

[**] The Employee's Provindent Fund Organistion (EPFO) has granted provisional sanction to trust to start complying as an un-exempted establishment with effect from November 01, 2024.

B Transactions with Related Parties:

The following transactions were carried out with the related parties in the ordinary course of business:

a Details relating to parties referred to in Note 39 - A [a, b, c and h]

₹ in Million

Nature of Transactions	Value of the Transactions					
	Holding Company/ Entity having control over Holding Company		Subsidiaries and Fellow Subsidiaries/ concerns		Post Employment Benefits Plan	
	Year ended March 31					
	2025	2024	2025	2024	2025	2024
Sales:						
Goods:						
Zydus Lifesciences Limited	9	20	-	-	-	-
Zydus Healthcare Limited	-	-	92	116	-	-
Services:						
Zydus Lifesciences Limited [₹ 127,380 (Previous Year: ₹ 171,700)]	0	0	-	-	-	-
Zydus Healthcare Limited	-	-	12	22	-	-
LM Manufacturing India Private Limited	-	-	3	-	-	-
Property, Plant and Equipment and Other Intangible Assets:						
Zydus Lifesciences Limited	59	-	-	-	-	-
Reimbursement of Expenses Recovered:						
Zydus Lifesciences Limited	11	42	-	-	-	-
LM Manufacturing India Private Limited [₹ 459,073]	-	-	0	-	-	-
Purchase:						
Goods:						
Zydus Healthcare Limited	-	-	-	1	-	-
Services:						
Zydus Lifesciences Limited	27	25	-	-	-	-
Zydus Healthcare Limited	-	-	16	15	-	-
Zydus Worldwide DMCC	-	-	1	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 39 - RELATED PARTY TRANSACTIONS: (Contd...)

₹ in Million

Nature of Transactions	Value of the Transactions					
	Holding Company/ Entity having control over Holding Company		Subsidiaries and Fellow Subsidiaries/ concerns		Post Employment Benefits Plan	
	Year ended March 31					
	2025	2024	2025	2024	2025	2024
Property, Plant and Equipment:						
Zydus Healthcare Limited	-	-	-	1	-	-
Reimbursement of Expenses Paid:						
Zydus Lifesciences Limited	2	13	-	-	-	-
CSR Expenses						
Zydus Foundation	-	-	6	-	-	-
Finance:						
Interest Expenses:						
Zydus Healthcare Limited	-	-	37	149	-	-
Inter Corporate Loan accepted:						
Zydus Healthcare Limited	-	-	1,000	590	-	-
Inter Corporate Loan repaid to:						
Zydus Healthcare Limited	-	-	2,390	1,775	-	-
Contributions during the year (includes Employee's share and contribution):						
Zydus Wellness Limited Employee Group Gratuity Scheme	-	-	-	-	5	4
Zydus Wellness Sikkim Employee Group Gratuity Scheme	-	-	-	-	8	9
Heinz India Private Limited Provident Fund	-	-	-	-	12	23
Heinz India Private Limited Employee Provident Fund	-	-	-	-	19	32
Heinz India Private Limited Pension fund	-	-	-	-	4	4
Dividend Paid:						
Zydus Lifesciences Limited	183	183	-	-	-	-
Zydus Family Trust	38	38	-	-	-	-

₹ in Million

Nature of Transactions	Value of the Transactions					
	Holding Company/ Entity having control over Holding Company		Subsidiaries and Fellow Subsidiaries/ concerns		Post Employment Benefits Plan	
	As at March 31					
	2025	2024	2025	2024	2025	2024
Outstanding Receivable:						
Zydus Lifesciences Limited	11	-	-	-	-	-
LM Manufacturing India Private Limited [₹ 74,824]	-	-	0	-	-	-
Zydus Healthcare Limited	-	-	338	-	-	-
Outstanding Payable:						
Zydus Healthcare Limited	-	-	-	1,751	-	-
Zydus Lifesciences Limited	-	-	-	-	-	-
Zydus Worldwide DMCC	-	-	1	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 39 - RELATED PARTY TRANSACTIONS: (Contd...)

₹ in Million

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
b	**Details relating to persons referred to in Note 39-A [d] and [e] above:**		
(i)	Salaries and other employee benefits to KMPs	127	88
(ii)	Commission and Sitting Fees to Non Executive/ Independent Directors	8	8
(iii)	Outstanding payable to above (i) and (ii)	7	6
c	**Details relating to persons referred to in Note 39-A [f] and [g] above:**		
(i)	Purchase of services	3	3
(ii)	Purchase of goods [₹ 349 (Previous Year: ₹ 73,542]	0	0
(iii)	Purchase of Property, plant and equipment	2	-
(iv)	Outstanding payable to above (c) [₹ Nil (Previous Year: ₹ 25,000]	-	0

NOTE: 40 - FINANCIAL INSTRUMENTS:

(i) Fair values hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data relying as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements:

₹ in Million

Particulars	As at March 31, 2025				As at March 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments at FVTPL								
Mutual funds	357	-	-	357	769	-	-	769
Investments at FVOCI								
Unquoted equity instruments	-	-	1	1	-	-	1	1
Total	**357**	-	**1**	**358**	**769**	-	**1**	**770**
Financial liabilities								
Financial liabilities related to contingent consideration	-	-	210	210	-	-	-	-
Total	-	-	**210**	**210**	-	-	-	-

(iii) Fair value of instruments measured at amortised cost:

Financial assets and liabilities measured at amortised cost for which fair values are disclosed.

Financial Assets: The carrying amounts of trade receivables, loans, investments and other financial assets, cash and cash equivalents and investment in compulsorily convertible debentures are considered to be the approximately equal to the fair values.

Financial Liabilities: The carrying amounts of loans, other financial liabilities and trade payables are considered to be approximately equal to the fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 41 - FINANCIAL RISK MANAGEMENT:

(i) Financial instruments by category:

₹ in Million

Particulars	As at March 31, 2025				As at March 31, 2024			
	FVTPL	FVOCI	Amortised Cost	Total	FVTPL	FVOCI	Amortised Cost	Total
Financial assets								
Investments	357	1	6	364	769	1	6	776
Trade receivables	-	-	3,670	3,670	-	-	2,833	2,833
Cash and cash equivalents	-	-	667	667	-	-	800	800
Bank balance other than cash and cash equivalents	-	-	72	72	-	-	1,595	1,595
Loans	-	-	13	13	-	-	16	16
Other financial assets	-	-	244	244	-	-	350	350
Total	**357**	**1**	**4,672**	**5,030**	**769**	**1**	**5,600**	**6,370**
Financial liabilities								
Borrowings	-	-	1,850	1,850	-	-	3,240	3,240
Lease liabilities	-	-	33	33	-	-	47	47
Trade payables	-	-	4,288	4,288	-	-	3,629	3,629
Financial liabilities related to contingent consideration	210	-	-	210	-	-	-	-
Other financial liabilities	-	-	163	163	-	-	179	179
Total	**210**	**-**	**6,334**	**6,544**	**-**	**-**	**7,095**	**7,095**

(ii) Risk Management:

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Group's risk management is managed in close co-ordination with the board of directors and focuses on actively securing the Group's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below:

A. Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk from trade receivables, bank deposits and other financial assets. The Group periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual customer limits are set accordingly.

i Investments at Amortised Cost : They are investments in the normal course of business of the group.

ii Bank deposits : The Group maintains its Cash and cash equivalents and Bank deposits with reputed and highly rated banks Hence, there is no significant credit risk on such deposits.

iii Trade Receivable: The Group trades with recognized and credit worthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

There are no significant credit risks with related parties of the Group. The Group is exposed to credit risk in the event of non-payment by customers. Credit risk concentration with respect to trade receivables is mitigated by the Group's large customer base. Adequate expected credit losses are recognized as per the assessments. No single third party customer contributes to more than 10% of outstanding accounts receivable [excluding outstanding from subsidiaries] as at March 31, 2025 and March 31, 2024.

The Group has used expected credit loss [ECL] model for assessing the impairment loss. For the purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 41 - FINANCIAL RISK MANAGEMENT: (Contd...)

Financial assets for which loss allowances is measured using the expected credit loss:

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Trade receivables:		
Less than 180 days	3,605	2,786
180 - 365 days	59	52
Above 365 days	29	18
Total	**3,693**	**2,856**

Movement in the expected credit loss allowance on trade receivables:

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	23	16
Addition	3	7
Addition through business combination	5	-
Utilised	(8)	-
Balance at the end of the year	**23**	**23**

Other than trade receivables, the Group has no significant class of financial assets that is past due but not impaired.

