HLL Lifecare Limited
(A Government of India Enterprise)

# 60th ANNUAL REPORT
# 2025-26

# विषयसूची

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**श्री जगत प्रकाश नड्डा**

**Shri Jagat Prakash Nadda**

माननीय केंद्रीय स्वास्थ्य एवं परिवार कल्याण और रसायन एवं उर्वरक मंत्री

Hon'ble Union Minister of Health & Family Welfare and Chemicals & Fertilizers,



**श्री प्रतापराव जाधव**

**Shri Prataprao Jadhav**

माननीय केंद्रीय आयुष राज्य मंत्री (स्वतंत्र प्रभार) और स्वास्थ्य एवं परिवार कल्याण राज्य मंत्री

Hon'ble Union Minister of State (Independent Charge) for AYUSH and Union Minister of State for Health & Family Welfare



**श्रीमती अनुप्रिया पटेल**

**Smt Anupriya Patel**

माननीय केंद्रीय स्वास्थ्य एवं परिवार कल्याण और रसायन एवं उर्वरक राज्य मंत्री

Hon'ble Union Minister of State for Health & Family Welfare and Chemicals and Fertilizers



**श्रीमती पुण्य सलिला श्रीवास्तव आई ए एस**
**Smt. Punya Salila Srivastava IAS**
सचिव, स्वास्थ्य एवं परिवार कल्याण मंत्रालय, भारत सरकार
Secretary, Ministry of Health & Family Welfare, Government of India

# निदेशक मंडल
# Board of Directors



**श्री होवेयदा अब्बास आईए & ए एस**
**Shri Hoveyda Abbas IA & AS**
अपर सचिव **&** एफ.ए,
स्वास्थ्य एवं परिवार कल्याण मंत्रालय,
भारत सरकार
Additional Secretary & F.A,
Ministry of Health &
Family Welfare, Government of India



**डॉ. अनिता तंपी**
**Dr. Anitha Thampi**
अध्यक्ष एवं प्रबंध निदेशक
Chairperson & Managing Director



**श्री विजय नेहरा आई ए एस**
**Shri Vijay Nehra IAS**
अपर सचिव,
स्वास्थ्य एवं परिवार कल्याण मंत्रालय,
भारत सरकार
Additional Secretary,
Ministry of Health &
Family Welfare, Government of India



**श्री अजीत एन**
**Shri Ajit N**
निदेशक (विपणन)
Director (Marketing)



**श्री रमेश पी**
**Shri Remesh P**
निदेशक (वित्त)
Director (Finance)



**श्री बेनी जोसेफ**
**Shri Benny Joseph**
निदेशक (तकनीकी और संचालन)
Director (Technical & Operations)



**डॉ. विजय सिंह**
**Dr.Vijay Singh**
स्वतंत्र निदेशक
Independent Director



**डॉ. प्रमेंद्र माहेश्वरी**
**Dr.Pramendra Maheshwari**
स्वतंत्र निदेशक
Independent Director

# VISION, MISSION & OBJECTIVES

## VISION

To be a globally respected organisation, focusing on inclusiveness by providing affordable and quality healthcare solutions through continuous innovation.

## MISSION

To accomplish the Corporate Vision, HLL Lifecare Ltd has outlined following Mission which focus on six key areas:

- Provide quality products and services meeting international standards.
- Excellence through continual improvement by adoption of best technologies and practices.
- Customer delight and value creation through innovation, R a D, cost management and customer care.
- Focusing on human resource development to meet the needs of challenging business environment.
- Be a socially committed corporate by maintaining highest standards of corporate governance and corporate social responsibility.
- Committed to the well-being of mother earth and future generations through green initiatives and promotion of sustainable development.

## OBJECTIVES

The company will strive to fulfill its vision/mission by

- Attaining rapid growth and global levels of operations with high quality cost competitiveness and be among the top three players in each main product category.
- Create a culture of continuous innovation through Ra D initiatives.
- Strive to be the employer of choice in India with employee satisfaction levels of over 90%.
- Be recognized as the leading social organization in the field of Reproductive and Women's Healthcare with commitment to the society - a partner of choice for implementing all government and multi-lateral initiatives in these segments.
- Focussing on capacity building, skill development and infrastructural development for the benefit of the marginalized and under privileged sections for their empowerment and inclusion in the economic mainstream.
- To place emphasis on environmental friendly activities that brings out conservation of resources and waste management leading to top sustainable development.

## Quality Policy

HLL Lifecare Limited is committed to:

- Consistently provide our customers with affordable Healthcare solutions of the highest level of quality.
- Continually improve our processes, products and services, adopt best technologies and practices and meet national / international regulatory requirements at all times.
- Focus on innovation, R&D, cost management and deliver customer value nationally and globally, conforming to the needs of our customers.
- Be an organization that meets highest standards in Corporate Governance and Corporate Social responsibility.

## Safety, Health and Environment Policy

HLL Lifecare Limited is committed to protect environment, eliminate occupational hazards and maintain a healthy and safe work place by

- Preventing any adverse impact to the environment, eliminate hazards and reduce OH&S risks by complying with applicable legal and other requirements.
- Adopting safe operating practices with employee training and their involvement through consultation and participation.
- Providing safe and healthy working conditions for prevention of work related injury and ill health.
- Improving the environmental quality by minimizing waste & emission, reusing & recycling, reducing the use of natural resources.
- Striving for a global and consistent approach that builds on local management system & best practices and to achieve sustainable performance and continual improvement.
- Periodic review of safety, health and environment management system.

## Lab Policy

HLL Lifecare Limited is committed to:

- Ensure reliable, consistent, impartial and traceable test results by using test methods complying with national / international standards and by following good professional practices.
- Ensure that all personnel involved in the testing operations are competent and familiar with the policies and procedures of the management system conforming to ISO/IEC 17025: 2017 and implement the same in their work.
- Continually improve the effectiveness of the management system.

# CHAIRPERSON'S SPEECH

Dear Shareholders,

It is my great pleasure to welcome you all to the 60th Annual General Meeting of HLL Lifecare Ltd., convened today through the virtual platform in compliance with the guidelines issued by the Ministry of Corporate Affairs. I would like to express my sincere gratitude for your continued trust, encouragement, and unwavering support extended to the Company and its management team.

**Performance Highlights and Achievements: FY 2025-26**

I am pleased to present an overview of the significant milestones and achievements of your Company during the financial year 2025-26:

- Revenue from operations for the year 2025-26 is at ₹5808.39 Cr, as compared to ₹4469.51 Cr in the previous year, reporting a YoY growth of 30%. The growth is primarily driven by Retail Business Division (21% YoY), Health Care Services Division (19% YoY), Projects and Services division (235% YoY) and Manufacturing division (38% YoY).

- Profit Before Tax for FY 2025-26 stood at ₹409.69 Cr as against ₹309.94 cr in 2024-25 registering a YoY growth 32%. The increase in profitability compared to previous year is mainly attributable to the improved performance of the Retail business division, Healthcare Services Division, Manufacturing division, Projects and Services Division.

- Profit After Tax reported for FY 2025-26 is ₹306.37 Cr as compared to a profit of ₹229.18 Cr in 2024-25 recording a YoY growth of 34%.

- Net Worth of the Company increased to ₹1264.81 crore as on 31.03.2026, from ₹1024.68 crore as at 31.03.2025 with a YoY growth of 23%. The growth in net worth is mainly on account of the profit generated during the year

**Division-Wise Growth**:

Retail Business Division

- The Retail Business Division delivered a strong 21% YoY growth in revenue, reaching ₹2,609.12 crore from ₹2,154.20 crore in the previous year. This growth is supported by the addition of 51 new outlets.
- The profit of the division recorderd a healthy 19% YoY growth which increased from ₹218.97 Cr to to ₹261.12 crore.

Healthcare Services Division

- Our Diagnostic Services continued its strong growth trajectory, recording a 19% YoY growth in revenue, from ₹1,467.74 crore in the previous year to ₹1,742.27 crore. The growth is driven by higher volumes at our existing diagnostic centres, reflecting continued customer confidence in our services.
- Profit grew by 10.6% YoY, increasing from ₹95.26 crore to ₹105.34 crore, further strengthening the business segment's overall financial performance.

Projects & Services Division

- Projects and Services registered an impressive YoY growth of 235% in revenue, from ₹181.63 crore in the previous year to ₹536.17 crore. The growth is due to NHAI-HLL integrated emergency response & trauma care project and other major infrastructure projects.

Manufacturing Division

- The Products Manufacturing delivered an impressive performance, recording 38% YoY growth in revenue, from ₹665 crore to ₹920 crore.
- This performance is driven by higher revenue from Ayush products and BHISHM cubes.
- The strong performance reflects the Company's continued focus on strengthening and diversifying its manufacturing portfolio and improving the overall performance and efiiciency of its manufacturing operations.

These results strengthen not just our balance sheet but also our ability to serve millions more across the country with affordable, accessible, and quality healthcare solutions.

**Major Achievements**

During the year, your company further strengthened its role as a trusted strategic healthcare partner of the Government of India, successfully executing mission-mode initiatives including support during Operation Sindhoor and BHISHM Cubes deployment.

Your company also broadened its healthcare footprint through the Mental Health & Wellness Division in collaboration with NIMHANS, launching its first centre at Thiruvananthapuram. Other important ventures include Social Health Initiative Division and Nutrition and Hygiene Equipment Division. The continued expansion of AMRIT, which celebrated its 10th anniversary in year 2025 is now progressing towards a network of 550 outlets.

On the manufacturing front, your company continued to pursue modernization, innovation and capacity enhancement which include development of bio-compostable sanitary napkins, revitalization of PFT and upgradation of the AFT blood-bag facility, reinforcing the Company's transformation into an integrated healthcare enterprise**.**

HLL also strengthened its institutional capabilities through three focused initiatives — the Talent Transformation Centre as a dedicated knowledge and capability-building hub, the Customer Experience Division to systematically translate customer insights into improvements across products and services, and the AI & Digital Transformation Division to accelerate enterprise-wide digitalisation and AI adoption.

**Looking Ahead: A Vision Beyond Numbers**

As we look ahead, we must remember that HLL Lifecare's journey extends far beyond financial performance. At its core, your Company remains an instrument of national progress in healthcare, driven by a larger purpose of improving access to affordable medicines, diagnostics and essential healthcare services across the country. Every milestone we achieve—whether in revenue, growth, capacity or reach—must ultimately translate into greater value for society and stronger support for India's public healthcare priorities.

The coming year will mark an important phase in this journey as your Company advances the implementation of its ambitious VISION 2030, with a clear focus on sustainable growth, innovation, diversification and institutional transformation. The strategic adoption of Artificial Intelligence and digital technologies across our businesses will be a key enabler of this transformation. As India's healthcare ecosystem continues to evolve, HLL Lifecare will strive to remain resilient, responsible and future-ready, while strengthening its contribution to the nation's healthcare priorities.

**Acknowledgments and Conclusion**

On behalf of the Board of Directors, I take this opportunity to extend my heartfelt appreciation to the various departments of the Government of India, particularly the Ministry of Health & Family Welfare, for their continued confidence and support. I would like to place on record our sincere thanks to the Hon'ble Minister of Health & Family Welfare, the Ministers of State, the Secretary, and the senior officials of the Ministry for their invaluable cooperation.

I also express my deep gratitude to my colleagues on the Board for their strategic guidance and contributions in driving the Company's performance. Furthermore, I extend my sincere appreciation to the employees of HLL Lifecare for their hard work, commitment, and dedication in achieving these milestones and strengthening the Company's operations.

Our sincere thanks also go to our banks, financial institutions, business associates, and other stakeholders for their unwavering support and trust, which have been instrumental in our continued growth and success.

**Commitment to Governance**
I am pleased to inform you that during FY 2025-26, your company substantially complied with the Corporate Governance Guidelines issued by the Department of Public Enterprises, reflecting our commitment to transparency, accountability and sustainable business practices.

Finally, I thank each one of you for joining us at this Annual General Meeting. I now proceed to place the agenda items as per the Notice before you for your consideration and approval.

Dr. Anitha Thampi
Chairperson & Managing Director
DIN: 096984

No.HLL/CS/III-152(h)/2026 10th November 2026

# NOTICE OF THE 60TH ADJOURNED ANNUAL GENERAL MEETING

NOTICE is hereby given that the 60th Adjourned Annual General Meeting of the Shareholders of HLL will be held on 13th November 2026 at 03.00 PM through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

**ORDINARY BUSINESS:**

1. To consider and adopt

   a) the audited Standalone Financial Statements of the Company for the year ended 31st March 2026 alongwith the Report of the Directors and Statutory Auditors together with comments of the Comptroller & Auditor General of India (C&AG) thereon.

   b) the audited Consolidated Financial Statements of the Company for the year ended 31st March 2026 along with the Report of the Statutory Auditors together with comments of the Comptroller & Auditor General of India (C&AG) thereon.

2. To declare dividend amounting to INR 91.91 Cr. for the financial year ended 31st March, 2026*(being 591.4% of the paid-up share capital).*

**By the order of the Board of Directors**

**Jaikrishnan A. R.**
**Company Secretary**

Place: Thiruvananthapuram
Date : 10th November 2026

**Note regarding Adjourned Annual General Meeting:**

1. The audited standalone & Consolidated Financial Statements for the year ended March 31, 2026 could not be considered by the members at the 60th Annual General Meeting originally held on 30th September 2026, since the supplementary audit report of the Comptroller and Auditor General of India (C&AG) on the audited Standalone and Consolidated Financial Statements in terms of the provisions of Section 143(6) of Companies Act, 2013 were not received. Subsequent to the AGM held on 30th September 2026, C&AG issued the supplementary audit report on the Standalone and Consolidated Financial Statements 2025-26 of HLL on 12th October 2026
2. As per the DIPAM guidelines, CPSE dividend payouts are to be based on standalone financials. Accordingly, the dividend payable by HLL for FY 2025-26 is 30% of Profit After Tax, i.e., ₹91.91 crore.

   However, considering the estimated aggregate capital expenditure of ₹360.29 crore during FY 2026-27, the Board, in its 306th meeting held on 6th August 2026, recommended to the Members a dividend of ₹50.59 crore (4% of Net Worth). The Board also approved a proposal to request the Ministry of Health & Family Welfare (MoHFW) to seek from DIPAM a partial exemption for HLL from the Guidelines on Payment of Dividend for FY 2025-26.

   Based on this approval, HLL, vide letter dated 11th August 2026, requested MoHFW to submit a proposal to DIPAM for partial exemption from the dividend guidelines for FY 2025-26.

   On 16th October 2026, DIPAM informed HLL that a meeting of the Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC), which reviews and oversees dividend payouts of CPSEs, would be scheduled. HLL accordingly awaited the Committee's decision on its request to pay a dividend of ₹50.59 crore (4% of Net Worth) against the required ₹91.91 crore (30% of PAT).

   However, given the timeline for HLL's 60th Annual General Meeting (AGM), the requirement to lay the FY 2025-26 Annual Report before Parliament during the 2026 Winter Session, and the continued uncertainty over DIPAM's decision, the following proposals were placed before the Board for approval:

   a) To recommend to the Members that a dividend of ₹91.91 crore, representing 30% of PAT, be declared for FY 2025-26, in compliance with the DIPAM guidelines.

   b) To request the Administrative Ministry to inform DIPAM of HLL's proposal to pay the full dividend of ₹91.91 crore.

   The Board approved both proposals by Circular Resolution.

   Since a dividend of ₹91.91 crore is 30% of PAT and complies with the DIPAM guidelines, the partial exemption sought earlier is no longer required. The proposal to pay a dividend of ₹91.91 crore is therefore submitted to the Members for declaration at the AGM.

3. At the said meeting, after considering other agenda items, the members resolved to adjourn the meeting *sine-die*. provided the comments of the C&AG is received by then. The comments of the C&AG on the audited standalone & consolidated Financial Statements have since been received and a copy of the same is enclosed with this notice. Now, the adjourned 60th Annual General Meeting is being held to consider the audited standalone & consolidated Financial Statements and for declaration of dividend of Rs.91.91 Cr being 591.4% of Paid up capital of the Company. The Annual Report for the year containing the Standalone & Consolidated Audited Financial Statement and other statutory annexure required to be laid before the members at the Annual General Meeting is being sent through E-mail to the shareholders.

4. In terms of the provisions of Standard No. 15.3 of 'Secretarial Standard on General Meeting (SS-2)' issued by the Institute of Company Secretaries of India, a fresh notice is being given for this adjourned meeting since the meeting was adjourned sine die.

5. Ministry of Corporate Affairs (hereinafter referred to as "MCA") has vide its General Circular No. 20/2020 dated 05th May, 2020 read together with General Circular Nos. 14/2020 & 17/2020 dated 08th April, 2020, 13th April, 2020, 13th January, 2021, 05/05/2022, 25/09/2023, 19/09/2024 & 22/09/2025 respectively *(hereinafter collectively referred to as "MCA Circulars"),* permitted the holding of Annual General Meeting through VC/OAVM. Accordingly, in accordance with the MCA Circulars and provisions of Companies Act 2013, the AGM of the Company is being held through VC/OAVM. This AGM shall be deemed to be held at the Registered Office of the Company.

6. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the Members can join the AGM through VC/OAVM facility arranged by the Company. All care has been taken by the Company to ensure that the video conference

facility arranged by the Company allows two-way teleconferencing for the easy participation of all the Members. The Members are allowed to ask questions concurrently or shall submit the questions in advance at the email address of the Company Secretary

7. The facility for joining the meeting will be kept open for 15 minutes before the scheduled time to start the meeting and will be closed only after the expiry of 15 minutes after such scheduled time.

8. As per the aforementioned MCA Circulars, the requirement of quorum for a general meeting in pursuance of Section 103 of Companies Act, 2013 has been extended for general meeting held through VC/OAVM also. Therefore, the Members attending AGM through video conference will be counted for the quorum of the meeting.

9. With regard to the manner of appointment of Chairman for the meeting, the relevant MCA circulars stipulates that either it shall be based on the provisions of Articles of Association of the Company or in the manner as provided in the Circular. As per the Articles of Association of your Company, the Chairman of the Board shall preside as Chairman at every general meeting of the Company. Accordingly, the Chairperson of the Board will be the Chairperson for this AGM.

10. Generally, pursuant to the provisions of the Section 105 of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM, the requirement of physical attendance of members is dispensed with and consequently the facility for appointment of proxies is not applicable for this AGM.

11. The Statutory auditor or his authorized representative will attend the AGM through VC/OAVM facility provided by the Company.

12. As the total number of members in your Company falls below 50, the Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any member. If a poll is required to be taken during the meeting on any resolution, the members may convey their vote at the Email id of the Company Secretary at jaikrishnanar@lifecarehll.com.

13. In line with the MCA Circulars, AGM Notice, financial statements and other documents are being sent through electronic mode to the e - mail addresses of the shareholders.

14. In pursuance of section 112 and section 113 of the Companies Act, 2013 representatives of the Members shall be appointed for the purpose of participation and voting in the meeting through video conference.

15. A copy of the notice will also be posted on the website of the company.

16. For any assistance, a member may contact the Company Secretary during business hours. Upon request of members, the inspection of statutory register/related documents can be made available through electronic mode.

***To***

**1. Shareholders**

i. The President of India
ii. Secretary, Ministry of Health & Family Welfare
iii. Additional Secretary & Financial Advisor – Ministry of Health & Family Welfare
iv. Additional Secretary – Ministry of Health & Family Welfare.
v. Director (Marketing) – HLL Lifecare Ltd
vi. Director (Finance) – HLL Lifecare Ltd.
vii. Director (T&O -HLL Lifecare Limited

**2. *All Directors***

**3. Statutory Auditors**

M/s. K Varghese & Co.,
Chartered Accountants, Sageti Business Centre, 2nd Floor, Choolackal Building,
Opp. Metro Plaza, North Market Road,
Ernakulam -682014
Kerala

**4. Secretarial Auditors**

M/s BVR & Associates “Swastika”,
First Floor, Chitteth House,
P C Road, Vytilla P.O,
Cochin - 682 019, Kerala

No. HLL/CS/III-152(h)/2026 22/09/2026

# NOTICE

NOTICE is hereby given that the 60th Annual General Meeting of the shareholders of HLL Lifecare Limited will be held on 30 September 2026 at 04.00 p.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OVAM") to transact the following businesses: -

***ORDINARY BUSINESSES:***

3. To consider and adopt
   a) the audited Standalone Financial Statements of the Company for the year ended 31st March 2026 alongwith the Report of the Directors and Statutory Auditors together with comments of the Comptroller & Auditor General of India (C&AG) thereon.

   b) the audited Consolidated Financial Statements of the Company for the year ended 31st March 2026 along with the Report of the Statutory Auditors together with comments of the Comptroller & Auditor General of India (C&AG) thereon.

4. To declare dividend amounting to INR 50.59 Crs. for the financial year ended 31st March, 2026.

5. To authorize the Board of Directors to fix remuneration payable to the Statutory Auditors of the Company for the year 2026-27.

   To consider and, if thought fit, to pass the following resolution, with or without modification as an ordinary resolution:

   "RESOLVED THAT pursuant to the requirement of Section 142(1) of the Companies Act, 2013, the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to the StatutoryAuditors appointed by the Comptroller and Auditor General of India for the year 2026-27".

***SPECIAL BUSINESS:***

**6. Ratification of Cost Auditor's remuneration for the financial year 2026-27**

To consider and, if thought fit, to pass the following resolution, with or without modification as an ordinary resolution:

"RESOLVED THAT pursuant to Section 148(3) of Companies Act, 2013, and rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014, and other applicable provisions of the Companies Act, 2013 read with rules made thereunder, the Company hereby ratifies the remuneration of INR 5,00,000/- plus applicable GST besides reimbursement of actual travelling and out of pocket expenses to **M/s Dhananjay V Joshi & Associates,** Cost Accountants, with Firm Registration No. 000030, who were appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March 2027."

***By the Order of the Board***

**Jaikrishnan A R**
Company Secretary

Place: Thiruvananthapuram

***Notes:***

1. Ministry of Corporate Affairs (hereinafter referred to as "MCA") has vide its General Circular No. 20/2020 dated 05th May, 2020 read together with General Circular Nos. 14/2020 & 17/2020 dated 08th April, 2020, 13th April, 2020, 13th January, 2021, 05/05/2022, 25/09/2023, 19/09/2024 & 22/09/2025 respectively (hereinafter collectively referred to as "MCA Circulars"), permitted the holding of Annual General Meeting through VC/OAVM. Accordingly, in accordance with the MCA Circulars and provisions of Companies Act 2013, the AGM of the Company is being held through VC/OAVM. This AGM shall be deemed to be held atthe Registered Office of the Company.

2. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the Members can join the AGM through VC/OAVM facility arranged by the Company. All care has been taken by the Company to ensure that the video conference facility arranged by the Company allows two-way teleconferencing for the easy participation of all the Members. The Members are allowed to ask questions concurrently or shall submit the questions in advance at the email address of the CompanySecretary.

3. The facility for joining the meeting will be kept open for 15 minutes before the scheduled time to start the meeting and will be closed only after the expiry of 15 minutes after such scheduled time.

4. As per the aforementioned MCA Circulars, the requirement of quorum for a general meeting in pursuance of 103 of Companies Act, 2013 has been extended for general meeting held through VC/OAVM also. Therefore, the Members attending AGM through video conference will be counted for the quorum of the meeting.

5. With regard to the manner of appointment of Chairman for the meeting, the relevant MCA circulars stipulates that either it shall be based on the provisions of Articles of Association of the Company or in the manner as provided in the Circular. As per the Articles of Association of your Company, the Chairman of the Board shall preside as Chairman at every general meeting of the Company. Accordingly, the Chairman of the Board will be the Chairman for this AGM.

6. Generally, pursuant to the provisions of the Section 105 of the Companies Act, 2013, a member entitled toattend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM, the requirement of physical attendance of members is dispensed with and consequently the facility for appointment of proxies is not applicable for this AGM.

7. The Statutory auditor or his authorized representative will attend the AGM through VC/OAVM facility provided by the Company

8. As the total number of members in your Company falls below 50, the Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any member. If a poll is required to be taken during the meeting on any resolution, the members may convey their vote at the Email i.d of the CompanySecretary at jaikrishnanar@lifecarehll.com

9. In line with the MCA Circulars, AGM Notice, financial statements and other documents are being sent through electronic mode to the e - mail addresses of the shareholders.

10. In pursuance of section 112 and section 113 of the Companies Act, 2013 representatives of the Membersshall be appointed for the purpose of participation and voting in the meeting through video conference.

11. A copy of the notice shall also be posted on the website of the company.

12. For any assistance, a member may contact the Company Secretary during business hours. Upon request of members, the inspection of statutory register/related documents can be made available through electronicmode.

    Pursuant to Section 139 (5) of the Companies Act, 2013, the Statutory Auditors of a Government Company are appointed by the Comptroller and Auditor General of India (C&AG). In terms of Section 142(1) of the Companies Act, 2013 the remuneration of auditors has to be fixed by the company in the Annual General Meeting or in such manner as the company in annual general meeting may determine. Accordingly, necessary resolution has been placed before the Members for authorising the Board of directors to fix up the remuneration to the Statutory Auditors of the Company for the financial year 2026-27.

13. Explanatory Statement pursuant to Section 102 of the Companies, Act, 2013 with Companies (Management and Administration) Rules 2014, setting out the material facts in respect of Special Business is annexed.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Pursuant to Section 102 of the Companies Act, 2013, the Explanatory Statement setting out material facts and reasons for the proposed Special Business is given below.

***Item No: 4 Ratification of Cost Auditor's remuneration for the financial year 2026-2027***

The Company is directed, under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of Directors of your Company in its 307th Board meeting held on 17th September 2026 has approved the appointment and remuneration of **Dhananjay V Joshi & Associates,** MA Pride, Ground Floor, Plot No. 6, S. No. 16/6, Erandawana Hsg. Society, Pune – 411004 with Firm Registration No. 000030 as Cost Auditors for the financial year ending March 31, 2027. In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing ordinary resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027.

The Board recommends the aforesaid resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the aforesaid ordinary resolution.

***To***

**1. Shareholders**

i. The President of India
ii. Secretary, Ministry of Health & Family Welfare
iii. Additional Secretary & Financial Advisor – Ministry of Health & Family Welfare
iv. Additional Secretary – Ministry of Health & Family Welfare.
v. Director (Marketing) – HLL Lifecare Ltd
vi. Director (Finance) – HLL Lifecare Ltd.
vii. Director (T&O -HLL Lifecare Limited

**5. All Directors**

**6. Statutory Auditors**

M/s. K Varghese & Co.,
Chartered Accountants, Sageti Business Centre, 2nd Floor, Choolackal Building,
Opp. Metro Plaza, North Market Road,
Ernakulam -682014
Kerala

**7. Secretarial Auditors**

M/s BVR & Associates "Swastika", First Floor, Chitteth House, P C Road,
Vytilla P.O, Cochin -
682 019,Kerala

# DIRECTORS' REPORT 2025-26

## 1. FINANCIAL RESULTS & STATE OF AFFAIRS OF THE COMPANY

The Company's financial performance, for the year ended March 31, 2026 is summarized below:

| Particulars | (Rs. In crs) | | | |
|---|---|---|---|---|
| | Standalone | | Consolidated | |
| | 2025-26 | 2024-25 | 2025-26 | 2024-25 |
| Revenue from operations | 5,808.39 | 4,469.51 | 6,400.20 | 4,954.94 |
| other income | 67.86 | 81.96 | 67.50 | 67.29 |
| Total Income | 5,876.25 | 4,551.47 | 6,467.70 | 5,022.23 |
| Profit/loss before tax | 409.69 | 309.94 | 454.92 | 325.73 |
| Tax expenses | 103.32 | 80.76 | 115.47 | 94.23 |
| Profit/loss after tax | 306.37 | 229.18 | 339.45 | 231.50 |

The major highlights of the Company's performance are given below

- Revenue from operations for the year 2025-26 was at ₹5808.39 Cr, as compared to ₹4469.51 Cr in previous year reporting a Y-o-Y growth of 30%. The growth is primarily driven by Retail Business Division (21% Y-o-Y) and Health Care Services Division ( 19% Y-o-Y). The revenue from contracts executed by Projects & Services division has increased 3.35 times during the year from ₹143.18 Cr to ₹479.96 Cr.
- Profit Before Tax for FY 2025-26 stood at ₹409.69 Cr as against ₹309.94 cr in 2024-25 . The increase in Profitability 32% compared to previous year was mainly attributable to the improved performance of the Retail business division and Health Care Services Division. The capacity utilization of manufacturing operations has remained almost the same compared to previous year
- Profit After Tax reported for FY 2025-26 was ₹306.37 Cr as compared to a profit of ₹229.18 Cr in 2024-25 recording a Y-o-Y growth of 34%
- Net Worth of the Company increased to ₹1264.81 crore as on 31.03.2026, from ₹1024.68 crore as at 31.03.2025. The growth in net worth is mainly on account of the profit generated during the year
- During the year 2025-26, 48 Retail pharma centres were opened by the Retail Business Division.

There is no change in the nature of the business of the Company during the Financial Year 2025-26.

## 2. TRANSFER TO RESERVE

No amount is proposed to be carried to any reserve for the financial year under review. The balance of profit, after appropriations, if any, has been retained as retained earnings.

## 3. DIVIDEND

The Directors are pleased to recommend a dividend of amounting to Rs.91.91 crores for the financial year ended 31st March, 2026. However, payment of Dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting.

## 4. SHARE CAPITAL

The Authorized Share capital of the Company as on 31st March, 2026 stood at Rs. 300.00 Cr. as the same of previous year. The issued, subscribed and paid up equity share capital as on 31st March, 2026 was Rs.15.53 Cr.

## 5. PERFORMANCE OF THE COMPANY vis-à-vis MoU TARGETS

During the financial year 2024-25, the Company achieved a **"Good"** rating under the Memorandum of Understanding (MoU) signed with the Government of India. The Company recorded an overall **MoU score** of 65.13 for the financial year 2024-25, reflecting its performance against the targets and parameters agreed under the MoU.

## 6. DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V - Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are disclosed in the Notes to the Financial Statements, forming part of this Annual Report.

## 8. RELATED PARTY TRANSACTIONS

All the Related Party Transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There were no materially significant transactions with Related Parties during the financial year 2025-2026 which were in conflict with the interest of the Company. Suitable disclosures as required under IND AS-24 have been made in Note No.42 of the Notes to the Financial Statements.

Particulars of contract/arrangements/transactions made with related parties, pursuant to Section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is appended as **Annexure I** which forms part of this report.

## 9. SUBSIDIARIES AND JOINT VENTURE

During FY 2025-26, HLL has only two subsidiary companies and one joint venture Company. During the year under review, no company became or ceased to be a Subsidiary, Joint Venture or Associate of the Company. Accordingly, there was no change in the status of the Company's Subsidiaries, Joint Ventures and Associates during the financial year under review. The summary of performance of the two subsidiaries and joint venture companies are provided below:

### 9.1 Goa Antibiotics & Pharmaceuticals Limited [GAPL]

The authorized share capital and paid-up equity share capital of GAPL as on 31st March 2026 was Rs.34.00 Cr and Rs.33.33 Cr respectively.

During the year 2025-26, the Company generated revenue from operations aggregating to ₹ 2973.23 lacs in comparison with ₹ 2941.93 lacs in the previous year.

9.1.1 Achievements/Highlights for the Financial Year 2025-26

Revenue from operations of GAPL for FY 2025-26 was Increased marginally by 0.72% as compared to FY 2024–25, reflecting overall stability in topline growth. Allopathic Segment achieved an increased revenue of ₹ 1,437.99 lakhs as compared to the previous year underscoring operational efficiency in core production. Ayurvedic & Homeopathic product declined sharply by 78.06%, significantly impacting segmental contribution, and overall revenue.

### 9.2 HLL Infra Tech Services Limited [HITES]

HITES was incorporated on 3rd April 2014 as a wholly owned subsidiary of HLL Lifecare Limited to carry on the business of providing services viz., Infrastructure Development, Facilities Management, Procurement Consultancy and allied services, foreseeing the enormous scope of business in these segments. The authorized and paid-up equity share capital of HITES as on 31st March 2026 is Rs.200.00 lakh each.

9.2.1 Performance Highlights

- Revenue from operations for the year 2025-26 is Rs.569.20 Cr. as against Rs.463.16 Cr. in 2024-25, recording an increase of 22.89% year on year.
- Profit Before Tax is Rs.58.21 Cr. in 2025-26 compared to corresponding profit of Rs.45.61 Cr. in 2024-25 reflecting an increase of 27.63% year on year.
- Profit After Tax (Before Other Comprehensive Income is Rs.43.77 Cr. in 2025-26 compared to corresponding profit of Rs.33.96 Cr. in 2024-25 reflecting an increase of 28.89% year on year.
- Net Worth has increased from Rs. 84.36 Cr. as at 31.03.2025 to Rs.115.03 Cr. as at 31.03.2026 reflecting an increase of 36.36% year on year.

**Major Achievements during FY 2025-2026**

- HITES signed MoU with Goa CSR Authority to undertake activities towards development of Infrastructure in Health Sector on 10.04.2025.
- LoA issued to HITES from Indian Pharmacopoeia Commission (IPC) for providing 258 nos. of Scientific Manpower at IPC, Ghaziabad on 22.04.2025.
- Tripartite MoA Signed with H&FWD-Government of Kerala and KIIFB for the Construction of Taluk Hospital Munnar.

- MoA Signed with Kerala Agricultural University, Thrissur for the Construction of Translational Research Centre at Vellanikkara, Thrissur.
- Secured PMC works for the upgradation 250-Capacity Undergraduate Hostels at AIIMS Guwahati.
- MoA Signed with Institute of Advanced Virology for the Construction of One Health Regional Support Facility, Innovation and Translation Facilitation Centre and Other Facilities at Phase I, Thonnakkal at Thiruvananthapuram.
- MoA Signed with Institute of Advanced Virology for the Construction of Academic Training Complex, Thonnakkal at Thiruvananthapuram.

- Foundation Stone laid by the Hon'ble Health Minister of Kerala for the construction of Government General Hospital at Changanasserry in Kottayam, Kerala funded by KIIFB.
- Foundation Stone of PM Ekta Mall, Aizawl, Mizoram was laid by Honorable Chief Minister of Mizoram.
- Secured work for Procurement of Medical Equipment for IMS BHU.
- Inauguration of Taluk Hospital Adimali in Idukki, Kerala by Hon'ble Health Minister of Kerala.
- Secured work for Procurement of Booster Compressorsfor Disaster Management Cell, MoHFW
- Secured work from GOA Al Jan Arogya Abhiyan with DHS Govt. Of GOA
- Secured work for Medicity at Naya Raipur, Chhattisgarh
- Secured PMC works for Planning, Construction testing and commissioning of Building of National Centre for Disease Control (NCDC) and BSL-3 Lab Building at UCHC Campus, Shivpur, Varanasi.
- Secured Extension of existing contract for providing Manpower (Scientific-IPC) to Indian Pharmacopoeia Commission (IPC). Ghaziabad
- Appointment of M/s HITES Limited as Executing Agency (EA) for civil works and Procurement Support Agency (PSA) for procurement of medical equipment for up- gradation of University College of Medical Sciences-Guru Tegh Bahadur Hospital (UCMS- GTBH), Delhi under Phase-IV of PMSSY
- Facilitating works related to Procurement, supply, installation, testing and commissioning of IT/ITES Devices which includes IoT Devices and their integration with Oxycare Portal Application for monitoring PSA Oxygen Plant and GSM (mobile data connectivity); in phased manner, at 1287 PSA plants implemented through PM-CARES Fund across country.
- Approval of DPR for construction of NCDC State Branch and BSL 3 Lab Building at Shivpur, Varanasi
- AIIMS Nagpur: PMC works for Planning, Construction testing and commissioning of Building of National Centre for Disease Control (NCDC) BSL-3 Lab Building
- SMS Hospital, Jaipur, Rajasthan : PMC works for Planning, Construction testing and commissioning of Building of National Centre for Disease Control (NCDC) BSL-3 Lab Building
- Infrastructure Development of KR Narayanan National Institute of Visual Science and Arts, Kottayam
- Supply of Medical equipment to various institutions under the CSR initiative of ONGC
- MoU signed with NCDC for establishment of BSL-3 labs at Varansai, AIIMS Nagpur. SMS Hospital-Jaipur, Kasturba Gandhi Hospital-Mumbai, GMC-Surat as Executing Agency.
- Secured work for Procurement & Supply of Medical Equipment Under CSR of Nayara Energy.
- Appointment of HITES as a PSA and EA for upgradation of 150 bedded Dharanidhar Medical College and Hospital Keonjhar odisha under PMSSY project
- Secured work for Procurement and supply of 14 Sea Ambulances to 07 Pacific Islands countries from MEA
- Secured work for Procurement, Installation and Commissioning of One PET-CT Scan Machine and One Advanced 1.5T MRI system in C.U. Shah Medical College & Hospital, Gujarat, Under CSR Inititive of PFC
- Secured work for Procurement and Supply of 07 Defibrillators to LHMC under CSR initiative of IOCL
- Secured work for Procurement and Supply of 10 Ambulances (04 BLS and 06 ALS) to the Republic of Seychelles on turnkey basis from MEA
- Secured work for Upgradation of health services at Jayadev Memorial Rashtrotthana Hospital and Research Centre (JMRH), Bengaluru under CSR initiative of PFC
- Secured work for Deployment of 56 Truenat Moleculer Dignostics Quattro Machine to DGHS, Maharashtra under CSR initiative of ONGC Foundation
- Appointment of PSA for procurement of medical equipment satellite Centre at Kichha,, Uttarakhand
- Secured work for Impact Assessment Study for proposed Greenfield at Sultanganj and Sonpur Airport in Bihar
- Extension of AIIMS Raipur Contract for Non DPR items
- Kendriya Vidyala Sangathan has awarded the construction of 4 nos of KVs
- Central University Jharkhand has awarded the work of PMC for Development of the University at Ranchi

**9.3 LifeSpring Hospitals (P) Limited [LSH]**

The authorised and paid-up share equity share capital of LifeSpring Hospitals as on 31 March 2026 was Rs.20.00 crore and Rs.19.02 crore respectively. During FY 2025-26, LifeSpring Hospitals continued to operate 10 maternity hospitals and closed the year with a turnover of Rs.2,682.12 Lakh and a loss of Rs.74.13 lakhs.

During the financial year 2025-26, the company changed the out-sourced agencies for managing the in-house laboratories at its ten hospitals from different vendors to Hindlabs, a division of HLL Lifecare Ltd. and accordingly Hindlabs started its operations from 27th of August 2025 at ten LifeSpring Hospitals. This change is expected to increase the quality of lab tests performed at affordable costs with the better equipment.

During the financial year 2025-26, the company changed the out-sourced agencies for managing the in-house pharmacies and started establishing the in-house pharmacies at its ten LifeSpring Hospitals. By the end of March 2026, the company established its in-house pharmacies at Moula Ali hospital and Boduppal hospital in the month of December 2025 and February 2026 respectively.

Future Outlook

- The company plan to obtain NABH accreditation for one of its hospitals to improve the branding and cashless insurance coverage for its customers.
- The company plan to establish critical care facilities like ICU/NICU in one of the hospitals to avoid the referral of high-risk pregnancies to higher centres and to increase the ANC conversions and to get more and more pregnant women deliver at LSH hospitals.
- The company plan to establish infertility services like consultations and IUI procedures in all of the hospitals to attract infertility patients and convert them for the deliveries at LSH hospitals.
- The company plan to establish infertility services like consultations and IUI procedures in all of the hospitals to attract infertility patients and convert them for the deliveries at LSH hospitals.
- The company plan to establish laparoscopic services and surgeries in all of the hospitals to improve the revenue from other IP services.

**10. CONSOLIDATED FINANCIAL STATEMENTS**

The Company has adopted “Ind As” with effect from 1st April 2016. The Financial Statements in accordance with the Ind As on Consolidated Financial Statements is provided in the Annual Report. The Annual Accounts of the Subsidiary Companies, along with related information are available for inspection at the Registered Office of the Company, and also at the registered offices of the respective subsidiary companies during working hours.

**11. INTERNAL CONTROL SYSTEMS AND ADEQUACY**

Your Company maintains a system of Internal Controls tailored to its business nature, size, scale, and operational complexity. This system ensures that all transactions comply with Delegation of Powers (DOP), are duly approved and authorized, accurately recorded, and reported within the SAP environment. Moreover, it guarantees the timely preparation of accurate financial statements, safeguarding assets against unauthorized use or disposition.

Regular testing and certification of these systems by both Statutory and Internal Auditors encompass all units, divisions, and key business areas. Additionally, as a Public Sector Enterprise, the Company undergoes audit scrutiny by the Comptroller and Auditor General (CAG) of India. Corporate Audit Services conduct operations and management audits on need basis to assess performance efficiency and internal control assurance. Significant audit observations and subsequent actions are reported to the Audit Committee, which oversees the adequacy and effectiveness of the internal control environment.

Also, the Company endeavours to continuously improve its internal control systems and practices by adopting the recommendations provided by the auditors and other best practices.

**12. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your Company has adopted a Vigil Mechanism/Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year in this regard. The Whistle Blower Policy is placed on the website of the company.

**13. RISK MANAGEMENT**

Your Company has adopted a robust Risk Management Policy approved by the Board of Directors and established an Enterprise Risk Management (ERM) system that engages with all the business verticals

for risk assessment and ensures that the risk mitigation plans are in place.

## 14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company.

## 15. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016, IF ANY

During the Financial Year 2025-26, no application was made and no proceeding was pending under the Insolvency and Bankruptcy Code, 2016 in respect of the Company. Accordingly, there were no proceedings or applications under the said Code requiring disclosure or reporting during the year.

## 16. OTHER STATUTORY DISCLOSURES

### One-Time Settlement

During the Financial Year 2025-26, there was no instance of one-time settlement with any Bank or Financial Institution. Accordingly, the disclosure relating to the difference between the amount of valuation done at the time of one-time settlement and the valuation done while taking the loan from Banks or Financial Institutions, along with the reasons thereof, is not applicable to the Company.

### Resignation of Statutory Auditor

There was no resignation of the Statutory Auditor of the Company during the Financial Year 2025-26.

### Buy-back, Differential Voting Rights, Sweat Equity Shares and Employee Stock Options

During the Financial Year 2025-26, the Company has not undertaken any buy-back of its securities or issued any shares with differential voting rights, sweat equity shares or employee stock options.

### Investor Education and Protection Fund (IEPF)

During the Financial Year 2025-26, there was no amount required to be transferred by the Company to the Investor Education and Protection Fund under the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

## 17. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of this report. The matter relating to the dispute settlement with L&T is incorporated in the books of accounts and disclosed in the notes forming part of accounts

### 17.1 Strategic Disinvestment of HLL Lifecare Limited

The Government of India (GOI), through its Transaction Advisor had invited Expressions of Interest (EOIs) vide Advertisement and Preliminary Information Memorandum (PIM) issued on December 14, 2021, in leading newspapers, websites of DIPAM at www.dipam.gov.in, MoHFW at https://mohfw.gov.in/, Company at http://www.lifecarehll.com/ and Transaction Advisor at https://www.pwc.in/

Based on the submission of the EOIs, Qualified Interested Bidders (QIB) were shortlisted for the next stage of the Transaction and such short-listed QIB's were given access to the Virtual Data Room (VDR) for carrying out due diligence on HLL.

The QIB's have completed due diligence and have submitted their bids pursuant to the issuance of the RFP.

According to the website of the DIPAM, the disinvestment process is currently at a stage where the selection of the Successful Bidder from among the QIB's needs to be made (Stage III).

## 18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis; and

e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such internal financial controls are adequate and operating effectively.

f) The directors had devised a proper system to ensure compliance with all applicable laws and that such systems are adequate and operating effectively.

## 19. PARTICULARS OF EMPLOYEES

Information regarding particulars of employees drawing remuneration in excess of the limit specified under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as none of the employees of the Company has drawn remuneration in excess of the stipulated limit, during the year under review.

## 20. EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 an extract of the Annual Return as at March 31, 2026 in form MGT 9 is appended as **Annexure II** to the Board's Report. Further the extract of Annual Return of the Company will be uploaded in the website of HLL Lifecare Limited (https://www.lifecarehll.com/).

## 21. AUDITORS

### Statutory Auditors

The observations- made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

### Cost Auditors

M/s. Vijender Sharma & Co., Cost Accountants, Delhi, was appointed as Cost Auditors for the financial year 2025-26 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under Companies (Cost Records &Audit Rules), 2014. Cost Records u/s 148(1) are applicable to the company and the same are maintained.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had reappointed M/s. BVR & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2026. The Secretarial Audit Report in Form No. MR3 forms part of the Annual Report as **Annexure III** to the Board's Report. There are no major observations from Secretarial Auditors.

Pursuant to Section 134(3)(ca) read with Section 143(12) of the Companies Act, 2013 and the rules made thereunder, the Auditors of the Company have not reported any fraud committed against the Company by its officers or employees during the financial year under review which is required to be disclosed in the Board's Report. Further, no fraud has been reported to the Audit Committee/Board by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

Accordingly, no disclosure is required to be made in this regard.

**C&AG Audit**

The Comptroller and Auditor General of India (C&AG), in its Supplementary Audit Report for the financial year 2025-26, has issued comments on the financial statements of the Company. The Management's responses to the said comments are provided in the Addendum to the Directors Report.

## 22. PROCUREMENT OF GOODS FROM MSEs AND PAYMENT TO MSE VENDORS

The procurement details provided below are updated on a monthly basis on the Sambandh portal.

The procurement through GeM from the total procurement is also provided in the below table.

| Procurement Detailss | | | | Value in Cr | |
|---|---|---|---|---|---|
| FY | Total Procurement | Procurement from the MSEs | Procurement from Women MSEs | Procurement from SC/ST MSEs | Procurement through GeM |
| 2025-26 | 337.20 | 160.79 | 15.72 | 0.23 | 169.06 |

The details of payment to MSMEs are provided as **Annexure-A** to the Directors Report.

## 23. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNINGS/ OUTGO/OTHER MATTERS

The particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo & Other matters, as prescribed under sub-section 3 (m) of Section 134 of the Companies Act, 2013 read with Rule8 of the Companies (Accounts) Rules, 2014, are given as Annexure-A, which forms part of this report.

## 24. CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

HLL has been an early adopter of CSR initiatives. HLL implements CSR programmes directly and through various implementing agencies including its own implementing agencies such as Hindustan Latex Family Planning and Promotion Trust [HLFPPT], HLL Management Academy and HLL Pratheeksha Charitable Society. As per sub-section 5 of Section 135 every Company for which the provisions of CSR are applicable shall spend at least 2% of the average net profit of the Company made during the three immediately preceeding financial years. The average net profit of three immediately preceeding financial year is given below:

| Financial Year | Net profit as per Section 198 of the Companies Act, 2013 (Rs. In lakh) |
|---|---|
| 2022-23 | 6950.28 |
| 2023-24 | 22779.95 |
| 2024-25 | 31242.21 |
| Total | 60972.44 |
| Less: Dividend from HITES for three years | 3800.00 |
| Net profit | 57172.44 |
| Average net profit of the three years | 19057.48 |
| **2% of average net profit** | **381.15** |

A summary of CSR activities carried out by HLL during the financial year 2025-26 is provided as **Annexure B** which forms part of this report.

## 25. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of good corporate governance and has taken adequate steps to adhere to all stipulations laid down in DPE O.M. No. 18(8)/2005-GM dated 14- 05-2010 issued by Department of Public Enterprises. The Company has obtained a Certificate from the Practicing Company Secretaries M/s. BVR & Associates, LLP confirming compliance of conditions of Corporate Governance forming part of this report as **Annexure IV.**

## 26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of this report.

## 27. BOARD OF DIRECTORS

The following changes took place on the Board of the Company:

**Appointment**

| Name of director | DIN Number | Date of Appointment |
|---|---|---|
| Shri Hoveyda Abbas, IA&AS | 02167766 | 25/06/2025 |
| Shri Vijay Nehra | 05118716 | 01/10/2025 |
| Prof (Dr) Adarsh Pal Vig | 09508552 | 21/04/2025 |
| Smt Neeta Boochra | 07644471 | 21/04/2025 |
| Shri Remesh P | 11327947 | 10/09/2025 |
| Shri Benny Joseph | 11661033 | 25/03/2026 |

**Cessation**

The following directors were ceased to be the Director(s) of the Company during the year 2025-26.

| Name of director | DIN Number | Date of Cessation |
|---|---|---|
| Shri Jaideep Kumar Mishra ICAS | 08712776 | 25/06/2025 |
| Smt Roli Singh IAS | 05118716 | 01/10/2025 |

**Women Directors**

In terms of the provisions of Section 149 of the Companies Act, 2013, your Company shall have at least one-Woman Director on the Board. During the year under review, your Company had Dr.Anitha Thampi, Chairperson & Managing Director, Smt Roli Singh IAS (Government Nominee Director) and Smt Neeta Boochra (Independent Director) as women Directors on the Board of the Company.

**Committees of the Board**

Your Company has several committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. The Company has following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee

A detailed note with respect to the compositions, powers, roles, terms of reference, etc. of relevant committees are provided under Para 11 of the Report on Corporate Governance section which forms part of this Annual Report.

**Board Meetings held during the year**

During the year, five meetings of the Board of Directors were held. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The details of the meetings are furnished in the Corporate Governance Report which forms part of this Report.

## 28. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has constituted Redressal committees in the Head office as well as in its Units and Subsidiary Companies in accordance with the provisions of Sexual Harassment at workplace (Prevention, Prohibition and Redressal) Act, 2013 - an Act to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment. Your Company firmly believes that sexual harassment results in violation of the fundamental rights of a woman to equality under articles 14 and 15 of the Constitution of India and the right to life and live with dignity under article 21 of the constitution and the right to practice any profession or to carry on any occupation, trade or business which includes right to safe environment free from Sexual Harassment.

The Company has organized meetings with ladies for creating awareness about the provisions of the Act and their rights. The provision was incorporated in the Conduct, Discipline and Appeal Rules of the

Company. As part of International Women's Day Celebrations various competitions were conducted for ladies in the company.

During the Financial Year 2025-26, no complaints of sexual harassment were received or disposed of, and no case remained pending for more than 90 days**.**

**29. COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961**

The Company has complied with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder during the Financial Year 2025-26.

**30. INFORMATION TECHNOLOGY**

The eOffice (eFile) application, developed by NIC, was initially implemented for 250 users and has since been expanded across the organization to support a user base of 500. It now covers all manufacturing units, business divisions, and subsidiaries. This implementation has successfully transformed file movement and approval processes into a fully digital environment.

The company has implemented a dedicated CSR web portal with dashboards which marks a significant digital initiative to streamline and strengthen CSR operations. It enables end-to-end management of CSR projects, including proposal submission, approvals, fund tracking, and real-time monitoring, thereby enhancing transparency, efficiency, and compliance.

The SAP system and other specialized applications at HLL are properly configured to support evolving business processes.

The IT initiatives of the Retail Business Division (RBD) during the year 2025- 26 were focused on enhancing system performance, strengthening controls, and ensuring compliance with information security standards.

In line with compliance and security objectives, the Information Security (IS) Audit was successfully completed for RBD IT application hosted on the AWS Cloud platform, reaffirming the reliability and security of the system infrastructure.

**31. RESEARCH AND DEVELOPMENT**

Corporate Research & Development Centre (CRDC) of HLL Lifecare Ltd. has been established with the objective to develop and introduce appropriate, affordable and innovative products with a view to address the contraceptive and healthcare needs of Indian population. CRDC is envisioned to function as a Centre of excellence in conformance with international standards facilitating a platform for both applied research and product development. It has a self-contained full-fledged campus housing a number of facilities ie Medical Devices lab, Pharma lab and Diagnostics lab. These facilities have developed implants, releases systems like patches, rings, gels, creams, tablets, films etc with different APIs including hormones. CRDC is a DSIR approved facility.

**1. Achievements:**

1. Technical support to develop new intermediate vendors to reduce the manufacturing cost of ormeloxifene production at KFB.

2. Achieved an external funded Project by ICMR entitled" Preclinical evaluation of Microencapsulated iron jelly candies for prevention and treatment of Anaemia among children and pregnant women." towards development of an improved iron formulation for an amount of Rs. 135 laks for 3 years.

3. Developed Delay gel containing lidocaine/prilocaine for the condition of premature ejaculation.

4. Import substitution of blood bag needle siliconization chemicals.

**2. Publication:**

1. A paper-based electrospun nanofibrous membrane of nitrogen sulfur-doped graphene quantum dots for the fluorometric detection of P. vivax malaria, Diksha Painuly, Sujitha A.S, Arya R. S, Saikant R.,Lakshminarayanan Ragupathy, Sensors and Actuators B: Chemical 458, 139790, 2026.

2. "Hybrid Thin-Film Nanocomposites of Natural Rubber with Hexagonal Boron Nitride and Few-Layer Graphene: Improved Mechanical, Thermal and Antibacterial Properties," M. G.Vishakh, D.Painuly, and L.Ragupathy, Polymer Engineering & Science (2026): 1–16.
3. An electrochemical biosensor composed of carbonized polyacrylonitrile, reduced graphene oxide-gold nanoparticles nanofibrous nanocomposite for the simultaneous detection of dopamine and uric acid, AS Sujitha, L Ragupathy, D Painuly, Microchemical Journal, 220, 116452, 2025.

4. Redefining menstrual hygiene management with menstrual cups through project Thinkal; from self-care to environmental resilience, P Jayasree, KS Hemachandran, Dialogues in Health, 100261, 2025.

5. Effect of extraction methods on silk fibroin microneedles for drug delivery application, M Mincy, R Saikant, RS Arya, MJ Rosemary, Polymer International, 2025.

6. Herbal Medicine for Insomnia and mental stress/anxiety an expanded evidence based review of phytotherapeutic interventions, Banu S.V, Shiju C, The review of diabetic studies, Vol 21, S12, 2025.

**3. Patent:**

1. Filed an Indian Patent for "A GEL COMPOSITION COMPRISING PHYLLANTHUS EMBLICA AND A METHOD OF PREPARATION THEREOF". Application No. 202541094444, 01/10/2025

**4. Collaborations/Tieups**

1. Received the Project entitled "MolOnco-DnT-CenTr : Translational centre for diagnostic and therapeutic technologies in molecular oncology" as Industrial Partner Institute with IIT-M under the scheme Centre for Advance Research (CAR) funded for an amount of Rs. 78 lakhs by ICMR.

2. Collaboration with Sree Chitra Tirunal Institute for Medical Sciences and Technology SCTIMST for the development of transesophageal echocardiography probe cover.

## 32. QUALITY MANAGEMENT SYSTEMS

### 32.1 QUALITY POLICY

**HLL Lifecare Limited is committed to:**

- Consistently provide our customers with affordable healthcare solutions of the highest level of quality.
- Continually improve our processes, products and services, adopt best technologies and practices and meet national / International regulatory requirements at all times.
- Continually strive to exceed the needs and expectations of our customers nationally and globally through focus on innovation, R&D and cost management.
- Be an organization that meets highest standards in Corporate Governance and Corporate Social responsibility.

### 32.2 SAFETY, HEALTH & ENVIRONMENT POLICY

HLL Lifecare Limited is committed to protect environment, eliminate occupational hazards and maintain a healthy and safe work place by:

- Preventing any adverse impact to the environment, eliminate hazards and reduce OH&S risks by complying with applicable obligations, including legal and regulatory requirements.

- Adopting safe operating practices with employee training and their involvement through consultation and participation.

- Providing safe and healthy working conditions for prevention of work related injury and ill health.

- Improving the environmental quality by minimizing waste & emission, encouraging reusing & recycling, and optimizing the use of natural resources.

- Striving for a global and consistent approach that builds on local management system & best practices and to achieve sustainable performance and continual improvement.

- Periodic review of safety, health and environment management system.

### 32.3 LAB QUALITY POLICY

**HLL Lifecare Limited is committed to:**

- Ensure *reliable, consistent, impartial and traceable test results by using test methods complying with national / international standards and by following good professional practices.*

- Ensure that all personnel involved in the testing operations are competent and familiar with the policies and procedures of the management system conforming to ISO/IEC 17025: 2017 and implement the same in their work.

- Continually improve the effectiveness of the management system to maintain compliance with ISO/IEC 17025: 2017.

## 32.4 MANAGEMENT SYSTEMS & PRODUCT CERTIFICATIONS

**HLL Kakkanad Factory continue to possess the certifications mentioned below:**

• ISO 9001:2015 certification for Quality Management System.

• ISO 13485:2016 certification for Medical Devices Quality Management System.

• ISO 14001:2015 certification for Environment Management System.

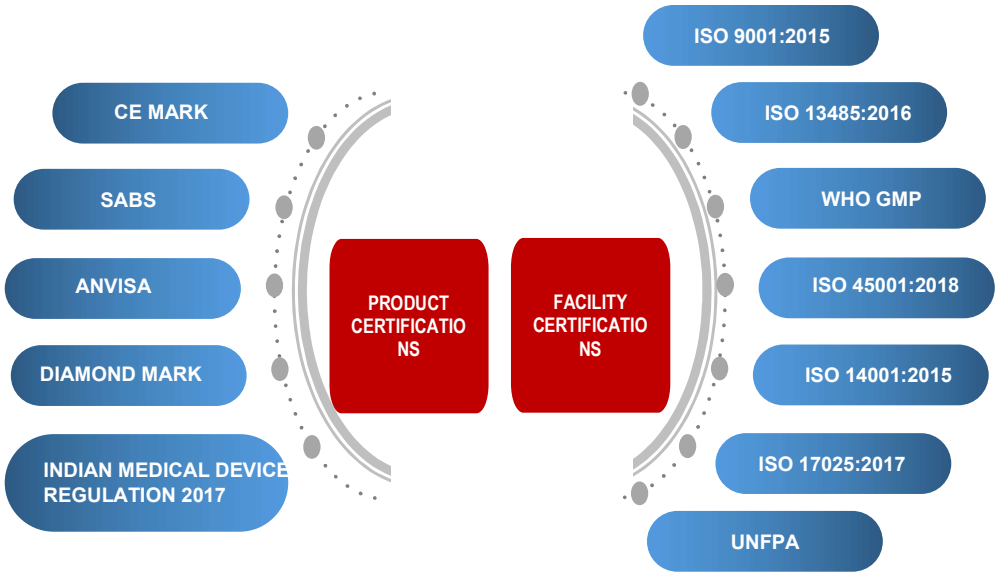
• ISO 45001: 2018 certification for Occupational Health and Safety Management System.

• SABS Mark for Male and Female condoms.

• CE Mark for Female Condoms.

• WHO/UNFPA prequalification for Male Condoms and Female Condoms

**Peroorkada Factory Thiruvananthapuram (PFT)**




**Quality Improvement Initiatives**

- Successfully installed the slurry splash arresting brush in Okamoto machines to reduce pin hole rejection
- A system installed in RRT machine for real time monitoring of heater functioning to reduce rejections due to BV failure.
- Variation in length of the condoms are optimised from 5 mm to 2mm to reduce length variation and better pin hole detection at ETD.

## 33. HUMAN RESOURCES

### Human Resources Development

Your company gives high priority for development of human resources employed by them. During the year under review, the company had organized various training programmes involving 1086 man days for executives and 3104 man days for workmen.

### Industrial Relations

The year 2025-26 witnessed harmonious industrial relations in the company as in the previous years, and no man days lost on account of labour unrest.

### Reservation for SC /ST/OBC and Persons with Disabilities

The company continues to follow the presidential directives in respect of reservation to SC/ST/OBC Communities and efforts are taken to fulfill the directives in Recruitment and Promotion.

The representation of SC/ST/OBC and Persons with Disabilities categories in the total employee strength as on **01.04.2026** is given below:

| Description | No. of employees |
|---|---|
| Representation of : SC | 194 |
| ST | 52 |
| OBC | 322 |
| Persons with Disabilities | 38 |
| Other Categories | 478 |
| **Total Strength of Employees** | **1084** |

### Genderwise Composition of Employees

As at **31 March 2026**, the gender-wise composition of the employees of the Company was as follows:

| Gender | Number of Employees |
|---|---|
| Male | 888 |
| Female | 196 |
| Transgender | Nil |
| **Total** | **1084** |

**Status of implementation of posts reserved for persons with disabilities in HLL Lifecare Limited as on 01.04.2026**

| Group | Total number of posts identified | No. of Post reserved for PwDs | | | | No. of Post currently held by PwDs | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Blindness or low vision | Hearing impaired | Locomotor disability or cerebral identified | Others | Blindness or low vision | Hearing impaired | Locomotor disability or cerebral identified | Others |
| A & B | 385 | 3 | 4 | 4 | 4 | 1 | 0 | 9 | 0 |
| C & D | 698 | 7 | 7 | 7 | 7 | 3 | 11 | 12 | 2 |

**Training details attended by Directors**

| SNo | Name | Designation | Date of Training | Subject | Faculty |
|---|---|---|---|---|---|
| 1 | Shri Remesh P | Director (Finance) & CFO | 11th to 14th August 2025 | Administrative Leadership and Good Governance | IIM Amritsar |
| 2 | Prof (Dr) Adarsh Pal Vig | Independent Director | 27-29 October 2025 | 3 Day Residential Programme on Directors Certification in Sustainable Leadership Kovalam, Trivandrum | IICA |

**HLL PRATHEEKSHA Charitable Society**

The Society is registered with the objective of sponsoring students to the BPL category to pursue professional studies and also to support the health care of retired employees. Accordingly two schemes were launched by the society, one for sponsoring students and the other for giving financial support to the retired employees of the company for availing treatment for critical illness.

Currently company is sponsoring 72 students, including students of the previous years, pursuing various streams of professional courses selected from Trivandrum district and Kanagala district, being the two districts where the two major manufacturing units of the Company are located. HLL Pratheeksha Charitable Society extended financial support for healthcare purposes of three members of HLL Pratheeksha charitable Society and one dependent family member of the member of HLL Pratheeksha Charitable Society for the FY 2025-26 aggregating to Rs.1,50,000/-. The funds for the society are pooled through the monthly individual contribution of all the employees.

## 34. IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

Your Company has complied with the provisions of Official Language Act of 1963and OL Rules 1976, Presidential Directions and the Annual Programme - 2025-26 issued by the Department of Official Language with utmost devotion. Various innovative training programmes were organized for employees and officers to motivate them to carry out their official work in Hindi and to create a conducive environment within the company. During the year, a total of 240 officers and employees were trained in Hindi. The following programmes were conducted during the current year :

1. Practical Training on Noting & Drafting and Spoken Hindi Class for Union Leaders.
2. Spoken Hindi Class for Employees.
3. OL Awareness program & Spoken Hindi Training for Officers/Employees.
4. Induction Training Program for Newly recruited Officers/Employees.
5. Practical Training on Hindi Noting & Drafting for Officers.
6. Parangat Training for Employees.
7. Hindi Competition for DGM to AVP Level Executives.
8. All India OL Seminar on Bhashini.
9. World Hindi Day & All India Hindi Recitation Competition.
10. Hindi Competitions for School Students.
11. Career Guidance program for College Students.
12. Bharathiya Bhasha Kavyotsav.
13. Hindi Rangotsav & Quiz Competition.
14. Memory Test as part of Learn a Word Daily Programme.
15. Official Language Inspection.

Senior Manager (OL) attended the Hindi day celebrations & 5th Official Language Seminar held at Mahatma Mandir Convention Centre, Gandhi Nagar, Gujarat on 14.09.2025 by the Department of OL, Ministry of Home Affairs, New Delhi. HLL and its Units and subsidiary companies observed the Hindi Fortnight Celebrations in a befitting manner. During Hindi Fortnight Celebrations, various Hindi Competitions were conducted separately for employees & children of employees. The valedictory function was inaugurated by Dr.Anita Thampi Chairperson & Managing Director, HLL Lifecare Limited.

During the year, HLL published its OL Magazine ‘Samanvaya’, which was adjudged for the TOLIC Award. The In-house magazine ‘The Family’ is published in trilingual format, while the monthly News Letter ‘Moments’ is published bilingually.

HLL is also the convener of TOLIC (U) in Thiruvananthapuram. The company actively propagate and

promote OL in our member offices as well as across other TOLICs in the Southern Region by organizing various training programs, Seminars and Competitions. Our TOLIC has achieved notable recognition by securing two prestigious awards for the year 2024-25, namely the TOLIC Incentive Award at the National Level and the Southern Regional Rajbhasha Samman (First prize). These awards were received by the Senior Manager (OL).

During the year, the following programs were conducted under the auspices of TOLIC (U):

1. Induction Program on OL Policy
2. Orientation Program on OL Policy for Employees
3. Orientation Program on OL Policy for Administrative Heads
4. Practical Training on Noting & Drafting
5. Induction Program on Quarterly Progress Report
6. Practical Training on Bhashini
7. Inter TOLIC Patriotic Song Competition
8. Southern Regional Short Story Writing Competition
9. State Level OL Seminar for College Students
10. Kavya Tharang (Bharathiya Bhasha Kavi Sammelan & Hindi Mela)
11. Joint Hindi Fortnight Celebrations.
12. Competitions for Employees & Children
13. Inspection of member offices and awards for the best implementation for encouraging the offices.
14. Release of TOLIC Official Language Magazine 'Thapasya'

Your Company remains committed to continued compliance with the OL Policy in the future as well.

**35. CORPORATE COMMUNICATION**

Your company has a well-organised Corporate Communications Department (CCD) that serves as a convergence media agency for the entire organisation. In an ever-evolving communication landscape, CCD has adapted by complementing conservative PR interventions with innovative communication strategies. The goal of CCD is to position HLL as a Global Healthcare Company that upholds the highest values, benefiting the global community. To achieve this, CCD leverages its in-house design platform to provide customized creative and design support for all communication materials. The department prioritises widespread information dissemination and fostering a positive company image. This is achieved through active engagement with local publics and influential groups, including participation in local and national events, issuing press releases to various media outlets, securing write-ups in prominent publications, publishing informative brochures, producing impactful corporate videos, and regularly organizing press meetings to announce company developments. Furthermore, the company maintains an active presence on various social media platforms, including Facebook, Instagram, Twitter, Linkedin and YouTube. Regular updates are provided on these channels to keep stakeholders informed about the latest developments.

**35.1 Internal Communication**: The company acknowledges the significance of effective internal communications in ensuring that employees across the organisation comprehend and embrace the company's mission, goals, and strategies. To facilitate this, a range of communication tools in utilised such as monthly photo newsletter, monthly bulletins, a quarterly magazine, leaflets and short videos highlighting various activities / developments.

**35.2 Means of Communication:**

- Company Updates : All developments and changes within the company are communicated through our monthly photo newsletters, bulletins and quarterly magazine. These updates are also available on our corporate website : www.lifecarehll.com
- Media Releases : External audiences are kept informed about company developments and changes through press releases and press notes.
- Multimedia Production : Corporate Communication Department produces various creative materials in-house including brochures, leaflets, banners, and boards. It also provides photo and video coverage of company events.
- Website: HLL's corporate website www.lifecarehll.com provides comprehensive information about company's products, services, business segements, upcoming projects and more.

**35.3 Social Media**

Company's new launches, changes and events are published in the below mentioned social media.

| Social Media | Link |
|---|---|
| Facebook Page | https://www.facebook.com/lifecarehll |
| Instagram page | https://www.instagram.com/hlllifecarelimited/ |
| Twitter page | https://twitter.com/HLLLifecare |
| Linkedin | https://www.linkedin.com/in/hll-lifecare-ltd-1a7432224/ |
| Youtube | Channel HLL – www.youtube.com/channelHLL. |

## 36. HLL MANAGEMENT ACADEMY (HMA)

HLL Management Academy (HMA), established as an educational and social development initiative of HLL Lifecare Ltd., is registered as a not-for-profit society under the Travancore–Cochin Literary, Scientific and Charitable Societies Registration Act, 1955. HMA's focus remains steadfast on academic initiatives and social development projects, particularly in the healthcare sector. This report provides a comprehensive overview of HMA's primary activities during FY 2025–26, including social development projects, community development projects, human resource development initiatives (internship, training and recruitment services), and other key initiatives undertaken during the year.\

**FY 2025-26 AT A GLANCE**

The following highlights summarise HMA's key achievements across its Social Development and Human Resource Development verticals during the financial year:

| FY 2025–26 Highlight | Detail |
|---|---|
| Social Development Projects | 397 projects executed nationally (CSR, LSGB & User Fee models), valued at ₹25.451 Crore |
| Project Thinkal — M-Cup Reach | 13,94,673 beneficiaries reached cumulatively since 2018; 3,21,520 reached in FY 2025–26 alone |
| Internship & Training | 9 training programmes conducted; 201 students enrolled for internships (73 completed); |
| Recruitment Services | 46 recruitment drives conducted (41 internal + 5 external); |
| National Recognition | 7 national-level awards and honours received during FY 2025–26 |

**PART I — SOCIAL DEVELOPMENT PROJECTS DIVISION**

During the financial year 2025–26, HMA executed a total of 397 social development projects across India. These included 348 M-Cup projects implemented through CSR, LSGB, and User Fee models; 9 other public health projects supported under CSR; and 40 community development projects under CSR, including consultancy assignments. The total value of these projects amounted to ₹25.451 Crore.

A notable highlight within this division is the "Thinkal" initiative, which focuses on awareness creation and distribution of menstrual cups (M-Cups). This project has seen substantial acceptance and impact, benefiting more than 13,94,673 individuals within the period.

### *1.1 M-Cup Projects*

Project "Thinkal" not only focuses on the distribution of M-Cups but also emphasises creating awareness through medical professionals to encourage women to use menstrual cups. Through this project, medical professionals provide awareness to the beneficiaries and help break the cultural taboo associated with menstrual hygiene management.

HMA has successfully executed the M-Cup project covering 13,94,673 beneficiaries till date as part of welfare activities at various organisations and institutions across India, where the product is made available to beneficiaries mostly free of cost. In FY 2025–26 alone, HMA reached 3,21,520 beneficiaries. Encouraging the use of M-Cups among underprivileged menstruating women in India is a novel initiative with long-term impact, helping women consider menstrual days as normal as any other day.

### *1.2 Other Public Health Projects*

HMA has undertaken several strategic initiatives aimed at enhancing public health outcomes, promoting inclusive well-being, and delivering impactful, community-focused interventions. Below is an overview of the key ongoing and completed projects.

**Navajeevana — Inclusive Community Mental Health Initiative, Wayanad District**

The Navajeevana Inclusive Community Mental Health Project is a two-year CSR initiative by HLL Lifecare Limited, implemented by HLL Management Academy in Thavinhal Panchayat, Wayanad District, Kerala. The primary beneficiaries are caregivers from 50 selected vulnerable households across 10 wards. The project adopts a community-based approach through regular household visits to understand the social, emotional, health, and economic needs of caregivers and their families, and to facilitate follow-up support and referrals.

To enhance the financial stability of caregivers, the project provides need-based livelihood training and financial

literacy support, and — where appropriate — support with product development, branding, and market linkages. A Youth Task Force is also being established, with trained youth serving as community-level support persons on mental health awareness, early identification, and referral mechanisms. Medical and mental health camps, alongside distribution of sports kits to local clubs, further strengthen access to care and community participation.

Together, these interventions create an integrated community-based model addressing mental health, physical health, caregiver support, economic empowerment, youth participation, and social well-being — promoting sustainable resilience and improved quality of life for vulnerable families and the wider community.

**Project Aksharam — Smart Anganwadi for Bright Futures in Kerala**

Developing smart, child-friendly Anganwadi Centres transforms traditional early childhood care into a vibrant, tech-enabled foundation for early learning, combining interactive tools and educational robotic setups. Central to this transformation is empowering Anganwadi workers through dedicated capacity building and technology access, enabling them to confidently guide young learners using modern educational technology.

**Project Pradhan Mantri TB Mukt Bharat Abhiyaan**

This ongoing CSR initiative, implemented by HLL Management Academy in collaboration with the District TB Centre, Wayanad, aims to improve the nutritional status and treatment outcomes of tuberculosis patients through monthly nutritional kits. As a registered Nikshay Mitra, HMA is supporting 80 TB patients for a period of six months with nutrition kits formulated based on District TB Centre and dietitian guidelines — complementing the National TB Elimination Programme (NTEP) and contributing towards the goal of a TB-free Wayanad.

**Skill Advancement Programme in Soilless Agriculture, Thiruvananthapuram**

Indian agriculture, especially in rural and semi-urban regions, is increasingly vulnerable to climate variability — rising temperatures, erratic rainfall, humidity extremes and resource constraints — perpetuating rural poverty and migration. Controlled Environment Agriculture (CEA) through high-tech cold rooms integrated with aeroponics systems provides a game-changing opportunity, enabling cultivation independent of extreme external climatic conditions.

The project establishes a climate-controlled, large-scale grow room facility dedicated to aeroponic saffron cultivation, supporting a cluster of farmers with enhanced productivity and stable, high-income livelihoods. It also builds local capacity in climate-smart agriculture and serves as a demonstrative, scalable model with strong potential for replication across diverse agro-climatic zones in India.

**EKATVA — Strengthening Transgender Lives through Skill Development and Mental Health**

Supported by HLL Lifecare Limited and implemented by HLL Management Academy, EKATVA was designed to promote livelihood opportunities, mental well-being, confidence, and social inclusion among transgender individuals in Kerala. The project reached 40 beneficiaries across Thiruvananthapuram and Ernakulam through skill development (beautician and driving skills, tailoring, jewellery-making, Nettipattam-making, and dance), psychosocial support and counselling, and outreach and awareness programmes promoting gender sensitivity and reduced stigma.

**Project Swasthya — Behavioural Change Programme for Anaemia among Women of Reproductive Age**

Implemented in Palakkad, Project Swasthya aims to reduce anaemia prevalence among adolescent girls and women of reproductive age through early detection, awareness creation, supplementation, and behaviour change. Hemoglobin screening is conducted using digital hemoglobin meters, with iron and folic acid (IFA) supplementation facilitated in line with government guidelines. The project places strong emphasis on behaviour change communication through educational sessions and culturally appropriate IEC materials.

**Unlocking the Diagnostic Potential of Menstrual Fluid**

This study investigated the feasibility of menstrual fluid as an alternative, non-invasive biological matrix for biomarker assessment, with particular emphasis on the detection of glycated haemoglobin (HbA1c) and its correlation with conventional venous blood measurements. Menstrual fluid and venous blood samples were collected from healthy reproductive-age participants and analysed using a commercially available Human HbA1c Sandwich ELISA Kit in technical triplicates. The findings from this preliminary investigation may provide a scientific basis for further validation of menstrual fluid as a non-invasive HbA1c assessment matrix, subject to larger studies and rigorous clinical validation.

### *1.3 Community Development Project — CSR*

**My City — Solid Waste Management Project**

The My City project is a CSR initiative by HLL Lifecare Limited aimed at improving urban sanitation and

waste management in the Kowdiar ward of Thiruvananthapuram. The project involves daily street sweeping and waste collection carried out by a dedicated three-member team. Collected biodegradable and non-biodegradable waste is handed over to the Thiruvananthapuram Corporation in coordination with the Haritha Karma Sena, alongside door-to-door awareness sessions on effective waste management practices.

## PART II — ACHIEVEMENTS: SOCIAL DEVELOPMENT PROJECTS

**Menstrual Cup (M-Cup) Project**

Reached an impressive 13,94,673 beneficiaries from 2018 onwards, promoting sustainable menstrual hygiene management and fostering behavioural change across diverse socio-cultural contexts.

**Establishing a Presence in Agricultural Areas**

This landmark initiative successfully establishes a climate-controlled facility dedicated to advanced aeroponic saffron cultivation, safeguarding crop cycles from climate unpredictability. By integrating modern precision farming, the centre achieves year-round high-value yields with uncompromised quality and enhanced productivity — creating sustainable, high-income livelihood opportunities for local farmer clusters through technology-driven agriculture.

## PART III — NATIONAL RECOGNITION & AWARDS

HMA's initiatives received sustained national recognition during FY 2025–26, reflecting the impact and quality of its social development work:

**FE Healthcare Awards — Social Impact in Healthcare Category**

At the "Financial Express Healthcare Summit & Awards", HMA was recognised under the category of "Social Impact in Healthcare". This award celebrated the Academy's contributions to accessible healthcare education, menstrual hygiene awareness, and impactful interventions that improved health outcomes in underserved communities.

**Health Awards — Special Jury Mention by Asianet**

The Academy received a "Special Jury Mention" at the "Asianet Health Awards", recognising its outstanding efforts in public health education and grassroots-level interventions — highlighting HMA's innovative and inclusive approaches to health promotion and community well-being.

**PMI Kerala Chapter Awards**

HLL Management Academy won two prestigious awards from the PMI Kerala Chapter for its flagship initiative, Project Thinkal, which was recognised as both the Social Project of the Year and a Sustainability Project. The awards are part of the globally respected PMI Awards Program, organised by the Project Management Institute (PMI).

**CSR Times Awards 2025**

On 15th July 2025, HLL Management Academy was honoured with the CSR Times Award 2025 under the Swachh Bharat category for Project Thinkal, and under the Education category for Project Dhruva.

**National Health Care Award 2025 — VOH Awards**

HLL Management Academy was honoured with the Excellence in Health Outreach Programs Award in recognition of its outstanding contribution to public health outreach.