B Liquidity risk:

a Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

b Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which its operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities :

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in Million

Particulars	As at March 31, 2025				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Non-derivatives financial liabilities					
Borrowings [including interest accrued but not due]	1,858	-	-	-	1,858
Lease liabilities	19	9	4	1	33
Trade payables	4,288	-	-	-	4,288
Other financial liabilities [excluding interest accrued but not due]	347	-	-	18	365
Total	**6,512**	**9**	**4**	**19**	**6,544**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 41 - FINANCIAL RISK MANAGEMENT: (Contd...)

₹ in Million

Particulars	As at March 31, 2024				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Non-derivatives financial liabilities					
Borrowings [including interest accrued but not due]	3,269	-	-	-	3,269
Lease liabilities	15	19	9	4	47
Trade payables	3,629	-	-	-	3,629
Other financial liabilities [excluding interest accrued but not due]	133	-	-	17	150
Total	**7,046**	**19**	**9**	**21**	**7,095**

C. Foreign currency risk:

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group's operations in foreign currency create natural foreign currency hedge. This results in insignificant net open foreign currency exposures considering the volumes and operations of the Group.

a Foreign currency risk exposure:

The Groups exposure to foreign currency risk at the end of the reporting period is expressed as follows:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
	Exposure of USD	
Financial assets:		
Trade receivable	17	13
Total exposure to foreign currency risk [assets]	**17**	**13**
Financial liabilities:		
Trade payable	15	3
Total exposure to foreign currency risk [liabilities]	**15**	**3**
Net exposure to foreign currency risk assets	**2**	**10**
	Exposure of Other Foreign Currency	
Financial assets:		
Trade receivable	16	9
Cash and Cash equivalents	15	21
Total exposure to foreign currency risk [assets]	**31**	**30**
Financial liabilities:		
Trade payable	5	4
Total exposure to foreign currency risk [liabilities]	**5**	**4**
Net exposure to foreign currency risk assets	**26**	**26**

Sensitivity:

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in Million

Particulars	As at March 31, 2025		As at March 31, 2024	
	Movement in Rate [*]	Impact on PAT	Movement in Rate [*]	Impact on PAT
USD	2.5%	0	1.5%	0
USD	(2.5%)	(0)	(1.5%)	(0)
Others	5%	1	1%	0
Others	(5%)	(1)	(1%)	(0)

[*] Holding all other variables constant

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 41 - FINANCIAL RISK MANAGEMENT: (Contd...)

D. Interest rate risk:

Liabilities:

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2025, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in Fixed Deposits are at fixed interest rates.

Sensitivity:

Below is the sensitivity of profit or loss and equity changes in interest rates:

₹ in Million

Particulars	Movement in Rate [*]	As at March 31, 2025	As at March 31, 2024
Interest rates	0.50%	(7)	(12)
Interest rates	(0.50%)	7	12

[*] Holding all other variables constant

E Price Risk:

(a) Exposure:

The Group's exposure to price risk arises from investments in equity and mutual funds held by the group and classified in the balance sheet as fair value through OCI and at fair value through profit or loss respectively, to manage its price risk arising from investments in equity securities and mutual funds, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

(b) Sensitivity- Mutual Fund:

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit and loss for the period. The analysis is based on the assumption that the price of the instrument has increased by 2% or decreased by 2% with all other variables held constant.

₹ in Million

Particulars	Movement in Rate [*]	As at March 31, 2025	As at March 31, 2024
Mutual Funds [Quoted]			
Increase	2%	5	12
Decrease	(2%)	(5)	(12)

[*] Holding all other variables constant

NOTE 42- CAPITAL MANAGEMENT:

The Group' s capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders
- to maintain an optimal capital structure to reduce the cost of capital.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars		As at March 31, 2025	As at March 31, 2024
Gross debts	₹ in Million	1,850	3,240
Total equity	₹ in Million	56,716	53,575
Gross debt to equity ratio [No. of times]		0.03	0.06

Loan covenant:

As at March 31,2025 and March 31,2024, there are no covenant applicable to the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 43 - BUSINESS COMBINATION AND GOODWILL:

Pursuant to the share purchase agreement entered into by the Zydus Wellness Limited [ZWL], a subsidiary of the Parent, on October 30, 2024 to acquire Naturell (India) Private Limited [NIPL]. ZWL have completed the acquisition of 100% shares of NIPL on December 2, 2024.

The acquisition provides immense opportunity to broaden the Group's portfolio and invest in brands and products that the Group believes are most relevant to health-conscious consumers. Acquired brands and products will significantly enhance the operating scale and widen the marketing network.

The cost of acquisition is ₹ 3,690 Million as upfront consideration, settled by way of Cash. Over and above upfront consideration, additional consideration of ₹ 210 Million will be paid depending on the achievement of agreed milestones for the financial year 2024-25.

The financial statements for the year ended March 31, 2025 include the operations of NIPL for the period from December 2, 2024 with provisional purchase price allocation [PPA] figures. The PPA figures shall be finalised within the measurement period as provided by Ind AS 103.

The assets and liabilities recognized as a result of the acquisition are as follows:

Particulars	**₹ in Million**
Inventories	101
Trade receivables	177
Cash and cash equivalents	166
Property, Plant and Equipment	6
Other intangible assets	2,902
Other Assets	63
Current Liabilities	(406)
Non-Current Liabilities	(14)
Identifiable net assets acquired	**2,995**
Goodwill	**905**
	3,900
Purchase consideration paid	3,690
Financial liabilities related to contingent consideration	210
Total acquisition cost	**3,900**

Acquisition cost settled in Cash	**₹ in Million**
Consideration	3,690
Less: Cash and cash equivalents acquired	166
Net Cash outflow on acquisition	**3,524**

The fair value of trade and other receivables acquired as part of the business combination amounted to ₹ 177 Million.

The above is the same as the Contractual amount of such receivables. The excess of the acquisition cost paid over the fair value of assets acquired has been attributed to Goodwill and the same shall not be amortised.

The Goodwill recognised under the business combination represents the above stated benefits along with synergetic benefits estimated by the Group.

For measuring the fair value of intangible assets Multi-period Excess Earning Method is applied.

From the date of acquisition, NIPL has contributed revenue of ₹ 617 Million and profit after tax of ₹ 56 Million to the Group. If the business combination had taken place at the beginning of the year, revenue would have been ₹ 1,621 Million and loss after tax would have been ₹ 132 Million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 44 - GROUP INFORMATION:

Consolidated Financial Statements as at March 31, 2025 comprise the Financial Statements [FS] of Zydus Wellness Limited and its subsidiaries, which are as under:

Name	Principal activities	Country of incorpo-ration	Status of FS at March 31, 2025	% Share of Interes As at March 31	
				2025	2024
Liva Investment Limited [under liquidation]	Investment	India	Audited	-	100%
Liva Nutritions Limited	Consumer Health & Wellness	India	Audited	100%	100%
Zydus Wellness Products Limited	Consumer Health & Wellness	India	Audited	100%	100%
Naturell (India) Private Limited	Consumer Health & Wellness	India	Audited	100%	-
Naturell Inc.	Consumer Health & Wellness	U.S.A.	Audited	100%	-
Zydus Wellness International DMCC [UAE]	Consumer Health & Wellness	U.A.E.	Audited	100%	100%
Zydus Wellness (BD) Pvt Limited [Bangladesh]	Consumer Health & Wellness	Bangladesh	Audited	100%	100%

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Particulars	As at and for the year ended March 31, 2025							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / [Loss]		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	₹ in Million	As % of Consolidated Profit / [Loss]	₹ in Million	As % of Consolidated other Comprehensive income	₹ in Million	As % of total Compre-hensive income	₹ in Million
Parent:								
Zydus Wellness Limited	71%	40,346	9%	306	10%	(1)	9%	305
Subsidiaries:								
Indian:								
Zydus Wellness Products Limited	44%	25,065	(8%)	(281)	10%	(1)	(8%)	(282)
Liva Nutritions Limited	0%	24	0%	(0)	0%	-	0%	(0)
Naturell (India) Private Limited	0%	147	2%	56	20%	(2)	2%	54
Foreign:								
Zydus Wellness International DMCC [UAE]	0%	(279)	(5%)	(185)	10%	(1)	(5%)	(186)
Zydus Wellness (BD) Pvt Limited [Bangladesh]	0%	-	0%	(16)	0%	-	0%	(16)
Naturell Inc. [USA]	0%	-	0%	-	0%	-	0%	-
Total Eliminations/ Consolidation Adjustments	(15%)	(8,587)	103%	3,589	50%	(5)	104%	3,584
Total	**100%**	**56,716**	**100%**	**3,469**	**100%**	**(10)**	**100%**	**3,459**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 44 - GROUP INFORMATION: (Contd...)

Particulars	As at and for the year ended March 31, 2024							
	Net Assets i.e. total assets minus total liabilities		Share in Profit / [Loss]		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	₹ in Million	As % of Consolidated Profit / [Loss]	₹ in Million	As % of Consolidated other Comprehensive income	₹ in Million	As % of total Compre-hensive income	₹ in Million
Parent:								
Zydus Wellness Limited	75%	40,359	13%	337	150%	(3)	13%	334
Subsidiaries:								
Indian:								
Zydus Wellness Products Limited	47%	25,347	(33%)	(891)	(150%)	3	(33%)	(888)
Liva Investment Limited	0%	2	0%	-	0%	-	0%	-
Liva Nutritions Limited	0%	24	0%	-	0%	-	0%	-
Foreign:								
Zydus Wellness International DMCC [UAE]	0%	(89)	(3%)	(69)	0%	-	(3%)	(69)
Zydus Wellness (BD) Pvt Limited [Bangladesh]	0%	17	0%	(7)	0%	-	0%	(7)
Total Eliminations/ Consolidation Adjustments	(23%)	(12,085)	124%	3,299	100%	(2)	124%	3,297
Total	**100%**	**53,575**	**100%**	**2,669**	**100%**	**(2)**	**100%**	**2,667**

NOTE: 45 - LEASES:

Lessee:

A Relating to statement of financial position:

Under Ind AS 116, the Group recognises right to use assets and lease liabilities for most leases.

Right of use assets are part of financial statement caption "Property plant and equipment'. Depreciation and impairment is similar to measurement of owned assets. Interest is part of financial statement caption "Finance cost.

₹ in Million

Right of use assets	Leasehold Land	Building	Total
Balance as at April 1, 2023 [net]	**146**	**43**	**189**
Additions during the year	-	14	14
Depreciation charge for the year	(2)	(15)	(17)
Asset classified as held for sale [Refer Note- 3 (A)]	(94)	-	(94)
Balance as at March 31, 2024 [net]	**50**	**42**	**92**
Additions during the year	-	-	-
Asset reclassified from held for sale [Refer Note- 3 (A)]	94	-	94
Depreciation charge for the year	(2)	(16)	(18)
Balance as at March 31, 2025 [net]	**142**	**26**	**168**

The Group has paid the upfront Lease premium at the time of execution of lease deed and does not owe any lease obligations under this leasehold land arrangement.

The Group leases assets include office buildings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 45 - LEASES: (Contd...)

Movement in lease liabilities:

₹ in Million

Lease liabilities	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	47	48
Additions	-	14
Redemptions	(14)	(15)
Balance at the end of the year	**33**	**47**
of which:		
Non-Current portions	14	32
Current portions	19	15

Maturity analysis of lease liabilities:

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

₹ in Million

Minimum lease payments due	As at March 31, 2025	As at March 31, 2024
Within 1 years	19	20
1-5 years	14	37
Total	**33**	**57**

NOTE: 46:

The Parent and Indian Subsidiaries have used accounting software for maintaining its books of account for the financial year ended March 31, 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. The audit trail has been preserved by the Group as per the statutory requirements for record retention.

NOTE: 47 - DISCLOSURE OF TRANSACTION WITH STRUCK OFF COMPANIES:

The Group did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.

NOTE: 48:

[a] The Parent and Indian Subsidiaries have 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 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 to or on behalf of the Ultimate Beneficiaries. The Group, as a part of its treasury operations, invests/ advances loans to fund the operations of its subsidiaries which have further utilized these funds for their general corporate purposes/ working capital, etc. within the consolidated group and in the ordinary course of business. These transactions are done on an arms' length basis following a due approval process.

[b] The Parent and Indian Subsidiaries have 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 49:

The Board of Directors of the Parent, at their meeting held on May 19, 2025, has approved the split/ sub-division of equity shares from face value of ₹ 10/- each to ₹ 2/- each, fully paid-up. This is subject to the approval of the shareholders at the ensuing Annual General Meeting.

NOTE: 50:

Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

Signatures to Material Accounting Policies and Notes 1 to 50 to the Consolidated Financial Statements

As per our report of even date
For Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

For and on behalf of the Board

Mukesh M. Shah
Partner
Membership Number: 030190
Place: Ahmedabad
Date: May 19, 2025

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

FORM AOC -1

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES

(Pursuant to first proviso to sub-section (3) of Section 129 of read with Rule 5 of the Companies (Accounts) Rules, 2015)

Part: "A" - Subsidiaries

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

Sr No.	Name of the Subsidiary	Date of incorporation/ acquisition	Reporting Year Ended	Reporting Currency	Exchange Rate	₹ in Millions										
						Share Capital	Reserves	Total Assets	Total Liabilities	Investments other than Investments in Subsidiaries	Turnover & Other income from operations*	Profit/ [Loss] before Taxation*	Provision for Taxation *	Profit/ [Loss] after Taxation*	Proposed Dividend	% of Shareholding
1	Zydus Wellness Products Limited	February 28, 2019	March 31, 2025	₹	1	2,188	22,877	34,375	9,310	298	26,194	(488)	207	(281)	-	100.00%
2	Liva Nutritions Limited	December 21, 2018	March 31, 2025	₹	1	31	(7)	24	0	-	-	(0)	(0)	(0)	-	100.00%
3	Zydus Wellness International DMCC [UAE]	May 28, 2019	March 31, 2025	USD	85.50	6	(285)	317	596	-	568	(185)	-	(185)	-	100.00%
4	Zydus Wellness (BD) Pvt Limited [Bangladesh]	November 18, 2021	March 31, 2025	BDT	0.73	26	(26)	30	30	-	95	(15)	(1)	(16)	-	100.00%
5	Naturell (India) Private Limited [#]	February 22, 1991	March 31, 2025	₹	1	15	132	532	385	-	617	56	-	56	-	100.00%
6	Naturell Inc [USA] [#]	September 26, 2003	March 31, 2025	USD	85.50	0	0	1	0	-	-	-	-	-	-	100.00%

[*] Converted using average exchange rates prevailing during the year.

[#] Financials are for the post acquisition period.

Liva Investment Limited is under liquidation.

For and on behalf of the Board

Dr. Sharvil P. Patel
Chairman
DIN: 00131995
Place: Ahmedabad
Date: May 19, 2025

Tarun Arora
CEO & Whole Time Director
DIN: 07185311
Place: Ahmedabad
Date: May 19, 2025

Umesh V. Parikh
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2025

Nandish P. Joshi
Company Secretary
Membership Number: A39036
Place: Ahmedabad
Date: May 19, 2025

NOTICE

ZYDUS WELLNESS LIMITED

(**CIN:** L15201GJ1994PLC023490)
Registered Office: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad-382481
Website: www.zyduswellness.com; **E-mail ID:** investor.grievance@zyduswellness.com
Phone No.: +91-79-71800000; +91-79-48040000

Notice is hereby given that the Thirty First Annual General Meeting ("**AGM**") of the members of **Zydus Wellness Limited** ("the **Company**") will be held on Wednesday, July 30, 2025, at 10:00 am (IST) through Video Conference ("**VC**") / Other Audio Visual Means ("**OAVM**"). The venue of the AGM shall be deemed to be the Registered Office of the Company. The following businesses will be transacted at the AGM:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2025, and the Reports of the Board of Directors and the Auditors thereon:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2025, together with the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted."

2. **To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2025, and the Report of the Auditors thereon:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2025, together with the report of the Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted."

3. **To declare dividend of ₹ 6/- (60.0%) per equity shares of ₹ 10/- each for the Financial Year ended on March 31, 2025:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** approval of the members of the Company be and is hereby accorded to declare and pay final dividend of ₹ 6/- (Rupees Six only) (60.0%) per equity share of the face value of ₹ 10/- (Rupees Ten only) each fully paid up, as recommended by the Board of Directors for the Financial Year ended on March 31, 2025."

4. **To re-appoint Mr. Ganesh N. Nayak (DIN: 00017481), as a Non-Executive Director, liable to retire by rotation:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of section 152 and other applicable provisions, if any, of The Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) and / or re-enactment(s) thereof, for the time being in force), Mr. Ganesh N. Nayak (DIN: 00017481), who retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment, be and is hereby re-appointed as a Non-Executive Director, liable to retire by rotation."

5. **To re-appoint Mukesh M. Shah & Co., Chartered Accountants, as Statutory 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the **Act**") read with The Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and based on the recommendation of Audit Committee and the Board of Directors ("the **Board**") of the Company, approval of the members of the Company be and is hereby accorded for re-appointment of Mukesh M. Shah & Co., Chartered Accountants (Firm Registration No. 106625W) as the

Statutory Auditors of the Company, for the second term of 5 (five) consecutive years, who shall hold office from conclusion of Thirty First Annual General Meeting till conclusion of Thirty Sixth Annual General Meeting at such remuneration as may be decided by the Board in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board is be and are hereby authorised to take such steps as may be necessary to give effect to this resolution."