**Elets Healthcare Innovation Awards**

On 17th July 2025, HLL Management Academy was recognised for excellence in CSR initiatives, receiving the award for "Best Use of CSR Budget for Menstrual Health Awareness" at the 16th Elets Healthcare Innovation Summit & Awards.

**Indian PSU CSR Impact Awards 2025**

Project Thinkal was honoured as the Best Women's Healthcare Initiative of the Year for its outstanding contribution to menstrual health and community hygiene.

**PART IV — HUMAN RESOURCE DEVELOPMENT ACTIVITIES**

During FY 2025–26, the HR Department of HLL Management Academy (HMA) coordinated a range of internship, structured internship, training, skill development and recruitment activities, contributing to capacity building and industry–academia collaboration, with total resources of Rs. 76.23 lakh mobilised across these initiatives during the year.

**Internship, Training and Skill Development Activities — FY 2025–26**

During FY 2025–26, the HR Department of HLL Management Academy (HMA) coordinated a range of internship, structured internship, training and skill development activities, contributing to capacity building and industry–academia collaboration.

**1. Internship and Structured Internship Programmes**

**Internship Programme**

201 students enrolled for internship programmes through HMA, of whom 73 successfully completed their internship in Human Resources, Social Development Projects, and Finance. In addition, a 15-day Structured Internship Programme was conducted for 44 B.Pharm students.

**2. Training and Capacity Building**

During FY 2025–26, HMA conducted a total of 9 training programmes, comprising 6 Internal and 3 External Training Programmes.

**Awareness Programme on Labour Code Reforms**

HMA organised an Awareness Programme on Labour Code Reforms, with participation from 19 personnel representing organisations such as SBI, KIMS, Travancore Titanium, Milma, KINFRA, and Kerala Drugs & Pharmaceuticals. The programme received very positive feedback, and participants have requested an advanced follow-up programme on Labour Code implementation.

**3. Achievements**

| Focus Area | Highlight |
|---|---|
| **Growth** | Internship, Structured Internship and Training activities saw strong participation and expansion during the year. |
| **Student Engagement** | 201 students enrolled across internship programmes, with 73 completing their internship in Human Resources, Social Development Projects, and Finance. |
| **Structured Internship** | A 15-day Structured Internship Programme was successfully delivered for 44 B.Pharm students, strengthening ties with pharmacy education institutions. |
| **Industry Engagement** | The Awareness Programme on Labour Code Reforms drew participation from leading organisations and generated a request for an advanced follow-up programme. |

**Recruitment Activities — FY 2025–26**

**1. Recruitment Activities**

**a. Internal Recruitment**

HMA conducted 41 internal recruitment drives for various units of HLL, including RBD, CRDC, HCS, KFB and CHO, at locations across India based on the requirements of the respective units.

**b. External Recruitment**

HMA conducted 5 external recruitment drives for major PSU’s

**37. VIGILANCE**

The objective of HLL Vigilance Department is to ensure probity & integrity at all levels across the various offices and units of the company The primary focus area of the Department is Preventive Vigilance through which it aims to create a culture of transparency in decision making. The department's activities apart from surprise and routine vigilance inspections, investigations / enquires of allegations in complaints, system study etc. is also to ensure compliance of various regulations / guidelines defined by CVC / MoH&FW /

DPE and other Regulatory / Statutory bodies across all units offices of the company. During the Financial Year 2025-26, a total of 29 complaints were received, of which 28 complaints have been duly disposed of, and 1 complaint remains pending as of 31st March 2026.

Under the auspices of the Central Vigilance Commission, Vigilance Awareness Week was observed during the period 27.10.2025 to 02.11.2025 on the theme “Vigilance: Our Shared Responsibility" commencing with officers and staff of the company taking integrity pledge and also display of banners across all offices/units of the company,

**38. INTEGRITY PACT**

One of the initiatives of the Central Vigilance Commission (CVC) to eradicate corruption in procurement activi ty is introduction of the Integrity Pact in large value contracts in Government Organizations. Based on the g uidelines/Office Memorandum issued by the Central Vigilance Commission, your Company has already ad opted Integrity Pact Policy. The Integrity Pact Policy adopted by the Company is applicable in respect of all contracts of both revenue & capital nature exceeding the threshold limit of Rs.10.00 Cr. Besides, In the case of Capital a nd Revenue items that are Proprietary in nature, the Integrity Pact would apply to all transactions/contracts irrespective of the value of transaction.

During the first quarter (Q1) of Financial Year 2025-26, Shri P. Mallikharjuna Rao, IFoS (Retd.), assumed the position of the Independent External Monitor (IEM) for HLL Lifecare Limited, having been appointed by the Central Vigilance Commission (CVC). Subsequently, vide communication dated 18th October 2025, the CVC nominated Shri Ravi Dutt Kamboj, IFoS (Retd.), as new IEM, pursuant to which HLL issued an engagement letter dated 03rd January 2026 formalizing his appointment.

The Company has also convened structured meetings between the Independent External Monitor and the Chairperson & Managing Director, along with other senior executives. The Integrity Pact Policy has been duly uploaded on the official website of the Company.

During Financial Year 2025-26, a total of three structured meetings were convened under the chairmanship of the Independent External Monitors, namely: Shri P. Mallikharjuna Rao, IFoS (Retd.), who chaired the meeting for Q1 on 26th September 2025; and Shri Ravi Dutt Kamboj, IFoS (Retd.), who chaired the meetings for Q2 and Q3 on 23rd February 2026.

**39. RIGHT TO INFORMATION ACT, 2005**

Your Company has implemented Right to Information (RTI) Act, 2005, which enhances the common citizens by providing access to information with a view to enlighten them on the accountability and transparency practised in the Company. The Company has always endeavoured to ensure that various enabling provisions of the RTI Act, 2005 are implemented in letter and spirit.

**RTI Return Summary**

The number of RTI applications received and disposed off during year 2025-26 is given below:

| Particulars | Applications |
|---|---|
| Opening Balance as on 01.04.2025 | 11 |
| Applications / Appeals Received in Q1 | 23 |
| Applications / Appeals Received in Q2 | 26 |
| Applications / Appeals Received in Q3 | 51 |
| Applications / Appeals Received in Q4 | 52 |
| **Total Applications / Appeals Received during 2025-26** | **152** |
| Total Applications / Appeals | 163 |
| RTIs replied as on 31.03.2026 | 127 |
| Closing balance as on 31.03.2026 | 36 |

## 40. AWARDS AND RECOGNITIONS

HLL Peroorkada Factory received **FIRST PRIZE** for Outstanding Safety Performance in Very Large Industries Category from Dept. of Factories & Boilers, Govt of Kerala




HLL Peroorkada Factory received **SURAKSHA PURASKAR** for outstanding safety performance in very large Industries category other than Chemical & Engineering from National Safety Council (Kerala Chapter)



HLL Peroorkada Factory has received the **Industry Excellence Award 2025** for excellence in overall performance in the category of Engineering manufacturing & process from The Institution of Engineers (India)



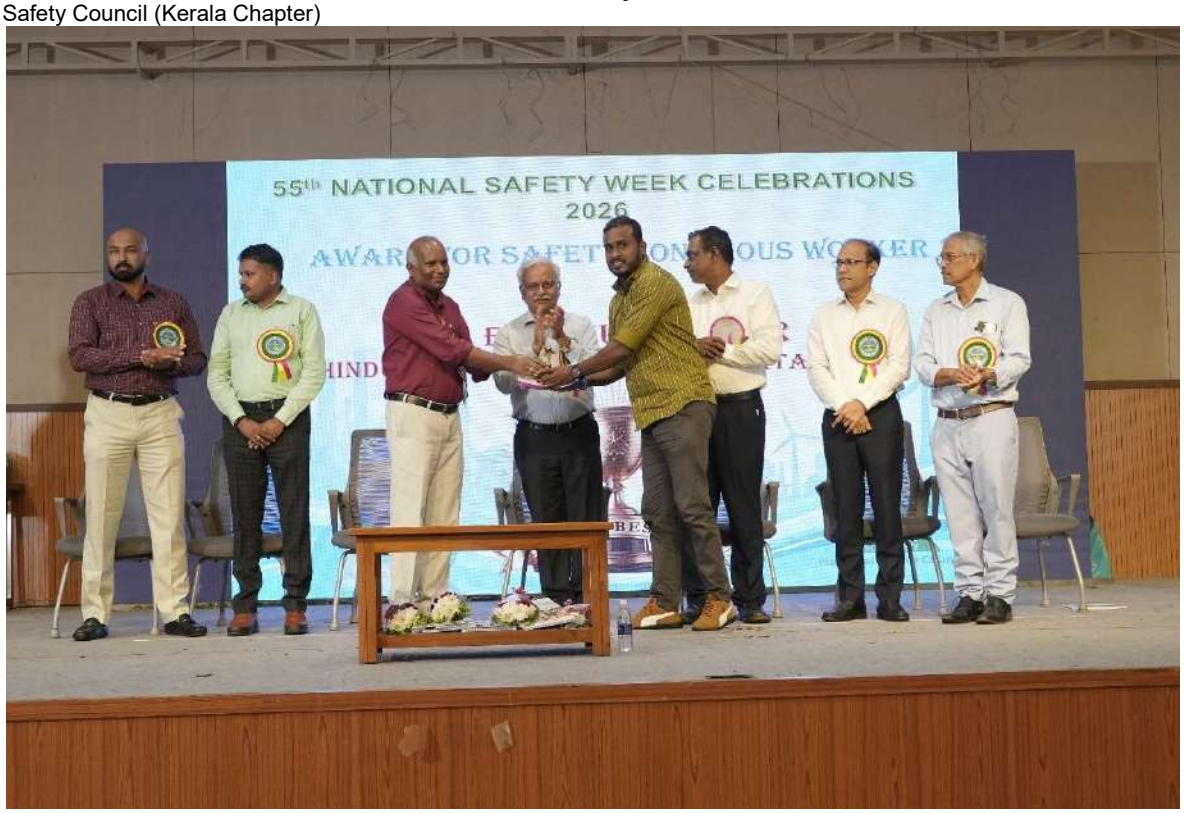

HLL Peroorkada Factory has secured the **Second Position** in the Large Scale Industry category of the **Kerala State Pollution Control Board Award 2025**, in recognition of its Sustained commitment to Environmental Protection and Pollution control.



Shri. Sudheesh S, Mechanical section received **Best Safety Worker** Award from Dept of Factories & Boilers (Govt of Kerala)




Shri. Sudheesh S, Mechanical section received **Best Safety Conscious Worker** Award from National Safety Council (Kerala Chapter)



Shri. Rajkiran D, CEPD & Shri. Nandagopan, R&D Lab received **First Prize** for Safety Quiz Competition from National Safety Council (Kerala Chapter)




Shri. Rajkiran D, CEPD received **First Prize** for Safety Essay English Competition from National Safety Council (Kerala Chapter)



Smt. Sindhu S, HR Dept received **Second Prize** for Safety Slogan Malayalam competition from National Safety Council (Kerala Chapter)




Shri. Soben S L, Internal Projects received **Second Prize** for Safety Slogan English competition from National Safety Council (Kerala Chapter)



HLL KFC bagged the MKK Nayar Productivity Award 2025 from the Kerala State Productivity Council.



HLL AFT received SRESHTA SURAKSHA PURASKAR for “Outstanding safety performance -2025 from National Safety Council, Kerala Chapter.



HLL AFT received the Industrial Safety Award – 2025 for Outstanding safety performance from the Department of Factories & Boilers, Gov. of Kerala.




HLL AFT received the best SAFETY WORKER award 2025, from Department of Factories & Boilers, Gov. of Kerala.



HLL Akkulam Factory received IEI Industry Excellence Award-2025 for Excellence in Overall Performance in the category Engineering Manufacturing & Processing.




## 41. APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors would like to make a special mention of the valuable guidance, support and co-operation your Company has been receiving from the Ministry of Health & Family Welfare and other Ministries of Government of India and look forward to their continued support in all future endeavors.

The Directors express their sincere thanks to the Comptroller and Auditor General of India, the Principal Director of Commercial Audit & Ex-officio Member of Audit Board, Statutory Auditors, Cost Auditors, Secretarial Auditors and Internal Auditors for the co-operation and support extended by them.

The Directors take this opportunity to thank the Company's bankers, regulatory authorities, customers, vendors, consultants, technology licensors, contractors and other business associates and trading partners for their continued support and confidence reposed in the Company.

Your Directors also place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board of Directors

**Dr.Anitha Thampi**
Chairperson & Managing Director
[DIN: 09698495]

Date: 17th September 2026
Place:Thiruvananthapuram

**ANNEXURE- A**

**ANNEXURE TO DIRECTORS' REPORT**

**Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 forming part of the Directors' Report for the year ended 31st March 2026**

## [A] CONSERVATION OF ENERGY

**Energy conservation measures taken at Peroorkada Factory, Thiruvananthapuram [PFT] are mentioned below:**

1. Installation and commissioning of VFD at Condenser Pumps of 180TR Chiller units – 2 nos. Resulted in annual energy cost savings of around Rs 1.5 Lakh.

2. Installation and commissioning of sensor based waste condom stripping at M1 & M2 Moulding machines.(32,000 kWh savings resulting in Rs. 2.40 lakhs per annum)

**Energy conservation measures taken at Akkulam Factory, Thiruvananthapuram [AFT] are mentioned below:**

1. Replaced 44 nos of ceiling fans with BLDC fans. The normal Ceiling fans having power rating of 75 W replaced with BLDC fans of power rating 30W.

2. The Copper T production area has been shifted to a new clean room facility. The conventional T8 type fluorescent tube lights were replaced with energy efficient LED lamps.

3. Total of 80 nos of tube lights (36 W) were replaced with 50 nos of LED lights (20 W).

**Energy conservation measure taken at Kanagala Factory, Belgaum [KFB] is mentioned below.**

1. Successfully installed and commissioned a 4 TPH boiler, significantly enhancing thermal energy efficiency and expanding production capacity. This infrastructure upgrade resulted in a direct operational saving of ₹56 Lakhs.

2. Scaled on-site solar energy generation from 2.32% to 8% of total annual energy consumption. This sustainability initiative reduced dependence on the electrical grid and generated ₹0.24 Cr in savings for the current fiscal year.

**Energy conservation measure taken at Kakkanad Factory Cochin [KFC] is mentioned below.**

1. Replaced 58 Nos of ordinary fans with BLDC fans.
2. Replaced 3 Nos of ordinary AC with 5 star rated AC unit.

**FORM B**

## [B] TECHNOLOGY ABSORBTION, ADOPTION AND INNOVATION

**Peroorkada Factory Thiruvananthapuram [PFT]**

- Installation and commissioning of Sachet Packing machine for Personal Lube Production.
- Installation and commissioning of 4 nos of HVLS fans at Balaramapuram Secondary packaging unit to improve the work environment.

**Achievements**

- Launched Moods Flow wrap packs – a cost effective packing in Vanilla 2s, Jasmine 2s and Lime 3s.
- Launched new variant Moods Amour in Xtasy Series with heart motif condoms
- Launched a new series of Moods Shotz condoms.
- Completion of Phase I revitalization of PFT
- Introduction of a wellness park at PFT
- Successfully manufactured SMART BINS for waste collection.
- Introduction of POWER BI for day to day data analytics.

- Conducted various mental health programmes covering more than 1000 employees.
- Commissioned the SCADA system in the vulcanizing section of Plant D for real time monitoring of vulcanisation activities.
- Installed 315 KVA substation at Balaramapuram unit.
- Installed Savex panel in Shellmax boiler for real time monitoring of parameters
- New high tension 11KV cable laid from Ambalamukku RMU to HLL RMU
- Implementation of Artificial Intelligence system in E V Forklift.
- Introduction of "SAFETY WALL" at Boiler corridor
- Installed fire fighting system at Balaramapuram & packing materials storage area-PFT
- Introduction of Digital safety Induction system for Visitors, New Joinees, Security and Contractors

**Akkulam Factory, Thiruvananthapuram [AFT]**

1. Capacity augmentation of Emily IUS production to the tune of 40,000 pieces per annum.
2. Installation and Commissioning semi automatic PP cover sealing machine for blood bag production to enhance productivity and seal quality.
3. Installation and commissioning of 1.0 TON Material goods lift in Donato block as a part of infrastructure up gradation
4. Introduction of fire suppression system to protect critical electronic equipment from fire hazards.
5. Blood bag facility up gradation as per cGMP norms and latest MDR - Successfully completed Phase 2 and Phase 3 (ISO 8-male and female change room & production corridor) work.
6. Developed and implemented 8 cavity FC EVA ring hot runner mould, featuring an innovative valve-controlled material injection systems with higher productivity and consistent quality.
7. Modernisation of Colpitt HF welding machine by retrofitting sheet take over unit with new pneumatic type rotary actuators and servo motor system with brake system to improve productivity.
8. Technological up gradation of existing 1 $m^3$ ETO steriliser to extend sterilization to low volume products cost effectively (Shunt, Hernia mesh, Emily & Transfer bags).
9. Up gradation of injection moulding machine from PCB control system to PLC-based control system to enhance operational reliability, process control, and system diagnostics.
10. Design and development of small size M Cup and sterilizer cup moulds.
11. Implemented offline T-Die cleaning system to improve the productivity of Sheet extruder.

**Kanagala Factory Belgaum (KFB)**

The following materials, which have impacted the financial position, have been changes in the process:

1. Eucalyptus pulp: An alternative raw material, eucalyptus pulp, was introduced in place of pine pulp for sanitary napkin manufacturing with the objective of reducing production costs.
   The implementation has successfully met both quality standards and production performance requirements.
   This initiative resulted in a reduction in pulp cost from $940 per MT to $900 per MT, thereby contributing to overall cost optimization.
2. Reduction in GSM of Non Wooven Sheet in SNP: The GSM of the non-woven sheet was reduced from 20 GSM to 16 GSM. This resulted in approximately 25% material savings, directly lowering raw material costs.
3. Reduced GSM of Release paper in SNP: The GSM of the release paper was reduced from 40 GSM to 28 GSM. The use of 28 GSM release paper has reduced material usage and cost.
4. Switching to HDPE bags in SNP: Switching from master cartons to HDPE bags for sanitary pads has lowered packaging costs, reduced weight, and improved handling and transportation efficiency.
5. Process Change in BDU manufacturing: The process was changed from a manual stirrer to a closed reactor for dissolving materials.
   - This prevented chemical vapors from leaking, making the work area safer and more comfortable for staff.
   - Saved 600 liters of Ethyl Acetate per batch by preventing evaporation (saving of ₹52,200 per batch).
   - Reduced process time from 5 days to 3 days.
   - Reduced manpower requirement from 60 to 18 workers, resulting in a saving of ₹21,000 per batch.

**Kakkanad Factory Cochin (KFC)**

1. Introduction of Thermal Inkjet (TIJ) Printing Technology (implemented first Time in HLL). Direct Printing of Unique Device Identification (UDI) –DI (Device Identifier) & PI (Production Identifier) Data in Female Condom- Primary, Secondary and Tertiary Packaging for meeting specific regulatory and customer requirements i.e. Order specific requirement of printing both human readable and machine readable formats in all levels of packaging.

2. Introduction of mini Inkjet printers and handheld printers for printing of secondary and tertiary packing materials.

3. Successfully completed works related to Fire NOC and received Fire NOC of HLL KFC from Fire and rescue department.

**[C] RESEARCH AND DEVELOPMENT (R &D) ACTIVITIES**

**2024-25**

**[C] RESEARCH AND DEVELOPMENT (R &D) ACTIVITIES**

**Akkulam Factory, Thiruvananthapuram [AFT]**

- Redesigning of 17-gauge needle for Blood bags for enhanced donor comfort and export marketing.
- Vendor development (M/s Resil chemicals) of a cost-effective lubricant in replacement of the solvent Q7-9180.
- Developed an indigenous source for the Blood bag 16 G Needle raw material.
- Design and development of an Automated pressure-testing system for Hydrocephalus shunts, incorporating systematic testing methodologies to improve testing accuracy, consistency, and process efficiency.
- Conducted research on polymer morphology of medical grade PVC compound for tube pellets to increase the amorphous nature of extruded tubes for Blood bags thereby improving the print clarity and legibility of printed matters.
- Designed and developed moulds for LSR based menstrual cup variants, applying systematic design and prototyping methodologies.
- Developed a Nano-silicone coating process using ultra sonication for the newly designed needle cannula for Blood bags to achieve uniform and consistent coating.

**Kanagala Factory Belgaum (KFB)**

**Identified new hormonal molecules**

Norethisterone, dydrogesterone, Ulipristal, progesterone for adding new products and business entry into new segments including contraception, management of endometriosis, uterine fibroids, menstrual disorders and developed product development protocol. (Ongoing)

HLL have identified Eucafluff as an alternative replacement of Pinefluff(existing). M/s.Suzano, Brazil is a sole supplier of Eucafluff across the globe for various hygiene products such as Feminine Hygiene Products, Diapers and Adult incontinence,etc.,The machine trial was taken in the month of Sep-2024 and it is found to be successful with minor changes in the machine setup & the products were undergone accelerated stability study for 6 months and the results are complying with the BIS Quality standards(IS5405). Since , Eucafluff is economically benefiting the company, this main core material is technically qualified for future production of sanitary napkin in HLL-KFB

**Peroorkada Factory, Thiruvananthapuram**

**IOT based incinerator – Induction Heating**

An incinerator which can be used to incinerate Sanitary napkins on induction mode with fully IOT based operations and monitoring

**Development of UPI based M-Cup Vending machine**

UPI based M-Cup vending machine was developed so as to ease the payment options.

**Kakkanad Factory Cochin (KFC)**

**Development of EVA Ring Mould for In-House Manufacturing**

R & D works include the development of the EVA (ethylene vinyl acetate) ring mould, which is successful cost optimization and indigenization initiative.

**Irapuram Factory, Thiruvananthapuram [PFT]**

Thin condom production trials including market sample analysis

**2025-26**

**[C] RESEARCH AND DEVELOPMENT (R &D), INNOVATION, INITIATIVES**

**2024-25**

**[C] RESEARCH AND DEVELOPMENT (R &D) ACTIVITIES**

**Akkulam Factory, Thiruvananthapuram [AFT]**

- **Design and development of an Automated pressure-testing system for Hydrocephalus shunts,** incorporating systematic testing methodologies to improve testing accuracy, consistency, and process efficiency.
- Conducted **research on polymer morphology of medical grade PVC compound for tube pellets to increase the amorphous nature of extruded tubes for Blood bags thereby improving the print clarity and legibility of printed matters.**
- **Designed and developed moulds for LSR based menstrual cup variants,** applying systematic design and prototyping methodologies.
- Developed **a Nano-silicone coating process using ultra sonication for the newly designed needle cannula for Blood bags to achieve uniform and consistent coating.**

**Kanagala Factory Belgaum (KFB)**

- HLL identified Eucafluff as an alternative replacement of Pinefluff (existing). The machine trial was taken in the month of Sep-2024 and it is found to be successful with minor changes in the machine setup & the products were further sent for accelerated stability study and market feedback.

**Peroorkada Factory, Thiruvananthapuram**

**IOT based incinerator – Induction Heating**

An incinerator which can be used to incinerate Sanitary napkins on induction mode with fully IOT based operations and monitoring

**Development of UPI based M-Cup Vending machine**

UPI based M-Cup vending machine was developed so as to ease the payment options.

- Launched Moods Premium Dotted 2s pack
- Launched Moods Premium Lemon 2s pack
- Launched Moods Premium Chocolate 2s pack
- Launched Moods Flow wrapped Dotted 3s pack
- Launched Moods 5ml lube sachet 5s pack

**Kakkanad Factory Cochin (KFC)**

**Development of EVA Ring Mould for In-House Manufacturing**

R & D works include the development of the EVA (ethylene vinyl acetate) ring mould, which is successful cost optimization and indigenization initiative.

**Irapuram Factory, Cochin (IFC)**

- Thin condom production trials including market sample analysis
- New technology for efficient mixer tank heating developed

**2025-26**

**[C] RESEARCH AND DEVELOPMENT (R &D), INNOVATION, INITIATIVES**

**Peroorkada Factory, Thiruvananthapuram [PFT]**

- Development of new flavours thereby reducing the flavor quantity addition per condom from 5% to 1%.
- Developed delayed condoms with vanilla masking.
- Developed **ULTRAPROBE**, a natural rubber latex-based ultrasound probe cover designed to provide a protective barrier over ultrasound transducers during diagnostic and interventional procedures.
- Production of 53mm thin condom with thickness from 0.072mm to 0.052 – 0.055 mm
- Production of new blue coloured condoms

**Akkulam Factory, Thiruvananthapuram [AFT]**

- Development of UV–Visible spectrophotometry and advanced ion chromatography for quantitative characterization and quality assessment of PAGGSM additive solutions for phthalate - free Blood bags.
- Developed a novel colostomy irrigation set in partnership with the Regional Cancer Centre, Thiruvananthapuram (Patent No. 531176).
- Development of Triple bag 100ml system for Autologous PRP to facilitate “Bag based closed method of Platelet Rich Plasma (PRP) therapy, supporting regenerative medical applications in transfusion medicine. Patent filed (Application No. 202541047993 dated 19 May 2025).
- Designed and developed a high-speed semi-automatic blood bag labelling system with an integrated vision system, enabling automated online quality verification and improving labelling accuracy and production-line quality control.

**Kanagala Factory Belgaum (KFB)**

- HLL KFB developed new-generation hormonal molecules, including Norethisterone, Desogestrel, Dydrogesterone, Drospirenone and Progesterone, at its state-of-the-art UniPill hormonal formulation facility to expand the Women Healthcare product portfolio and enter new therapeutic segments. Formulation development of Norethisterone 5 mg, Norethisterone 10 mg CR and Desogestrel 0.15 mg + Ethinylestradiol 0.03 mg tablets was completed, with stability studies currently in progress.
- Developed compostable sanitary napkins complying with ISO/IS 17088:2021, with successful test reports from CIPET.
- Successfully completed the stability study for Eucalyptus fluff pulp. At full capacity, this shift is projected to deliver annual production cost savings ₹1.68 Cr.
- Filed a patent application for a compostable sanitary napkin product in collaboration with Puthran & Associates Trivandrum.
- Established key technology collaborations with: M/s. TGP Bioplastics Pvt. Ltd. for the implementation of biodegradable top sheets for compostable sanitary napkins.
- Vendor development: Developed alternative new vendors – M/s Anthem Bioscience, M/s Bioxera with three-batch process validation for the manufacturing of non-steroidal Oral contraceptive API Ormeloxifene HCl IP from Step-III intermediate to avoid dependency on a single vendor and for competitive prices. All batches meet quality specifications.

**Kakkanad Factory Cochin (KFC)**

- To improve primary packing efficiency, developed alternate material for BRT slitting blade to ensure slitting of three ply foils.
- Three ply foil (60 micron Nat poly) developed for female condom domestic orders.
- Productivity improvement in wallet stamping machine by installation of Laser sensor and by optimizing the speed of conveyor.
- Development of TIJ (Thermal Inkjet) technology for UDI coding across primary, secondary and tertiary packaging in female condom production**.**

**[D] SUSTAINABLE DEVELOPMENT INITIATIVES**

**Peroorkada Factory, Thiruvananthapuram [PFT]**

- Installation of LPG regasification facility at PFT
- As part of Green initiative Incorporated instructions inside the wallets in all Moods Domestic schemes to eliminate separate IFU & also digitalized IFU by providing QR Code for easy access to customers

**Kakkanad Factory Cochin (KFC)**

- Achieved the lowest ET rejection and wastage percentage of 2.21% at male condom ETD, since the inception of the Unit
- Implemented reuse of Polythene bags from KFC to IFC to optimize materials Utilization-Green initiative.

**Kanagala Factory Belgaum (KFB)**

Scaled on-site solar energy generation from 2.32% to 8% of total annual energy consumption. This sustainability initiative reduced dependence on the electrical grid and generated ₹0.24 Cr in savings for the current fiscal year.

**[E] FOREIGN EXCHANGE EARNINGS AND OUTGO**

| Particulars | Figures in Rupees Lakhs (Rounded off to the nearest Lakh) |
|---|---|
| **Foreign Exchange Earned** | |
| Export of Goods (FOB Basis) | 11,182.00 |
| Royalty, Know-how, Professional and Consultancy Fee | - |
| Interest & Dividend | - |
| Other Income | 296.00 |
| **Total Foreign Exchange Earned** | **11,478.00** |
| **Foreign Exchange Outgo** | |
| **Imports (CIF Basis)** | |
| Raw Materials | 1,585.00 |
| Components & Spare Parts | 63.00 |
| Capital Goods | 34.00 |
| **Total of Imports (A)** | 1,682.00 |
| **Expenditure in Foreign Currency, on Account of:** | |
| Royalty, Know-how, Professional and Consultancy Fee | - |
| Interest Payments | 12.00 |
| Other Expenditure | 613.00 |
| Dividend remitted in Foreign Currency | - |
| **Total (B)** | 625.00 |
| **Total Foreign Exchange Outgo (A+B)** | **2,307.00** |

**[F] FUTURE PLANS**

**Akkulam Factory, Thiruvananthapuram [AFT]**

1. Inception of new Medical device manufacturing Facility at Bio 360 Lifesciences Park.
2. Augmentation of Sterilization capacity to 20 MSBE (Bloodbag) to align with the Bio 360 operations.
3. Augmentation of storage facility by additional 25,000 Sq ft at AFT
4. Technological up gradation of the 11 kV substation by introducing new HT panels with advanced features.
5. Alternate fuel for Furnace oil for boiler operation with PNG as part of green utility.
6. Implementation of advanced utility monitoring system for water, steam, chilled water for live monitoring of consumption pattern and thereby reducing energy costs.
7. Implementation of separate condensate recovery system for low pressure and high pressure steam.
8. To improve productivity of automatic needle assembly machine by introducing online leak testing system.
9. Replacing old reciprocating type air compressor with new energy efficient screw type air compressor.
10. Installation and commissioning of new injection moulding machine (100 Ton) for Copper T production.
11. Introduction of AI enabled safety monitoring system.

**Kanagala Factory Belgaum (KFB)**

- Automation of OCP&CONDOM Secondary Packing
- Automation of Sanitary Napkin Secondary Packing
- Product Development for WHO-PQ
- Manufacturing of WHC Products for Themis
- New Molecular (GP Products) Development
- Setting up of Anti-TB facility with THEMIS
- Setting Up of Diagnostics Kit Facility on Lease or in house.

- Outsourcing & Procurement of Coated Ferrous Fumarate Tablets for OCP Export Orders
- Conversion of Sanitary napkin M/c.-A to Servo Controller
- Biodegradable sanitary napkins Launching
- Sanitary Napkin Machine Procurement (All the variants)
- Testing of Bio compostable sanitary napkin through TUV Belgium.
- Happydays Earth &XL Specifications and Artworks freezing.
- Establishment of Biogas plant for disposal of Food and Garden Waste.
- Renovation of BDU as per the revised cGMP Guidelines.
- Nutrition Project for PM Poshan Abhiyan

**[G] R&D/Innovations, Initiatives Expenditure for the FY 2025-26**

| | | | (in Lakh) |
|---|---|---|---|
| **Total Research and Development Expenditure FY 25-26** | | | |
| **Units** | **Amount** | **Recurring Expenditure** | **Capital Expenditure** |
| IFC | 25.92 | 8.73 | 17.19 |
| KFC | 66.35 | 38.80 | 27.55 |
| PFT | 154.61 | 154.61 | - |
| KFB | 156.19 | 156.19 | - |
| AFT | 155.00 | 112.00 | 43.00 |
| CRDC | 684.39 | 589.00 | 95.39 |
| **Total** | **1,242.46** | **1,059.34** | **183.13** |

**[H] Onboarding on TReDS Platforms**

HLL Lifecare Ltd. has been registered with RXIL since 2018. The onboarding process with M1Xchange and A.TReDS were already completed. Approval of Board of Directors to onboard in C2FO Factoring Solutions Private Limited (C2treds and KredX Platform Private Limited (DTX) were obtained during FY 2025-26 and the same is under process. The dates of onboarding on the various TReDS platforms are provided below:

| TReDS Platform Name | Date of onboarding |
|---|---|
| RXIL | 23-05-2019 |
| A TREDS | 27-10-2025 |
| M1XCHANGE | 19-03-2026 |

**[I] Details of Payments to MSME Vendors**

| MSE DETAILS 2025-26 | |
|---|---|
| **Particulars** | **Amount** |
| (i) total amount involved (payments made and payments pending beyond 45 days Rs. In Crs) | 1.42 |
| (ii) number of invoices | 245.00 |
| (iii) number of suppliers involved in delays | 51.00 |
| (iv) total annual procurement value for MSE (Rs. In Crs) | 337.20 |
| (v) total number of invoices during the year for MSE | 11,682 |
| (vi) total number of suppliers during the year engaged in annual procurement. | 350 |

**[J] Health and Safety Initiatives for Human Resources**

HLL Peroorkada Factory Trivandrum (PFT) conducted the Health and Safety programs as given below during FY 2025-26:-

1. *30 programmes for improving safety of employees.*
2. Programmes and initiatives conducted at HLL Peroorkada factory related to mental health and wellness covering 1500 employees across all categories as given below:-:
   1. Focus group discussion
   2. Stress management programmes
   3. Life skills Outbound training
   4. Movement Psychotherapy session
   5. Occupational stress and its Remedies session
   6. Occupational Physiotherapy (life style modification) session

The details of other safety initiatives by PFT is as mentioned below:-

**1) Extension of Firefighting system at Incoming Packing material storage area**

The project for the extension of the firefighting system at the Incoming Packing Material Storage Area has been successfully completed. Procurement of required pipes, hydrants, and fittings was finalized prior to execution, and installation works commenced on 07/05/2025 through AMC party. The project was executed in two phases, with both Phase I and Phase II completed as per schedule. Following successful installation and testing, the system was commissioned on 21/08/2025. With this, the project stands fully completed, ensuring enhanced fire safety measures in the storage area.

**2) Safety members visits to promote awareness and share insights on safety improvements implemented in other factories**

As part of continuous safety promotion and knowledge sharing, safety team members visited M/s Adani Vizhinjam Port on 19th July 2025 &M/s Saint-Gobain in Kanjikode, Palakkad on 07th Jan 2026 to understand and exchange best practices in engineering and safety management. The visit provided valuable insights into advanced engineering safety practices, emergency preparedness systems, and the integration of modern technologies. The team also observed innovative infrastructure safety measures with a strong emphasis on sustainability and environmental management.

A key takeaway was the well-established safety culture at the port, built through structured training programs and active workforce engagement. The learnings from this visit will support the enhancement of safety practices within our organization.

**3) Implementation of Artificial Intelligence system in Forklift/ Stacker operations**

An AI-based safety system with advanced ADAS capabilities has been integrated into the E.V. forklift to enable real-time monitoring of operations. The system uses intelligent sensors and computer vision to detect unsafe acts such as over speeding, improper handling, and pedestrian proximity risks, while providing instant alerts to the operator. This proactive approach helps prevent potential incidents, enhances operator awareness, and supports data-driven safety improvements, ultimately strengthening workplace safety and operational efficiency.

**4) Develop QR codes on Do’s & Don’ts and display it all production and Engineering operations**

As part of strengthening safety communication and awareness, QR codes on “Do’s and Don’ts” were developed and displayed across all Production and Engineering operations. This initiative enables employees to easily access critical safety guidelines through mobile devices, ensuring wider reach and better understanding. In addition, QR codes for machine operations have been successfully implemented.

Tool Box Talk has also been implemented across operations to reinforce safe work practices and improve workforce engagement. Furthermore, the inspection of power tools has been carried out and completed as per schedule. These measures collectively enhance accessibility to safety information and reinforce compliance in day-to-day operations.

**5) Safety wall painting, an initiative across 2,500 square feet within the factory and to visually reinforce safety protocols, promote mental health awareness**

Safety wall painting has been implemented as a large-scale visual engagement initiative covering approximately 2,500 square feet across the factory premises. This initiative is designed to reinforce critical safety protocols, enhance hazard awareness, and promote mental health consciousness among employees. By integrating impactful visuals, key safety messages, and wellbeing themes into the workplace environment, it fosters continuous awareness, encourages safe behavior, and contributes to building a proactive and safety-driven organizational culture.

6) **Improve Contractor Safety Management Systems in factory such as introducing safety protocols in Purchase order, Introduction of toolbox for contractors, Vest code for visitors, helmet code, implementing electrical connection request inside production areas etc**

To strengthen contractor safety management systems within the factory, several key initiatives have been introduced. Safety protocols have been prepared for incorporation into purchase orders and submitted for implementation, ensuring that contractor safety requirements are embedded from the procurement stage itself. Tool Box Talks have been introduced for major contractors and are being actively implemented to enhance awareness and safe work practices. Additional improvements include the introduction of a vest code for visitors, a helmet code for workforce differentiation, and a structured process for requesting electrical connections inside production areas. These measures collectively aim to improve contractor safety, enforce compliance, and build a stronger safety culture across all levels of operations.

7) **To LED Fire exit in corridors as part upgradation of Emergency response procedure**

As part of the upgradation of the Emergency Response Procedure, the installation of LED Fire Exit signage in corridors has been successfully completed. This initiative enhances visibility during emergencies, ensures clear evacuation guidance, and strengthens overall preparedness for safe and orderly evacuation in case of an incident.

8) **Conduct Public awareness campaign at Schools on topic related to Drug abuse, road safety, Fire and Safety training**

As part of community outreach and social responsibility initiatives, a public awareness campaign was conducted at **Concordia Higher Secondary School** on 30/06/2025. The program covered critical topics including drug abuse prevention, road safety, and fire and safety training. To engage students effectively, interactive sessions and a quiz competition were organized, and awareness leaflets were distributed to reinforce key safety messages.
The campaign helped create awareness among young students about the importance of safe practices, healthy lifestyle choices, and preparedness, thereby contributing to building a more responsible and safety-conscious community.

9) **To conduct world environment celebrations at Schools included distribution of saplings, talks, poster competitions or clean-up drives to improve hands-on learning experiences**

As part of World Environment Day celebrations, awareness programs were organized across multiple schools to encourage environmental responsibility and hands-on learning among students. Events were conducted at **Govt. Girls HSS Ambalamukku, PSNM Govt. HSS Peroorkada, and LP School Oolampara**, where activities such as sapling distribution, awareness talks, poster competitions were carried out. These initiatives provided students with practical exposure to sustainable practices, instilled a sense of responsibility towards the environment, and promoted active participation in creating a greener and cleaner community.

10) **To conduct Food poison drill at HLL PFT Canteen, to improve the emergency response**

In line with the objective of strengthening emergency preparedness, a mock drill on food choking was successfully conducted at the HLL PFT canteen on 13.10.2025. The drill focused on enhancing the immediate response capability of canteen staff, including identification of choking symptoms, administration of first aid (such as the Heimlich maneuver), and coordination with emergency support systems. The exercise improved staff awareness, response time, and confidence in handling medical emergencies, thereby contributing to overall safety readiness within the canteen operations.