SPECIAL BUSINESS:

6. To sub-divide / split equity share of ₹ 10/- (Rupees Ten only) each into 5 (five) equity shares of ₹ 2/- (Rupees Two only) each:

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 61(1)(d), 64 and other applicable provisions, if any, of the Companies Act, 2013 ("the **Act**") read with The Companies (Share Capital and Debentures) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") (including any statutory modification(s), notifications, circulars issued thereunder or re-enactment(s) thereof, for the time being in force), Article 5(b)(iv) of the Articles of Association of the Company and subject to such permissions, consents and approvals as may be required from concerned statutory authorities and on recommendation of the Board of Directors of the Company ("the **Board**"), approval of the members of the Company be and is hereby accorded for sub-division / split of equity shares of the Company, such that each equity share having face value of ₹ 10/- (Rupees Ten only) each fully paid-up, be sub-divided into 5 (five) equity shares having face value of ₹ 2/- (Rupees Two only) each fully paid- up, ranking pari-passu in all respects with effect from such date ("**Record Date**") as may be fixed for this purpose by the Board (hereinafter the term "Board", shall be deemed to include any Committee formed / to be formed by the Board).

RESOLVED FURTHER THAT pursuant to the sub-division / split of equity shares of the Company, all the equity shares of face value of ₹ 10/- (Rupees Ten only) each consisting in the Authorized equity share capital existing on the Record Date, shall stand sub-divided / split as follows:

Type of Capital	Pre-sub-division / split			Post-sub-division / split		
	No. of equity shares	Face Value (₹)	Total equity share capital (₹)	No. of equity shares	Face Value (₹)	Total equity share capital (₹)
Authorized equity share capital	10,00,00,000	10	100,00,00,000	50,00,00,000	2	100,00,00,000

RESOLVED FURTHER THAT pursuant to the sub-division / split of equity shares of the Company, all the equity shares of face value of ₹ 10/- (Rupees Ten only) each consisting in the Issued, Subscribed and Paid-up equity share capital existing on the Record Date, shall stand sub-divided / split as follows:

Type of Capital	Pre-sub-division / split			Post-sub-division / split		
	No. of equity shares	Face Value (₹)	Total equity share capital (₹)	No. of equity shares	Face Value (₹)	Total equity share capital (₹)
Issued, Subscribed and Paid-up equity share capital	6,36,32,144	10	63,63,21,440	31,81,60,720	2	63,63,21,440

RESOLVED FURTHER THAT upon sub-division / split of equity shares as aforesaid and with effect from the Record Date:

a. for the equity shares held in physical form, the existing share certificate(s) in relation to the said equity shares, shall be deemed to have been automatically cancelled and shall be of no effect and the Board / Registrar and Share Transfer Agent of the Company, without requiring the members to surrender their existing share certificate(s), shall issue new share certificate / letter of confirmation in lieu of existing share certificate in compliance with the prevailing laws / guidelines in this regard; and

b. for the equity shares held in dematerialized form, the sub-divided / split equity shares shall be credited proportionately into the respective beneficiary demat account(s) of the members held with their depository participant(s), in lieu of the existing credits present in their respective beneficiary demat account(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel

or any officer / executive of the Company including to fix and announce the Record Date, to make appropriate adjustments on account of sub-division / split of equity shares, to accept and make any alteration(s), modification(s) to terms and to give such directions as they may in their absolute discretion deem necessary, proper or desirable, to apply for requisite approvals, to settle any questions, doubts or difficulties that may arise with regard to the sub-division / split of the equity shares as aforesaid and to carry out / execute all matters in connection therewith and incidental thereto in order to give full effect to this resolution including execution and filing of all the relevant documents with the Ministry of Corporate Affairs, Stock Exchanges, Depositories and other appropriate authorities in due compliance of the applicable rules and regulations."

7. To alter Capital Clause of the Memorandum of Association 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 13, 61 and other applicable provisions, if any, of The Companies Act, 2013 ("the **Act**"), read with the relevant Rules framed thereunder (including any statutory modification(s), notifications, circulars issued thereunder or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and subject to such permissions, consents and approvals as may be required from concerned statutory authorities and on recommendation of the Board of Directors of the Company ("the **Board**"), approval of the members of the Company be and is hereby accorded to substitute the existing Clause V of the Memorandum of Association of the Company with the following new Clause V:

V. The Authorised Share Capital of the Company is ₹ 100,00,00,000/- (Rupees One Hundred Crores only) divided into 50,00,00,000 (Fifty Crores) equity shares of ₹ 2/- (Rupees Two Only) each.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to apply for requisite approvals, to settle any questions, doubts or difficulties that may arise in this regard and to carry out / execute all matters in connection therewith and incidental thereto in order to give full effect to this resolution including execution and filing of all the relevant documents with the Ministry of Corporate Affairs, Stock Exchanges, Depositories and other appropriate authorities in due compliance of the applicable rules and regulations."

8. To appoint Hitesh Buch & Associates, Company Secretaries, as 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 regulation 24A(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the provisions of section 204(1) of The Companies Act, 2013 ("the **Act**") and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and based on the recommendation of Audit Committee and the Board of Directors ("the **Board**") of the Company, approval of the members of the Company be and is hereby accorded for appointment of Hitesh Buch & Associates, Company Secretaries (Peer Review certificate No. 1265/2021) as the Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing from April 1, 2025 till March 31, 2030, at a remuneration of ₹ 0.25 million (Rupees Two Hundred Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses on actuals, if any, for the Financial Year ending on March 31, 2026 and for subsequent years of the term at such fee as may be recommended by the Audit Committee and determined by the Board in consultation with the Secretarial Auditors of the Company.

RESOLVED FURTHER THAT the Board is be and are hereby authorised to take such steps as may be necessary to give effect to this resolution."

9. To ratify remuneration of Cost Auditors:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 ("the **Act**") read with rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and based on the recommendation of the Audit Committee and the Board of Directors ("the **Board**"), the Company be and hereby ratifies the remuneration of ₹ 0.36 million (Rupees Three Hundred Sixty Thousand only) plus applicable Goods and Services Tax and out

of pocket expenses at actuals, if any, for the Financial Year ending on March 31, 2026 payable to Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company pertaining to product 'Nutralite' being manufactured by the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board is be and hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

By Order of the Board of Directors

Nandish P. Joshi
Company Secretary
Membership No. A39036

Date : May 19, 2025
Place : Ahmedabad

NOTES:

1. Explanatory Statement:

The Explanatory Statement pursuant to the provisions of section 102 of The Companies Act, 2013 ("the **Act**") in respect of business under Item Nos. 5 to 9 of the Notice is annexed hereto. The Board of Directors ("the **Board**") have considered and decided to include Item Nos. 5 to 9 given above in the Thirty First AGM, as they are unavoidable in nature.

2. Virtual Meeting:

The Ministry of Corporate Affairs ("**MCA**") vide its circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 ("**MCA Circulars for General Meetings**") and The Securities and Exchange Board of India ("**SEBI**") vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024 ("**SEBI Circulars for General Meetings**"), permitted the holding of the general meetings through VC / OAVM, without the physical presence of the members at a common venue till September 30, 2025. Pursuant to the provisions of the Act, The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**"), MCA Circular for General Meetings and SEBI Circular for General Meetings, the AGM of the Company is being held through VC / OAVM.

As the AGM is being held pursuant to MCA Circular for General Meetings and SEBI Circular for General Meetings through VC / OAVM, the facility to appoint proxy will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map for venue of AGM are not annexed to this Notice.

3. Authorised Representative:

A Body Corporate is entitled to appoint authorised representative to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting. Further, pursuant to the provisions of sections 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their vote through e-voting.

Institutional / Corporate members (i.e. other than individual / HUF, NRI etc.) are required to send a scanned copy (PDF / JPEG format) of its Board or governing body Resolution / Authorization etc. authorizing the representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to Mr. Hitesh Buch, the Scrutinizer appointed by the Company, on his registered e-mail id pcs.buchassociates@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.

4. Payment of Dividend and deduction of tax at source:

The final dividend on equity shares, if declared at the AGM, will be paid electronically on or after Monday, August 4, 2025 to those members whose name appears in the Company's Register of Members or List of Beneficial Owners as received from National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**") (NSDL and CDSL are collectively referred to as "**Depositories**") on Friday, July 11, 2025 i.e. the Record Date fixed for this purpose.

5. The members may note that the Board, at its meeting held on May 19, 2025, has recommended a final dividend of ₹ 6/- (Rupees Six only) (i.e. 60.0%) per equity share of ₹ 10/- (Rupees Ten only) each, for the Financial Year ended on March 31, 2025. The members holding shares as on Friday, July 11, 2025 will be entitled to receive the final dividend declared, if any, for the Financial Year ended on March 31, 2025, by the members at the ensuing AGM, (i) as per the list of beneficial owners provided by the Depositories in respect of shares held in dematerialized form and (ii) as per the Register of Members of the Company after giving effect to valid request of transmission / transposition in physical form lodged with MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar and Share Transfer Agent of the Company ("**RTA**") on or before the aforesaid date i.e. Friday, July 11, 2025. The transmission / transposition request, complete in all respects, should reach the RTA well before the above date. The final dividend, once

approved by the members in the AGM, will be paid on or after Monday, August 4, 2025, electronically through various online transfer modes to those members who have updated their bank account details. To avoid delay in receiving the dividend, members are requested to update their Know Your Client ("**KYC**") with their Depositories Participant ("**DP**") (where shares are held in dematerialized mode) and with the RTA (where shares are held in physical mode) to receive the dividend directly into their bank account on the pay-out date.

6. The members may note that The Income Tax Act, 1961, ("the **IT Act**") as amended by The Finance Act, 2020, mandates that dividend paid or distributed by a Company after April 1, 2020, shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("**TDS**") at the time of making the payment of dividend.

   The Company will send an e-mail to all the members of the Company whose e-mail ids are registered with the Company / RTA with all the details of prescribed tax rates for various categories of members (Resident Indian, Non-Resident Indian, FIIs, FPIs, etc.), the link to download various forms / documents, separate link and e-mail id to upload the signed forms and various documents by the members to enable the Company to determine the appropriate TDS / applicable withholding tax rate.

   For the information of the members, it is hereby clarified that no tax will be deducted on payment of dividend to the resident individual members if the total dividend to be paid during the Financial Year 2025-2026 does not exceed ₹ 10,000/- (Rupees Ten Thousand only), or if an eligible resident member has provided a valid declaration in Form 15G / 15H or other documents as may be applicable to different categories of members. The rate of TDS would vary depending on the residential status of the member and documents registered with the Company.

   The members will also be able to download the details of TDS from the website of the Income Tax Department at https://www.incometax.gov.in (refer to Form 26AS).

   In case TDS is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, an option is still available with the member to file the Return of Income and claim an appropriate refund. No claim shall lie against the Company for such TDS / withholding tax deducted.

   In the event of any income tax demand (including interest, penalty, etc.) on the Company arising due to any misrepresentation, inaccuracy or omission of information provided by the member/s, such member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any assessment / appellate proceedings before the Tax / Government Authorities.

   This communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. The members should consult their tax advisors for requisite action to be taken by them.

   If you are a member of the Company as on record date and the dividend receivable by you is taxable under the IT Act, the Company shall be obligated to deduct TDS on the dividend payable to you as per the applicable provisions under the IT Act.

   The members holding shares in dematerialized mode, are requested to update their records such as tax residential status, PAN, e-mail address, mobile number and other details with their relevant Depositories through their DPs and members holding shares in physical mode are requested to furnish details to the RTA.

7. **Electronic payment of Dividend, Nomination, Consolidation of multiple folios and transfer of shares:**

   The members holding shares in physical mode are requested to intimate MUFG Intime India Private Limited, the RTA of the Company at their address: 5th Floor, 506 to 508, Amarnath Business Centre-I (ABC-I), Beside Gala Business Centre, Ellisbridge, Off C. G. Road, Ahmedabad – 380006, changes, if any, in their name, registered address along with pincode number, e-mail address, telephone / mobile number, Permanent Account Number ("**PAN**"), mandates, nominations, power of attorneys, bank account number, MICR code, IFS code, etc. and relevant evidences. The members holding shares in electronic mode shall update such details with their respective DP.

   The SEBI vide its circular dated April 20, 2018, directed all the listed companies to record the PAN and Bank Account Details of all their members holding shares in physical mode. All those members who are yet to update their details with the Company / RTA are requested to do so at the earliest. This will help the members to receive the dividend declared by the Company, directly in their respective bank account.

   Pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) and SEBI directive vide email to all the RTAs dated

January 17, 2024, the members who hold shares in physical form and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], **shall be eligible to receive dividend only in electronic mode with effect from April 1, 2024. Accordingly, payment of final dividend, subject to approval by the members in the AGM, shall be paid to the members holding shares in physical form only after the above details are updated in their folios.** The Company had sent communication in this regard to all the shareholders holding shares in physical form and whose KYC details were not updated and has uploaded the summary of the circular on the website of the Company at https://zyduswellness.com/investor/Website%20letter%2030-05-25.pdf.

The members are requested to update their KYC details by submitting the Investor Service Request (ISR) Forms, duly complete and signed by the registered holder(s) so as to reach the RTA, **on or before Wednesday, July 9, 2025**, so that the KYC can be updated in the folios before the cut-off date i.e. Friday, July 11, 2025.

Pursuant to the provisions of section 72 of the Act, the facility of making nomination is available for the members in respect of the shares held by them. The members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The members are requested to submit the said details to their respective DP in case the shares are held by them in dematerialized mode and to the Company / RTA, in case the shares are held in physical mode.

The members holding shares in physical mode, in identical order of names, in more than one folio are requested to send to the Company / RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A letter of confirmation for consolidated shares will be issued to such members after making requisite changes.

In case of joint holders, the members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

8. Pursuant to the provisions of regulation 40 of the Listing Regulations, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised mode, except for transmission or transposition and re-lodged for transfer of securities. Further, SEBI vide its circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020, had fixed March 31, 2021, as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider to dematerialise their holdings at the earliest, as it will not be possible to transfer shares held in a physical mode. The members can contact the Company / RTA for assistance in this regard.

9. **Transfer of dividend and shares to Investor Education and Protection Fund Authority ("IEPF"):**

Pursuant to the provisions of section 125 of the Act and the Rules framed thereunder, those members who have not encashed their dividend pertaining to the following Financial Years are requested to approach the Company / RTA for the payment thereof as the same will be transferred to the IEPF Authority on the respective date mentioned there against. The members are requested to note that after such date, they may apply for refund of any unclaimed dividend which has been transferred to the IEPF, under sub-section (4) of section 125 or under proviso to sub-section (3) of section 125 of the Act, as the case may be, to the IEPF by making an online application in the prescribed web Form No. IEPF-5 available on the website of IEPF at www.iepf.gov.in along with fees and documents as may be prescribed by the IEPF.

Financial year ended on	Date of declaration of dividend	% of dividend paid	Due date of transfer of unpaid dividend to IEPF Authority
March 31, 2018	August 3, 2018	80	September 9, 2025
March 31, 2019	July 31, 2019	50	September 6, 2026
March 31, 2020	March 13, 2020	50 @	April 19, 2027
March 31, 2021	July 30, 2021	50	September 5, 2028
March 31, 2022	July 29, 2022	50	September 4, 2029
March 31, 2023	August 3, 2023	50	September 9, 2030
March 31, 2024	August 2, 2024	50	September 8, 2031

@Interim Dividend

Pursuant to the provisions of section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 as amended from time to time (hereinafter referred to as "the **IEPF Rules**"), during the Financial Year, the Company has transferred 8,732 (Eight Thousand Seven Hundred Thirty Two) equity shares of ₹ 10/- (Rupees Ten only) each of 171 (One Hundred Seventy One) members whose dividend remained unclaimed or unpaid for a consecutive period of 7 (seven) years or more to the demat account of IEPF authority constituted by the MCA.

Pursuant to rule 5(8) of the IEPF Rules, the Company has uploaded the information in respect of the unclaimed dividend as on March 31, 2024 on its website at https://zyduswellness.com/investor/V3IEPF2ZWL.pdf and on the website of IEPF at www.iepf.gov.in.

10. Details of Director seeking re-appointment:

Pursuant to regulation 36(3) of the Listing Regulations and standard 1.2.5 of Secretarial Standard-2 of General Meetings issued by The Institute of Company Secretaries of India ("**ICSI**"), the information of the Director seeking re-appointment at the ensuing AGM is provided in **Annexure-A** to the Notice.

11. Dispatch of Integrated Annual Report:

In compliance with MCA Circular for General Meetings and SEBI Circular for General Meetings, Notice of the AGM of the Company, inter alia, indicating the process and manner of e-voting and the Integrated Annual Report for the Financial Year 2024-2025 is being sent through electronic mode to those members whose e-mail address is registered with the Company / RTA / DP. Additionally, pursuant to the provisions of regulation 36(1)(b) of the Listing Regulations, for those members whose e-mail address is not registered with the Company / RTA / DP, a letter will be sent providing the weblink of website of the Company, including the exact path, from where the Integrated Annual Report for the Financial Year 2024-2025 can be accessed. The Company shall send a hard copy of the Integrated Annual Report to those members, who request for the same.