11) **To introduce Safety Handbook for the Securities to improve knowledge on the emergency response at factory**

To strengthen emergency preparedness and improve the knowledge of security personnel, an **E-Safety Handbook** has been developed specifically for the security team. The handbook covers key aspects of emergency response procedures within the factory and serves as a quick reference guide for handling critical situations. The development of the handbook has been completed, and it will be shared with the security team through the HR Department for effective circulation and implementation.

12) **To conduct an Online Safety Quiz on our factory systems is to evaluate and enhance the safety knowledge and awareness of all employees**

As part of continuous safety awareness and competency improvement, an **Online Safety Quiz** was conducted to evaluate and enhance employees' knowledge of factory safety systems. A comprehensive master list of questions had been prepared, and the quiz was designed using Google Forms. The activity was successfully carried out across all departments, including Training & Development and permanent employee groups. This initiative not only assessed current safety awareness levels but also served as an engaging platform to reinforce critical safety practices among the workforce.

**13) Technical training on work at height, SCBA at factory**

As part of strengthening operational safety and risk mitigation frameworks, a technical training session on Work at Height and Self-Contained Breathing Apparatus (SCBA) was conducted on 18.08.2026 for the employees of Engineering Dept.

The training focused on safe work practices at elevated locations, proper use of fall protection systems, and hands-on familiarization with SCBA for emergency situations. Participants were equipped with practical knowledge on hazard identification, emergency response, and safe equipment handling.

**14) Technical training on Firefighting system to employees through from Fire & Rescue department**

As part of skill enhancement and emergency preparedness initiatives, **technical training on the firefighting system** was conducted for employees by the **Fire & Rescue Department**. The training, held on 15/04/2025, provided hands-on knowledge and practical insights into operating firefighting equipment, handling emergencies, and ensuring workplace safety. The session was successfully completed, equipping employees with enhanced competence in fire safety and emergency response procedures.

**15) Introduction of Safety alerts and bulletins, to communicate the incidents to all departments**

To improve communication and learning from incidents, a system for issuing **Safety Alerts and Bulletins** has been introduced. A standard template has been developed to ensure uniformity in reporting and clarity in communication.

These alerts and bulletins will be distributed to all departments immediately after an incident to highlight key learnings, corrective actions, and preventive measures. This initiative will help in sharing critical safety information across the organization in a timely manner and strengthen the overall safety culture.

**16) Tracking of PPE's consumption and reducing the wastage and misuse from employees and Implementing system to prevent waste and employee-related mishandling**

To ensure efficient utilization of resources and strengthen safety compliance, a system for **tracking PPE consumption** has been implemented with a focus on reducing wastage and preventing employee-related misuse. An online monitoring system has been developed to track the issue and usage of PPEs at an individual employee level. The system has been fully implemented, and monitoring is currently in progress. This initiative will help in optimizing PPE distribution, improving accountability, and ensuring that protective equipment is available for those who need it most while minimizing unnecessary wastage.

**17) Ergonomics:**

**Steel bed provided in the units shall be customised with a soft cushion to rest arm and eliminate wrist pain while covering condoms**

As part of workplace ergonomics improvements, steel beds provided in the units have been customized with **soft cushions** to support the arms and reduce wrist strain during operations, such as condom packaging. This modification aims to minimize discomfort, prevent musculoskeletal issues, and enhance employee comfort and productivity during repetitive tasks.

**18) Drum lifter shall be provided for handling of Silicon oil barrels, Ammonia cylinders**

To enhance workplace safety and reduce manual handling risks, **drum lifters** have been provided for the safe handling of **silicone oil barrels and ammonia cylinders**. This equipment ensures secure lifting and movement of heavy containers, minimizes the risk of injuries, and improves operational efficiency in material handling processes.

**19) Compressed air supply with face mask will be provided near dipping in Moulding section, for safe entry in to dipping tank**

The compressed air breathing apparatus (CABA) system has been successfully installed at Plant C as a critical safety enhancement for operations involving confined space entry, particularly in the dipping area of the Moulding section. The system is strategically positioned to provide a continuous and reliable supply of breathable air through face masks, ensuring that personnel are protected from exposure to hazardous fumes, vapors, or oxygen-deficient environments during tank entry.

**20) Provision of auto cut Off of Ammonia (1%) storage tank in Plant B, to eliminate overflow of ammonia into floor area. Float system or cut off will be provided to avoid overflow of ammonia from storage tanks**

To prevent the overflow of ammonia from storage tanks in **Plant C**, an **automatic cut-off system** has been implemented for the 1% ammonia storage tank. Following brainstorming sessions with the Engineering Department, it was decided to install a **non-contact level sensor** to ensure safe monitoring without direct contact with ammonia. The system has been successfully procured and implemented, effectively eliminating the risk of ammonia spillage onto the floor and enhancing overall plant safety.

**21) Spill trays will be provided for all chemicals barrels used in Primary production, inorder to eliminate spillage**

Spill trays have been provided for all chemical barrels used in primary production to effectively eliminate spillage and contain any accidental leaks. This initiative ensures proper chemical handling, prevents contamination of the work area, and minimizes environmental impact. By improving housekeeping standards and reducing slip and exposure hazards, it strengthens overall operational safety and regulatory compliance within the production environment.

**22) Stoppers to be installed at Silicon oil unloading area inside packing dept Si oil storage area to avoid damage to walls**

To prevent structural damage during material handling, **stoppers have been installed** at the **silicone oil unloading area** inside the Packing Department's storage section. These stoppers serve as physical barriers, protecting walls and infrastructure from impact during the movement and placement of silicone oil containers, thereby enhancing operational safety and preserving facility integrity.

**23) Installation of emergency stop switch in Plant A Compounding to enhance the protection of employee while operating it**

In the Compounding section of **Plant A**, the Attritor Mill was previously switched off by opening the panel board, posing a serious **electric shock risk**, particularly when operators' hands were wet during operations. To eliminate this hazard, **dedicated switches** have now been installed for the Attritor Mill, allowing it to be safely turned on and off **without opening the panel board**. This improvement significantly enhances operator safety and reduces the risk of electrical accidents during compounding activities.

**24) Installation of photo luminescent emergency evacuation plan in section-wise, featuring clear signage, designated exits and assembly points**

Photo luminescent emergency evacuation plans have been installed section-wise across the facility, featuring clear signage, designated exit routes, and assembly points. These glow-in-the-dark systems ensure visibility even during power failures or low-light conditions, enabling quick and safe evacuation. This initiative enhances emergency preparedness, improves response time, and reinforces compliance with safety standards while promoting a safer workplace environment.

**25) Implementation of a Digital Safety Induction System to standardize and automate safety induction for visitors, contractors, new joinees, and security personnel, enhancing compliance, traceability, and governance.**

Developed and implemented training will be via a QR code linked to an awareness video, detailing essential safety protocols, following the video, employees will complete evaluation and the assessment results will be recorded HR department, those qualify will be permitted to enter the factory production facilities.

**26) Strengthening of first aid response capability by training additional employees**

A total of 35 additional employees from various departments have been identified and trained as first aiders through Indian Institute of Emergency Medical Services on 28th June 2025, increasing the overall strength to 80 trained first aiders across the organization.

**27) An emergency drill shall be conducted at the Balaramapuram facility to assess preparedness, improve response times, and ensure compliance with statutory requirements**

An onsite emergency mock drill was successfully conducted at the Balaramapuram Packing Facility on 28.03.2026. The drill evaluated emergency response effectiveness, coordination among response teams, evacuation procedures, and adherence to safety protocols. It significantly enhanced preparedness levels, reduced response time gaps, and reinforced compliance with statutory safety requirements.

**28) Considering the frequent damage to floor tiles caused by the handling of filled Silicon oil drum, it is recommended to provide an alternative solution to prevent recurring damage to prevent slip and fall incidents**

Coin top rubber mats have been successfully installed in the affected areas to protect the flooring from recurring damage, provide enhanced grip, and improve overall workplace safety. This measure has effectively minimized surface deterioration while reducing the risk of slips and ensuring safer material handling operations.

**29) The damaged platform of compounding area in Plant B shall be replaced with a new, concrete platform providing a sturdy, durable, and safe working surface.**

The damaged platform of compounding area in Plant B has been completely replaced with a new, concrete platform providing a sturdy, durable, and safe working surface. This upgrade ensures reliable access, reduces accident risks, and improves overall workplace safety.

**30) The attritor in the compounding section in Plant A was switched off by opening the panel board. This posed a serious electric shock risk, especially when operators' hands were wet during compounding operations**

Dedicated switches have been installed for the attritor operation, enabling safe and convenient start/stop functionality without the need to open the panel board. This modification eliminates exposure to live electrical components, reduces the risk of electrical hazards, and enhances operator safety. It also improves operational efficiency by providing quick and controlled access, while ensuring compliance with electrical safety standards and best practices.

**[K] Compliance of DPE Guidelines and the provisions of Companies Act, 2013.**

During the Financial Year 2025-26, the company has complied with the following :-

a) DPE Guidelines on Corporate Social Responsibility
b) Compliance with the below mentioned provisions of the Companies Act, 2013
- Composition of Board of Directors
- Board Committees
- Holding Board Meetings
- Related Party Transactions
- Disclosures and Transparency

**ANNEXURE- B**

**CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY INITIATIVES OF THE COMPANY**

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26**
**(Pursuant to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021)**

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

Corporate Social Responsibility (CSR) & Sustainability is an integral part of the Company's ethos and policy and the Company has been pursuing this on a sustained basis. The Company has framed and adopted a Policy on CSR & Sustainability to align its philosophy to initiate measures and pursue socially useful programmes with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made thereunder and the policy directions issued by the Government from time to time. The Policy on CSR & Sustainability formulated in 2013 was subsequently revised to align with the newly introduced provisions for Corporate Social Responsibility under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013

**2. Composition of CSR Committee:**

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|
| 1 | Prof. (Dr) Adarsh Pal Vig | Independent Director | 2 | 2 |
| 2 | Smt Neeta Boochra | Independent Director | 2 | 2 |
| 3 | Shri Ajit N | Whole-time Director | 2 | 2 |
| 4 | Shri Remesh P | Whole-time Director | 2 | 2 |

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

https://www.lifecarehll.com/page/render/reference/_Corporate_Social_Responsibility

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

As per Rule 8(3) of Companies (Corporate Social Responsibility Policy) Rules, "Every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study". For the Financial Year 2025- 26, the total CSR obligation of Company was less than Rupees Ten Crore and there was no single project of value having more than Rupees Ten Crore and hence this provision is not applicable to the Company.

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

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs lakhs) | Amount required to be set-off for the financial year, if any (in Rs lakhs) |
|---|---|---|---|
| 1 | 2022-23 | - | - |
| 2 | 2023-24 | - | - |
| 3 | 2024-25 | - | - |
| | Total | - | - |

6. **Average net profit of the company as per section 135(5).**

   Rs. 19,057.48 Lakhs

7. **(a) Two percent of average net profit of the company as per section 135(5)**

   Rs. 381.15 Lakhs

   **(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**

   Nil

   **(c) Amount required to be set off for the financial year, if any**

   Nil

   **(d) Total CSR obligation for the financial year (7a+7b-7c).**

   Rs. 381.15 Lakhs

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

| Total Amount Spent for the Financial Year. | Amount Unspent (in Rs. lakhs) | | | | |
|---|---|---|---|---|---|
| | 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 |
| Rs. 215.29 Lakhs | 162.27 | 02.05.2025 | PMNRF | 3.59 | |

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

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Providing Water dispenser and purifier | Kerala | Kaniyambetta, Wayanad | Promoting gender equality, Women empowerment & Reducing inequalities | 1.22 | 1.20 | 0.02 | Yes | | Ongoing |
| 2 | Providing Blood Banking equipments | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 10.00 | 0.00 | 10.00 | Yes | | Ongoing |
| 3 | Infrastructure Development of the Rehabilitation center (Stone Bench, gardening facilities and roof) | Kerala | Trivandrum | Promoting gender equality, Women empowerment & Reducing inequalities | 3.85 | 3.83 | 0.02 | Yes | | Not Ongoing |
| 4 | One 125 KVA silent Diesel generator for ensuring uninterrupted power supply for Sewa Dham Vidya Mandir Senior Secondary School in Mandoli, North East Delhi | Delhi | Mandoli | Promoting education | 18.44 | 0.00 | 18.44 | Yes | | Ongoing |
| 5 | Essential items for Chinnamma Memorial girls higher secondary school (Cordless mike, Bluetooth, desk bench, projector, fan, generator, library furniture, amplifier) | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 4.30 | 4.06 | 0.24 | Yes | | Not Ongoing |
| 6 | Purchase of AI Powered Portable X Ray Machine at District TB Center, Mananthavady as part of TB Elimination Program | Kerala | Mananthavady, Wayanad | Promoting Healthcare & Sanitation | 25.00 | 0.00 | 25.00 | Yes | | Ongoing |
| 7 | Maintenance of building and upgradation of Library | Kerala | Trivandrum | Protection of National Heritage & Setting up public libraries | 5.50 | 5.09 | 0.41 | Yes | | Not Ongoing |

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 8 | 7 Part-Hematology Analyser for UCHC Thevara | Kerala | Ernakulam | Promoting Healthcare & Sanitation | 4.00 | 4.00 | 0.00 | Yes | | Not Ongoing |
| 9 | 5 Part-Hematology Analyser for CHC, Ramamangalam | Kerala | Ernakulam | Promoting Healthcare & Sanitation | 2.65 | 2.63 | 0.02 | Yes | | Not Ongoing |
| 10 | Trinocular Biological Digital Microscope for Govt Medical College Hospital, Kalamassery | Kerala | Ernakulam | Promoting Healthcare & Sanitation | 1.20 | 1.15 | 0.05 | Yes | | Not Ongoing |
| 11 | Request for support to install solar panel & medicinal plants at the Research Complex being constructed near Jaipur | Rajasthan | Jaipur | Environmental sustainability | 5.00 | 0.00 | 5.00 | Yes | | Ongoing |
| 12 | Request for CSR Assistance in establishing a Gymnasium for Armed Women Police Battalion | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 2.50 | 2.48 | 0.02 | Yes | | Ongoing |
| 13 | Installation of 1 sanitary napkin incinerator in Saraswati Vidyalaya school | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 0.60 | 0.00 | 0.60 | Yes | | Ongoing |
| 14 | Empowering Forest Communities through education and livelihood initiatives for women and youth | Kerala | Thrissur, Ernakulam, Idukki | Environmental sustainability | 5.00 | 0.00 | 5.00 | Yes | | Ongoing |
| 15 | Installation of dialysis machine | Kerala | Alappuzha | Promoting Healthcare & Sanitation | 8.50 | 0.00 | 8.50 | Yes | | Ongoing |
| 16 | Providing Motorised Tricycles and Caliper to Physically Challenged (locomotive) persons – Motorised Tricycles to Five people and Caliper for 25 people | Karnataka | Karnataka | Promoting education, Skill development & Livelihood enhancement projects | 8.00 | 7.68 | 0.32 | Yes | | Not Ongoing |

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 17 | Upgradation of Anganawadi Schools of Kanagala village – 4 Anganawadis | Karnataka | Kanagala | Promoting education, Skill development & Livelihood enhancement projects | 4.00 | 3.93 | 0.07 | Yes | | Not Ongoing |
| 18 | Setting up of RO system for drinking water to Primary Schools, Nidasoshi, High School Baad and Girls School Sankeshwar | Karnataka | Belagavi & Uttar Kannada | Promoting education, Skill development & Livelihood enhancement projects | 4.00 | 3.80 | 0.20 | Yes | | Not Ongoing |
| 19 | Setting up smart class at UGHS, Konanakeri and Govt. Marathi Primary School, Kanagala (Rs.50,000 reappropriated to Sl.No.20 from the sanctioned amount of Rs.2,50,000) | Karnataka | Haveri & Belagavi | Promoting education, Skill development & Livelihood enhancement projects | 2.00 | 1.73 | 0.27 | Yes | | Not Ongoing |
| 20 | Setting up of academic labs at Govt. Marathi Higher Primary School, Pangire (Rs.50,000 reappropriated from Sl.No.19, sanctioned amount raised from Rs.50,000 to Rs.100,000) | Karnataka | Belagavi | Promoting education, Skill development & Livelihood enhancement projects | 1.00 | 0.93 | 0.08 | Yes | | Not Ongoing |
| 21 | Donation of computer and a printer to Govt. PU college, Baad and Higher Primary School, Tavanidi | Karnataka | Uttar Kannada & Belagavi | Promoting education, Skill development & Livelihood enhancement projects | 1.50 | 1.38 | 0.12 | Yes | | Not Ongoing |
| 22 | Providing Bunk Beds to Ashraya Foundation, Belagavi for AIDS affected people | Karnataka | Belagavi | Promoting Healthcare & Sanitation | 1.50 | 1.47 | 0.03 | Yes | | Not Ongoing |
| 23 | Computer Lab Furnishing & Dining Hall - Furniture | Kerala | Ernakulam | Promoting education, Skill development & Livelihood enhancement projects | 2.00 | 1.98 | 0.02 | Yes | | Not Ongoing |
| 24 | Digital Infrastructure in 7 class rooms | Kerala | Ernakulam | Promoting education, Skill development & Livelihood enhancement projects | 7.00 | 6.95 | 0.05 | Yes | | Not Ongoing |

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 25 | High Tech Classroom, Indoor Sports Room, Music Lab | Kerala | Ernakulam | Promoting education, Skill development & Livelihood enhancement projects | 7.00 | 6.98 | 0.02 | Yes | | Not Ongoing |
| 26 | Providing sadya to inmates | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 1.75 | 1.71 | 0.04 | Yes | | Not Ongoing |
| 27 | Organising medical check up for nearby residents | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 0.25 | 0.07 | 0.18 | Yes | | Not Ongoing |
| 28 | To provide food kits worth Rs.1110/- for underprivileged nearby residents (135 packs) | Kerala | Trivandrum | Promoting gender equality, Women empowerment & Reducing inequalities | 1.50 | 1.49 | 0.01 | Yes | | Not Ongoing |
| 29 | Monthly financial support to the LKG Teacher | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 1.44 | 1.20 | 0.24 | Yes | | Ongoing |
| 30 | Pakalveedu at Govt Mental Hospital, Oolampara | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 12.48 | 7.14 | 5.34 | Yes | | Ongoing |
| 31 | Providing clothing (Shirt & Dhothi) to inmates (13 packs) | Kerala | Trivandrum | Promoting gender equality, Women empowerment & Reducing inequalities | 0.05 | 0.05 | 0.00 | Yes | | Not Ongoing |
| 32 | To provide Dhoti & Shirt worth Rs 450/- for underprivileged nearby residents (135 packs) | Kerala | Trivandrum | Promoting gender equality, Women empowerment & Reducing inequalities | 0.61 | 0.45 | 0.16 | Yes | | Not Ongoing |

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 33 | Visitors Lounge - Steel Chair and Teapoy, Plastic armed Chair - 100 Nos, Library Shelf - 3 Nos, Steel Plate - 150 Nos | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 1.60 | 1.34 | 0.26 | Yes | | Not Ongoing |
| 34 | Computer & Projector | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 1.00 | 0.83 | 0.17 | Yes | | Not Ongoing |
| 35 | Computer (for High School), A3 Printer (for High School) | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 1.40 | 1.39 | 0.01 | Yes | | Not Ongoing |
| 36 | Computer - 2 Nos, Printer - 1 No, Repair & Maintenance of Hostel (60 cots) | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 2.70 | 2.30 | 0.40 | Yes | | Not Ongoing |
| 37 | Computer Lab (High School Students) (Computer Table) | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 1.50 | 1.44 | 0.06 | Yes | | Not Ongoing |
| 38 | Upgrading of Library & Study Center | Kerala | Trivandrum | Protection of National Heritage & Setting up public libraries | 2.00 | 2.00 | 0.00 | Yes | | Not Ongoing |
| 39 | Providing machinery for weaving and spectacles for the weavers | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 3.00 | 2.85 | 0.15 | Yes | | Not Ongoing |
| 40 | Empty Blue Barrels (50L) - 75 Nos | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 0.30 | 0.06 | 0.24 | Yes | | Not Ongoing |
| 41 | Annual Maintenance fees | Kerala | Trivandrum | Environmental sustainability | 1.44 | 1.00 | 0.44 | Yes | | Ongoing |
| 42 | To provide class room accessories, furniture (almirah, study tables), toys, kitchen accessories, water purifier, sports items etc | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 3.14 | 3.14 | 0.00 | Yes | | Not Ongoing |

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 43 | To provide Kitchen equipments, utensils, sports items, class room accessories & equipments, furniture etc for students | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 1.47 | 1.47 | 0.00 | Yes | | Not Ongoing |
| 44 | To provide class room accessories, furniture (almirah, study tables), toys, kitchen accessories, water purifier, sports items etc (2nd school) | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 1.92 | 1.92 | 0.00 | Yes | | Not Ongoing |
| 45 | To provide furniture, wheel chair, water purifiers and testing devices for Health and wellness centers (Under Pangappara Health center) | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 3.78 | 3.78 | 0.00 | Yes | | Not Ongoing |
| 46 | UV Boxes to different Govt Schools & such institutions for enhancing hygiene, health & safety | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 6.18 | 6.17 | 0.01 | Yes | | Not Ongoing |
| 47 | To provide equipment for enhancing the physical therapy activities for improving the movements and muscles for differently abled children | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 4.01 | 4.01 | 0.00 | Yes | | Not Ongoing |
| 48 | Requested for Mini flour mill, chapathi maker machine, Iron boxes with table, cleaning items etc for inmates | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 1.00 | 1.00 | 0.00 | Yes | | Not Ongoing |
| 49 | Support for providing spectacles in "Netra Kumbh" | Rajasthan | Rajasthan | Promoting Healthcare & Sanitation | 5.00 | 5.00 | 0.00 | No | Saksham Sanstha, Jaipur | Not Ongoing |
| 50 | Community Care Program | Kerala | Alappuzha & Ernakulam | Promoting Healthcare & Sanitation | 11.60 | 4.64 | 6.96 | No | MEHAC foundation | Ongoing |
| 51 | Suicide Prevention Program | Kerala | Alappuzha & Ernakulam | Promoting Healthcare & Sanitation | 6.25 | 6.25 | 0.00 | No | MEHAC foundation | Ongoing |

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 52 | Reviving Calvathy canal through collective stewardship and women led community action in Fort Kochi | Kerala | Ernakulam | Environmental sustainability | 25.00 | 10.00 | 15.00 | No | School of gender studies, Mahatma Gandhi University, Kottayam | Ongoing |
| 53 | Replacement of old care Vehicle with new one | Kerala | Trivandrum | Promoting gender equality, Women empowerment & Reducing inequalities | 12.00 | 12.00 | 0.00 | No | Mar Gregorious Rehabilitation Center For The Blind, Moonnammoodu, Kodunganoor, Trivandrum | Not Ongoing |
| 54 | Vehicle for palliative care services | Kerala | Jagathy, Thiruvanant hapuram | Promoting Healthcare & Sanitation | 10.00 | 10.00 | 0.00 | No | Rajeswary Foundation | Not Ongoing |
| 55 | Integrated Health and Social care and skill building for women, senior citizens, differently abled and underprivileged | Kerala | Ernakulam | Promoting education, Skill development & Livelihood enhancement projects | 7.00 | 7.00 | 0.00 | No | Sarada Krishna Iyer Satgamaya Centre for Women's Empowerment | Ongoing |
| 56 | Workshop for upliftment and cultural empowerment of women, social participation and education at Jaipur | Rajasthan | Jaipur | Promoting gender equality, Women empowerment & Reducing inequalities | 1.00 | 0.00 | 1.00 | No | Vishwa Mangalya Sabha, Nagpur | Ongoing |
| 57 | Thinkal - Awareness creation and distribution of Menstrual cups among Sugarcane workers in Maharashtra | Maharashtra | Maharashtra | Promoting Healthcare & Sanitation | 10.00 | 10.00 | 0.00 | No | HMA | Ongoing |
| 58 | My City Project | Kerala | Trivandrum | Environmental sustainability | 15.00 | 6.00 | 9.00 | No | HMA | Ongoing |

| Sl No | Name of CSR Project / Activity | State | District | CA 2013 - Schedule VII Reference | Revised Amount for 31.03.2026 (Rs. in lakhs) | Amount Spent till 31.03.2026 (Rs. in lakhs) | Amount Unutilised till 31.03.2026 (Rs. in lakhs) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency (Name) | Ongoing / Not Ongoing |
|---|---|---|---|---|---|---|---|---|---|---|
| 59 | Skill Advancement Program in Soilless Agriculture: Hydroponics and Aeroponics for Future Farming in Thiruvananthapuram | Kerala | Trivandrum | Promoting education, Skill development & Livelihood enhancement projects | 20.00 | 8.00 | 12.00 | No | HMA | Ongoing |
| 60 | Project Aksharam: Smart Anganwadi for Bright Futures in Kerala | Kerala | Wayanad | Promoting education, Skill development & Livelihood enhancement projects | 10.00 | 10.00 | 0.00 | No | HMA | Ongoing |
| 61 | Awareness sessions & distribution of M-Cups (100 nos) in Kerala Police Special Branch office | Kerala | Trivandrum | Promoting Healthcare & Sanitation | 0.30 | 0.30 | 0.00 | No | HMA | Not Ongoing |
| 62 | Promoting health seeking behaviours among women over a 6-month period in 6 chosen areas of Hyderabad, Telangana | Telangana | Hyderabad | Promoting Healthcare & Sanitation | 20.00 | 8.00 | 12.00 | No | LifeSpring Foundation, Hyderabad | Ongoing |
| 63 | Pradhan Mantri TB Mukt Bharat Abhiyaan | Kerala | Wayanad | Promoting Healthcare & Sanitation | 10.00 | 10.00 | 0.00 | No | HMA | Ongoing |
| 64 | Providing nutrition kits to TB Patients | Andhra Pradesh | YSR, Kadapa | Promoting Healthcare & Sanitation | 12.72 | 0.00 | 12.72 | No | HMA | Ongoing |
| 65 | Empowering women through Self-Defense & Safety Training | Maharashtra | Nagpur | Promoting gender equality, Women empowerment & Reducing inequalities | 5.00 | 0.00 | 5.00 | No | Devi Ahalyabai Smarak Samiti | Ongoing |
| 66 | Natural Fibre (Bamboo cane / Banana fibre etc) based livelihood project | Kerala | Wayanad | Promoting education, Skill development & Livelihood enhancement projects | 10.00 | 0.00 | 10.00 | No | Swadeshi Science Movement, Kochi | Ongoing |
| | | | | **Total** | **381.15** | **215.27** | **165.89** | | | |

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:** Rs.215.29 Lakhs

**(d) Amount spent in Administrative Overheads** : NIL

**(e) Amount spent on Impact Assessment, if applicable** : Not Applicable

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)** : Rs.215.29 Lakhs

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

| Sl. No. | Particular | Amount (Rs. in Lakhs) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | 381.15 |
| (ii) | Total amount spent for the Financial Year | 215.29 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | Nil |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | Nil |

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs. lakhs) | Amount spent in the reporting Financial Year (in Rs. lakhs). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (in Rs. lakhs) |
|---|---|---|---|---|---|---|---|
| | | | | Name of the Fund | Amount (in Rs. lakhs). | Date of transfer. | |
| 1 | 2024-25 | 197.98 | 337.35 | PMNRF | 13.73 | 29-9-2025 | 197.98 |
| 2 | 2023-24 | 108.51 | 362.74 | PMNRF | 25.12 | 26-9-2024 | 108.51 |
| 3 | 2022-23 | NA | 548.73 | NA | NA | NA | |

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

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|
| Sl. No. | Project ID. | Name of the Project. | Financial Year in which the project was commenced. | Project duration. | Total amount allocated for the project (in Rs.). | Amount spent on the project in the reporting Financial Year (in Rs). | Cumulative amount spent at the end of reporting Financial Year. (in Rs.) | Status of the project - Completed / Ongoing. |
| 1 | 1 | Thinkal": Awareness creation and distribution of menstrual cups | 2024-25 | 1 | 15,00,000 | 15,00,000 | 15,00,000 | Completed. |
| 2 | 2 | Thinkal": Awareness creation and distribution of menstrual cups | 2024-25 | 1 | 12,00,000 | 12,00,000 | 12,00,000 | Completed. |
| 3 | 3 | Awareness creation and distribution of M-cups. | 2024-25 | 1 | 1,50,000 | 1,50,000 | 1,50,000 | Completed. |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 4 | 4 | Counselling support for transgender individuals- pre-and post-surgery and non-surgical pathways in Gender transition | 2024-25 | 1 | 15,00,000 | 15,00,000 | 15,00,000 | Completed. |
| 5 | 5 | Mental health programme at aspirational districts | 2024-25 | 2 | 30,00,000 | 12,00,000 | 12,00,000 | Ongoing |
| 6 | 6 | Exploring the Correlation and Diagnostic Potential of Menstrual Blood | 2024-25 | 1 | 2,00,000 | 2,00,000 | 2,00,000 | Completed. |
| 7 | 7 | Swasthya" An Innovative behaviour change program for Anemia in Women of Reproductive Age | 2024-25 | 1 | 10,00,000 | 10,00,000 | 10,00,000 | Completed. |
| 8 | 8 | Waste management programme (one ward) My city Project | 2024-25 | 1 | 15,00,000 | 12,98,326 | 15,00,000 | Completed. |
| 9 | 9 | Community based psycho-social programme for tribal and coastal communities in Kerala | 2024-25 | 1 | 40,00,000 | 24,00,000 | 40,00,000 | Completed. |
| 10 | 10 | Developing toxic free, plastic free& sustainable sanitary solutions for tribal women and girls while creating livelihood enhancement opportunities for rural women and traditional weavers. | 2024-25 | 1 | 15,00,000 | 9,00,000 | 15,00,000 | Completed |
| 11 | 11 | Financial support for Collector's super 100 project: -Provide STEM education to 100 girl students (9th to 12th standard) from tribal and coastal communities | 2024-25 | 1 | 10,00,000 | 0 | 10,00,000 | Completed. |
| 12 | 12 | Restructuring of ground floor of Kadappakada sports club | 2024-25 | 1 | 15,00,000 | 0 | 15,00,000 | Completed. |
| 13 | 13 | Establishing a Solar-Powered Computer Lab with smart classroom integration | 2024-25 | 1 | 10,00,000 | 0 | 10,00,000 | Completed. |
| 14 | 14 | For constructing additional classrooms & Yoga Hall development | 2024-25 | 1 | 15,00,000 | 0 | 15,00,000 | Completed. |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 15 | 15 | Facility enhancement (Roofing & Ceiling work) | 2024-25 | 1 | 5,55,000 | 0 | 5,55,000 | Completed. |
| 16 | 16 | For constructing a spacious hostel for girls in tribal & border areas | 2024-25 | 1 | 20,00,000 | 20,00,000 | 20,00,000 | Completed. |
| 17 | 17 | Support for purchase of spectacles to 800 weavers/ workers engaged in Handloom industry | 2024-25 | 1 | 4,00,000 | 3,99,600 | 3,99,600 | Completed. |
| 18 | 18 | Autism screening, Assessment and parent mediated Intervention | 2024-25 | 1 | 12,50,000 | 12,50,000 | 12,50,000 | Completed. |
| 19 | 19 | Healthcare activities in Himachal Pradesh | 2024-25 | 1 | 25,00,000 | 25,00,000 | 25,00,000 | Completed. |
| 20 | 20 | Theatre show titled &Rashtrasamartha – Devi Ahilya Ki Punyagatha,& "commemorating the 300th birth anniversary of PunyashlokaAhilyabaiHolkar. | 2024-25 | 1 | 5,00,000 | 5,00,000 | 5,00,000 | Completed. |
| | | **TOTAL** | | | **2,77,55,000** | **1,79,97,926** | **2,59,54,600** | |

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :-** No Capital assets was created for HLL during FY 2025-26

**(asset-wise details).**

a) Date of creation or acquisition of the capital asset(s). - Not Applicable

b) Amount of CSR spent for creation or acquisition of capital asset. - Not Applicable

c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - Not Applicable

d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - Not Applicable

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

Not Applicable

**12. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.**

Implementation of CSR activities is in compliance with Companies Act, 2013 & DPE guidelines to meet the CSR objectives and policy of the Company.

| | | |
|---|---|---|
| (Chairman and Managing Director). | (Chairman CSR Committee). | [Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable). |

**Activities of Societies promoted by HLL:**

**I. HLL Pratheeksha Charitable Society**

The Society is registered with the objective of sponsoring students to the BPL category to pursue professional studies and also to support the health care of retired employees. Accordingly, two schemes were launched by the society, one for sponsoring students and the other for giving financial support to the retired employees of the company for availing treatment for critical illness.

**II. Hindustan Latex Family Planning Promotion Trust (HLFPPT)**

HLFPPT is a not-for-profit national public healthcare organisation established and promoted by HLL Lifecare Ltd. (a Mini Ratna enterprise of Government of India) under Ministry of Health and Family Welfare (MoHFW). HLFPPT has been working in the domain of public health for more than three decades and has been implementing large scale projects PAN India.

HLFPPT is actively contributing towards the goals of National Health Mission, National AIDS Control Program (NACP), National Tuberculosis Elimination Programme (NTEP) and Sustainable Development Goals (SDGs) through its various programmes. The main donor partners include National Health Mission (NHM), NACO, CTD, Ministry of Skill Development and Entrepreneurship, Ministry of Minority Affairs, Ministry of Social Justice and Empowerment, Ministry of Rural Development, PSUs, Corporates and International Organizations such as Global Fund, Nutrition International etc.

**Vision:** Touching lives with quality care, compassion and Emerge as a Globally Credible Organization.
**Mission:** Offer Innovative, Affordable and Sustainable Reproductive Health Solutions.

HLFPPT is currently providing services in the following thematic areas:

1. Maternal and Child Health
2. Family Planning
3. Primary Health Care
4. Adolescent Health and Nutrition
5. HIV/AIDS
6. TB Prevention, Care and Support
7. Skill Development
8. Elderly Care and Support
9. Health System Strengthening
10. Mental Health
11. Emergency Response Services
12. Rehabilitation and Care
13. Research and Development
14. WASH

## Major Achievements in FY 2025-26:

The year reflects a phase of diversification and expansion across HLFPPT's programme portfolio. Building on the momentum of previous years, the organization has strengthened its presence across multiple thematic areas, while continuing to deliver impactful interventions in public health. During the year, HLFPPT expanded its scope of work beyond primary healthcare delivery to include focused interventions in nutrition, women empowerment, and access to essential services. Targeted efforts have been undertaken to address anaemia among adolescent, alongside initiatives on menstrual health and hygiene and HPV vaccination for cervical cancer prevention, further reinforcing the organization's commitment to improving health outcomes among women and adolescents.

In addition, HLFPPT advanced its engagement with broader determinants of health through initiatives such as the Water ATM project in Delhi, improving access to safe and affordable drinking water in underserved urban communities. Significant emphasis was also placed on health system strengthening, focusing on

enhancing healthcare infrastructure and service delivery in underserved and project-affected areas.

Programme strengthening was further supported through the adoption of technology and innovation. Under the HIV programme, the transition to the SOCH mobile application enabled real-time monitoring and improved continuity of care for People Living with HIV (PLHIV). Tuberculosis interventions were expanded through increased engagement with private healthcare providers and strengthened Drug-Resistant TB (DR-TB) management using a hub-and-spoke model. HLFPPT also contributed to international capacity building through training initiatives for private NAAT laboratories.
A key milestone during the year was the operationalization of a technology-enabled Command & Control Centre under the NHAI project, facilitating real-time incident monitoring and strengthening emergency response systems.

The year also witnessed the onboarding of new partners, including Nutrition International, APCPL, HURL, Torrent, MSIL, Loram Rail, and PVUNL, further strengthening HLFPPT's collaborative network and enabling the implementation of diversified interventions across geographies. Overall, the year marks a phase of strategic growth, diversification, and system strengthening for HLFPPT, with a continued focus on innovation, partnerships, and delivering sustainable and inclusive impact across communities.

**1. Tuberculosis**

***1. Project SSHAKTI (Strategizing and Strengthening HIV and TB intervention) - A Global Fund supported project (2024-27) - TB component***

HLFPPT, as a Non-Government Principal Recipient (NGPR), is implementing HIV and TB interventions across 17 states with the support from the Global Fund for the grant Cycle 2024-27. The project has been aligned with the objectives of NTEP to ensure universal access to quality TB services for key & vulnerable populations. A focus is also being maintained on addressing stigma and discrimination associated with HIV/AIDS and TB.

**2. Patient Provider Support Agency (PPSA) for TB care in Private Sector**

Under the PPSA program, continued efforts are being made to strengthen engagement and collaboration with private healthcare providers, including doctors, hospitals, nursing homes, laboratories, and chemists. The program supports the establishment and activation of *Nikshay Mitras* at these facilities to ensure the delivery of comprehensive, end-to-end NTEP services for effective TB case management.

The program facilitates a wide range of services, including free diagnostics such as Universal Drug Susceptibility Testing (UDST), sample collection and transportation to designated laboratories, treatment support, public health actions, adherence monitoring, and provision of social support. It also prioritizes sustained advocacy to promote adherence to national standards of TB care among private providers.

Monitoring of field-level activities continues to be strengthened through the use of an innovative mobile application. The platform enables real-time tracking of staff attendance, documentation of facility visits, monitoring of sample collection and report receipt, and timely delivery of laboratory reports to patients via WhatsApp. It also supports patient notifications and maintains records of fixed-dose combination therapies, improving overall efficiency and accountability.

Building on the achievements of the previous year, the program aims to further expand private sector engagement, enhance quality of care, and improve TB case notification and treatment outcomes across implementation geographies.

**3. HIV/AIDS Prevention, Care and Support**

***1. Project SSHAKTI (Strategizing and Strengthening HIV and TB intervention) - A Global Fund supported project (2024-27) - HIV component***

Through Project SSHAKTI, the national HIV response is being strengthened by HLFPPT through the establishment of 74 Care & Support Centers (CSCs) across 12 states and interventions in Prisons and Other Closed Settings and community system strengthening across 15 states. These efforts have been aligned with the objectives of the National AIDS Control Programme to strengthen the service delivery cascade for HIV care continuum and accelerate progress towards HIV elimination to attain the SDG 3.3. goal.

**4. Emergency Response System at National Highways**

Multiple interventions are being implemented by HLFPPT to strengthen emergency response services on National

Highways, with the objective of improving road safety through technology-enabled solutions, enhanced quality standards, and strengthened field presence.

The programme objectives are focused not only on providing quality emergency medical services on NH through state-of-the-art Basic Life Support (BLS) and Advanced Life Support (ALS) ambulances, but also on ensuring effective supervision and monitoring of the Incident Management System, which includes ambulances, patrol vehicles, and cranes through a digital platform. In addition, capacity building through behavioural and soft skills training for toll plaza staff is being undertaken to support a safer and more responsive highway environment.

1. **Operationalization and Management of Ambulance Services** – To ensure timely life-saving interventions within the golden hour on National Highways, a fleet of more than 270 BLS and ALS ambulances is being operationalized on a 24x7 basis across the network. These ambulances are equipped with essential and advanced medical equipment to provide appropriate care to accident victims on NH.

2. **Strengthening of Incident Management System (IMS)** – The Incident Management System (IMS) is being strengthened to fortify emergency response services on National Highways through the deployment of IMS vehicles, including ambulances, patrol vehicles, and cranes across highway stretches. The system is being supported through real-time monitoring and tracking enabled by advanced technological interventions.

3. **Command & Control Centre** – To further strengthen IMS response and coordination, a technology-driven NHAI Incident Management System Command & Control Centre is being operated round-the-clock by trained professionals for monitoring and managing incident responses on National Highways. This initiative represents an integrated approach that combines technology and management systems to ensure safer and more efficient incident management on NH.

4. **Capacity Building of Toll Plaza Staff** – Capacity building of toll plaza staff is being undertaken with the objective of enhancing performance, soft skills, as well as psychological, emotional, and stress management capabilities. Staff are also being sensitized on their roles and basic life support skills. In addition, efforts are being made to promote positive behavioural change and improved perception in service delivery, encouraging staff to adopt a more courteous and professional approach in their interactions with commuters. This has contributed to improved communication practices and a more respectful and service-oriented environment at toll plazas.

5. **Technical Support Unit (TSU)**

   A Technical Support Unit has been established to provide supervision for various initiatives and to coordinate with concerned NHAI officials for troubleshooting and effective implementation. The TSU plays a key role in providing technical assistance for strengthening NHAI interventions, ensuring effective and timely

**6. Strengthening Health Systems through Corporate Social Responsibility**

Continuing the progress from past, this year 2025–26 marked a phase of expansion and diversification for the CSR division. With the addition of new projects, the scope of interventions has broadened significantly, along with increased thematic diversity. These developments reflect sustained efforts towards strengthening programs' outreach and impact. At present, HLFPPT is implementing 67 CSR projects across the country.

The year also marked entry into new areas of intervention. *Project Garima,* implemented under the aegis of Maruti Suzuki India Ltd. (MSIL), expanded the organization's engagement into menstrual health and hygiene (MHH), with a focus on addressing awareness gaps and social stigma. Another key initiative includes the project on elimination of *cervical cancer through HPV vaccination- Project Pehal*, implemented with support

from *APCPL,* enabling HLFPPT's contribution to a national-level programme. In addition, *Project Sehat Sathi,* implemented with support from HURL, has strengthened efforts towards health system strengthening while providing scope to further enhance Behaviour Change Communication (BCC) strategies.

The *Water ATM initiative,* implemented in collaboration with *Indian Oil Corporation Limited (IOCL) and the Delhi Jal Board,* has facilitated closer engagement with government stakeholders. The project involves installation and management of *eight Water ATMs at designated locations in Delhi*, with a focus on improving access to safe drinking water in underserved areas.

At present, *55 Mobile Medical Unit (MMU)* projects are being operationalized under CSR initiatives, reflecting their critical role in delivering primary healthcare services at the doorstep. Through these interventions, a sustained impact has been achieved, with approximately 9,00,116 beneficiaries reached and around 16,269 camps conducted. In alignment with the organization's focus on maternal and child health, efforts have been made to support government initiatives such as PMSMA and JSY, resulting in facilitation of 11,673 ANC and 1,885 PNC services. Additionally, Behaviour Change Communication (BCC) activities remained integral, with 2,763 awareness sessions conducted during the year.

The CSR division, with an annual portfolio exceeding INR 40 crore, continues to contribute to strengthening primary healthcare services across the country.

## 5. Advancing Impact through New Strategic Initiatives

***Adolescent Health & Nutrition (AHN) Programme***

HLFPPT is implementing an Adolescent Health & Nutrition (AHN) project in selected districts of Karnataka in collaboration with Nutrition International. The project aims to address anaemia among adolescents by improving the coverage and consumption of Weekly Iron and Folic Acid Supplementation (WIFS), while promoting nutrition and health education among both in-school girls and boys, as well as out-of-school adolescent girls in the age group of 10–19 years.

***Strengthening Menstrual Health and Hygiene Practices among Adolescents***

Project Garima, implemented with support from Maruti Suzuki India Ltd. (MSIL), focuses on improving awareness and practices related to menstrual health and hygiene (MHH), particularly among adolescents. The initiative aims to address gaps in knowledge, challenge stigma, and promote safe and hygienic practices.

The project is being implemented in selected government schools across Gurugram, Rohtak, and Sonipat districts of Haryana. It includes awareness sessions for adolescent girls on menstrual health, hygiene practices, and safe disposal of menstrual products, along with sensitization sessions for boys to promote a more inclusive and supportive environment.

***Enhancing Access to Safe and Affordable Drinking Water in Urban Communities***

The Water ATM initiative, implemented in collaboration with Indian Oil Corporation Limited (IOCL) and the Delhi Jal Board, aims to improve access to safe and affordable drinking water in underserved urban areas. The project addresses challenges related to water scarcity and limited availability of potable water for vulnerable populations. Under this initiative, eight Water ATMs are being installed and operated in identified locations in Delhi. These facilities are strategically placed in high-need areas and community congregation points such as marketplaces and transport hubs to ensure accessibility. The intervention primarily targets daily-wage earners and populations residing in underserved settlements.

***Strengthening Healthcare Delivery through Infrastructure and Community Engagement***

Project Sehat Sathi, implemented with support from Hindustan Urvarak & Rasayan Limited (HURL), focuses on strengthening healthcare infrastructure and improving access to quality health services in underserved areas. The initiative aims to complement existing public health systems by addressing critical gaps in equipment and service delivery.

The project is being implemented in the project-affected areas of HURL plants at Barauni, Gorakhpur, and Sindri. It includes infrastructure strengthening along with a community engagement component focused on Behavior Change.

***Promoting Early Prevention of Cervical Cancer among Adolescent Girls through HPV Vaccination***

The Project Pehal on prevention of cervical cancer through HPV vaccination among early adolescent girls is being implemented to promote preventive healthcare and reduce the future burden of cervical cancer. The initiative focuses on improving HPV vaccination coverage among adolescent girls, while strengthening awareness on HPV and cervical cancer prevention. In addition to service delivery, the project emphasizes capacity building of frontline health workers to support effective implementation and community outreach.

***Specialized Health Camps for Expanding Outreach and Access to Healthcare***

HLFPPT has been organizing specialized health camps across its project areas to extend the benefits of project interventions to a wider section of the population, particularly those who may not have been reached during routine OPD services. The themes of these camps are identified based on field observations and community needs, ensuring relevance to the local context and alignment with the objectives of respective projects.

These camps involve the participation of multiple specialists, including gynaecologists, ENT specialists, dermatologists, and ophthalmologists. In addition to specialized consultations, general OPD services are also conducted in a structured manner to address common health concerns.

**6. Mobile Medical Units for Tea Garden and Non-Tea Garden Communities: Strengthening Access and Community Trust**

The Mobile Medical Unit (MMU) project in Assam has been more than a healthcare intervention—it has been a journey of commitment, learning, and meaningful impact. Supported by the National Health Mission (NHM), HLFPPT had the privilege of implementing this initiative over eight years, from 2017 until its conclusion in August 2025.

During this period, HLFPPT operated 130 MMUs across 35 districts, reaching both tea garden and non-tea garden communities—many of which are among the most underserved and difficult to access. What began as an effort to take healthcare closer to people gradually evolved into a trusted presence within communities, ensuring continuity of care where it was needed the most.

**7. Social Marketing for Contraceptives and other Health Care Products**

HLFPPT continues to work towards influencing community behaviour and perceptions related to healthy living by ensuring the availability of affordable and accessible reproductive health products across all sections of society. A self-sustaining social marketing model for contraceptive and RCH products is being implemented across the states of Uttar Pradesh, Madhya Pradesh, Rajasthan, and West Bengal, where HLFPPT-owned condom brands, *Rakshak 2* and *Josh*, have established strong recognition in the C&D market.

These efforts are supported through targeted interventions, including efficient supply chain management and the development of community-based marketing networks. The marketing workforce is systematically trained and integrated within the system to strengthen outreach and service delivery. The programme has successfully reached both urban and rural populations, with distribution of over 39 million units of social marketing condom products.

## 8. Social Franchising- Merry Gold Health Network (MGHN) - Providing Standard Care at Standard Cost

HLFPPT has established one of the largest and most distinctive social franchising health networks in India, the Merry Gold Health Network (MGHN). The network operates on a Public-Private Partnership (PPP) model, offering quality Maternal and Child Healthcare and Family Planning services at affordable cost. It serves as an innovative and self-sustaining platform that brings together private sector providers under a unified framework.

To strengthen linkages between communities and MGHN facilities, the Merry Tarang network has been developed, wherein community health volunteers facilitate outreach by providing basic MCH information and connecting beneficiaries to available services.

The social franchising network is currently operational in Uttar Pradesh and Rajasthan, with a network of over 300+ private hospitals. Over the years, the programme has contributed significantly to service delivery, ensuring 5.2 million antenatal check-ups, more than 19 lakh institutional deliveries, over 4.2 lakh sterilizations, and 3.90 lakh IUCD insertions.

## 9. Skill Development Programs- Skilling Youth for sustainable livelihood

HLFPPT through its multiple skill development programmes has successfully expanded its services across the country in 24 states.

HLFPPT has been affiliated with 19 skill sector councils namely Health Sector Skill Council (HSSC), Skill Council for Persons with Disability (SCPwD), Construction Sector Development Council of India (CSDCI), Retailers Association Skill Council of India (RASCI), Tourism & Hospitality Sector Skill Council (THSC), IT & ITeS Sector Skill Council, Apparel Made-ups & Home Furnishing Sector Skill Council, Beauty & Wellness Sector Skill Council, Logistics Sector Skill Council, Electronics and Hardware Sector Skill Council, Power Sector Skill Council, Plumbing Sector Skill Council, Rubber Skill Development Council, Agricultural Skill Sector Council, Banking Financial Services and Insurance Sector Skill Council , Capital Goods Skill Council, Sector Skill Council for Food Processing Industries, Telecom Sector Skill Council.

HLFPPT is empanelled as the Government Training Partner for Uttar Pradesh Skill Development Mission (UPSDM), Department of Persons with Disability, Ministry of Social Justice and Empowerment (MOSJE), Ministry of Minority Affairs (MoMA), WCDC, National Scheduled Castes Finance and Development Corporation (NSFDC), HLFPPT has also been awarded as Knowledge Partner with National Handicapped Finance and Development Corporation (NHFDC). HLFPPT is also associated with various organisations Petronet, CWC, GAIL, IRFC, BDL, HCL, NTPC, NBCFDC-IRFC and Alliance India for implementing skill training under their CSR initiative.

### *1. KSRTC Mobile Medical Units– Providing Quality Care for KSRTC employees*

In association with Kerala State Road Transport Corporation, HLFPPT has designed and converted KSRTC bus into a mobile medical unit providing medical services to KSRTC employees. The initiative started in the Trivandrum covers 21 depots in the district. Over the past year, the medical services has extended to around 7000 employees of KSRTC.

### *2. DDU-GKY – Empowering Rural Youth with Skills for Sustainable Livelihoods*

DDU-GKY is a part of the National Rural Livelihood Mission (NRLM), tasked with the dual objectives of adding diversity to the incomes of rural poor families and cater to the career aspirations of rural youth. In association with MoRD Govt. of India and State Rural Livelihood Mission (SRLM), HLFPPT has implemented DDU-GKY

scheme in various districts of Bihar, Rajasthan, Odisha and Kerala. HLFPPT has achieved the goal to trained around 5200 rural youth in its residential SDCs and make them employed in Healthcare, Hospitality, Retail and Apparel sector.

***3. PMKVY – Transforming Potential Youth into Skilled Workforce***

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is a flagship skill certification scheme of the Indian government, aimed at providing free, industry-relevant skill training to Indian youth and enabling them to secure better livelihoods. HLFPPT has implemenetd PMKVY-Centrally Sponsored State Managed(CSSM) and PMKVY-Centrally Sponsored Centrally Managed(CSCM) in Bihar, Uttar Pradesh, Telangana, Rajasthan, Odisha, Andhra Pradesh, Mizoram and Madhya Pradesh. HLFPPT has achieved training target of 4640 candidates and through this scheme. HLFPPT is supporting candidates for their career in jobs or self-employed in various industries.

***4. Pradhan Mantri Awaas Yojana Gramin (PMAY-G) -Building Homes, Securing Futures***

PMAYG, or Pradhan Mantri Awaas Yojana – Gramin, is a housing scheme by the Indian government that aims to provide pucca houses with basic amenities to all houseless households and those living in kutcha or dilapidated houses in rural areas. To achieve the goal of "Housing for All" in rural India by providing a permanent dwelling with basic amenities to eligible beneficiaries. In Association with the Government to achieve the goal of “Housing for All” HLFPPT played a vital role by giving Rural Masons Training to the youth available in Gram Panchayats. HLFPPT trained around 30265 Rural Masons to ensure the quality of construction under PMAY-G scheme in Odisha, Bihar, Uttar Pradesh, Rajasthan and Chattisgarh

***5. Department of Empowerment of Persons with Disabilities- Promoting Accessibility, Dignity, and Independence***

DEPwD, To build an inclusive society in which equal opportunities are provided for the growth and development of Persons with Disabilities so that they can lead productive, safe and dignified lives. Since 2018, HLFPPT has been committed to the social and economic empowerment of Persons with Disabilities (PWDs). Through various dedicated initiatives, we have successfully trained over 14,000 physically Challenge candidates in Uttar Pradesh, Odisha, Rajasthan, Gujarat, Kerala, Uttarakhand, Madhya Pradesh, Telangana and Jharkhand. Our focus has been on equipping them with market-relevant industry sector like Apperal, Retail, Hospitality and Beuty & Welness. By these skills promote self-reliance, dignity, and inclusion in mainstream society for PwDs.

***6. Uttar Pradesh Skill Development Mission (UPSDM)- Skills for a Brighter Future***

HLFPPT train all eligible youth in 14-35 age group in the 28 trades of their preference, provide facilities for acquisition and upgradation of skills of the unskilled and semi skilled workforce,enabling Provision for the vulnerable section e.g. women, pwd and minorities. 30% targets are earmarked for women; 20% for minorities, provide trainings in NSQF (National Skills Qualifications Framework) compliant courses only. Since 2016 HLFPPT has trained over 20000 candidates in various districts of UP and placement mileston has achieved by providing 70 % job opportunities to enhance to social status of the candidates.

***7.Kaushal Yuva Programme (KYP) - Empowering Youth with Skills for a Better Future***

HLFPPT is implementing KYP in 4 districts of Bihar under Bihar Skill Development Mission (BSDM) for increasing the capacity & capability of the system to deliver quality skill training and professional knowledge to the youth to enhance their employability and bridge the skill deficit with a view to meet burgeoning market demand for skilled manpower. Since 2016 HLFPPT has trained 19800 candidates in 11 block level center Adapur, Barari, Barsoi, Dhaka, Katihar, Kotwa, Motihari, Patepur, Ramgarwa and Sangrampur

## 10. Rehabilitation: Care and Support for Better Quality of Life

### *1. Entry Home for Girls – A Safe Haven for Care and Rehabilitation*

Inaugurated in January 2024 in Peroor, Kottayam, the *Entry Home* marks a significant shift in the way transitional care is envisioned for children rescued from abuse and trafficking. Moving away from the custodial model that often mirrors confinement, Entry Home offers a dignified, trauma-informed environment that bridges the critical gap between rescue and long-term rehabilitation. Survivors are welcomed through a respectful and structured induction process, ensuring that their first experience post-rescue is grounded in empathy and safety. Immediate emotional first aid, delivered with a trauma-sensitive approach, helps stabilize each child and lay the groundwork for deeper healing.

### *2. Model Home for Children: Holistic Support and Care*

In Thrissur's government-run Child Care Institutions (CCIs), 127 children who are survivors and brought to the institution for long term are being supported through a comprehensive, holistic care initiative that blends psychological well-being, academic progress, and practical skill development into everyday routines. The program is structured to nurture multiple dimensions of growth: yoga and mindfulness sessions help children regulate emotions and build inner resilience, while digital literacy and remedial education address learning gaps and enhance academic confidence. Life skills training spanning communication, reproductive health, and decision-making, prepares them for everyday challenges with greater self-assurance.

In parallel, along with their academics vocational training provided introduces children to a variety of hands-on skills such as beauty care, baking, embroidery, detergent making, and arts and crafts, paving the way for future economic independence. The outcomes speak for themselves. Children trained under this program were able to generate Rs. 33,000 through product exhibitions, showcasing their entrepreneurial potential.

### *3. Thejomaya Home Project- Providing Shelter, Care, and Dignity*

The Thejomaya Home, in partnership with Nirbhaya Cell across the state, runs a focused rehabilitation and vocational empowerment program for adolescent girl survivors aged 17 to 21. At its core, the initiative blends psychosocial care with practical skill-building, aiming to foster emotional resilience, financial independence, and long-term reintegration into society. Survivors are supported through structured academic remedial sessions and life skills training that address both cognitive and emotional development. In parallel, the program offers hands-on exposure to sustainable practices like mushroom cultivation and kitchen gardening, allowing the girls to engage with nature while learning valuable livelihood skills. A strong emphasis is placed on vocational training across multiple trades namely stitching, baking, beauty care, poultry management, and art ensuring diverse income-generation pathways.

The outcomes of the program speak for themselves. To date, survivor-led enterprises have generated over 2 lakhs in income, a testament to both the viability of the training and the entrepreneurial potential of the participants. More than 40 girls have transitioned into formal employment, redefining their futures with confidence. Thejomaya's model demonstrates that with the right support system, healing and hope can translate into tangible, sustainable change.

### *4. Aftercare Project- Extending Support Beyond Institutional Care*

The Aftercare program has reached a significant milestone with the completion of Phase 3, building on the strong groundwork laid in the previous phases. Phase 1, which began in November 2020, was piloted in seven

govt. Child Care Institutions (CCIs) across Kozhikode, Kannur, Kollam, and Kottayam, supporting 142 young adults aged 15 and above. This initial phase prioritized the development of Individualized Care Plans (ICPs) following detailed assessments, alongside delivering extensive individual counseling, group life skills training, and cognitive retraining and vocational training sessions. In Phase 2, the program expanded statewide to 19 homes, reaching young adults with tailored care plans and focusing heavily on sustainability through capacity building training 140 Juvenile Justice personnel and 56 counselors, along with 23 counselors trained specifically in life skills facilitation. This phase resulted in 80 young adults being successfully placed across a wide range of industries.

Phase 3 concentrated on consolidating these achievements by providing advanced training to counselors and CCI staff to standardize Aftercare protocols, conducting in-depth evaluations to refine program interventions, and broadening public-private partnerships to enhance vocational and employment opportunities.

### *5. Pratheeksha Bhawan – Residential Care for Adults with Intellectual Disabilities*

***Restoring Dignity, Structure, and Wellbeing for Adults with Disabilities***

Pratheeksha Bhawan is a residential care facility providing long-term support to 102 adults with intellectual disabilities. The program is designed to create a safe and nurturing environment that prioritizes emotional security and helps residents develop the skills necessary for greater independence in their daily lives. In addition to these core interventions, Pratheeksha Bhawan actively promotes community integration by organizing regular recreational routines and joyful community events. These activities play a crucial role in fostering social connections, improving residents' overall wellbeing, and creating a sense of belonging within the facility and beyond.

### *6. Uyare Initiative – Brand Created for POCSO Survivors: Silence to Empowerment*

One of the most powerful manifestations of this vision is the brand ***Uyare. Uyare*** meaning "to rise" is not merely a brand. It is a movement shaped by healing hands and courageous hearts. Born within Thejomaya Home, Uyare transforms trauma into creativity, silence into self-expression, and survival into enterprise. Through months of structured training in stitching, baking, and beauty arts, survivors create handcrafted stitched products and baked goods, each entirely made by them. Every item carries a story not of pain, but of return. A return to confidence. A return to identity. A return to hope.

This journey of transformation reached a historic milestone when ***Uyare*** was awarded Second Prize at the prestigious Pentharam Competition a statewide campaign celebrating women's excellence in entrepreneurship. Organised and broadcast by Manorama News, one of South India's leading television news networks, Pentharam recognises women entrepreneurs and self-help groups who have built successful ventures through innovation and self-employment, with stories ranging from traditional crafts to large-scale food enterprises.

## 11. Building a Trained Workforce for Quality Caregiving Services

***Equipping Women for Dignified Employment in the Care Economy***

HLFPPT in partnership with Kudumbashree, has successfully launched K4 Care program, a focused initiative aimed at empowering women through skill development and employment in the care giving

sector. This collaborative effort seeks to bridge the existing care gap in homes, hospitals, and care institutions across Kerala, while simultaneously promoting financial independence among women participants. Over the course of the program, 25 batches have undergone training based on a comprehensive and inclusive care giving curriculum. The initiative has achieved substantial reach and impact: out of 1,322 women mobilized, 965 were shortlisted for the program, with 456 successfully completing the training. Importantly, 320 of these trained women have secured placements in various care giving positions, thereby contributing to the expansion of Kerala's skilled care giving workforce.

**12. KMSCL Mobile Medical Units- Bringing Testing at the Door Steps for Remote Communities**

In partnership with the Schedule Tribe Department, HLFPPT manages 17 Mobile Medical Clinics (MMCs) that bring critical healthcare services directly to underserved and remote communities. Of these, 14 MMCs are supported by the Scheduled Tribe Development Department (STDD), targeting tribal populations across 12 districts in Kerala, while 3 MMCs are funded by the National Health Mission (NHM), Palakkad, focusing on the underserved communities of Attapady. These clinics offer a broad spectrum of services ranging from curative treatment for minor illnesses, first aid, and minor surgical care to early diagnosis and timely referral for both communicable and non-communicable diseases. Antenatal and newborn care, family planning advice, and STI prevention are key components of the care package, supplemented by access to specialist consultations and diagnostic support as required. All services include free provision of essential medicines, consumables, and diagnostic tests, thereby removing financial barriers for vulnerable groups. The MMCs under STDD recorded over 115,000 outpatient consultations, provided lab tests to more than 25,600 beneficiaries, and completed nearly 50,000 diagnostic services. The NHM-supported clinics delivered over 20,800 outpatient consultations, with lab tests and diagnostics benefiting 7,200 and nearly 15,000 individuals, respectively. This project has played a pivotal role in strengthening preventive healthcare and promoting early detection of diseases, significantly improving access and health outcomes for Kerala's marginalized rural and tribal populations.

**13. Women and Child Development Corporation- Ensuring Protection, Empowerment, and Employment Opportunity**

The Women & Child Development Corporation (WCDC) in Bihar, often in collaboration with the Bihar Skill Development Mission (BSDM), The WCDC project focuses on improving the social, economic, and cultural status of women and adolescent girls, while also ensuring child welfare and protection. It operates through multiple schemes under initiatives like Mukhyamantri Nari Shakti Yojana, addressing key areas such as gender equality, skill development, livelihood promotion, health, nutrition, and education.

These programs aim to enhance employability for Bihar's youth specially women through industry-relevant training.

**14. Employability and Proficiency Enhancement Program (EPEP)- Building Job-Ready Talent**

Hindustan Latex Family Planning Promotion Trust (HLFPPT), in collaboration with the Dattopant Thengadi National Board for Workers Education and Development (DTNBWED)—an autonomous body under the Ministry of Labour & Employment, Government of India—implemented the Employability and Proficiency Enhancement Program (EPEP).

The program was conceptualized as a pilot initiative to strengthen employability among informal workers while validating training delivery models, assessment frameworks, and operational readiness for a proposed nationwide scale-up targeting 5,000 workers.EPEP was successfully rolled out across five states—Madhya Pradesh, Chhattisgarh, Bihar, Rajasthan, and Uttar Pradesh, covering a total of 118 training batches.

**15. Project Praveen is a Uttar Pradesh government initiative that provides vocational skill training to school students (Class 9–12) to improve employability.**

Project Praveen is a skill development initiative launched by the Uttar Pradesh Skill Development Mission in

collaboration with the Secondary Education Department. It aims to provide vocational training to students of classes 9 to 12 along with their regular studies. In line with the National Education Policy 2020, the program focuses on developing a skilled workforce from the school level.

Students receive 90 minutes of daily training in job-oriented and entrepreneurship-based courses, designed according to their interests. The courses are certified by the National Council for Vocational Education and Training.

The main objectives are to enhance employability, reduce dropout rates, and help students choose career paths. The program also supports disadvantaged groups and aligns training with industry needs. Overall, Project Praveen prepares students for future job opportunities and self-employment.

# REPORT ON CORPORATE GOVERNANCE

**The Company's philosophy on Code of Governance**

Your Company is renowned for exemplary governance standards since inception and continues to devote its emphasis on transparency, accountability and integrity. The Company is committed to adhereto the ethical values and thereby ensures fairness to all stakeholders including customers, employees, investors and society at large. The basic objective of Corporate Governance policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to complying with the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, but also to go beyond them by putting in place procedures and systems, which are in accordance with the best practices of Corporate Governance. The Company has been methodically following the Guidelines on Corporate Governance issued by Department of Public Enterprises.

Your Company is already in substantial compliance with most of the governance requirements provided under the Companies Act, 2013..

The Company's Corporate Governance policies and practices focus on the following principles:

1. To recognize the respective roles & responsibilities of the Board and Management.
2. To achieve the highest degree of transparency by maintaining a high degree of disclosure levels.
3. To ensure and maintain high ethical standards in its functioning.
4. To ensure a sound system of risk management and internal controls.
5. To ensure that employees of the Company subscribe to the corporate values and apply them to their conduct.
6. To ensure that the decision making process is fair and transparent.
7. To ensure that the Company follows globally recognized corporate governance practices

A brief description of the Corporate Governance practices followed in your Company is given below.

**1. SIZE AND COMPOSITION OF BOARD:**

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. Your Company, being a Government Undertaking, the appointment/nomination of all the Directors is done by the President of India, through the Ministry of Health & Family Welfare. The Board has an appropriate mix of executive and non-executive Directors. The Articles of Association of the Company stipulates that the number of Directors shall not be less than three (3) and not more than ten (10).

The sanctioned strength of Board of Directors is Nine (9) and the present actual strength of Board of Directors of the Company is Six (6) comprising

- Two (2) official Directors representing the Ministry of Health & Family Welfare, Government of India
- Four (4) Functional Directors namely Director (Finance), Director (Technical & Operations) and Director (Marketing) and Chairperson & Managing Director.

Among the present Six directors there is one women directors on the Board. The composition of the Board is substantially in line with the Guidelines on Corporate Governance issued by the Department of Public Enterprises, Government of India.

The Composition of the Board of Directors as on 31st March 2026 is given below. None of the Directors are member of more than 10 Board level Committees of public companies in which they are Directors nor holds chairmanship in more than five such committees.

| Sl. No. | Name of the Director | Category of Director | No. of Other Director-ship held | No. of membership / Chairmanship of Board Committee in other companies |
|---|---|---|---|---|
| 1 | Dr.AnithaThampi | Chairperson & MD | 4 | 3 |
| 2 | Shri. Hoveyda Abbas, IA&AS | Government Nominee Director | 4 | Nil |
| 3 | Shri.Vijay Nehra | Government Nominee Director | 3 | 1 |
| 4 | Smt. Neeta Boochra | Independent Director | 3 | Nil |
| 5 | Prof. (Dr) Adarsh Pal Vig | Independent Director | Nil | Nil |

| | | | | |
|---|---|---|---|---|
| 6 | Shri. Ajit N | Director (Marketing) | 3 | Nil |
| 7 | Shri. Remesh P | Director (Finance) | 2 | Nil |
| 8 | Shri. Benny Joseph | Director (Technical & Operations) | Nil | Nil |

The Board of Directors plays a primary role in ensuring good governance and smooth functioning of the Company. The Board's role, functions, responsibility and accountability are clearly defined. The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure. Every member of the Board, including the Non-Executive Directors, has full access to any information related to the Company.

**2. MEETING AND ATTENDANCE**

The Notice and Agenda notes of the Meetings are circulated to the Directors as far as possible in advance. During the financial year under review, five Board meetings were held, i.e. on the dates 27th June 2025, 15th July 2025, 19th September 2025, 23rd December 2025, and 19th March 2026 respectively.

Information of attendance at the board meetings and the last annual general meeting is given below:

| Name of the Director | No. of Board Meetings held during the tenure | Attendance in Meetings during 2025-26 | |
|---|---|---|---|
| | | Board Meetings | Last AGM |
| Dr. AnithaThampi | 5 | 5 | Yes |
| Shri. Hoveyda Abbas, IA&AS | 5 | 5 | Yes |
| Shri.Vijay Nehra | 2 | 2 | NA |
| Shri. Remesh P | 3 | 3 | Yes |
| Shri. Ajit N | 5 | 5 | Yes |
| Prof (Dr.) Adarsh Pal Vig | 5 | 5 | Yes |
| Smt. Neeta Boochra | 5 | 5 | Yes |
| Shri. Benny Joseph | - | - | NA |

**3. REMUNERATION OF DIRECTORS**

Ministry of Health & Family Welfare (MoHFW), Government of India appoints Chairman & Managing Director and the other Functional Directors after the due process of selection is completed by Public Enterprises Selection Board. The remuneration and terms and conditions of their directorship are decided by Department of Public Enterprises. The Chairman & Managing Director and the Functional Directors are appointed for a period of five years or till the date of their superannuation or until further orders, whichever is earlier.

Non-official part-time Independent Directors are also appointed by the Ministry of Health & Family Welfare, Government of India for a period of three years and are paid a sitting fee of Rs.20,000/- for attending each meeting of the Board of Directors and Rs.15000/- for attending the Sub Committees of Board.

**4. APPOINTMENT OF KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 203 of Companies Act 2013 read with Companies (Appointment Remuneration of Managerial Personnel) Rules 2014, which have come into force from 1st April, 2014 the Board of directors has appointed the following Directors/Executives as the Key Managerial Personnel (KMPs) of the Company on their existing terms & conditions of appointment, including remuneration:

1. Dr. AnithaThampi - Chairperson & MD
2. Shri Ajit N - Director (Marketing)

3. Shri Remesh P - Director (Finance) & Chief Financial Officer
4. Shri. Benny Joseph - Director (Technical & Operations)
5. Shri Jaikrishnan A R - Company Secretary

## 5. COMPANY POLICIES

**Policy on dealing with Related Party transactions:**

The Company strictly follows all relevant provisions in the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 on dealing with Related Party transactions.

**Nomination and Remuneration Policy:**

HLL being a Government Company, the power to appoint Directors and to fix their remuneration vests with Government of India. The Company is governed under DPE Guidelines regarding the Remuneration Policies of Directors. The Company had complied with the relevant guidelines prescribed by the Department of Public Enterprises in thisregard.

## 6. BOARD CHARTER

As Trustees of the Company, the Board ensures that the Company has clear goals and policies for achievement which are in alignment with the Vision and Mission of the Company. The Board provides strategic directions, reviews corporate performance, authorizes and monitors strategic decisions, ensures regulatory compliances and safeguards interest of stakeholders. The Board of Directors adhere to the Board Charter adopted by the Board of Directors, which clearly sets out the role, structure, responsibilities and operation of Company's Board of Directors and its delegation of authority.

## 7. CODE OF BUSINESS CONDUCT AND ETHICS

The Board of Directors of your Company has laid down a Code of Conduct and Ethics for the Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct during the year 2025-26. A declaration to this effect signed by the Chairperson & Managing Director is provided below.

To the Stakeholders of HLL Lifecare Limited

Sub: Compliance with Code of Conduct and Ethics

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

**Dr.Anitha Thampi**
Chairperson and Managing Director

Date:
Thiruvananthapuram

## 8. INDEPENDENT DIRECTORS' MEETING

A separate Meeting of Independent Directors of the company was held on 31st March 2026 mainly to assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## 9. SECRETARIAL STANDARDS

The Central Government has issued the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2). These Standards came into force on 01st July 2015. Adherence by the Company to these Standards is mandatory as per the provisions of the Companies Act, 2013. Accordingly, your Company has complied with both the Standards. The SS 1 and SS 2 prescribes a set of principles for convening and conducting the Meetings of the Board of Directors, meetings of Committees,

General Meetings and such other matters related thereto

## 10. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has prepared the financial statements for the year 2025-26 in accordance with the IND AS.

## 11. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to focus on specific areas and make informed decisions within the authority delegated. As a part of good governance practice, the Committees of the Company are constituted with the formal approval of the Board and appointment of members and fixing of terms of reference/role of the Committees done by the Board of Directors. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

Currently the Company has the below mentioned Board subcommittees namely

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility & Sustainable Development Committee

### 11.1 Audit Committee

Audit Committee at the Board level is one of the main pillars of Corporate Governance mechanism of the Company. Audit Committee aims to enhance the confidence in the integrity of Company's financial reporting, Internal control processes and act as a link between the Auditors and Board of Directors

#### 11.1.1 Composition as on 31.03.2026

The Audit committee comprises the following members.

a) Smt. Neeta Boochra, Independent Director
b) Prof. (Dr.) Adarsh Pal Vig, Independent Director
c) Shri Ajit N, Director (Marketing)

#### 11.1.2 Audit Committee reviews the following matters:

The terms of reference of the Audit Committee includes:

i) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

iii) Examination of the financial statement and the auditors' report thereon;

iv) Approval or any subsequent modification of transactions of the company with related parties;

v) Scrutiny of inter-corporate loans and investments;

vi) Valuation of undertakings or assets of the Company, where it is necessary;

vii) Evaluation of internal financial controls and risk management systems;

and Monitoring the end use of funds raised through public offers and related matters.

viii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

ix) Recommending to the Board the fixation of audit fees.

x) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

xi) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act 2013;

b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;

d. Significant adjustments made in the financial statements arising out of audit findings;

e. Compliance with legal requirements relating to financial statements;

f. Disclosure of any related party transactions;and

g. Qualifications in the draft audit report.

xii) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

xiii) Reviewing, with the management, performance of internal auditors and adequacy of the internal control systems.

xiv) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

xv) Discussionwithinternalauditorsand/orauditorsanysignificantfindingsandfollowupthereon.

xvi) Reviewing the findings of any internal investigations by the internal auditors/agenciesintomatters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

xvii) 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.

xviii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

xix) To review the functioning of the Whistle Blower Mechanism.

xxi) To review the follow up action on the audit observations of the C& A G audit.

xxii) To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

xxiii) Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.

xxiv) Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions.

xxv) Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.

xxvi) Consider and review the following with the independent audit or and the management:

- The adequacy of internal controls including computerized information system controls and security,and Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

xxvii) Consider and review the following with the management, internal auditor and the independent auditor:

- Significant findings during the year, including the status of previous audit recommendations
- Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

xxviii) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**11.1.4 Meetings and Attendance**

During the year under review, Four meetings of the Audit Committee were held on 25th June 2025, 14th July 2025, 16th September 2025 and 16th March 2026 respectively.

The attendance of the members at the meeting is as follows

| Name of the Committee Member | No. of meetings held during the tenure | No. of meetings attended |
|---|---|---|
| Smt. Neeta Boochra | 4 | 4 |
| Prof. (Dr.) Adarsh Pal Vig | 4 | 4 |
| Shri Ajit N | 4 | 4 |

**11. 2 Nomination and Remuneration Committee**

The scope and terms of reference of the Committee was enlarged by including the matters specified in Section 178 of the Companies Act, 2013

**11.2.1 Composition as on 31.03.2026**

a) Shri Remesh P, Director (Finance) & Chief Financial Officer
b) Prof.(Dr.)Adarsh Pal Vig, Independent Director
c) Smt. Neeta Boochra, Independent Director

### 11.2.2 Meetings and Attendance

During the year under review a Nomination & Remuneration Committee meeting was held on 14th October 2025.

The attendance of the members at the meeting is as follows:

| Name of the Committee Member | No. of meetings held during the tenure | No. of meetings attended |
|---|---|---|
| Shri. Remesh P | 1 | 1 |
| Prof.(Dr.)Adarsh Pal Vig | 1 | 1 |
| Smt. Neeta Boochra | 1 | 1 |

## 11.3 Corporate Social Responsibility and Sustainable Development Committee

### 11.3.1 Composition (As on 31.03.2026)

a) Prof (Dr.) Adarsh Pal Vig, Independent Director -Chairman
b) Smt. Neeta Boochra, Independent Director -Member.
c) Shri Remesh P, Director (Finance) & Chief Financial Officer -Member.
d) Shri Ajit N, Director (Marketing) - Member

### 11.3.2 Terms of reference

The terms of reference of the CSR & SD Committee are as per the provisions of the Companies Act, 2013. The following are the scope/terms of reference of the CSR & SD Committee:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company.

b) Recommend the amount of expenditure to be incurred on the above activities

c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

### 11.3.3 Meetings and Attendance

During the year under review, two CSR committee meetings were held on 16th November 2025 and 16th March 2026. The attendance of the members at the meeting is as follows:

| Name of the Committee Member | No. of meetings held during the tenure | No. of meetings attended |
|---|---|---|
| Prof (Dr).Adarsh Pal Vig | 2 | 2 |
| Smt. Neeta Boochra | 2 | 2 |
| Shr.i Remesh P | 2 | 2 |
| Shri. Ajit N | 2 | 2 |

## 12. INFORMATION TO BE PLACED BEFORE THE BOARD OF DIRECTORS

The Board has complete access to any information within the Company. The information inter alia, regularly supplied to the Board includes:

a) Annual operating plans and budgets and any updates

b) Annual Accounts, Directors' Report, etc.

c) Quarterly results of the Company.

d) Minutes of meetings of audit committee and other committees of the Board including minutes of Subsidiary Company and Joint-venture Company.

e) Major Investments, formation of Subsidiaries and Joint Ventures, Strategic Alliances,etc.

f) Award of large Contracts.

g) Disclosure of Interest by Directors about directorship and committee positions occupied by them in other Companies.

h) Report on the status of various on going projects / scheme and Budget Utilization.

j) Any significant development in Human Resources/Industrial Relations front like signing of wage agreement,etc.

i) Non-compliance of any regulatory, statutory or listing requirements and shareholders' service such as non- payment of dividend, delay in share transfer etc.

j) Other materially important information.

**13. POST MEETING FOLLOW-UP SYSTEM:**

The Governance process in the Company include an effective post-meeting follow-up, review and reporting process for action taken/pending on decisions of the Board and the Board Committee(s).