The members may also note that the Notice of the AGM and the Integrated Annual Report for the Financial Year 2024-2025 are uploaded and available on the website of the Company, Stock Exchanges and CDSL at www.zyduswellness.com, www.bseindia.com, www.nseindia.com and www.evotingindia.com respectively. The copies of the documents will also be available for electronic inspection during normal business hours on working days, from the date of circulation of this Notice upto the date of AGM. For any communication, the members may also send requests on the e-mail id of the Company at investor.grievance@zyduswellness.com or nandish.joshi@zyduswellness.com.

12. Change in name of the RTA:

Mitsubishi UFJ Trust & Banking Corporation, a member of MUFG, a global financial group, has acquired Link Group, parent company of Link Intime India Private Limited. Accordingly, the name of RTA of the Company has changed from Link Intime India Private Limited to MUFG Intime India Private Limited with effect from December 31, 2024.

13. Online Dispute Resolution Portal ("ODR Portal"):

The SEBI vide circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common ODR Portal for resolution of disputes arising in the Indian Securities Market.

Pursuant to the above mentioned circulars, post exhausting options to resolve their grievances with the RTA / Company, directly or through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at the link: https://smartodr.in/login.

14. Mandatory furnishing of KYC details and nomination (optional) by holders of physical securities:

The SEBI, vide its Master Circular for Registrars to an Issue and Share Transfer Agents dated May 17, 2023, as amended from time to time, has prescribed certain mandatory provisions with regard to "Common and Simplified Norms for processing investor's request by RTAs and norms for furnishing PAN, KYC details and Nomination", where the shares are held in physical mode. The said SEBI circular prescribes the following:

i. Mandatory furnishing of PAN, KYC details and Nomination (optional) by holders of physical securities.

ii. Mode for providing documents / details by investors for various service requests.

iii. Standardized, simplified and common norms for processing any service request from the holder.

iv. Electronic interface for processing investor's queries, complaints and service request and

v. Compulsory linking of PAN and Aadhaar by all holders of physical securities.

The members of the Company holding shares in physical form shall provide the following documents / details to the RTA of the Company:

i. PAN.

ii. Nomination (for all eligible folios) in Form No. SH-13 or submit declaration to "Opt-Out" in Form No. ISR-3.

Note: Any cancellation or change in nomination shall be provided in Form No. SH-14.

iii. Contact details including postal address with pin code, mobile number and e-mail address.

iv. Bank account details including bank name, branch, bank account number and IFS code.

v. Specimen signature.

Please provide the above documents / details to the RTA of the Company along with other basic details like name of the member, folio number, certificate number and distinctive numbers.

As per the said SEBI circular, the Company has uploaded the following documents [along with the SEBI circulars and Frequently Asked Questions (FAQs) with respect to Investor Service Requests processed by RTA] on the website of the Company at https://www.zyduswellness.com/investor/Mandatory-furnishing-of-KYC-and-Nomination-of-Shareholders.pdf:

i. Form No. ISR-1 - Request for registering PAN, KYC details or changes / updation thereof.

ii. Form No. ISR-2 - Confirmation of signature of securities holder by the Banker.

iii. Form No. ISR-3 - Declaration form for opting-out of nomination by holders of physical securities in listed companies.

iv. Form No. SH-13 - Nomination form.

v. Form No. SH-14 - Cancellation or variation of nomination.

Further, the contact details of the Company and RTA are also available on the website of the Company at the above link.

15. Issue of shares in dematerialized mode only:

The SEBI, vide its notification dated January 24, 2022, amended certain provisions of the Listing Regulations *inter-alia* pertaining to issue of shares in dematerialized mode only. Further, the SEBI vide its circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 issued operational guidelines for dematerialization of securities received for processing investor's service request.

Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate. It also substantially reduces the risk of fraud. **Therefore, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.**

For more details, please visit our website at https://www.zyduswellness.com/investor/Mandatory-furnishing-of-KYC-and-Nomination-of-Shareholders.pdf.

16. Registration of email address and inspection of statutory registers:

The members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications electronically including Annual Report, Notices, Circulars, etc. from the Company.

The e-mail address can be registered with the DP in case the shares are held in dematerialized mode and with the RTA in case the shares are held in physical mode.

The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under section 189 will be available for inspection by the members electronically during the AGM.

17. E-Voting (voting through electronic means):

I. The businesses as set out in the Notice shall be transacted through electronic voting system. Pursuant to the provisions of section 108 of the Act read with rule 20 of The Companies (Management and Administration) Rules, 2014, standard 7.2 and 8 of Secretarial Standard-2 on General Meetings and in compliance with regulation 44 of the Listing Regulations and pursuant to MCA Circular for General Meetings and SEBI Circular for General Meetings, the Company is pleased to provide the facility of voting through electronic means, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with CDSL to facilitate the members to cast their votes from a place other than venue of the AGM ("**remote e-voting**"). The facility for voting shall be made available at the AGM through electronic voting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right during the AGM. The facility of casting votes by a member

using remote e-voting as well as e-voting at the meeting on the date of the AGM will be provided by CDSL.

Pursuant to the provisions of section 107 of the Act, as the Company is providing the facility of remote e-voting and e-voting during the AGM to the members, there shall be no voting by show of hands at the AGM.

II. Pursuant to the MCA Circular for General Meetings and SEBI Circular for General Meetings, physical attendance of the members at the AGM venue is not required and AGM can be held through VC / OAVM. Accordingly, members can attend and participate in the ensuing AGM through VC / OAVM.

III. The members can join the AGM through the VC / OAVM mode 30 minutes before the scheduled time for AGM and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 (one thousand) members on first come first served basis. This will not include large members (holding 2.0% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee and the Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

IV. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.

V. A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the Depositories as on Wednesday, July 23, 2025 ("**cut-off date**"), shall be entitled to avail the facility of remote e-voting or e-voting during the AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again.

The members whose name appear in the Register of Members / List of Beneficial Owners as on cut-off date are entitled to vote on Resolutions set forth in the Notice of AGM. Eligible members who have acquired shares after sending the Notice electronically and holding shares as on the cut-off date may approach the Company for seeking assistance for issuance of the User id and Password for exercising their right to vote by electronic means.

VI. Process for those members whose e-mail id / and mobile number are not registered with the Company / RTA / Depositories:

i. **The members holding shares in physical mode** - please provide to the Company / RTA, duly filled and signed Form No. ISR-1 and ISR-2, format of which are available on the website of the Company / RTA.

ii. **The members holding shares in dematerialized mode** - please update e-mail id and mobile number with your respective DP.

iii. **Individual members holding shares in dematerialized mode** - please update your e-mail id and mobile number with your respective DP which is mandatory for e-voting and joining the AGM through VC / OAVM through Depository.

VII. Instructions for members for remote e-voting, e-voting during AGM and joining the AGM through VC / OAVM are as under:

i. The remote e-voting period commences at **9:00 a.m. (IST) on Sunday, July 27, 2025, and ends at 5:00 p.m. (IST) on Tuesday, July 29, 2025**. During this period members of the Company, holding shares either in physical mode or in dematerialized mode, as on the cut-off date i.e. Wednesday, July 23, 2025, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter.

ii. The members who have already voted prior to the date of AGM would not be entitled to vote during the AGM.

iii. Pursuant to SEBI Circular No. SEBI/HO/FD/CMD/CIR/P/2020/242 dated December 9, 2020, under regulation 44 of the Listing Regulations, listed companies are required to provide remote e-voting facility to its members in respect of all members' resolutions.

Currently there are multiple e-voting service providers ("**ESPs**") providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the

members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts / website of Depositories / DPs. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.

iv. In view of the aforesaid SEBI Circular, individual members holding shares in dematerialized mode are allowed to vote through their demat account maintained with Depositories and DPs. **The members are advised to update their mobile number and e-mail id in their demat account in order to access e-voting facility.** Pursuant to the aforesaid SEBI Circular, login method for e-voting and joining virtual meeting for individual members holding shares in dematerialized mode is given below:

Type of member	Login method
Individual members holding shares in dematerialized mode with **CDSL**	1. Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest is www.cdslindia.com and click on Login icon and select My Easi New (Token) tab. 2. After successful login, the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. Additionally, there is also link provided to access the system of all e-voting service providers, so that the user can directly visit the website of e-voting service provider. 3. If the user is not registered for Easi / Easiest, option to register is available at www.cdslindia.com and click on login and My Easi New (Token) tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a link on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail id as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.
Individual member holding shares in dematerialized mode with **NSDL**	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8 digit DP ID, 8 digit Client Id, PAN No., verification code and generate OTP. Enter the OTP received on registered email id / mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Type of member	Login method
	2. Existing IDeAS user can visit the e-services website of NSDL viz. https://eservices.nsdl.com either on a personal Computer or on a mobile. On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under value added services. Click on "Access to e-Voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website page for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 3. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a verification code as shown on the screen. After successful authentication, you will be re-directed to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 5. Members can also download NSDL mobile app "NSDL SPEED-e" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual member (holding shares in dematerialized mode) login through their **DPs**	You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.