**14. SHAREHOLDING PATTERN**

HLL is not listed at any Stock Exchange in India or abroad. The entire paid up equity share capital of the Company is held by the President of India and his nominees

**15. GENERAL BODY MEETINGS:**

The Date, Time and Venue of the last three Annual General Meetings of the Company is as follows

| AGM | Financial Year | Date | Time | Venue | Whether Special Resolution(s) Passed or Not |
|---|---|---|---|---|---|
| 57th AGM | 2022-23 | 12th December 2023 | 03.00 p.m | VC/OAVM | Yes |
| 58th AGM | 2023-24 | 23rd December 2024 | 10.00 a.m | VC/OAVM | No |
| 58th Adjourned AGM | 2023-24 | 13th February 2025 | 03.15 p.m | VC/OAVM | No |
| 59th AGM | 2024-25 | 30th September 2025 | 12.00 p.m | VC/OAVM | No |

**16. DISCLOSURES:**

- Details of transactions between the Company and its subsidiaries, associates, key managerial personnel during the year 2025-26are given as Note No. 42 to the Annual Accounts for the year ended 31 March, 2026. These transactions do not have any potential conflict with the interests of the Company at large. All transactions with the related parties were in the ordinary course of business and at arm's length price.There were no cases of non-compliance by the Company and penalties, strictures imposed on the Company by any statutory authority on any statutory payment requirements.

- Presidential directives issued by the Central government in respect of Official Language
- Implementation have been complied with during the year and also in the last three years in the Company.
- The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the Financial Statements.
- There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.
- The Company has adequately insured all its assets and also the various business risks connected with the business of the Company and that it has duly paid insurance premium.
- The Company has adopted Foreign Exchange & Risk Management Policy to protect Rupee value of Foreign currency cash flows of the Company from adverse impact of fluctuations in exchange rates and interestrates.
- The Company has adopted Whistle Blower policy and it is affirmed that no person has been denied access to the Audit Committee in respect of reporting of suspected violations.

**17. GENERAL INFORMATION**

**Training of Directors:**

The Company has adopted Guidelines on Corporate Governance May 2010 issued by Department of Public Enterprise. Based on the DPE guidelines the company has adopted Training policy for Board members During FY 2025-26, The following Training Programs were attended by Directors of HLL Lifecare Limited

| SNo | Name | Designation | Date of Training | Subject | Faculty |
|---|---|---|---|---|---|
| 1 | Shri Remesh P | Director (Finance) & CFO | 11th to 14th August 2025 | Administrative Leadership and Good Governance | IIM Amritsar |
| 2 | Prof (Dr) Adarsh Pal Vig | Independent Director | 27-29 October 2025 | 3 Day Residential Programme on Directors Certification in Sustainable Leadership Kovalam, Trivandrum | IICA |

**Means of Communication:**

Timely disclosure of relevant and reliable information is at the core of good Corporate Governance practice. Toward this end your Company has taken following initiatives.

| | |
|---|---|
| Website | The Company's Corporate Website www.lifecarehll.com provides comprehensive information about the products, business segments, upcoming projects etc. The Company also publishes its annual audited statement of accounts in its official website. |
| News Releases | All updates on company's developments and changes are published through Company's Monthly photo newsletter, monthly bulletin and quarterly magazine and are also displayed on the company's website www.lifecarehll.com |
| Media Releases | All updates on company's developments and changes are announced to the external audiences through Press Releases. As the matter demands, CC occasionally conducts Press Conferences to brief the media directly. |

| | |
|---|---|
| Multimedia Production | CC produces various creative materials including brochures, leaflets, banners, boards and several other materials totally in-house for HLL's various divisions/departments. CC also conducts photo and video coverage of company's events. |
| Social Media | Company's new launches, changes and events are published in the Facebook Page- https://www.facebook.com/lifecarehll. The company videos are displayed through webinar in the website and also through the YouTube channel – www.youtube.com/channelHLL |
| Annual Report | The Annual Report of the Company is circulated to the shareholders, Ministry of Health & Family Welfare, Comptroller and Auditor General of India and all others entitled thereto like Statutory Auditors etc. |

**Plant Locations**

| **Manufacturing** | **Plant Name & Location** | **Address** |
|---|---|---|
| Contraceptives | Peroorkada Factory, Thiruvananthapuram (PFT), Kerala | HLL Lifecare Ltd, Peroorkada Factory, Peroorkada Thiruvananthapuram – 695005 |
| Hospital Products | Akkulam Factory, Thiruvananthapuram (AFT), Kerala | HLL Lifecare Ltd, Akkulam Factory, Akkulam, Thiruvananthapuram – 695017 |
| Contraceptives | Kakkanad Factory Kochi, (KFC),Kerala | HLL Lifecare Ltd, Cochin Special Economic Zone, Division, Plot No:16A/1, Kakkanadu, Cochin – 682037 |
| Contraceptives Pharma and personal hygiene Products | Kanagala Factory, Belgaum, (KFB) Karnataka | HLL Lifecare Ltd Kanagala Factory, Belgaum, Karnataka – 591225 |
| Contraceptives | Irapuram Factory, Cochin, (IFC), Kerala | HLL LifecareLtd, Re-Sy.No156/3, Block No.29 Rubber Park, Valayanchirangara Irapuram, Cochin-683 556 |
| Ayurveda & Unani products | Haridwar Factory, Uttarakhand | Kharsa No. 37, Gram Makhanpur, Bhagwanpur Tehsil, Haridwar District, Uttarakhand – 247 661 |
| | **Gurugram Factory, Haryana** | Plot No. 71, Sector 7, IMT Manesar, Gurugram, Haryana – 122051, India |

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Industry Analysis

India's healthcare sector continues to be a critical pillar of human capital, social development and economic growth. The Economic Survey 2025–26 highlights significant improvements in health outcomes, healthcare access, infrastructure, digital health and financial protection, while noting emerging challenges such as the rising burden of non-communicable diseases (NCDs), obesity, nutrition-related risks and digital exposure.

General Government social services expenditure grew at a CAGR of 12% during FY22–FY26 (BE), while expenditure on health grew at a CAGR of 8% over the same period. The Survey also highlights the expansion of preventive and primary healthcare through Ayushman Arogya Mandirs, digital health platforms and targeted screening programmes. As of December 2025, 1,82,944 Ayushman Arogya Mandirs were operational, with 42.66 crore teleconsultations recorded. AB PM-JAY had generated 42.78 crore cards and supported 10.98 crore hospital admissions as of January 2026.

India is undergoing an epidemiological transition, with non-communicable diseases accounting for more than 57% of deaths. The healthcare sector is therefore increasingly focused not only on treatment, but also on prevention, early screening, nutrition, wellness and technology-enabled care. The Economic Survey further recognises digital health initiatives such as the Ayushman Bharat Digital Mission, e-Sanjeevani and AI-enabled healthcare applications as important enablers of universal health system reform.

## Contraceptives and Reproductive Health

Family planning and reproductive healthcare remain important components of India's public health system and are closely aligned with the Government's broader focus on preventive, maternal and community healthcare. The Economic Survey 2025–26 emphasises a continuum-of-care approach covering prevention, promotion and ambulatory care at the primary, secondary and tertiary levels.

The expansion of primary healthcare platforms, women-focused health initiatives and digital health services creates opportunities for wider access to reproductive and family-planning products. HLL Lifecare Limited's established presence in contraceptives and reproductive health positions the Company to support these national healthcare priorities.

## Pharmaceutical Sector

India continues to be a major global pharmaceutical manufacturing and export hub. The Economic Survey 2025–26 notes that the pharmaceutical industry is moving from a volume-driven to a value-driven model, with increasing emphasis on complex generics, biosimilars and innovation. In the FY 2024-25, the sector's annual turnover reached approximately ₹4.72 lakh crore, while pharmaceutical exports reached about US$30.5 billion, with India ranking 11th globally by pharmaceutical export value.

India exported pharmaceutical products to 191 countries in FY 2024-25, with around half of exports going to highly regulated markets such as the United States and Europe. The sector continues to benefit from policy support including Production Linked Incentive schemes, promotion of domestic manufacturing and initiatives aimed at reducing import dependence. IBEF estimates that the Indian pharmaceutical market stood at approximately US$57.6 billion in FY 2025-26 and is expected to continue expanding, supported by domestic demand, exports and innovation.

## Medical Devices Sector

India's medical devices sector is emerging as a high-technology manufacturing and export segment. The Economic Survey 2025–26 notes that India exported medical devices to 187 countries in FY2024-25, with exports increasing from US$2.5 billion in FY2020-21 to US$4.1 billion in FY2024-25. Domestic manufacturing capabilities have expanded into sophisticated products including MRI and CT scanners, linear accelerators, cardiac stents and ventilators.

The Survey identifies advanced manufacturing technologies, including AI and 3D printing, together with reduction of import dependence and streamlined global certification, as important areas for future growth. IBEF estimates that the Indian medical devices market could reach approximately US$50 billion by 2030, supported by increasing healthcare demand, infrastructure development, insurance penetration and government policy support such as PLI and medical-device manufacturing initiatives.

**Diagnostics Sector**

Diagnostics is an important enabling segment of the healthcare ecosystem, particularly as India moves towards preventive and early-detection-based healthcare. The Economic Survey 2025–26 highlights the growing importance of screening and technology-enabled detection of NCDs. As part of the National Programme for Prevention and Control of NCDs, more than 40.13 crore hypertension screenings, 39.86 crore diabetes screenings, 33.83 crore oral-cancer screenings and 15.86 crore breast-cancer screenings had been undertaken as of the dates specified in the Survey.

The sector is increasingly adopting molecular diagnostics, advanced imaging, digital platforms and AI-enabled tools. IBEF reports continued expansion of the diagnostics and medical-imaging markets, supported by preventive healthcare, organised providers and technological advancement.

**Role of HLL Lifecare Limited**

HLL Lifecare Limited, a Government of India enterprise under the Ministry of Health and Family Welfare, has evolved into a diversified healthcare solutions provider with a significant role across family planning, pharmaceuticals, medical devices, healthcare infrastructure and public health initiatives.

The developments highlighted in the Economic Survey 2025–26 are closely aligned with HLL's operating areas. The Company's activities in contraceptives and reproductive health, pharmaceutical products, medical devices, healthcare infrastructure and affordable healthcare services position it to contribute to the Government's objectives of universal healthcare, preventive care, financial protection and self-reliance in healthcare manufacturing. Initiatives such as AMRIT Pharmacies and HINDLABS support the wider objective of improving affordability and access to quality healthcare.

**Outlook and Future Strategy**

The outlook for India's healthcare sector remains positive, supported by rising healthcare requirements, expanding public health infrastructure, greater insurance coverage, technological adoption and continued policy support. The Economic Survey 2025–26 indicates that future healthcare growth will increasingly depend on prevention, early diagnosis, digital health, innovation and efficient delivery of services.

For HLL Lifecare Limited, the strategic opportunity lies in strengthening its position across family planning, pharmaceuticals, medical devices, diagnostics and healthcare infrastructure, while leveraging its public-sector mandate and manufacturing capabilities. Key strategic themes include expansion of domestic manufacturing, reduction of import dependence, technology and AI adoption, digital transformation, strengthening healthcare infrastructure, quality and regulatory compliance, and expansion into global markets.The Company's strategic direction is aligned with the Viksit Bharat vision and the emerging healthcare priorities identified in the Economic Survey 2025–26, including affordable healthcare, preventive health, innovation, self-reliance and technology-enabled delivery.

**Sources**

*Economic Survey 2025–26, Government of India*
*IBEF – Economic Survey 2025–26: IBEF Healthcare Industry Report, February 2026.*
*IBEF – Indian Pharmaceutical Industry and Medical Devices Industry reports, updated 2026.*
*HLL Lifecare Limited Annual Reports and Ministry of Health & Family Welfare publications.*

## 2. FINANCE PERFORMANCE SNAPSHOT

**The summarized financial results of the company for the last 10 years are given below:Ten year's performance results at a glance (Figures Rs.in Lacs)**

| Description | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---|---|---|---|---|---|---|---|---|---|
| Turnover | 105434.98 | 107538.27 | 144436.65 | 167764.97 | 508131.02 | 35,66,866.72 | 3,70,800.81 | 3,73,023.14 | 4,46,950.68 | 5,80,839.14 |
| Total Income | 106470.71 | 108854.76 | 147168.59 | 173913.91 | 513884.3 | 35,69,816.59 | 3,78,777.77 | 3,82,617.35 | 4,55,146.63 | 5,87,624.87 |
| Earnings Before Depreciation, Interest and Tax (EBDIT) | 2829.47 | 1608.45 | 10320.83 | 21249.25 | 22270 | 62,048.26 | 12,690.62 | 29,725.95 | 37,865.39 | 47,242.52 |
| Depreciation | 3860.54 | 5,134.24 | 5428.86 | 5333.77 | 4760 | 4,456.76 | 4,024.63 | 3,999.43 | 4,162.00 | 4,315.47 |
| Interest | 3028.44 | 2,961.15 | 3355.9 | 3457.2 | 2320 | 2,410.31 | 1,746.66 | 2,947.86 | 2,421.34 | 1,958.13 |
| Tax | -1521.31 | 471.4 | -310.77 | 1409.75 | 3920 | 14,358.78 | 2,941.97 | 5,633.68 | 8,064.42 | 10,331.94 |
| Profit/(Loss) After Tax | -2538.21 | -6,958.34 | 1846.84 | 11048.53 | 11270 | 40,822.40 | 3,977.36 | 17,282.19 | 22,918.00 | 30,636.97 |
| Equity Dividend % | - | - | - | - | 1.24 | 124% | 788% | 77% | 129% | 448% |
| Dividend Payout | 387.07 | - | - | - | 1490 | 1,928.71 | 12,247.00 | 1,193.21 | 2,000.00 | 6,953.19 |
| Equity Share Capital | 29041.5 | 29041.5 | 29041.5 | 29041.5 | 1553.5 | 1,553.50 | 1,553.50 | 1,553.50 | 1,553.50 | 1,553.50 |
| Reserves and Surplus | 22946.09 | 15884.34 | 17070.41 | 28254.79 | 37064 | 75,337.96 | 64,329.67 | 79,925.59 | 1,00,880.08 | 1,24,927.16 |
| Net Worth | 51987.59 | 44925.84 | 46111.91 | 57296.29 | 38617.5 | 76,891.46 | 65,883.17 | 81,479.09 | 1,02,433.58 | 1,26,480.66 |
| Gross Fixed Assets | 43590.75 | 49312.16 | 50293.66 | 54795.43 | 55703 | 59,109.44 | 59,741.61 | 61,207.00 | 64,065.74 | 69,514.00 |
| Net Fixed Assets | 36339.22 | 36974.16 | 32684.5 | 31904.1 | 32296 | 26,716.06 | 24,155.30 | 25,209.00 | 24,801.00 | 26,486.51 |
| Total Assets | 249321.19 | 251297.32 | 277458.63 | 280523.13 | 438587 | 6,68,945.09 | 3,25,895.35 | 3,75,550.00 | 4,60,257.00 | 6,16,889.80 |
| Number of Employees | 1728 | 1659 | 1569 | 1440 | 1410 | 1379 | 1288 | 1199 | 1145 | 1083 |

### 3. PHYSICAL PERFORMANCE

HLL is a leading manufacturer and marketer of a range of contraceptive products around the globe. It also provides a variety of hospital products, pharma products and healthcare delivery services. A review of HLL's manufacturing activities during 2025-26 is given below:

| Sl. No. | Product | Unit | Installed Capacity | Quantity Manufactured (Current year) | Capacity utilization (%) | Quantity Manufactured (Previous Year) |
|---|---|---|---|---|---|---|
| 1 | Condoms | Mn. Pcs | 1,971.00 | 1,476.89 | 74.93% | 1623.43 |
| 2 | Blood Bags | Mn. Pcs | 12.50 | 10.07 | 80.56% | 11.08 |
| 3 | Suture | Lakh Doz. | 6.00 | 1.29 | 21.50% | 1.52 |
| 4 | Copper–T | Mn. Pcs | 17.75 | 6.11 | 34.42% | 8.31 |
| 5 | Oral Contraceptive Pills | Mn.Cycles | 460 | 50.87 | 11.06% | 98.67 |
| 6 | Sanitary Napkin | Mn. Pcs | 392 | 101.59 | 25.92% | 59.08 |

### 4. HEALTHCARE SERVICES DIVISION (HCS)

The Healthcare Services Division (HCS) was established by HLL with the objective of delivering affordable healthcare services to the general public. Over time, HCS has developed a significant presence in the diagnostic sector under the brand name Hindlabs, which operates nationwide. Beginning with a single laboratory in RK Puram, Delhi in 2008, HINDLABS has rapidly expanded its footprint, establishing a robust pan-India network of 168 medical laboratories and 62 imaging centres across 15 states as of the end of FY 2025–26. This impressive growth reflects HLL's unwavering commitment to providing accessible and high-quality diagnostic services. With 18 years of experience, we have solidified our position in the diagnostic market, built on the principles of trust and reliability. Hindlabs has established strong partnerships with various government entities, including state governments, CGHS, NHM, and prestigious institutions such as AIIMS and government medical colleges, highlighting our esteemed reputation in the healthcare sector. As we continue to expand our reach across India, we remain committed to delivering exceptional diagnostic services that prioritize accuracy, reliability, and timeliness. Our steadfast dedication to quality, innovation, and customer satisfaction has earned us recognition as a trusted partner in the diagnostic services sector, and we aspire to uphold this legacy as we grow and evolve

The key achievements in FY 2025-26 are:

- ✓ Achieved Rs 1742.27 Cr Against the Revenue Target of Rs 1727 Cr for the FY 2025-26
- ✓ Achieved Rs. 105.33 Cr Against the Profitability Target of Rs. 105 Cr for the FY 2025-26

**SEGMENT/PROJECT WISE REVENUE FY 2025-26 (Rs. Crs)**

| SEGMENT | REVENUE |
|---|---|
| IMAGING SERVICES | 47.38 |
| LABORATORY SERVICES | 89.34 |
| POLYCLINIC | 20.52 |
| MH NFDS PROJECT | 516.03 |
| MH CW PROJECT | 834.73 |
| APLA DAWAKHANA PROJECT | 45.27 |
| FREE CT SCAN PROJECT – NHM UP | 76.11 |
| HINCARE PROJECTS | 112.89 |
| **TOTAL** | **1742.27** |

**SEGMENT/PROJECT WISE PROFITABILITY FY 2025-26 (Rs. Crs)**

| SEGMENT | PROFIT |
|---|---|
| IMAGING SERVICES | 2.71 |
| LABORATORY SERVICES | 6.07 |
| POLYCLINIC | 1.40 |
| MH NFDS PROJECT | 27.93 |
| MH CW PROJECT | 44.44 |
| APLA DAWAKHANA PROJECT | 2.61 |
| FREE CT SCAN PROJECT – NHM UP | 13.44 |
| HINCARE PROJECTS | 6.45 |
| **TOTAL** | **105.33** |

***PROJECT WISE DETAILS AND FY 2025-26 ANALYSIS***

1. **NHM Projects**

**a. Maharashtra- NFDS**

HLL had been entrusted by NHM Maharashtra to provide Free Diagnostic services and the operations started from 03rd February 2017 onwards. HLL is currently providing diagnostic services to 3500+ facilities across the state in hub and spoke model. Service is extended across the state by establishing and operating 142 laboratories across the 34 districts of Maharashtra. In FY 2025-26, HLL has provided service to over 2.34 Crore patients and performed 7.26 Crore tests.

**b. Uttar Pradesh- Free CT scan project**

HLL is the implementing agency for the UP free CT scan services project in Uttar Pradesh State. As part of this, we have established and are operating 35 CT facilities in Establishment and Operate model and are operating and maintaining 11 Nos of CT scan centres at district hospitals. The operations commenced in November 2017 and in FY 2025-26 we have served 5.30 Lakhs beneficiaries with 5.60 Lakhs of scans.

**c. Aapla Dawa Khana**

Accessible health care services to economically weaker sections. (Health care clinic establishment). The agreement signed on 29 November 2024 and services valid for a period of five years.

2. **AIIMS Projects**

**a. AIIMS Raipur** – HLL signed agreement with AIIMS Raipur in November 2023 to establish, Operate and manage high end centralized diagnostic center at AIIMS Raipur for a period of six years. In FY 2025-26 we have served 70654 beneficiaries with 1.48 Lakhs of tests.

**b. AIIMS Guwahati**- HLL signed agreement with AIIMS Guwahati in November 2023 to establish, operate and manage a high end centralized diagnostic centre at AIIMS Guwahati for the Department of Trauma and emergency medicine for a period of five years. In FY 2025-26, HLL has provided service to over 32000 patients and performed 1.01 lakhs tests.

**c. AIIMS Mangalagiri-** The agreement with AIIMS Mangalagiri to setup and operate diagnostic laboratory renewed for a further period of two years. So far we have offered our services to more than 1.76 lakh people and conducted 7.68 lakhs tests.

**d. AIIMS Nagpur-** The MoU was signed on November 2018 and HLL Started operations in January 2019 and agreement valid till 2030 serving more than 1.19 lakh people and conducted 6.29 lakhs tests in FY 2025-26.

**e. AIIMS Gorakhpur-** HLL received an extension of one more year as service provider for laboratory services and imaging modalities (X-Ray, USG, CT & MRI) services and the agreement is valid until February 2025. We have served 3.18 lakh patients and conducted 11.13 lakh tests in the FY 2025-26.

**f. AIIMS Deoghar-** Started on 2021 and agreement valid till 2026. Served more than 0.95 Lakh people and conducted 4.23 Lakh tests in FY 2025-26.

g. **AIIMS Bilaspur**- HLL signed an agreement with AIIMS Bilaspur on august 2021 and started providing services from December 2021 and agreement is valid till 2026. We are providing medical lab services to 1.23 lakh patients and conducted 3.61 Lakh tests in the FY 2025-26.

h. **AIIMS Kalyani-** Maintenance and Management of Medical Imaging services at AIIMS Kalyani, signed agreement in 2025 and valid till 2027. In FY 2025-26, we have served 45249 patients and conducted 57722 tests.

**3. CGHS Projects**

HINDLABS, in collaboration with CGHS (Central Government Health Scheme), established diagnostic facilities in Worli, Mumbai, and RK Puram, Delhi, to offer CGHS beneficiaries high-quality diagnostic services at CGHS costs. Apart from two main facilities at Delhi and Worli, we have Ten and sixteen collection centres respectively. Through Hindlabs center at CGHS Delhi diagnostic facility, we have served 41447 patients and conducted 1.11 lakh tests. Medical lab at Mumbai has served 34115 patients and 139735 tests were done.

**4. Kerala Government Projects**

In a unique partnership with the Government of Kerala, the division has set up Hindlabs MRI scan centers at Government Medical College Hospitals at Kottayam, Alappuzha, Thrissur, Calicut and Thiruvananthapuram. The state of the art 1.5 Tesla MRI Scan provides advanced scan capabilities. The centers have been providing excellent scan services to patients at affordable charges providing precise diagnoses to the referring physicians. The First MRI unit was established in 2009. .The details of the projects are given below:

| **Facility** | **GMC, Alleppy** | **GMC, Thrissur** | **GMC Kottayam** | **GMC, Calicut** | **SAT, Trivandrum** |
|---|---|---|---|---|---|
| Modality | MRI Unit | MRI Unit | MRI Unit | MRI & Lab | MRI & CT |
| Patients | 9272 | 6928 | 5783 | 73311 | 17033 |
| Scans | 9700 | 7151 | 5894 | 139877 | 17730 |

**Hindlabs Clinical Laboratory, Kottayam**: - Commenced Hindlabs Clinical Laboratory Kottayam on March 2025, to provide services at affordable cost to the patients of GMCH Kottayam and other hospitals and clinics located nearby.

**Hindlabs Clinical Laboratory, Manjeri**: - Diagnostic lab and MRI services provider for the local community around the area of Manjeri in Malappuram district and the services valid for a period of 9 years. In FY 2025-26, we have served 1081 patients and conducted 1917 tests.

**Hindlabs Kottathara: -** Commenced Hindlabs Ultrasound and CT scan centre inside Govt.Tribal Speciality Hospital Kottathara, Attappadi on March 2025 to provide services to the general public of Attappadi hill area especially tribal community and patients of GTS Hospital, Kottathara.

**Hindlabs Aluva: -** Commenced Hindlabs Clinical Laboratory (KIDCO project) at Paravoor Kavala, Aluva on November 2025 to provide services to KIDCO, Local SCB members and general public. The services including the analysis of patient samples (blood, urine, tissues) to diagnose, monitor, and treat diseases like infections, cancer, diabetes and others. The services valid for a period of 15 years.

**Hindlabs Poojappura**: - Commenced Hindlabs Diagnostic center inside Government Ayurveda Hospital for Women and Children in Poojappura, Thiruvananthapuram on 2nd February 2026 to provide Ultrasound services to the patients of GAH and others

**Details of Major other projects in Kerala are as below.**

| **Name of Project** | **cope** | **Pat. Serviced in 2025-26** | **Test count in 2025-26** |
|---|---|---|---|
| THQH, Nedumangad | SG | 6025 | 6274 |
| THQH, Parassala | SG/ Cardio Services | 8002 | 8002 |
| HLL – Neyyattinkara | Medical Imaging | 22395 | 24532 |

**5. Karnataka Government Projects**

HLL has established High-end labs in the District Hospitals of Tumkur, Chitradurga, Davangere and at KC General Hospital, Bangalore as per the MoU with the Govt of Karnataka signed on 2014. Besides, HLL has also established CT Scan facility at KC General Hospital- Bangalore & MRI and CT scan facility at the Wenlock Hospital- Mangalore as per the agreement with the State of Karnataka as given below:

| KCG-Bangalore | DH-Chitradurga | DH-Tumkur | DH-Davangere | DH-Wenlock Mangalore |
|---|---|---|---|---|
| Lab, CT Scan & USG | Medical Lab | Medical Lab | Medical Lab | MRI & CT |

During the financial year 2025-26 through this project, provided services to 185924 patients altogether and total test count was 498806.

***6. WEST BENGAL STATE PROJECTS***

HLL is operating imaging projects in West Bengal at two district Hospitals. The imaging centers commenced the operations at SD Hospital Uluberia from 28th May 2015 for CT scans and MRI Centre at Old Sardar Hospital at Darjeeling on 30th March 2015. Both these centers are set up within the hospital premises. Both these centers are continuing excellent services till date and the total number of patients served from the Uluberia & Darjeeling centers put together for FY 2025-26 is 16344 with a total number of 17050 tests.

**7. CONSTRUCTION WORKERS SCREENING PROGRAM – Maharashtra BOCWWB Project**

In India, several initiatives aim to provide health screening and medical care for construction workers, recognizing the unique health risks they face. With this into consideration, HLL has associated with the state of Maharashtra for the health screening of registered construction workers in their state. HLL offers pre-tailored screening packages for the construction workers. These packages are designed to reduce health risks and ensure the safety and well-being of the workers. Regular health assessments and tests are conducted to identify and manage diseases early. This includes diagnostic screening, lung screening, vision screening and many more. These screenings are done in the health camps organized by HLL in consultation with the labour department of the state. These initiatives are part of broader efforts to improve occupational health and safety of the workers. The total beneficiary count in FY 2025-26 across Maharashtra is 19.24 Lakhs.

**8. NIH KOLKATA**

HLL has signed an agreement with National Institute of Homeopathy Kolkata in November 2023 to establish and operate Hindlabs Diagnostic Centre within the NIH campus. The laboratory is established and equipped with high end diagnostic equipment and we have provided service to 16702 patients and performed 40791 tests in FY 2025-26

**9. OTHER PROJECTS**

**HINDLABS DIGNOSTIC CENTER and SPECIALITY CLINIC (POLY CLINIC) TRIVANDRUM**

HLL is also operating HLL Poly Clinic and Medical lab under the brand name “Hindlabs”, at TRIDA complex opposite Trivandrum Medical College. HLL clinic provides various diagnostics services like Biochemistry, Haematology, Serology, Clinical Pathology, Microbiology & Special Tests, X-Ray, USG, Fetal Medicine, Cardiology, Neuro lab, Physiotherapy and dental. This polyclinic was established in 2016 and providing impeccable quality services to general public at cost effective rates. Subsequently Minilabs have been introduced throughout the Trivandrum City premises by Hindlabs TRIDA. Major Minilabs are located at the following locations: General Hospital, Vattiyoorkavu, Akkulam, Hindlabs Tirumala, Hindlabs Peyad, Balaramapuram, Manacaud, Pappanamcode, Vattapara, Vettukkad, Kaniyapuram, Pothencode, Venjarammoodu, Malayinkeezhu, Kattakada, Kilimanoor, Kowdiar ,Paruthippara and Nalanchira (District hospitals Nedumangad and Peroorkada) (LPSC Valiyamala and Home collections also).

The Hindlabs Diagnostic Center and Specialty Clinic, located opposite the Government Medical College in Thiruvananthapuram, operates round-the clock to provide expert outpatient consultations alongside affordable diagnostic tests. Available OPD services are:

General Medicine: Routine health checks and chronic illness management
Gynaecology: Women’s health and antenatal care.

Ortho,Peadiatric & Nuclear Medicine: Specialized clinical support and diagnostic integration.

Every day, Hindlabs TRIDA provides medical assistance to 300–400 patients and supplies 1200–2000 health test instruments, including tiny labs. Hindlabs is committed to making this facility the best diagnostic destination in the area for all types of people. Additionally, since 2020, this facility has been a NABL-accredited laboratory. During the financial year 2025-26 Hindlabs Polyclinic, provided services to 1.19 Lakh patients and total test count was 3.73 Lakhs.

- **GURUGRAM**

HLL has established and is operating Hindlabs diagnostic laboratory at Gurugram since 2017, in association with Municipal Corporation Gurugram and District Health & Family Welfare Society Gurugram. The facility is providing high end laboratory services, X-ray CT and ultrasound scan services. The total number of patients served in the FY 2025-26 is 0.73 lakh and performed a total of 2.19 lakh tests.

- **TELE-RADIOLOGY SERVICES**

HINDLABS has established a 24-hour Tele-Radiology Center with the availability of quality Radiologists to report the Image diagnosis. Today HINDLABS is one of the largest tele-radiology service providers and HINDLABS Tele-Radiology Center reports over 2500 Patients/day. With a robust network of radiologists, HINDLABS Tele Radiology service is offering cost-effective reporting solutions to various public and private healthcare organizations in the country. Through a synergy of patient focus, great people, and modern technology, HINDLABS Tele Radiology service provides flexible tailor-made solutions for Hospitals that can support the health institutions to deliver diagnostic reports quickly, reducing a great deal of delay in patient care. HINDLABS Tele Radiology service also provides quality radio diagnostic services to hospitals in rural India and diagnostic Centers across the country. During the current financial year 106938 scans were reported through Hindlabs Teleradiology services. In addition Teleradiology services being provided for 9 district hospitals under NHM Arunachal Pradesh. The current financial year 11330 scans were reported.

- **HINDLABS –NIT TRICHY**

This unique partnership with NIT Trichy started in the year April 2017 providing lab services for the inmates of this campus. During the financial year 2025-26 this unit provided services to 7908 patients and total test count was 32176.

- **BHEL Ranipet**

HLL signed MoU with BHEL and started operation on December 2020. So far we have done 92707 tests and provided services to 7732 patients. The Mou has valid till 2030.

- **HINDLABS YANAM**

Hindlabs in collaboration with JIPMER (Jawaharlal Institute of Postgraduate Medical Education and Research, Government of India) commenced a Clinical Laboratory at Yanam, Puducherry, to provide services to the general public. Signed an agreement on Aug 2025 and valid till 2035.

- **HINDLABS LIFE SPRING HOSPITAL LSH**

Commenced Clinical Laboratory services in connection with Life Spring Hospital (LSH) at Secunderabad, Telengana. Providing services to the General public and the patients of Life spring hospital and the project has 10 locations in Telengana (Chilakalaguda, Bowenpally, Vanasthalipuram, Boduppal, Moula ali, Kukatpally, Alwal, Puranapul, Champapet and Nagole.). Agreement signed on 14th October 2025 and valid till 2035.

**EXPANDING OUR HORIZONS**

Healthcare services division is now spreading its wings to other areas, including hospital management services, clinical and non-clinical support services, dialysis projects, Health Screening projects, New Technology based screening projects, Ayushman Bharat Digital Health Projects, MMU projects, and more, all under the umbrella of our brand name, Hincare. This expansion marks a significant milestone in our journey, as we continue to strive for excellence and innovation in healthcare services.

***HINCARE SERVICE SEGMENT: PROJECT HIGHLIGHTS***

**The key projects taken up under Hincare service segment of HCS as below:**

**1. TUBERCULOSIS SCREENING PROJECT – MEGHALAYA**

Tuberculosis screening program is executed in the state of Meghalaya which includes Door to Door screening of the population for TB using a handheld X-Ray with AI.The project commenced in the year 2023 covering 12 regions of the state including East Khasi Hills (Phase 1 & 2), Ri-Bhoi, West Khasi Hills, West Jaintia Hills, East Jaintia Hills, West Garo Hills, East Garo Hills, North Garo Hills ,South Garo Hills, South West Khasi Hills, Eastern West Khasi Hills & South West Garo Hills.The AI works significant accuracy and hence it becomes easier for the government to tap the vulnerable population and treat them in the earlier stages of TB. Sputum samples of the X-Ray abnormal cases are collected and handed over to the nearest NAAT center for further examination. HLL has performed around 57041 screenings for TB during the FY 2025-26 in the state.

**2. SKILL DEVELOPMENT PROJECTS**

As part of its strategic diversification and efforts to expand its healthcare service portfolio, HCS has ventured into Skill Development and Capacity Building in the Healthcare Sector through PPP projects, addressing the gap between academic qualifications and job-ready skills among healthcare graduates. HCS aims to deliver industry-oriented training, upskilling and certification programmes aligned with NSDC, NSQF and PMKVY 4.0, covering both Short-Term Training (STT) for new entrants and Recognition of Prior Learning (RPL) for the existing workforce. HCS has already secured major projects from the Ministry of Minority Affairs and from the Ministry of Skill Development and Entrepreneurship, covering training across various healthcare job roles, providing a strong foundation for further expansion in this segment.

**3. HOSPITAL MANAGEMENT SERVICES – AIIMS RAJKOT**

Hospital facility management is a critical component in enhancing the healthcare delivery system, offering a harmonized ecosystem where every element works in unison to support the core goal of improved patient care. It ensures that all resources and facilities are optimally utilized, leading to better treatment outcomes and patient satisfaction. It unlocks many benefits, promising a path of resilience and quality service in healthcare settings. With all this as an objective, HLL has been awarded the Hospital Management Services of AIIMS Rajkot for various services including Dietary Services, Laundry Services, Pest Control Services and Overhead Tank Cleaning Services. HLL has been successful in executing this project in AIIMS Rajkot since Feb 2024.

**4. EMERGENCY MEDICAL SERVICES**

HLL has been associated with Trivandrum International Airport, the second busiest airport in the state of Kerala, for the Ambulance Services since year 2021 (Ongoing). HLL has been instrumental in taking up the Emergency Management Services and the Advance Life Support Ambulance services of Trivandrum International Airport, where in HLL was awarded the project of providing manpower for the ambulance operations, which included, doctors, paramedic staff and ambulance drivers. HLL has always assured quality services to its customers and shall continue to provide the same in the future as well. We are providing 19 Doctors (Consultant Medical Officers) to VSSC Trivandrum since 2019.

**5. MAHADIALYSIS – NHM MAHARASHTRA**

HLL Lifecare Limited, is implementing the dialysis program for the Government of Maharashtra which is also our first project providing patient care directly. The dialysis units (Mahadialysis Centres) are being established in the government hospitals at various levels (Rural Hospitals, Sub District Hospitals, Women Hospitals and District Hospitals) for providing the dialysis services. Each center is a state-of-the-art facility equipped with 5/8/10 beds based upon the category of hospital and shall be managed by qualified and trained manpower. The first dialysis unit Mahadialysis Centre – DH Solapur was inaugurated on 9th September 2024 which is a 10 bed setup. In 25-26 we have made 92 Dialysis centres operational and completed around 95584 dialysis sessions.

**6. MANPOWER SUPPLY**

**a. AIIMS MANGALAGIRI** - As per the MOU signed in Sep 2024, HLL provides technical manpower services to various departments of AIIMS, Mangalagiri focusing to meet the operational needs of different departments at AIIMS Mangalagiri. Manpower services are provided to various departments including cardiology, blood bank, neurology, Nuclear medicine, Nephrology and clinical microbiology and radiodiagnosis, etc.

**b. SAIL HOSPITALS** - HLL had signed an MoU with Steel Authority of India Limited (SAIL) 0n 28th may, 2024 for providing manpower under various categories (Paramedical Personnel/SSW/MTS/USW) for its day-to-day operations at SAIL hospitals, health centers and other establishments across India. (Rourkela,

Bhilai, Bokaro, Burnpur, Durgapur and Delhi).

**c. NHM – HIMACHALPRADESH** – As per the MOU signed in 2015, HLL provides manpower services (Nursing staff) to the hospitals specified by NHM, Himachal. The manpower supply includes Community health Officers (CHO), Staff nurses and Nursing trainers. Currently 873 nursing staff are provided by HLL for the NHM Himachal operations.

**c. CHITTARANJAN NATIONAL CANCER INSTITUTE (CNCI) :** An agreement was entered into during the current financial year for the provision of technical manpower at CNCI, Hazra Campus, for a tenure of three years

**7. RETAIL BUSINESS DEVELOPMENT DIVISION (RBD)**

During the period from 01st April 2025 to 31st March 2026, HLL started operation of 44 AMRIT Pharmacies, 2 HLL P&S, 2 Jan Aushadhi stores and 1 HLL Opticals.
AMRIT Pharmacies are acting as single point solution for all medical requirements of tertiary care hospitals where they are operating. AMRIT Pharmacies are providing medical items to the Ayushman Bharat Beneficiaries on credit basis and the payments to HLL is being released by the respective hospitals to HLL.

Currently, AMRIT operates **261 pharmacies across 24 states and 4 Union Territories**, offering more than **6,500 drugs, implants, and consumables** at significant discounts based on valid prescriptions—even for patients treated at other hospitals.

**Impact (as of 31st March 2026):**

- **74.13 million patients** benefited
- Drugs dispensed worth **₹19367.54 Crore (MRP)**
- Patient savings of **₹9506.93 Crore**, substantially reducing out-of-pocket healthcare expenditure

**AMRIT KA DASVAM VARSH' CELEBRATIONS & ITS SIGNIFICANCE:**

For ten years, AMRIT has ensured trusted, affordable care for every citizen. This landmark year was commemorated with the launch of new initiatives in the presence of Shri J. P. Nadda, Hon'ble Minister of Health and Family Welfare, at the '**AMRIT KaDaswamVarsh'**Programme at Bharat Manadapam, New Delhi on 15th November 2025 .



To mark the **'AMRIT kaDaswamVarsh**,' Shri J. P. Nadda, Hon'ble Minister of Health and Family Welfare, released a **customised My Stamp**, a tribute to AMRIT Pharmacy's dedicated service.







Based on the above directives, HLL has set a comprehensive expansion strategy to operate **550 outlets on pan India basis** supported by a dedicated project team, strengthened supply-chain operations, and a **one-year national rollout plan** with a total investment of app. **₹100 crore**.

## AWARDS & CREDENTIALS

### 1. SKOCH award 2025 for Excellence in Healthcare :

AMRIT bagged SKOCH Award 2025 for Excellence in Healthcare.
AMRIT has been honoured with the prestigious SKOCH Award 2025 for **'Excellence in Healthcare'** at the SKOCH Summit held in New Delhi on 20 September 2025.

The SKOCH Award is regarded as one of India's highest independent civilian honors. It recognizes organizations, projects, and institutions that drive socio-economic development through exemplary governance, impactful initiatives, and transformative contributions.

This recognition underscores AMRIT's commitment to strengthening healthcare accessibility and delivering meaningful public health impact across the country.




2. **Economic Times REPharma Award 2026** :

**AMRIT Wins 'Pharmacy Chain of the Year' at ET RE Pharma Awards 2026**

AMRIT has won the prestigious **'Pharmacy Chain of the Year'** award at the **ET RE Pharma Awards 2026** (6th edition), held in Mumbai on 13 February 2026.The ET RE Pharma Awards spotlight excellence, innovation, and impactful efforts that are driving meaningful change across India's pharmaceutical landscape




**ISO Implementation :**
HLL's Retail Pharmacy Chain (AMRIT pharmacies, HLL Pharmacy & Surgicals, HLL optical & AMRIT Opticals) meet global standard with ISO 9001:2015 certification.

AMRIT is the first retail pharmacy retail chain in India qualified with ISO certification with the effect from 30 March 2026.

**RBD IT**

**Information Security & Audit Excellence**

- Successfully completed comprehensive Information Security (IS) Audit for RBD application hosted on AWS Cloud
- Strengthened IT General Controls (ITGC), logical access, backup & recovery, and network security frameworks
- Enhanced governance, risk visibility, and overall control effectiveness across the cloud environment

**ISO 9001 Compliance & Governance Strengthening**

- Successfully completed IT Internal Document Audit aligned with ISO 9001 standards
- Established and institutionalized key IT governance policies, including DR, BCP, Backup Management, Password, and User Access Management
- Improved documentation governance maturity and organizational compliance readiness

**GST 2.0 Readiness & Compliance**

- Successfully delivered proactive GST 2.0 readiness in coordination with Finance team
- Completed advance validation and restructuring of HSN codes and GST rates
- Ensured seamless statutory transition with zero operational disruption
- Achieved full production readiness ahead of regulatory timelines, demonstrating strong execution capability

**EcoGreen Application Modernization**

- Rolled out multiple upgraded versions (184, 186, 187, 189 & 191) with enhanced features and controls
- Upgraded system architecture from 32-bit to 64-bit for improved performance, scalability, and sustainability
- Implemented dormancy policy for inactive users to strengthen access governance
- Strengthened transactional controls for Stock Transfers and Sales Returns to improve accuracy and compliance
- Enabled seamless PRL integration with AIIMS New Delhi HMIS for improved interoperability
- Successfully upgraded FGP to the latest EcoGreen version, ensuring system standardization
- Implemented E-way bill generation through EcoGreen to ensure GST compliance.

## RBD HR – Key Achievements (2025–2026)

### 1. Continuous Pharmacy Education Program (CPEP)

The Retail Business Division (RBD), with a workforce of over **1,500 pharmacists** across the country, has undertaken a major initiative to strengthen professional competencies through the **Continuous Pharmacy Education Program (CPEP)**.

This program is conducted in collaboration with the Indian Pharmaceutical Association – Kerala State Branch. It focuses on enhancing pharmacists' knowledge, skills, and professional competence to deliver high-quality patient care.

Key highlights of the program:

- Structured into **15 modules** covering emerging areas in pharmaceutical science
- Total duration of **30 hours**
- Delivered through **online sessions via Google Classroom**
- Sessions conducted by **experienced faculty and regulatory experts**
- Each session includes **pre-test, lecture, and post-test evaluation**
- Conducted **every Saturday (2-hour sessions)**

The program aligns with the **Pharmacy Council of India guidelines under the Pharmacy Practice Regulations, 2015**, enabling participants to earn **Continuing Professional Development (CPD) credit points**.

Achievements:

- 5 batches have been completed and 3 batches are planned during the year 2026–2027.
- **95 pharmacists per batch trained**
- Certificates jointly issued by IPA and **HLL Lifecare Limited**
- **1 Pharmaceutical Care Conclave** has been successfully conducted as part of the **certificate distribution programme**.

### 2. Women Empowerment Programme

A focused **Women Empowerment Programme** was conducted for **25 women employees** of RBD on **21.03.2026**.

Program coverage:

- Financial Management
- Leadership Development
- Women's Health Awareness
- Personal Safety

This initiative was uniquely designed as a **women-centric program**, with **women experts as faculty**, fostering leadership, awareness, and confidence among participants.

### 3. Work-Life Balance Survey

RBD HR successfully conducted a comprehensive **Work-Life Balance Survey** across the division.

Key outcomes:

- **1,047 employees participated**
- Insights gathered on workload, stress factors, and personal well-being
- A detailed analytical report prepared for management review

The findings are expected to support **policy improvements and employee well-being initiatives**.

**4. HR Open House Initiative**

To strengthen employee engagement and grievance redressal, RBD HR launched the **HR Open House Initiative**.

Key features:

- **Weekly online meetings** conducted centre-wise
- Direct interaction between employees and HR
- Real-time resolution of **grievances and queries**

This initiative has significantly improved **communication transparency and employee satisfaction**

**5. Implementation of HLL Assist (Digital Attendance System)**

RBD HR introduced **"HLL Assist"**, a modern **face-recognition-based attendance system**.

Key features:

- **Face punching through desktop systems**
- Developed in collaboration with a **third-party software provider**
- Accurate attendance tracking
- Seamless integration with **payroll processing**

This system has enhanced **accuracy, efficiency, and transparency** in attendance management.

**6. Recruitment through Computer Based Test (CBT) – FTC Non-Executive Positions**

In September 2025, HLL conducted its first-ever Computer Based Test (CBT) for recruitment to Fixed Term Contract (FTC) Non-Executive positions. The recruitment process was organized at Chandigarh across two examination centres. A total of 520 candidates had applied for the positions, out of which 222 candidates attended the CBT and were shortlisted for the selection process. The initiative marked a significant step towards adopting a technology-driven recruitment process for non-executive hiring.

**7. Pan India Walk-in Recruitment Drive – Officer Operations (RBD Operations)**
The HR Department of Retail Business Division (RBD) successfully conducted a large-scale pan India walk-in recruitment drive for the post of Officer Operations (RBD Operations) on Fixed Term Contract basis. The selection process was conducted across 16 locations nationwide to meet the operational manpower requirements of AMRIT Pharmacies.
A total of 30 candidates were selected, appointed, and deployed at various locations across the country within a record timeline of 45 days. The recruitment drive ensured timely manpower deployment for smooth operations of AMRIT Pharmacies. Further, a three-day induction training programme was also organized at CHO for the newly appointed employees to familiarize them with organizational policies, operational procedures, and work responsibilities.

**8. HYGIENE AND NUTRITION DIVISION (HND)**

In FY 2025–26, HLL's Vending Business Division was restructured and renamed as the ***Hygiene & Nutrition Division (HND)*****.** This strategic transition reflects an expanded focus on promoting women's hygiene and sanitation, along with addressing malnutrition among children and adolescents.

As part of its continued commitment to tackling critical health and nutrition challenges, HLL has introduced "**NUTRILATE**" Millet Bars, specially formulated to support the nutritional requirements of school children and adolescents.

HND continues to actively implement menstrual hygiene projects across various states. Notably, an order has been received from the State Swachh Bharat Mission – Rural, Government of Telangana, valued at Rs. 7.34 crore with 100% advance payment. The project involves the supply and installation of 2,290 Sanitary Napkin Incinerators in schools across the state, and execution is currently underway.

In addition, HND has successfully completed the supply and installation of 316 nos of Double Chamber

Sanitary Napkin Incinerators in Kerala. This project was awarded by the Nava Kerala Mission, Thiruvananthapuram.

During the year, HND has also executed several CSR initiatives aimed at promoting millet-based nutrition. These include the distribution of Millet Bars in selected schools, supported by CSR contributions from Western Coalfields Limited (WCL) and Indian Oil Corporation Limited (IOCL). Alongside these nutrition programs, HND has continued supplying menstrual hygiene and sanitation products to schools and colleges in states of Jharkhand, Bihar, and Maharashtra under CSR initiatives of WCL, Central Mine Planning & Design Institute Limited (CMPDIL), and IOCL.

Furthermore, HND has partnered with the National Scheduled Tribes Finance and Development Corporation (NSTFDC), a Government of India enterprise under the Ministry of Tribal Affairs, for the supply and installation of Sanitary Napkin Vending Machines and Incinerators in residential schools and hostels for tribal communities across the country.

HND continued to execute Menstrual Hygiene Management (MHM) programs in schools across Kerala in association with KSWDC. Building on this, the division has expanded its outreach to West Bengal, Bihar, and Jharkhand with the support of CSR initiatives from IOCL and CMPDIL.



Memorandum of Understanding was signed with the Department of Panchayati Raj, Government of Telangana for the supply of 2,290 Sanitary Napkin Incinerators. The MoU was signed by Smt. D. Divya, IAS, Commissioner, Panchayati Raj Department.

**9. WOMEN'S HEALTHCARE DIVISION**

Women's Healthcare Division achieved 200% growth in turnover, reaching ₹170.72 Cr for FY 2025-26 compared to the last year's turnover of ₹85.60 Cr.

**AYUSH Business**: Achieved a milestone turnover of ₹108 Cr, crossing ₹100 Cr for the first time, covering 18 states under the National Ayush Mission initiative. Major contributions came from Andhra Pradesh (₹28 Cr) and Rajasthan (₹29 Cr), with ₹100 Cr payment realized.

**Sanitary Napkin Contracts**: Secured major rate contracts, including RMSCL (₹189 Cr) and Haryana (₹26 Cr).

I**nstitutional Supplies:** Executed key orders, including Hygiene Kits to Bihar and Andhra Pradesh ICDS Medicine Kits for 250 Anganwadi Centres, with 100% payment realization of ₹25.44 Cr.

**10. RISK AND CONCERNS**

- Risk: HLL is highly dependent on Government and Government organization for business. Loss of 'preferred vendor to government' status may impact HLL's vision and strategies significantly.
- Mitigation plan: The Company plans to mitigate this risk by two-pronged strategies of 'introducing new products and services' and 'continuously increasing market share', which are low to medium risk strategies.
- Risk: Increasing levels of compliance required for both export and domestic markets increases cost of products and services.
- Mitigation plan: The Company is confident of mitigating this risk by establishing dedicated teams to ensure compliance with applicable regulations in target territories.

**11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company maintains a system of Internal Controls tailored to its business nature, size, scale, and operational complexity. This system ensures that all transactions comply with Delegation of Powers (DOP), are duly approved and authorized, accurately recorded, and reported within the SAP environment. Moreover, it guarantees the timely preparation of accurate financial statements, safeguarding assets against unauthorized use or disposition.

Regular testing and certification of these systems by both Statutory and Internal Auditors encompass all units, divisions, and key business areas. Additionally, as a Public Sector Enterprise, the Company undergoes audit scrutiny by the Comptroller and Auditor General (CAG). Corporate Audit Services conduct operations and management audits on selected areas to assess performance efficiency and internal control assurance. Significant audit observations and subsequent actions are reported to the Audit Committee, which oversees the adequacy and effectiveness of the internal control environment.

Also, the Company endeavours to continuously improve its internal control systems and practices by adopting the recommendations provided by the auditors and other best practices.

**12. CAUTIONARY STATEMENT**

Statements in the Director's Report and Management Discussion & Analysis describing the Company's objectives, projections, expectations and estimates are based on current business environment. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements. Readers are cautioned not to place undue conviction on the forward looking statements.

**For and on behalf of Board of Directors**

**Dr.Anitha Thampi**
Chairperson & Managing Director
[DIN: 09698495]

Date: 17th September 2026
Place: Thiruvananthapuram

**Annexure I**

**FORM NO. AOC-2**

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year ended March 31st, 2026, which were not on arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

The details of material contracts or arrangements or transactions on arm's length basis for the year ended 31st March 2026 are as follows (in Rupees Crores):

(₹ in crore)

| Sl. No. | Disclosure in respect of related party pursuant to Ind AS 24 | Control | For the year ended 31.03.2026 | For the year ended 31.03.2025 |
|---|---|---|---|---|
| 1 | **Sales/Claims** | | | |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.81 | 1.35 |
| | HLL Management Academy (HMA) | 100% | 2.38 | 3.72 |
| 2 | **Purchases** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 3.60 | 1.32 |
| 3 | **Rental income** | | | |
| | HLL InfraTech Services Limited (HITES) | 100% | 2.89 | 3.07 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.70 | 0.66 |
| 4 | **Income from consultancy/service** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 0.43 | 0.42 |
| | HLL InfraTech Services Limited (HITES) | 100% | 3.09 | 2.73 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.63 | 0.50 |
| | HLL Management Academy (HMA) | 100% | 3.59 | 2.01 |
| | Life Spring Hospital Private Ltd (LSH) | 50% | 0.01 | 0.02 |
| 5 | **Income from dividend** | | | |
| | HLL InfraTech Services Limited (HITES) | 100% | 13.50 | 16.00 |
| 6 | **Salaries & allowances recoverable** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 0.99 | 0.81 |
| | HLL Management Academy (HMA) | 100% | 0.77 | 0.56 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.03 | 0.10 |
| 7 | **Other expenses recoverable/(payable)** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | - | 0.02 |
| | HLL InfraTech Services Limited (HITES) | 100% | (3.45) | (3.33) |
| | HLL Management Academy (HMA) | 100% | 0.72 | 0.37 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.02 | 0.02 |
| 8 | **CSR expenses*** | | | |
| | HLL Management Academy (HMA) | 100% | 0.44 | 0.02 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.01 | 0.01 |

| | | | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|---|---|
| **9** | **Trade receivables** | | | |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 1.04 | 1.02 |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 16.34 | 14.68 |
| | HLL InfraTech Services Limited (HITES) | 100% | - | 0.90 |
| | HLL Management Academy (HMA) | 100% | 6.87 | 6.69 |
| | Life Spring Hospital Private Ltd (LSH) | 50% | 0.01 | 0.03 |
| **10** | **Advances given** | | | |
| | HLL Management Academy (HMA) | 100% | 4.22 | 4.22 |
| **11** | **Trade payables** | | | |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.26 | 0.24 |
| | HLL Management Academy (HMA) | 100% | 0.29 | - |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 0.96 | 0.91 |
| | HLL InfraTech Services Limited (HITES) | 100% | 1.90 | - |
| **12** | **Investment in shares** | | | |
| | Life Spring Hospital Private Ltd (LSH) | 50% | 9.51 | 9.51 |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 21.40 | 21.40 |
| | HLL InfraTech Services Limited (HITES) | 100% | 0.05 | 0.05 |
| **13** | **Corporate guarantee** | | | |
| | HLL InfraTech Services Limited (HITES) | 100% | 82.50 | 32.50 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 14.00 | 14.00 |
| **14** | **Other liabilities** | | | |
| | HLL Pratheeksha Charitable Society | 100% | 0.01 | 0.01 |

**The Company has issued corporate guarantees on behalf of its related parties:**

**(a)** On behalf of HLL InfraTech Services Limited (HITES), in favour of HDFC Bank Limited to secure credit facilities- ₹32.50 crore.

**(b)** On behalf of HITES in favour of NLC India Limited (NLCIL), to securing advance payment for consultancy services - ₹50.00 crore

**(c )** On behalf of Hindustan Latex Family Planning Promotion Trust (HLFPPT) in favour of State Bank of India to secure credit facilities- ₹14 crore.

**Government related entities where significant transactions carried out**

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:

* HMA and HLFPPT are designated agencies for CSR activities

**Name of Government: Government of India (Central and State Government)**

**Nature of Transactions:**

- Sale of Products and Services
- Other Expenses
- Trade Receivables
- Other Liabilities

**For and on behalf of Board of Directors**

**Dr.Anitha Thampi**
Chaiperson & Managing Director
[DIN: 09698495]

Date:_ 17th September 2026
Place: Thiruvananthapuram

**Annexure II**

# Form No. MGT-9
## EXTRACT OF ANNUAL RETURN

**As on the financial year ended on 31st March, 2026 of HLL LIFECARE LIMITED**

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

**CIN :**U25193KL1966GOI002621

**Registration Date**:01/03/1966
**Name of the Company**: HLL Lifecare Limited
**Category/Sub-Category of the Company**: Public Company
**Address of the Registered Office and contact details:**
HLLBhavan, Mahilamandiram Road, Poojappura, Trivandrum-695 012
**Whether listed company**:No
**Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:**

M/s Integrated Registry Management Services Private Limited
No 30, Ramana Residencies,
4th Cross, Sampige Road
Malleswaram
Bangalore – 560 003

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products/services | NIC Code of the Product/service | % to total turnover of the Company |
|---|---|---|---|
| 1. | Contraceptive Products | | 9.17% |
| 2. | Diagnostic services | | 30.08% |
| 3. | Retail Business | | 44.94% |
| 4 | Projects and Services | | 9.19% |
| 5 | Others | | 6.62% |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. NO | Name and address Of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % Of Shares Held | Applicable Section |
|---|---|---|---|---|---|
| 1. | Goa Antibiotics & Pharmaceuticals Limited | U24231GA1980SGC000412 | Subsidiary | 85.16% | 2(6) |
| 2. | HLL Infra Tech Services Limited | U45200KL2014GOI036617 | Subsidiary | 100% | 2(87) |
| 3. | Life Spring Hospitals Pvt.Ltd. | U85110KL2008PTC021819 | Associate | 50% | 2(87) |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-wise Share Holding**

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year% | | | | % Changes during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Shares | |
| **A. Promoters** | | | | | | | | | |
| **(1) Indian** | | | | | | | | | |
| a) Individual/ HUF | | | | Negligible | | | | Negligible | |
| b) Central Govt | | 15535000 | 15535000 | 100 | | 15535000 | 15535000 | 100 | NA |
| c) State Govt(s) | | | | | | | | | |
| d) Bodies Corp. | | | | | | | | | |
| e) Banks/FI | | | | | | | | | |
| f) Any Other (PSE & ITS Nominee) | | | | | | | | | |
| Sub-total(A) (1):- | **NA** | **15535000** | **15535000** | **100** | **NA** | **15535000** | **15535000** | **100** | **NA** |
| **(2) Foreign**<br>(a) NRIs - Individuals<br>(b) Other – Individuals<br>(c) Bodies Corp.<br>(d) Banks/FI<br>(e) Any Other<br>Sub-total(A) (2):- | | | | | | | | | |
| Total Share holding of Promoter (A) = (A) (1)+(A)(2) | **NA** | **15535000** | **15535000** | **100%** | **NA** | **15535000** | **15535000** | **100%** | **NA** |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year% | | | | % Changes during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Shares | |
| **B. Public Shareholding** | | | | | | | | | |
| **1. Institutions**<br>(a) Mutual Funds<br>(b) Banks/FI<br>(c) Central Govt<br>(d) State Govt(s)<br>(e) Venture Capital Funds<br>(f) Insurance Companies<br>(g) FIIs<br>(h) Foreign Venture Capital Funds<br>(i) Others | NA | Nil | Nil | Nil | NA | Nil | Nil | Nil | NA |
| Sub-total (B)(1):- | NA | Nil | Nil | Nil | NA | Nil | Nil | Nil | NA |
| **(2) Non-Institutions**<br>**(a) Bodies Corp.**<br>(i) Indian<br>(ii) Overseas<br>**(b) Individuals**<br>(i) Individual share holders holding nominal share capital upto `1 lakh<br>(ii) Individual share holders holding nominal share capital in excess of `1 lakh | NA | Nil | Nil | Nil | NA | Nil | Nil | Nil | NA |
| Total Share holding of Promoter (A) = (A)(1)+(A)(2) | NA | Nil | Nil | Nil | NA | Nil | Nil | Nil | NA |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year% | | | | % Changes during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Shares | |
| **C. Shares held by Custodian for GDRs & ADRs** | | | | | | | | | |
| | NA | Nil | Nil | Nil | NA | Nil | Nil | Nil | NA |
| **Grand Total (A+B+C)** | **NA** | **15535000** | **15535000** | **100%** | **NA** | **15535000** | **15535000** | **100%** | **NA** |

**V. Shareholding of Promoters**

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the Year | | | % change In share holding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the comp any | %of Shares Pledged/ encumber ed to total shares | No. of Shares | % of total Share s of the comp any | % of Shares Pledged/ encumbered to total shares | |
| 1. | Govt. of India | **15535000** | **100%** | - | **15535000** | **100%** | - | NA |

**VI. Change in Promoters' Shareholding (please specify, if there is no change)**

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | |
| | At the beginning of the year | 15535000 | 100 | 15535000 | 100 |
| | Date wise Increase/ Decrease in Promoters | NA | NA | NA | NA |
| | *Share holding during the Year specifying the reasons for decrease (e.g. allotment/ transfer/ bonus/sweat equity etc): | 15535000 | 100 | 15535000 | 100 |
| | At the end of the year | 15535000 | 100 | 15535000 | 100 |

**VII. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|---|---|---|---|---|---|
| | | No.of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | At the beginning of the year | Nil | | Nil | |
| 2 | Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/ transfer/ bonus/sweat equity etc): | | | | |
| 3 | At the End of the year (or on the date of separation, if Separated during theyear) | Nil | | Nil | |

**VIII. Shareholding of Directors and Key Managerial Personnel**

| Sl No | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | | Negligible | | Negligible |
| 1) | Shri Jaideep Kumar Mishra ICAS, Director | 100 | | 100 | |
| 2) | Smt Roli Singh IAS, Director | 100 | | 100 | |
| 3) | Dr.Anitha Thampi, C&MD | 100 | | 100 | |
| 4) | Director (Finance) | 100 | | 100 | |
| 5) | Shri Ajit N, Director | 100 | | 100 | |
| | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment /transfer/bonus/sweat equity etc) | | | | |
| | At the end of the year | | Negligible | | Negligible |
| 1) | Shri Hoveyda Abbas IA&AS, Director | 100 | | 100 | |
| 2) | Shri Vijay Nehra IAS, Director | 100 | | 100 | |
| 3) | Dr.Anitha Thampi, C&MD | 100 | | 100 | |
| 4) | Shri Ajit N, Director | 100 | | 100 | |
| 5) | Director (Finance) | 100 | | 100 | |

**IX. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

***Rs. In Crs.***

| Indebtness at the beginning of the year | Secured Loans excl.deposits | Unsecured Loans | Deposits | Total |
|---|---|---|---|---|
| Principal | 216.26 | | | 216.26 |
| Interest due but not paid | - | | | - |
| Interest accured but not paid | - | | | - |
| Total | 216.26 | | | 216.26 |
| **Changes:** | | | | |
| Addition | | | | |
| Reduction | 2.40 | | | 2.40 |
| Net change | 2.40 | | | 2.40 |
| **Indebtness at the end of the year** | | | | |
| Principal | 213.85 | | | 213.85 |
| Interest due but not paid | | | | |
| Interest accured but not paid | | | | |
| Total | 213.85 | | | 213.85 |

## X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

*(Rs. In Crs.)*

| Sl. No. | Particulars of Remuneration | Dr.Anitha Thampi | Shri Ajt N | Shri Remesh P | Shri Benny Joseph | Total Amount |
|---|---|---|---|---|---|---|
| 1 | Gross salary | 0.55 | 0.47 | 0.44 | 0.01 | 1.47 |
| | a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 | | | | | |
| | b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | | | |
| | c) Profits in lieu of salary under u/s 17(3) Income tax Act, 1961 | | | | | |
| 2 | Stock Option | | | | | |
| 3 | Sweat Equity | | | | | |
| | Commission | | | | | |
| 4 | - as % of profit | | | | | |
| | - others, specify. | | | | | |
| 5 | Others, please specify (Employer PF contribution & contributory pension) | 0.05 | 0.05 | 0.04 | | 0.14 |
| 6 | Terminal Benefits | | | | | |
| 7 | Total (A) | 0.60 | 0.52 | 0.48 | 0.01 | 1.61 |

### B. Remuneration to other directors:

*(Rs.in Crs)*

| Sl.No | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
|---|---|---|---|---|
| | | Dr.Adarsh Pal Vig | Mrs.Neeta Boochra | |
| 1 | Independent Directors | | | |
| | • Fee for attending board / committee meetings | 0.02 | 0.02 | 0.04 |
| | • Commission | | | |
| | • Others, please specify | | | |
| | Total (1) | | | |
| 2 | Other Non-Executive Directors | | | |
| | • Fee for attending board / committee meetings | | | |
| | • Commission | | | - |
| | • Others, please specify | | | |
| | Total (2) | | | |
| | Total (B) = (1+2) | | | |
| | Total Managerial Remuneration | 0.02 | 0.02 | 0.04 |

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD.

*Rs.In Crs*

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | Total |
|---|---|---|---|---|---|
| | | CEO | Shri Jaikrishnan A R, Company Secretary | CFO | |
| 1 | Gross salary | | | | - |
| | a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 | - | 0.35 | | 0.35 |
| | b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | | |
| | c) Profits in lieu of salary under u/s 17(3) Income- tax Act, 1961 | | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission as | | | | |
| | - % of profit, | | | | |
| | - others specify. | | | | |
| 5 | Others, please specify (Employer PF contribution & contributory pension) | | 0.04 | | 0.04 |
| 6 | **Total** | **-** | **0.39** | | **0.39** |

**XI. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD/ NCLT/ COURT] | Appeal made, if any (give Details) |
|---|---|---|---|---|---|
| **A. COMPANY** | | | | | |
| Penalty | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| Punishment | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| Compounding | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| **B. DIRECTORS** | | | | | |
| Penalty | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| Punishment | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| Compounding | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| **C. OTHER OFFICERS IN DEFAULT** | | | | | |
| Penalty | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| Punishment | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |
| Compounding | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |

**Annexure III**

# Form No: MR-3

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026**

**[Pursuant to section 204(1) of the Companies Act, 2013 and**

**Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To
The Members
HLL LIFECARE LIMITED
CIN: U25193KL1966GOI002621
HLL Bhavan, Mahilamandiram Road, Poojappura,
Thiruvananthapuram, Kerala - 695012, India

We, BVR & Associates Company Secretaries LLP, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. HLL LIFECARE LIMITED [CIN: U25193KL1966GOI002621] (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minutes, forms and returns filed and other records produced to us and according to information and explanations given to us by the Company, its officers, agents, and authorised representatives during the conduct of the secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2026 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the laws as mentioned in Annexure 1, standards, guidelines etc., and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the minutes, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iii) The Depositories Act, 1996 and the Regulations framed there under

(iv) The Securities Contract Regulation Act, 1956 and the Rules made there under

We have relied on the representations made by the company and its officers for systems and mechanisms formed by the company for compliances under industry specific applicable Acts, general Laws and regulations to the company. The list of other major head/Groups of Acts, Laws and Regulations as applicable to the company is given in Annexure 1.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent applicable.

(ii) The Company being an unlisted company the Listing Regulations are not applicable to the company.

*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 constituted with an appropriate balance of Executive Directors, Non-Executive Directors, Woman Director, and Independent Directors during the reporting period. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013, upon payment of the applicable feel fee, wherever required. However, in terms of Section 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has not duly reconstituted the Nomination and Remuneration Committee. The Company has, however, taken the necessary steps to ensure compliance with the aforesaid provisions.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel and also with regard to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.

We report that, during the year under review:

The Company has declared final dividend for F.Y 2024-25 to its shareholders during the period under scrutiny and all the applicable provisions of the Companies Act, 2013 were seen complied with.

The Company has substantially complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are systems in place to ensure compliance of all laws applicable to the company.

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.

**Place: Trivandrum**

**Date: 31.08.2026**

**For BVR & Associates Company Secretaries LLP**

**Gokul R I**

**Designated Partner**

**FCS No.11868**

**C P No.14245**

**UDIN:F011868H001313773**

**PR No. 7341/2025**

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

**'Annexure A'**

**To,**

**The Members,**

**M/s. HLL LIFECARE LIMITED**

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

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. 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.
8. We have not commented on the compliance of DPE Guidelines on Corporate Governance for CPSEs.

**Place: Trivandrum**

**Date: 31.08.2026**

**For BVR & Associates Company Secretaries LLP**

**Gokul R I**

**Designated Partner**

**FCS No.11868**

**C P No.14245**

**UDIN:F011868H001313773**

**PR No. 7341/2025**

**Annexure 1**

**List of Industry specific laws applicable to the company**

1. The Factories Act, 1948
2. The Air (Prevention and Control of Pollution) Act, 1981
3. Water (Prevention & Control of Pollution) Act 1974
4. The Environment (Protection) Act, 1986
5. Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013
6. Drugs & Cosmetics Act,1940

**Place: Trivandrum**
**Date: 31.08.2026**

**For BVR & Associates Company Secretaries LLP**

**Gokul R I**
**Designated Partner**
**FCS No.11868**
**C P No.14245**
**UDIN:F011868H001313773**
**PR No. 7341/2025**

**Annexure IV**

## COMPLIANCE CERTIFICATE

**To,**
**The Members,**
**HLL Lifecare Limited,**
**CIN:U25193KL1966GOI002621,**
**HLL Bhavan, Mahilamandiram Road,**
**Poojappura, Thiruvananthapuram,**
**Kerala, India, 695012.**

We have examined the compliance of guidelines on corporate governance by M/s.HLL Lifecare Limited for the financial year ended on 31st March 2026, as stipulated by DPE O.M. No. 18(8)/2005-GM dated 14th May 2010.

Compliance of the guidelines on corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuringconditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information to the explanations given to us, we certifythat the Company has substantially complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE O.M.

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.

**FOR BVR & ASSOCIATES COMPANY SECRETARIES LLP**

**GOKUL R. I.**
**DESIGNATED PARTNER**
**M. NO: F 11868**
**COP. NO:14245**
**UDIN: F011868H000866711**
**PR. NO.: 7341/2025**

**DATE: 17.07.2026**
**PLACE: Trivandrum**

## Addendum to the Directors Report

Management Response to the Comments of the Comptroller and Auditor General of India

**CAG Audit Comment :**

Para 8.1.19 of the guidance note on Division II – Ind AS Schedule III to the Companies Act, 2013 provides that tax assets not expected to be recovered or realised within one year from the Balance sheet date should be presented under non-current assets.

The above comprises Income Tax Advances, TCS receivable and TDS receivable pertaining to financial year 2025-26, the realisation/adjustment of which is expected within twelve months from 31st March 2026, and hence, the same should have been classified under Current Assets.

Accordingly, their classification under Non-current assets resulted in its overstatement with corresponding understatement of Current Assets by ₹77.67 crore

**Management response:**

The balances aggregating to ₹77.67 crore comprise Income Tax Advances, TCS receivable and TDS receivable pertaining to FY 2025–26, which are expected to be realised or adjusted within twelve months from the Balance Sheet date.

The company has taken cognisance of the observation by CAG regarding the classification of the Income Tax balances. The Company will take due consideration of the expected period of realisation or adjustment while classifying such balances in the Current or Non-current Assets, as appropriate, in future reporting periods.

# STANDALONE

# FINANCIAL STATEMENTS

# 2025-26

के. वरगीस & को.
चारटेरड एक्कौन्टेन्टस
K. VARGHESE & CO.
CHARTERED ACCOUNTANTS

# Independent Auditors' Report

## To the Members of HLL Lifecare Limited

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **HLL Lifecare Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the standalone financial statements including 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 ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

We conducted our audit 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 Auditors' Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in

सगेटी बुसिनेस सेन्टर, सेकन्ट फ्लोर, चूलय्क्कल बिलडेंग, ओप्पोसिट मेट्रो प्लाज़ा, नोर्त मारकेट रोड, एरनाकुलम - 682 014
Sageti Business Centre, IInd Floor, Choolackal Building, Opp. Metro Plaza, North Market Road, Ernakulam - 682 014 (KOCHI)
टेलिफोन / Telephone : 0484-2398398, 92497 67030, 92872 70400 फाक्स / Fax:0474-2746083
चेनै / Chennai • मुंबै/ Mumbai • कोल्लम / Kollam • अडूर / Adoor • कालिक्कट / Calicut • कोयम्बटूर/ Coimbatore
वेब / Web : www.kvco.in; • ई-मेयिल / Email : mail@kvco.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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Emphasis of Matter**

We draw attention to:

a) Note No.2.9 to the financial statements regarding the erosion of the net worth of the subsidiary company, Goa Antibiotics and Pharmaceuticals Limited (GAPL), the revival plan is currently under implementation, and the impairment assessment has been carried out by the Company. Based on the assessment, the Company has recognised an impairment loss allowance of ₹9.34 crore in the books of accounts.

b) Note No.2.27 of the standalone financial statements on the confirmation of balance and reconciliation.

c) Note No.8 of the standalone financial statements relating to previous years' unreconciled TDS/TCS receivable with Form 26AS, in view of the qualification made by us in our audit report on the standalone financial statements for the year ended March 31, 2025, has been reconciled during the year upto March 31,2025. TDS/TCS receivable amounting to ₹8.36 crore are pending for reconciliation with Form 26AS for the financial year 2025-26.

Our opinion is not modified in respect of the above matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



We have determined the matter described below to be the key audit matter to be communicated in our report.

**1. Internal Control**

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| We have identified material weaknesses in the operating effectiveness of the Company's internal control over financial reporting. These material weaknesses are detailed in the Qualified Opinion section of our separate report, as presented in Annexure A. The existence of material weaknesses in the Company's internal control over financial reporting poses a significant risk to the reliability and accuracy of the financial statements. These weaknesses indicate deficiencies in the implementation and monitoring of controls necessary to prevent or detect material misstatements in the financial statements.<br><br>Given the identified material weaknesses, there is an elevated risk that the Company's internal financial controls may fail to prevent or detect material misstatements in the financial statements. The inadequacy of internal controls increases the probability of errors, omissions, or fraudulent activities not being detected in a timely manner. This could potentially result in financial statements that do not fairly present the financial position, results of operations, and cash flows of the Company.<br><br>Due to the significance of these internal control material weaknesses, we consider them to be a key audit matter. | Given the significance of these material weaknesses, we have implemented an audit approach that focuses on addressing the identified material weaknesses. We performed extensive in- depth testing to assess the impact of these material weaknesses on the financial statements and to determine whether any material misstatements were not prevented or detected by the internal controls. We also carried out enhanced substantive procedures to independently verify balances, transactions, and disclosures that are most susceptible to misstatement due to the identified material weaknesses.<br><br>While our audit did not identify any material misstatements in the financial statements, the presence of material weaknesses necessitates that users of the financial statements exercise caution and consider the potential impact on the reliability of the reported financial information. |




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**Other Information**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Directors' Report including the Annexures, Management discussion & Analysis Report and Corporate governance report included in the Annual Report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of other information, we are required to communicate the matter to those charged with governance.

**Responsibility 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act as amended. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 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.

**Auditors' Responsibility for the Audit of 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 auditors' 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 Standards on Auditing 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 Standards on Auditing, we have exercised professional judgment and maintained professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement, resulting from fraud is higher than for one resulting

from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 the audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by 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 B", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(5) of the Act, we give in "Annexure C", on the basis of such checks of the books and the records of the Company as we considered appropriate and according to the information and explanations given to us, the directions issued by the Comptroller and Auditor-General of India.
3. 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 purpose of our audit.
   b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph 3(i)(vi) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.




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c. The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts.

d. In our opinion the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, Companies (Indian Accounting Standards) Rules, 2015, as amended.

e. Vide notification no. GSR 463(E) issued by Ministry of Corporate Affairs dated 5th June, 2015, provisions of sub-section (2) of Section 164 regarding disqualification of directors are not applicable to the Company.

f. 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 A" to this report. Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements, which does not affect our opinion on the standalone financial statements of the Company.

g. As per notification no. GSR 463(E) issued by the Ministry of Corporate Affairs dated 5th June, 2015, Section 197 of the Act regarding remuneration to directors is not applicable to the Company.

h. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 3(b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

i. With respect to the other matters to be included in the Auditors' 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 Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note No.41 to the standalone financial statements.




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ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii. There 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

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vi. Based on our examination, the Company, has used billing software which are operated by third party software service provider in 14 Janaushadhi outlets under Retail Business Division and 5 outlets under Health Care Service Division in AIIMS/NHM Project. Out of the total revenue from operations accounted by the Company, 0.67% constitute the aggregate billing by these software applications. The Company could not obtain any report regarding the implementation status of Audit Trail in respect of these software applications. Hence we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

vii. In respect of other accounting software used by the Company for maintaining its books of accounts and billing software for various outlets, they have the feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software and during the course of our audit we did not come across any instance of audit trail feature being tampered with.

**For K. VARGHESE & Co.**
Chartered Accountants
(FRN: 004525S)

**Sam Varghese**
Partner
(Membership No. 216979)
UDIN: 26216979FZXTQA1426
Place: Kochi
Date: 06.08.2026

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## Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our 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")**

### Qualified Opinion

We have audited the internal financial controls with reference to standalone financial statements of HLL Lifecare Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weaknesses in the operating effectiveness of controls have been identified as at March 31, 2026:

1. Ineffective control over the process of receivables management, which has impaired the efficiency in resolving the unidentified credits in banks, mapping TDS credits in 26AS with Debtors.
2. Non-effectiveness of certain control measures like obtaining periodic balance confirmation from debtors and creditors.
3. The Company did not have adequate and effective internal financial controls over the procurement and procure-to-pay process in the Retail Business Division, including the AMRIT Pharmacy. The Company uses separate applications for vendor registration and rate approval (Orisys Vendor Portal), procurement processing (EcoGreen), and financial accounting (SAP), which were not fully integrated. Approved rates were manually transferred from Orisys Portal to EcoGreen and Procurement transactions were manually transferred from EcoGreen to SAP ERP, resulting in inadequate automated controls over purchase order authorization, completeness and accuracy of

transaction recording, and automated three-way matching of vendor invoices with purchase orders and Goods Receipt Notes (GRNs).

Accordingly, these deficiencies constitute a material weakness in the Company's internal financial controls relating to procurement, contract management, purchase authorization, invoice verification, interface controls, and recording of procurement transactions, which may result in material misstatements in related financial statement balances and disclosures not being prevented or detected on a timely basis.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2026, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2026 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.