Important note: The members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.

Helpdesk for individual members holding securities in dematerialized mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual members holding securities in dematerialized mode with **CDSL**	The members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at toll free no.: 1800 21 09911.
Individual members holding securities in dematerialized mode with **NSDL**	The 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.

v. **Login method for remote e-voting and joining AGM through VC/OAVM for members holding shares in Physical mode and other than individual members holding shares in Dematerialized mode:**

1. The members should log on to the remote e-voting website www.evotingindia.com.
2. Click on Shareholders.
3. Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in dematerialized mode and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

	For members holding shares in Physical mode and other than individual members holding shares in Dematerialized mode
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both, members holding shares in dematerialized mode and members holding shares in physical mode). The members who have not updated their PAN with the Company / DP are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank details or Date of Birth (DOB) (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login. If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

7. After entering these details appropriately, click on "SUBMIT" tab.
8. The members holding shares in physical mode will then directly reach the Company selection screen. However, the members holding shares in dematerialized mode will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other Company in which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical mode, the details can be used only for remote e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for **ZYDUS WELLNESS LIMITED** on which you choose to vote.

11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

13. After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

15. You can also take a print of the vote cast by clicking on "Click here to print" option on the voting page.

16. If demat account holder has forgotten the login password, they should enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

17. There is also an optional provision to upload Board Resolution / Power of Attorney ("**POA**"), if any, which will be made available to scrutinizer for verification.

18. Note for Non-Individual members and Custodians:

- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporate" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be sent by e-mail to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance Users would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
- It is mandatory that, a scanned copy of the BR and/or POA, which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively non-individual members are mandatorily required to send the relevant Board Resolution / authority letter together with attested specimen signature of the duly authorised signatory, who are authorised to vote, to the Scrutinizer at his email id: pcs.buchassociates@gmail.com, to the Company at the email id: nandish.joshi@zyduswellness.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

19. If you have any queries or issues regarding attending AGM and e-voting from the e-voting system, you can write an e-mail to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL at the address: A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or you can write an e-mail to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 21 09911.

A member can opt for only one mode of voting i.e. either through remote e-voting or voting during the meeting. If a member casts votes by both modes, then voting done through remote e-voting shall prevail.

The Company has appointed Hitesh Buch & Associates, Company Secretaries (Membership No. 3145), to act as the Scrutinizer for conducting the remote e-voting in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The results of the e-voting on the Resolutions at the AGM shall be announced by the Chairman or any other person authorised by him immediately after the results are declared.

The results declared along with the Scrutinizer's report, will be posted on the website of the Company at www.zyduswellness.com, on the website of CDSL at www.cdslindia.com and will be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of the results by the Chairman or any other person authorised by him and communicated to the Stock Exchanges.

VIII. **Instructions for members attending the AGM through VC / OAVM and e-voting during AGM are as under:**

1. The procedure for attending the AGM and e-voting during AGM is same as the instructions mentioned above for remote e-voting.
2. The link for VC / OAVM to attend AGM will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
3. The members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.
4. The members are encouraged to join the AGM through Laptop / I-Pads for better experience.
5. Further, the members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable WI-FI or LAN connection to mitigate any kind of aforesaid glitches.
7. The members who would like to express their views / ask questions during the AGM may register themselves as a speaker by sending their request at the registered office of the Company or by sending an email at nandish.joshi@zyduswellness.com **atleast 7 (seven) days prior to the AGM i.e. on or before Wednesday, July 23, 2025** mentioning their name, demat account number / folio number, e-mail id and mobile number.

   The members who do not wish to speak during the AGM but have queries may send their queries **atleast 7 (seven) days prior to the AGM i.e. on or before Wednesday, July 23, 2025** mentioning their name, demat account number / folio number, e-mail id, mobile number on the above mentioned e-mail id. These queries will be replied suitably by the Company.
8. Those members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM.
9. Only those members, who are present in the AGM through VC / OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the AGM through VC / OAVM facility, the votes cast by such members shall be considered invalid as the facility of e-voting during the AGM is available only to the members attending the AGM.

REQUEST TO THE MEMBERS:

The members desiring any relevant information on the Audited Financial Statements or any matter to be placed at the AGM are requested to write to the Company at the registered office of the Company or by sending an email at nandish.joshi@zyduswellness.com **atleast 7 (seven) days prior to the AGM i.e. on or before Wednesday, July 23, 2025**. The same will be replied suitably by the Company.

ZYDUS WELLNESS LIMITED

(**CIN:** L15201GJ1994PLC023490)
Registered Office: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, Sarkhej–Gandhinagar Highway, Ahmedabad-382481
Website: www.zyduswellness.com; **E-mail ID:** investor.grievance@zyduswellness.com
Phone No.: +91-79-71800000; +91-79-48040000

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 ("the Act"):

The following statement sets out all material facts relating to the Businesses under Item Nos. 5 to 9 mentioned in the accompanying Notice of AGM dated May 19, 2025.

Item No. 5: Re-appointment of Mukesh M. Shah & Co., Chartered Accountants, as Statutory Auditors of the Company:

Mukesh M. Shah & Co. ("**Statutory Auditors**"), Chartered Accountants were appointed as Statutory Auditors of the Company at the Twenty Sixth AGM held on August 27, 2020 for the first term of 5 (five) consecutive years, up to the conclusion of Thirty First AGM.

The Statutory Auditors are eligible for re-appointment for the second term of 5 (five) consecutive years. The Statutory Auditors have given their consent for their re-appointment as Statutory Auditors of the Company and have issued certificate confirming that their appointment, if made, will be within the limits prescribed under the provisions of section 139 of the Act and the rules framed thereunder. They have confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations framed thereunder.

Considering their performance, expertise, audit methodology, knowledge and reputation of the Partners and the firm, the Audit Committee and the Board of Directors ("the **Board**") at their meetings held on May 19, 2025 have recommended re-appointment of Statutory Auditors of the Company for the second term of 5 (five) consecutive years from the conclusion of the ensuing Thirty First AGM till the conclusion of Thirty Sixth AGM.

Mukesh M. Shah & Co., Chartered Accountants was established in 1976 having experience of 49 years and has its office in Ahmedabad. The firm has around five decades of experience of providing range of services such as Auditing & Assurance, Domestic as well as International Taxation, Internal / Management Audit, Forensic and Investigation Services, FEMA advisory - inbound and outbound investment, Due Diligence, Corporate and Business Valuation, Intangible Assets Valuation to the clients in varied sectors.

The Board has approved a remuneration of ₹ 1.14 million (Rupees One Million One Hundred Fourteen Thousand only) for conducting the audit for the Financial Year ended on March 31, 2025, excluding applicable taxes and reimbursement of out of pocket expenses on actuals, if any. Based on the recommendation of the Audit Committee, the Board has approved a remuneration of ₹ 1.22 million (Rupees One Million Two Hundred Twenty Thousand only) for conducting the audit for the Financial Year ending on March 31, 2026, excluding applicable taxes and reimbursement of out of pocket expenses on actuals, if any. The Board in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The remuneration proposed to be paid to the Statutory Auditors for the subsequent years of the second term will be determined by the Board from time to time based on the recommendations of the Audit Committee and in consultation with the Statutory Auditors, which will be commensurate with the services rendered by them during the said term.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the resolution set out at Item No. 5 of the Notice for approval by the members by way of an Ordinary Resolution.

Item Nos. 6 and 7: Sub-division / split of equity share of ₹ 10/- (Rupees Ten only) each into 5 (five) equity shares of ₹ 2/- (Rupees Two only) each and alteration of Capital Clause of the Memorandum of Association of the Company:

The equity shares of the Company are listed and traded on the National Stock Exchange of India Limited and BSE Limited. As on March 31, 2025, there were 64,979 equity shareholders of the Company. As on May 16, 2025, the retail / individual members comprise 99.3% of the total number of shareholders holding 6.8% of paid-up value of equity shares.

The Board at its meeting held on May 19, 2025 considered and approved, subject to the approval of members of the Company and statutory authorities, if any, the sub-division / split of equity shares of the Company, such that each equity share having face value of ₹ 10/- (Rupees Ten only) each fully paid-up, be sub-divided into 5 (five) equity shares having face

value of ₹ 2/- (Rupees Two only) each fully paid- up, ranking pari-passu in all respects with effect from such date ("**Record Date**") as may be fixed for this purpose by the Board.

In the opinion of the Board, the proposed sub-division / spilt will make the equity shares of the Company more accessible and is expected to encourage participation of retail investors at large and therefore it is in the best interest of the investors and the Company.

The sub-division / split of equity shares of the Company as aforesaid would require consequential alteration to the existing capital clause i.e. clause V of the Memorandum of Association ("**MOA**") of the Company. There will not be any change in the amount of authorized, subscribed, issued and paid-up share capital of the Company on account of sub-division / split of equity shares. Further, such sub-division / split shall not be construed as reduction in share capital of the Company, in accordance with the applicable provisions of the Act and other applicable regulations / provisions in this regard.

Draft copy of the altered MOA of the Company would be available for inspection by the members at the Registered Office of the Company at any time between 10:00 a.m. to 1:00 p.m. on any working day up to the date of the AGM.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 6 and 7 of the Notice, except to the extent of number of shares held by them in the Company.

In accordance with the provisions of sections 13, 61, 64 and other applicable provisions of the Act and rules framed thereunder, the Board recommends for approval of the members the passing of the resolution as an Ordinary Resolution, as set out at Item Nos. 6 and 7 of the Notice.

Item No. 8: Appointment of Hitesh Buch & Associates, Company Secretaries as Secretarial Auditors of the Company:

Pursuant to the provisions of regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") read with section 204(1) of the Act and rules framed thereunder, every listed Company and its material unlisted subsidiaries incorporated in India are required to undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and annex a Secretarial Audit Report with the Annual Report. Hitesh Buch & Associates ("**HBA**"), Company Secretaries were appointed as Secretarial Auditors to conduct Secretarial Audit for the Financial Year ended on March 31, 2025, of the Company and Zydus Wellness Products Limited, a wholly owned material subsidiary company.

The Securities and Exchange Board of India ("**SEBI**") vide its notification dated December 12, 2024, amended the Listing Regulations. The amended regulations require companies to obtain members' approval for appointment of Secretarial Auditors of the listed Company, in addition to approval of the Board. Further, such Secretarial Auditor must be a peer reviewed Company Secretary and should not have incurred any of the disqualifications as specified by the SEBI.

Considering their performance, expertise, knowledge and evaluation of work done in the past, the Audit Committee and the Board at their meetings held on May 19, 2025 have recommended appointment of HBA as Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing from April 1, 2025 till March 31, 2030.

HBA, a proprietorship firm of Company Secretaries was established by Mr. Hitesh Buch, a Fellow Company Secretary possessing more than 35 years of post qualification experience as a Company Secretary. He has experience of providing range of services such as Audit and Assurance, Corporate Legal Advisory, Mergers and Amalgamations related advisory and representation services, Due Diligence, Corporate Governance and litigations to the clients in varied sectors.

HBA have provided a confirmation that they have subjected themselves to the peer review process of the ICSI and holds a valid peer review certificate. They have also confirmed that they are not disqualified from being appointed as Secretarial Auditors, that they have no conflict of interest and have furnished a declaration that they have not taken up any prohibited non-secretarial audit assignments for the Company, its holding Company and subsidiary Companies.

During the tenure of appointment of HBA, in addition to the secretarial audit, he shall provide such other services in the nature of certifications and other professional work, as approved by the Board.

The Board has approved remuneration of ₹ 0.25 million (Rupees Two Hundred Fifty Thousand only) for conducting the Secretarial Audit for the Financial Year ended on March 31, 2025, excluding applicable taxes and reimbursement of out of pocket expenses on actuals, if any. Based on the recommendation of Audit Committee, the Board has approved the same remuneration of ₹ 0.25 million (Rupees Two Hundred Fifty Thousand only) for conducting the Secretarial Audit for the Financial Year ending on March 31, 2026 excluding applicable taxes and reimbursement of out of pocket expenses on actuals, if any. The Board in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with HBA.

The remuneration proposed to be paid to HBA for subsequent years of the term will be determined by the Board from time to time based on the recommendations of the Audit Committee and in consultation with HBA, which will be commensurate with the services rendered by him during the said term.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the resolution set out at Item No. 8 of the Notice for approval by the members by way of an Ordinary Resolution.

Item No. 9: Ratification of remuneration to Cost Auditors:

Pursuant to the provisions of section 148(3) of the Act and rule 14 of The Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the Company pertaining to product 'Nutralite' being manufactured by the Company.

On the recommendation of the Audit Committee, the Board at its meeting held on May 19, 2025 has approved the appointment of Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) as the Cost Auditors to conduct audit of cost records of the Company for the Financial Year ending on March 31, 2026, at a remuneration of ₹ 0.36 million (Rupees Three Hundred Sixty Thousand only) plus applicable Goods and Services Tax and out of pocket expenses at actuals, if any.

Dalwadi & Associates, Cost Accountants have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. Pursuant to the provisions of the Act read with the Rules 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors shall be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends for approval of the members the passing of the resolution as an Ordinary Resolution as set out at Item No. 9 of the Notice.

By Order of the Board of Directors

Nandish P. Joshi
Company Secretary
Membership No. A39036

Date : May 19, 2025
Place : Ahmedabad

Annexure-A

Details of the Director seeking re-appointment at the 31st Annual General Meeting

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and standard 1.2.5 of Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India]

Name of the Director	**Mr. Ganesh N. Nayak, Non-Executive Director**
DIN	00017481
Date of Birth	May 18, 1955
Age	70 years
Date of first appointment on the Board	July 27, 2006
Date of re-appointment by the members	July 29, 2022
Qualifications	Bachelor of Science, MBA from Newport University, California, USA. Mr. Ganesh N. Nayak has done General Management Programme from Harvard Business School, Boston, USA.
Brief resume and nature of expertise in functional areas	Mr. Ganesh N. Nayak, Non-Executive Director of the Company is also a Executive Director of Zydus Lifesciences Limited, the holding Company. He spearheads business of the Zydus Group, including its Joint Ventures and Alliances. He joined the Zydus Group in 1977. With more than 48 years' experience, he has contributed significantly to the growth of Zydus Group over the years. Zydus Group has successfully undertaken several expansion plans during his association. With strategic insight and business acumen, Mr. Ganesh N. Nayak has played a key role in several M&A deals and alliances. Strategic management skills, long standing expertise in sales and marketing and new insights from the Harvard Business School have catapulted Mr. Ganesh N. Nayak to the global league of marketing professionals. He has knowledge and expertise in consumer business, ESG and sustainability, pharmaceuticals, marketing, finance, business management, human resource and manufacturing.
Relationship with other Directors and Key Managerial Personnel	None.
Name of the companies in which Mr. Ganesh N. Nayak holds Directorships and Memberships of Committees of the Board	**A. Directorships in listed companies:** 1. Zydus Lifesciences Limited 2. Zydus Wellness Limited Mr. Ganesh N. Nayak has not resigned from any listed company in the past 3 (three) years. **B. Directorships in unlisted public companies:** Zydus VTEC Limited **C. Directorships in private companies:** 1. Zydus Takeda Healthcare Private Limited 2. Zydus Hospira Oncology Private Limited 3. German Remedies Healthcare Private Limited

Name of the Director	Mr. Ganesh N. Nayak, Non-Executive Director
Name of the companies in which Mr. Ganesh N. Nayak holds Directorships and Memberships of Committees of the Board	**D. Committee positions in companies:**

Sr. No.	Name of the Company	Name of the Committee	Position
1.	Zydus Lifesciences Limited	Finance and Administration Committee	Member
2.	Zydus Wellness Limited	Stakeholder's / Investor's Relationship Committee	Chairman
		Audit Committee	Member
		Corporate Social Responsibility and Environment Social and Governance Committee	Member
		Share Transfer Committee	Member
		Finance and Administration Committee	Member
3.	Zydus Hospira Oncology Private Limited	Corporate Social Responsibility Committee	Chairman

Number of shares held in the Company	6,550 (Six Thousand Five Hundred Fifty) equity shares (0.01% of the total paid-up share capital of the Company). Mr. Ganesh N. Nayak is not holding any shares as a beneficial owner.
Terms and Conditions of Appointment / Re-appointment	• Liable to retire by rotation. • Entitled to receive sitting fees for attending Board and committee meetings.
Total remuneration drawn in Financial Year ended on March 31, 2025	₹ 1.0 million (Rupees One Million only) towards sitting fees.
Attendance in Board, Committee and General meetings in Financial Year ended on March 31, 2025	Mr. Ganesh N. Nayak has attended 4 (four) out of 5 (five) Board meetings, 29 (twenty nine) out of 34 (thirty four) Committee meetings and Annual General meeting held during the Financial Year ended on March 31, 2025.
Declaration	Mr. Ganesh N. Nayak is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

NOTES

Zydus Wellness Limited

REGISTERED OFFICE:

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

P: +91-79-4804 0000 | +91-79-7810 0000
W: www.zyduswellness.com

CIN: L15201GJ1994PLCO23490