**Management's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements**

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing as prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk

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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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial




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controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For K. VARGHESE & Co.**
Chartered Accountants
(FRN: 004525S)

**Sam Varghese**
Partner
(Membership No. 216979)
UDIN: 26216979FZXTQA1426
Place: Kochi
Date: 06.08.2026



## Annexure 'B' to the Independent Auditors' Report

(Referred to in Paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our Report)

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

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) We are informed that the Property, Plant and Equipment of the Company are physically verified by the management annually and no material discrepancies were noticed on such verification during the year.

c) The records of the Company examined by us and the confirmation received from a financial lender in respect of title deeds deposited with them, the title deeds of all the immovable properties (other than the properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) or Intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.




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ii. In respect of the Company's Inventories:

a) We are informed that the physical verification of inventory except for goods in transit has been conducted by the management annually. According to the information furnished to us and records examined by us no discrepancies of 10% or more in the aggregate for each class were noticed on such verification. In our opinion, the procedures of physical verification of inventory followed by management are reasonable and adequate in relation to size of the Company and the nature of its business.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limit in excess of ₹5 crore, in aggregate, during the year, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are generally in agreement with the books of accounts of the Company and no material discrepancies have been observed.

iii. In respect of Investments made, security or guarantees provided, grant of loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties:

a) (A) According to the information and explanation given to us, the Company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to its subsidiaries, joint ventures or associates, during the year other than corporate guarantees provided to the following entities:-



| Name of the entity | Type | Aggregate amount provided during the year (₹ in crore) | Balance as on 31st March 2026 (₹ in crore) |
|---|---|---|---|
| HLL Infra Tech Services Limited (HITES) | Subsidiary | 50.00 | 82.50 |
| Hindustan Latex Family Planning Promotion Trust (HLFPPT) | Associate | - | 14.00 |

(B) According to the information and explanation given to us, the Company has not made any investments, provided guarantees, given security, granted loans and advances in the nature of loans, secured or unsecured, to parties other than subsidiaries, joint ventures or associates, during the year, other than loans provided to employees which are recovered through payroll on a regular basis and interest free advance to employees which are being repaid as stipulated.

b) In our opinion and according to the information and explanations given to us, investments made, guarantee provided, and the terms and conditions of the grant of all above mentioned loans and guarantees provided during the year and advances in the nature of loans are, prima facie, in our opinion not prejudicial to the Company's interest.

c) As per the information and explanations given to us and the records of the Company examined by us, there are no loans or advances in the nature of loan with stipulated schedule of repayment of principal and payment of interest.

d) As per the information and explanations given to us and the records of the Company examined by us, there are no overdue amounts.

e) As per the information and explanations given to us and the records of the Company examined by us, no loans or advances in the nature of loan granted

which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

f) As per the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. No amounts were granted as loan repayable on demand to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013 hence reporting under clause 3(iii)(f) of the Order is not applicable.

iv. According to the information and explanations given to us and the records of the Company examined by us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act in respect of the loans granted, guarantee & security provided and investment made during the year.

v. According to the information and explanations given to us and the records of the Company examined by us, no deposits have been accepted by the Company from public during the year. Hence reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013 and are of the opinion, that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations furnished to us and according to our examination of the records of the Company in respect of the Statutory dues:

a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Employees' State Insurance, Provident Fund, Income tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to the information and

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explanations given to us there are no undisputed amounts payable in respect of Goods and Service Tax, Employees' State Insurance, Provident fund, Income tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the company in arrears as at 31st March 2026 for a period of more than six months from the date they become payable.

b) Details of dues of Sales tax, Income tax, Customs Duty, Goods and Service Tax, and Cess, which have not been deposited on account of any dispute are as shown below:

| Nature of Statute | Nature of Dues | Forum where dispute pending | Period to which the amount relates | Amount involved (₹ crore)* |
|---|---|---|---|---|
| Finance Act, 1994 | Service Tax | The Customs, Central Excise and Service Tax Appellate Tribunal (CESTAT) | 2012-15 | 18.46 |
| Finance Act, 1994 | Service Tax | The Customs, Central Excise and Service Tax Appellate Tribunal (CESTAT) | 2015-17 | 8.59 |
| The Customs Act, 1962 | Customs Duty | Additional Commissioner of Customs | 2015-16 | 1.12 |
| Kerala Value Added Tax Act, 2003 | Value Added Tax | Deputy Commissioner Commercial Taxes, Trivandrum | 2009-10 | 0.03 |

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| | | | | |
|---|---|---|---|---|
| Kerala Value Added Tax Act, 2003 | Value Added Tax | Deputy Commissioner (Appeals), Trivandrum | 2014-15 | 1.34 |
| Kerala Value Added Tax Act, 2003 | Value Added Tax | Deputy Commissioner (Appeals), Trivandrum | 2016-17 | 0.49 |
| Finance Act, 1994 | Service Tax | The Customs, Central Excise and Service Tax Appellate Tribunal (CESTAT) | 2010-12 | 0.11 |
| Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 2013-14 | 1.56 |
| Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 2020-21 | 0.73 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Kerala | 2020-21<br>2021-22 | 0.29 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | Central Appellate Authority, Kerala | 2017-18 | 0.36 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Tamil Nadu | 2019-20 | 0.12 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | Central Appellate Authority, Kerala | 2017-18<br>2018-19<br>2019-20<br>2020-21<br>2021-22 | 17.92 |




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| | | | | |
|---|---|---|---|---|
| Goods and Service Tax Act, 2017 | Goods and Service Tax | Central Appellate Authority, Kerala | 2017-18 | 0.28 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | Central Appellate Authority, Delhi | 2019-20 | 2.35 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Madhya Pradesh | 2020-21 | 0.03 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Punjab | 2020-21 | 0.32 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Punjab | 2021-22 | 0.46 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Chhattisgarh | 2020-21 | 2.78 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Haryana | 2018-19 | 0.51 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Haryana | 2021-22 | 1.64 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Maharashtra | 2021-22 | 1.52 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Rajasthan | 2021-22 | 0.05 |




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| | | | | |
|---|---|---|---|---|
| Goods and Service Tax Act, 2017 | Goods and Service Tax | Central Appellate Authority, Kerala | 2021-22 | 97.89 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Tamil Nadu | 2021-22 | 0.91 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Uttar Pradesh | 2021-22 | 2.26 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | State Appellate Authority, Uttarakhand | 2019-20<br>2020-21<br>2021-22<br>2022-23<br>2023-24 | 0.9 |
| | | **Total** | | **163.02** |

*Amount considered above is net of ₹8.38 crore paid under protest/adjusted against refund.

viii. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions that were not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).




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ix. In respect of loans and borrowings of the Company

a) According to the information and explanations given to us and as per the records of the Company verified by us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to the banks and there are no loans or borrowings from any other lenders.

b) According to the information and explanations given to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.

c) According to the information and explanations given to us, the Company has not availed any term loans during the year.

d) According to the information and explanations given to us, and the procedures performed by us and on an overall examination of the standalone financial statements of the Company, we report that, prima facie, no funds raised on short term basis have been used by the Company for long-term purposes.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

x. a) According to the information and explanations given to us and our verification of records, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, the reporting under clause 3(x)(a) of the Order not applicable to the Company.

b) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partially or

optionally convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. a) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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, during the year and up to the date of this report.

c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi company. Accordingly, the reporting requirements under clause of paragraph 3 of the Order are not applicable.

xiii. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. a) The Company has an adequate internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. 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 non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the Act are not applicable to the Company.

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xvi. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) is not applicable to the Company.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(b) is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3(xvi)(c) is not applicable to the Company.

d) According to the information and explanations given to us, there are no Core Investment Company (CIC) as part of the Group.

xvii. The Company has not incurred cash losses during the year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year.

xix. On the basis of the financial ratios disclosed in the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor

K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

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any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. a) According to the information and explanations given to us, and based on our examination, unspent amount of ₹0.04 crore in respect of other than on-going projects relating to 2025-26 has to be transferred to the funds specified in Schedule VII to the Companies Act.

b) According to the information and explanations given to us, and based on our examination, unspent amount of ₹1.62 crore in respect of on-going projects relating to 2025-26 has been transferred to special account in compliance with the provisions of sub-section (6) of Section 135 of the Companies Act.

**For K. VARGHESE & Co.**
Chartered Accountants
(FRN: 004525S)

**Sam Varghese**
Partner
(Membership No. 216979)
UDIN: 26216979FZXTQA1426
Place: Kochi
Date: 06.08.2026

K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

## `Annexure 'C' to the Independent Auditors' Report

(Referred to in Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements")

**Audit Report on the accounts for the year ended March 31, 2026 as per direction of C&AG under Section 143(5) of the Companies Act, 2013**

| Sl. No. | Directions | Remarks | Impact on Standalone Financial Statements |
|---|---|---|---|
| 1 | Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements. | According to the information and explanation given to us, the Company has implemented two distinct post-retirement retirement benefit schemes for its employees:<br><br>**Contributory Pension Scheme with LIC of India and National Pension System (NPS)**<br><br>LIC's valuation framework is designed to align with IRDAI regulations and ensure consistency, transparency, and prudence. Key aspects include:<br><br>• **Investment Performance-Based Interest:** LIC credits a non-negative interest to policyholder accounts, with a guaranteed minimum return of 0.5% per annum. This interest is determined by the actual | NIL |

| | | | |
|---|---|---|---|
| | | investment performance of a dedicated pool of assets, net of applicable charges.<br>• **Substitute for Fair Value Adjustments:** The interest declared by LIC is considered a practical and reasonable substitute for fair value adjustments. This is determined through internal actuarial evaluations and the investment returns generated from the dedicated asset pool.<br>• **Market Value Adjustment (MVA):** In scenarios of surrender or bulk exit (withdrawals exceeding 25% of the account value), a Market Value Adjustment (MVA) is applied. This mechanism ensures that the valuation aligns with fair market valuation at the time of exit.<br><br>The valuation methodology for NPS is in accordance with guidelines set by the PFRDA.<br><br>• **Fair Valuation:** Investments are valued based on their realizable value, ensuring the valuations are accurate and reflect the true market value of securities. | |

| | | | |
|---|---|---|---|
| | | • **Mark-to-Market Accounting:** NPS securities are valued on a mark-to-market basis, with periodic revaluation (typically daily) based on the current market prices of securities.<br>• **Third-Party Valuation:** The valuation process relies on third-party scrip-level prices provided by external valuers, ensuring that the Net Asset Value (NAV) reflects the true and fair value of investments.<br>• **Oversight by NPS Trust:** The NPS Trust is responsible for ensuring uniformity in asset valuation methodologies across all pension funds, with regular reviews of the valuation guidelines.<br><br>The valuations and contributions for both schemes are in line with Ind AS 19, ensuring that the Company's accounting for employee benefit is appropriate. In our opinion, based on audit procedures performed, no material misstatements or deviations have been identified in the fair valuation of investments under both the employee benefit schemes. | |

| | | | |
|---|---|---|---|
| 2 | Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | The Company has an ERP (SAP) system and other software for different verticals. The data from other software are also integrated to SAP through interfaces or batch uploads, which are manually compiled and uploaded into SAP. All the accounting transactions are processed through IT system.<br><br>In our opinion and according to the information and explanation provided to us, we haven't noticed any processing of accounting transactions outside the IT system except that the inventory valuation is carried out in excel spreadsheet and the resultant valuation is subsequently integrated into the accounting software through manual journal entries.<br><br>In respect of operation of the Audit Trail (edit log) feature in software used throughout the year, we have detailed the non-availability of the report relating thereto in respect of certain software used for billing at certain centres in 3(i)(vi) under 'Report on Other Legal and Regulatory Requirements' paragraph of our report. | |

| | | | |
|---|---|---|---|
| | | Accordingly, we have not come across any implications of those risks on the integrity of the accounts. | |
| 3 | Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/state Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilized as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation. | According to the information and explanations given to us, funds received by the Company for specific schemes from central/state agencies were properly accounted for/utilized as per its terms and conditions except for the following case:<br><br>1. A Grant of ₹14 crore was received for EMI/EMC Testing lab for medical equipments in HLL campus, Noida under Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE) Scheme for the year 2016-17. As per clause 6 mentioned in the Sanction Order No:13/21/2015-SC dated 25th November, 2016 wherein it is stated that the Company has to submit the utilization certificate for the amount released, immediately after utilization but not later than 31.03.2018. The Company has not utilized the Grant as on the above mentioned date. The Company refunded the unspent balance of ₹2.59 crore to Ministry of | 1. An amount of ₹1.46 crore is shown as a Contingent liability for potential future interest on the unspent amount from the scheduled completion date of March 31, 2018, until the actual remittance date and is disclosed in Note No.41 to the standalone financial statements. |

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| | | | |
|---|---|---|---|
| | | Commerce and Industry (MoC&I) in March 2023 and April 2024.<br><br>2. The Company received a grant of ₹11.45 crore from the Ministry of Minority Affairs under the Pradhan Mantri Virasat Ka Samvardhan (PM VIKAS) Scheme, in terms of Sanction Letter No. PMV-51065/28/2025-PM VIKAS-MOMA, for implementation of skill development, entrepreneurship and leadership development of minority women, and educational support for school dropouts from minority communities.<br><br>It was observed that, as per the terms and conditions of the sanction letter, the grant was required to be received and operated through a designated separate bank account. However, the grant was initially received in the Company's shared collection account instead of the designated bank account. Subsequently, the Company opened a separate bank account with the State Bank of India, Poojappura Branch on 30 June 2026 and transferred the grant amount to the said account on 8 July 2026. | |

K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

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|---|---|---|---|
| 4 | Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) Whether the Company has identified its data assets and whether it has been valued appropriately? | Based on the information and explanations given to us, the Company had identified the key risk areas in November 2011 and the same was documented in the form of risk library. The Company has formulated Risk Management Policy in October 2012, which aligns with industry standards. Company has adopted leading risk management standards and practices for defining and developing a formalised Risk Management Process, which includes ERM framework, AS-NZS 4360, The Risk Management Standard authored by Institute of Risk Management Association of Insurance and Risk Managers, National forum for Risk management in public Sector.<br><br>As informed and explanation given to us the Company has not identified its data assets. | |
| 5 | Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations | Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable rules and regulations of SEBI, and Regulations of Telecom Regulatory Authority of India, | |

K. VARGHESE & CO. CHARTERED ACCOUNTANTS KOCHI

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| | | | |
|---|---|---|---|
| | of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-In, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted. | Ministry of Electronics and Information Technology are not applicable to HLL Lifecare Ltd.<br><br>The Company generally complies with the Rules and Regulations of the Department of Investment and Public Asset Management, Ministry of Corporate Affairs and Department of Public Enterprises.<br><br>In the case of guidelines issued by Department of Investment and Public Asset Management, provisions on (1) Payment of Dividend (2) Issue of Bonus Shares and (3) Splitting of Shares, the Company submits Representation to the Department of Investment and Public Asset Management Authority through the administrative ministry seeking exemption from compliance requirement in such years where there is deviation from the applicable provisions.<br><br>The regulations issued by the National Payments Corporation of India do not directly apply to HLL Lifecare Ltd. The rules and regulations of RBI with respect foreign exchange transactions are generally complied by the Company. | |

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|---|---|---|---|
| | | The applicable directions issued by the Indian Computer Emergency Response Team (CERT-In) are generally complied by the Company. | |

**For K. VARGHESE & Co.**
Chartered Accountants
(FRN: 004525S)

**Sam Varghese**
Partner
(Membership No. 216979)
UDIN: 26216979FZXTQA1426
Place: Kochi
Date: 06.08.2026

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HLL LIFECARE LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of HLL Lifecare Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the Financial Statements under section 143(2) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 06 August 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of HLL Lifecare Limited for the year ended 31 March 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

**Comments on Financial Position**
**Balance Sheet**
**Assets**

**Non-current assets**
**Non-current tax Assets - ₹ 77.67 Crore (Note 8)**

Para 8.1.19 of the Guidance Note on Division II Ind AS Schedule III to the Companies Act, 2013, provides that tax assets not expected to be recovered or realised within one year from the Balance Sheet date should be presented under non-current assets.

The above comprises Income Tax Advance, TCS receivable and TDS receivable pertaining to financial year 2025-26, the realisation/ adjustment of which is expected within twelve months from 31 March 2026, and hence, the same should have been classified under Current Assets.

Accordingly, their classification under Non-current Assets resulted in its overstatement with corresponding understatement of Current Assets by ₹ 77.67 crore.

Place: New Delhi
Date: 12.10.2026

For & On behalf of the
Comptroller & Auditor General of India

**(Saurav Kumar Jaipuriyar)**
**Director General of Audit**
**(Central Expenditure), New Delhi**

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL 1966GOI002621

## Standalone Balance Sheet as at March 31, 2026

(₹ in crore)

| Particulars | Note No. | As at 31.03.2026 | As at 31.03.2025 | As at 01.04.2024 |
|---|---|---|---|---|
| **A ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant & equipment | 3 | 206.18 | 212.65 | 219.66 |
| Capital work-in-progress | 3 | 26.25 | 12.16 | 2.33 |
| Intangible assets | 3 | 4.82 | 6.46 | 7.30 |
| Right of use assets | 3 | 14.41 | 8.25 | 13.85 |
| Investment property | 3 | 13.21 | 8.49 | 8.95 |
| | | 264.87 | 248.01 | 252.09 |
| Financial assets | | | | |
| i) Investments | 4 | 21.63 | 30.98 | 22.65 |
| ii) Others | 5 | 2.49 | 2.11 | 2.52 |
| Deferred tax assets (net) | 6 | 74.02 | 74.24 | 75.57 |
| Other non current assets | 7 | 0.08 | 0.13 | 1.40 |
| Non-current tax asset | 8 | 77.67 | 80.21 | 69.95 |
| **Total non-current assets** | | 440.76 | 435.68 | 424.18 |
| **Current assets** | | | | |
| Inventories | 9 | 555.07 | 569.80 | 406.12 |
| Financial assets | | | | |
| i) Trade receivables | 10 | 3,240.49 | 2,003.47 | 1,398.53 |
| ii) Cash and cash equivalents | 11 a&b | 246.42 | 36.71 | 314.05 |
| iii) Bank balances other than (ii) above | 11.c | 445.01 | 528.30 | 346.89 |
| iv) Loans | 12 | 2.38 | 2.32 | 2.16 |
| v) Other financial assets | 13 | 29.13 | 24.27 | 25.45 |
| Other current assets | 14 | 171.97 | 222.25 | 179.82 |
| **Total current assets** | | 4,690.47 | 3,387.12 | 2,673.02 |
| Cash and bank balances of projects held under Trust as per contra | 2.4 | 1,037.67 | 779.77 | 658.30 |
| **TOTAL ASSETS** | | 6,168.90 | 4,602.57 | 3,755.50 |
| **B EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| i) Equity share capital | 15 | 15.54 | 15.54 | 15.54 |
| ii) Other equity | 16 | 1,249.27 | 1,009.15 | 802.09 |
| **Total equity** | | 1,264.81 | 1,024.69 | 817.63 |
| **Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| Financial liabilities | | | | |
| i) Lease liabilities | 17 | 11.55 | 4.62 | 5.98 |
| ii) Other financial liabilities | | - | - | 0.50 |
| Provisions | 18 | 20.49 | 21.72 | 23.96 |
| Other non-current liabilities | 19 | 6.51 | 7.67 | 8.83 |
| **Total non-current liabilities** | | 38.55 | 34.01 | 39.27 |
| **Current liabilities** | | | | |
| Financial liabilities | | | | |
| i) Borrowings | 20 | 213.85 | 216.26 | 298.19 |
| ii) Lease liabilities | 21 | 1.73 | 2.79 | 7.99 |
| iii) Trade payables | | | | |
| a) Outstanding dues of Micro, Small, and Medium Enterprises | 22a | 52.21 | 53.78 | 52.43 |
| b) Outstanding dues of others | 22b | 2,721.34 | 1,827.92 | 1,344.38 |
| iv) Other financial liabilities | 23 | 245.02 | 216.65 | 163.12 |
| Provisions | 24 | 179.02 | 158.46 | 156.98 |
| Other current liabilities | 25 | 414.70 | 288.24 | 217.21 |
| **Total current liabilities** | | 3,827.87 | 2,764.10 | 2,240.30 |
| Advances received for projects held under Trust as per contra | 2.4 | 1,037.67 | 779.77 | 658.30 |
| **TOTAL EQUITY AND LIABILITIES** | | 6,168.90 | 4,602.57 | 3,755.50 |
| Corporate information and material accounting policies | 1 | | | |
| Additional disclosures/explanatory notes to financial statements | 2 | | | |

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

K. VARGHESE & CO. ★ CHARTERED ACCOUNTANTS ★ KOCHI

**CA. Sam Varghese**
**Partner**
**[M. No. 216979]**

**UDIN:** 26216979FZXTQA1426

**Date:** 06-08-2026
**Place:** New Delhi

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson & Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director(Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL 1966GOI002621

## Standalone Statement of Profit and Loss for the year ended March 31, 2026

(₹ in crore)

| Particulars | Note No. | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 26 | 5,808.39 | 4,469.51 |
| Other income | 27 | 67.86 | 81.96 |
| **Total income** | | **5,876.25** | **4,551.47** |
| **Expenses** | | | |
| Cost of materials consumed and services rendered | 28 | 2,204.72 | 1,644.69 |
| Purchases of stock-in-trade | 29 | 2,376.97 | 1,981.05 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 30 | 20.46 | (168.44) |
| Employee benefits expense | 31 | 272.79 | 264.53 |
| Finance costs | 32 | 19.58 | 24.22 |
| Depreciation and amortisation expense | 3 | 43.15 | 41.62 |
| Other expenses | 33 | 528.89 | 453.86 |
| **Total expenses** | | **5,466.56** | **4,241.53** |
| **Profit before tax** | | **409.69** | **309.94** |
| **Tax expense** | 44 | | |
| Current tax | | 105.46 | 84.80 |
| Taxation in respect of earlier years | | (1.26) | (6.09) |
| Deferred tax | | (0.88) | 2.05 |
| **Total tax expenses** | | **103.32** | **80.76** |
| **Profit for the year** | | **306.37** | **229.18** |
| **Other Comprehensive Income** | | | |
| (i) Items that will not be reclassified to profit or loss - Remeasurement of defined benefit plans | | 4.39 | (2.84) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (1.11) | 0.72 |
| **Total Other Comprehensive Income** | | **3.29** | **(2.13)** |
| **Total Comprehensive Income for the year** | | **309.66** | **227.05** |
| **Earnings per share (Face value of ₹10/- share)** | 1.24 | | |
| (1) Basic (₹) | | 197.21 | 147.53 |
| (2) Diluted (₹) | | 197.21 | 147.53 |

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**[M. No. 216979]**

**UDIN:** 26216979FZXTQA1426

Date: 06-08-2026
Place: New Delhi

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson &**
**Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director (Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

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HLL Lifecare Limited
CIN : U25193KL 1966GOI002621

## Standalone Statement of Changes in Equity for the year ended March 31, 2026

**A. Equity share capital**

Current reporting Period

(₹ in crore)

| Balance at the beginning of April 1, 2025 | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the year | Balance at the end of March 31, 2026 |
|---|---|---|---|---|
| 15.54 | - | - | - | 15.54 |

Previous reporting period

| Balance at the beginning of April 1, 2024 | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the year | Balance at the end of March 31, 2025 |
|---|---|---|---|---|
| 15.54 | - | - | - | 15.54 |

**B. Other equity**

**Current reporting period**

(₹ in crore)

| Particulars | Reserves and surplus | | | Other Comprehensive Income | Total |
|---|---|---|---|---|---|
| | Dividend Equalisation Reserve | General Reserve | Retained Earnings | | |
| **Balance as at April 01, 2025** | 1.30 | 257.12 | 784.18 | (33.80) | 1,008.80 |
| **Changes in accounting policy or prior period errors** | - | - | 0.35 | - | 0.35 |
| Restatements done till 2024-25 | | | 2.94 | | 2.94 |
| Accumulated depreciation for Noida building (Net of tax) (Refer Note a) | - | - | 0.33 | - | 0.33 |
| Depreciation of ROU Asset for the year 2024-25 (Refer Note b) | - | - | (0.03) | - | (0.03) |
| Interest on lease for the year 2024-25 (Refer Note b) | - | - | (0.00) | - | (0.00) |
| Rent on Leases for the year 2024-25 (Refer Note b) | | | 0.03 | | 0.03 |
| Sub-Contract Expense for the year 2024-25 (Refer Note c) | | | (2.91) | | (2.91) |
| **Restated balance as at April 01, 2025** | 1.30 | 257.12 | 784.53 | (33.80) | 1,009.15 |
| Total comprehensive income for the year | - | - | 306.37 | 3.29 | 309.66 |
| Dividend paid during the year | - | - | (69.53) | - | (69.53) |
| **Balance as at March 31, 2026** | 1.30 | 257.12 | 1,021.37 | (30.51) | 1,249.27 |

**Previous reporting period**

(₹ in crore)

| Particulars | Reserves and surplus | | | Other Comprehensive Income | Total |
|---|---|---|---|---|---|
| | Dividend Equalisation Reserve | General Reserve | Retained Earnings | | |
| **Balance as at April 01, 2024** | 1.30 | 257.12 | 572.41 | (31.67) | 799.15 |
| **Changes in accounting policy or prior period errors** | - | - | 2.94 | - | 2.94 |
| Accumulated depreciation for Noida building (Net of tax) (Refer Note a) | - | - | 5.12 | - | 5.12 |
| GST ITC reversals (Refer Note d) | - | - | (2.18) | - | (2.18) |
| **Restated balance as at April 01, 2024** | 1.30 | 257.12 | 575.35 | (31.67) | 802.09 |
| Total comprehensive income for the year | - | - | 229.18 | (2.13) | 227.05 |
| Dividend paid during the year | - | - | (20.00) | - | (20.00) |
| **Balance as at March 31, 2025** | 1.30 | 257.12 | 784.53 | (33.80) | 1,009.15 |

**Notes:-**

(a) During 2025-26, the company restated the written down value of administrative building at Noida with effect from 01.04.2024 pursuant to correction in estimated useful life.

(b) During 2025-26, the company recognised Right of Use (ROU) asset in respect of Regional Office, Kolkata, relating to lease arrangement of FY 2024–25.

(c') During 2025-26 Sub contracting expenses of financial year 2024-25 pertaining to leased plant recognised

(d) During FY 2025–26, the Company recognised the voluntary Input Tax Credit (ITC) reversals made on the GST portal against various tax demands of year upto FY 2022-23.

**Nature and purpose of reserves**

**a) Dividend Equalisation Reserve:** Dividend Equalisation Reserve is created out of retained earnings to facilitate payment of dividends in future periods. This reserve is available for distribution as dividend, subject to compliance with the Companies Act, 2013.

**b) General Reserve:** General Reserve represents amounts appropriated from retained earnings for strengthening the financial position of the Company and meeting future contingencies. This is a free reserve and is available for distribution as dividend, subject to statutory requirements.

**c) Retained earnings:** This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**[M. No. 216979]**

UDIN: 26216979FZXTQA1426

Date: 06-08-2026
Place: New Delhi

K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson &**
**Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director(Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

(A Govt. of India Enterprise) Corporate & Registered Office

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HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL 1966GOI002621

## Standalone Cash Flow Statement for the year ended March 31, 2026

(₹ in crore)

| Particulars | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| **A. Cash flow from operating activities** | | | |
| Profit before tax | | **409.69** | **309.94** |
| *Adjustments for:* | | | |
| Depreciation and amortisation expenses | | 43.15 | 41.62 |
| Unrealised foreign currency gains and losses | | (3.89) | 0.37 |
| Unrealised Impairment loss | | 9.34 | - |
| Loss on sale of Property, plant and equipment | | 0.05 | 0.11 |
| Profit on sale of Property, plant and equipment | | (0.52) | (0.01) |
| Dividend income | | (13.50) | (16.00) |
| Finance costs | | 19.58 | 24.21 |
| Interest income | | (31.71) | (33.63) |
| **Operating profit before working capital changes** | | **432.20** | **326.61** |
| *Changes in working capital:* | | | |
| *Adjustments for (increase)/decrease in operating assets:* | | | |
| Inventories | | 14.73 | (163.68) |
| Trade receivables | | (1,237.02) | (604.94) |
| Short-term loans and advances | | (0.06) | (0.16) |
| Other current assets | | 51.06 | (45.36) |
| Provision for CSR | | (0.28) | 0.69 |
| Changes in other non-current assets | | (109.86) | (97.62) |
| Changes in non current assets & liability (Leases) | | 0.25 | 0.88 |
| *Adjustments for increase/(decrease) in operating liabilities:* | | | |
| Trade payables | | 891.86 | 484.89 |
| Other current liabilities | | 158.10 | 123.52 |
| Short-term and long term provisions | | 23.99 | (4.30) |
| **Cash generated from operations** | | **224.98** | **20.53** |
| Net income tax (paid) / refunds | | 8.24 | 9.92 |
| **Net cash flow from operating activities** | **(A)** | **233.22** | **30.45** |
| **B. Cash flow from investing activities** | | | |
| Capital Work in Progress | | (14.09) | -9.83 |
| Purchase/Sale of PPE and intangible assets | | (36.90) | -25.78 |
| Interest income received | | 31.51 | 33.46 |
| Dividend income received | | 13.50 | 16.00 |
| Security deposits | | (0.38) | -0.30 |
| Interest on lease deposits | | 0.20 | 0.17 |
| Investment in GAPL | | - | -7.62 |
| Investments in bank deposits (having original maturity of more than three | | 78.28 | -177.13 |
| In Term deposits held for margin money for borrowings and guarantee | | (0.00) | -0.00 |
| **Net cash flow used in investing activities** | **(B)** | **72.11** | **-171.03** |
| **C. Cash flow from financing activities** | | | |
| Repayment of other long-term liabilities | | (1.16) | (1.16) |
| Repayment of lease liabilities | | (2.93) | (9.46) |
| Finance cost paid | | (19.58) | (24.21) |
| Dividend paid | | (69.53) | (20.00) |
| **Net cash flow used in financing activities** | **(C)** | **(93.20)** | **(54.84)** |
| **Net decrease in cash and cash equivalents (A+B+C)** | **(D)** | **212.13** | **(195.43)** |
| Cash and cash equivalents at the beginning of the year | | (179.56) | 15.87 |
| **Cash and cash equivalents at the end of the year** | | **32.57** | **(179.56)** |
| **Cash and cash equivalents at the end of the year comprises:** | | | |
| Cash and cash equivalents | | 35.01 | (172.11) |
| Less: Bank balances not considered as cash and cash equivalents as defined in Ind AS 7 Statement of *Cash Flow* | | 0.01 | 0.01 |
| Less: Fund Earmarked for CSR not considered as cash and cash equivalents as defined in Ind AS 7 Statement of *Cash Flow* | | 0.18 | 0.04 |
| Less: Fund Earmarked for Projects not considered as cash and cash equivalents as defined in Ind AS 7 Statement of *Cash Flow* | | 2.26 | 7.40 |

| | | |
|---|---|---|
| Net cash and cash equivalents (as defined in Ind AS 7 Statement of *Cash Flow*) included in Note 1.10 | **32.57** | **(179.56)** |
| **Reconciliation of Cash and cash equivalents :** | | |
| **Cash and cash equivalents as per Note 11a&b** | | |
| (a) Cash on hand | 2.62 | 2.65 |
| (b) Balances with banks | | |
| (i) In deposit account | 194.37 | 0.33 |
| (ii) In current accounts | 38.66 | 12.97 |
| (iii) Card in Transit | 0.35 | 0.20 |
| (iv) In EEFC accounts | 6.85 | 2.14 |
| (v) Debit balance in CC/OD | 3.57 | 18.42 |
| **CC and OD balance as per Note 20** | | |
| (i) In cash credit accounts | (213.75) | (215.93) |
| (ii) In overdraft accounts | (0.10) | (0.34) |
| | **32.57** | **(179.56)** |

*1) The above Cash Flow Statement has been prepared under the Indirect method set out in the Ind AS-7.*
*2) The previous year's figures have been re-grouped wherever necessary in order to conform to this year's presentation.*
*3) Cash Equivalents at the beginning and end of the year includes a debit balance in Bank Overdraft and Cash Credit*
*4) Transactions of project funds held under Trust and balance of ₹1,037.67 crore (previous year ₹779.77 crore) are not included in the cashflow*
*5) Changes in liabilities arising from financing activities*

(₹ in crore)

| Particulars | As at 1st April 2025 | Cashflows | Non-cash changes | | As at 31st March 2026 |
|---|---|---|---|---|---|
| | | | Fair value adjustment | Others on account of acquisition | |
| Non current borrowings (including current maturity of non-current borrowings) | - | - | - | - | - |
| Current borrowings | 216.26 | (2.41) | - | - | 213.85 |
| **Total** | **216.26** | **(2.41)** | - | - | **213.85** |

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**[M. No. 216979]**

**UDIN:** 26216979FZXTQA1426

Date: 06-08-2026
Place: New Delhi

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson &**
**Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director(Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

| Note 1 : Corporate Information and Material Accounting Policies | |
|---|---|
| | **Corporate Information** |
| | HLL Lifecare Limited, incorporated in the year 1966, is a Miniratna Enterprise, fully owned by Government of India, domiciled in India and governed by the provisions of the Companies Act, 2013. HLL Lifecare Ltd was converted into a Public Limited Company with effect from 21st February 2012. The Company's registered office is situated at HLL Bhavan, Poojapura, Thiruvananthapuram, Kerala, India. The Company is engaged in the manufacturing and marketing of a range of Contraceptive products, Hospital products, Women Health Pharma products, providing Consultancy & Contract services for healthcare infrastructure, Procurement and Diagnostic services and operates an affordable pharmacy network across India. The Company caters to both domestic and international markets.<br><br>The Standalone Financial Statements were approved for issue by the Board resolution passed in the 306th Board Meeting of HLL held on 6th August 2026. As there are no independent directors, there is no Audit Committee as on date. Hence the financial statements for the year 2025-26 were directly submitted to the Board of Directors for approval. |
| | **Recent Accounting Pronouncements** |
| | The Ministry of Corporate Affairs (MCA), vide notifications dated May 7, 2025, and August 13, 2025, amended Indian Accounting Standards (Ind AS) effective April 1, 2025. These include amendments to Ind AS 21, Ind AS 1, Ind AS 7 & Ind AS 107, and Ind AS 12. Based on management's assessment, these amendments do not have any significant impact on the Company's standalone financial statements. |
| **1A** | **Material Accounting Policies** |
| **1.1** | **Basis of preparation** |
| | These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on an accrual basis, except for:<br><br>(i) Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell;<br>(ii) Defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.<br><br>The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Accounting policies have been applied consistently except where a newly issued accounting standard has been initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. These financial statements are presented in Indian Rupees (₹) and all amounts are rounded to the nearest Crore, unless otherwise indicated.<br><br>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and or disclosure purposes in these financial statements is determined on such a basis, that have some |

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| | similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.<br><br>In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:<br><br>• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.<br>• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.<br>• Level 3 inputs are unobservable inputs for the asset or liability. |
| **1.2** | **Classification of assets and liabilities as current and non-current** |
| | All assets and liabilities are classified as current or non-current based on the Company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, a period of 12 months has been considered by the Company for the purpose of classification of assets and Liabilities as current or non-current. |
| **1.3** | **Property, plant and equipment** |
| | Property, Plant and Equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss if any.<br><br>Cost directly attributable to the acquisition are capitalized until the Property, Plant and Equipment are ready for use as intended by the management. Cost includes all incidental expenditure net of tax credits wherever applicable.<br><br>The cost includes interest on borrowings (calculated at the weighted average rates) and administrative expenses specifically attributable to the acquisition of such assets.<br><br>Revenue expenses incurred for identification of new projects/ new line of businesses are treated as capital work in progress. This will be absorbed into the project cost in the first year of commencing the business. If the new project/ new line of business does not materialize within a period of three financial years, the entire expenses shall be charged to revenue in the 3rd year.<br><br>Expenditure during the construction period is included under Capital Work-in-Progress and the same is allocated to the respective items of Property, Plant and Equipment on the completion of construction. In respect of pharmaceutical manufacturing facilities, expenditures incurred are included under Capital Work in Progress till the validation process is completed.<br><br>Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.<br><br>Spare parts, stand by equipment and servicing equipment having individual value of ₹5 lakh or more and are expected to be used for a period of more than 12 months are capitalized on their acquisition.<br><br>Depreciation on Property, Plant and Equipment other than Freehold land and properties |

under construction have been made in line with the requirement under Schedule II of the Companies Act, 2013. Further depreciation has been charged on Straight line method for all assets under Plant & Machinery and written down value method for other assets (except intangible asset and leasehold assets) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act, except for those assets whose useful lives are determined based on any technical advice.

The estimated useful life as per Companies Act 2013 are as follows:

| Category of asset | Estimated useful life |
|---|---|
| Leasehold land | Period of lease |
| Factory buildings | 30 years |
| Buildings other than factory buildings | 60 years |
| Buildings (Others ) | 3 years or Terms of agreement of business whichever is earlier |
| Plant and machinery | 15 years or Terms of agreement of business whichever is earlier |
| ECG, X-Ray, CT scan, MRI machines etc | 13 years |
| Furniture and fixtures | 10 years or Terms of agreement of business whichever is earlier |
| Motor vehicles | 8 years |
| Office equipment | 5 years or Terms of agreements of business whichever is earlier |
| Computers and laptops | 3 years |
| Servers and networks | 6 years |
| Laboratory equipment | 10 years or Terms of agreement of business whichever is earlier |
| Electrical installations | 10 years or Terms of agreement of business whichever is earlier |

The depreciation methods, useful lives and residual values are reviewed periodically at each financial year end.

Components of main assets were identified and determined separately, if they have a useful life that is materially different from that of the principal asset. 10% of the original cost of the principal asset has been considered as a threshold limit to determine whether a component is material or not.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

Additions to Property, Plant and Equipment costing ₹5000/- each or less are fully depreciated during the year of purchase, irrespective of the date of addition retaining the residual value of assets.

Machinery spares acquired with the equipment are depreciated using the same rates and methods applicable for the original machinery. In the case of Machinery spares procured separately for future use, rates equivalent to accumulated depreciation for the expired life

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| | of the relative machinery are charged in the year of acquisition along with depreciation for the year.<br><br>**De-recognition**<br>An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss. |
| **1.4** | **Investment property** |
| | Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied, or part occupied by the Company for its operations, is classified as Investment Property.<br><br>Investment Property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to revenue when incurred.<br><br>When a property given on rent is vacated and the management's intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings under Property, Plant and Equipment.<br><br>Depreciation on Investment Properties are made in line with the requirement under Schedule II of the Companies Act, 2013. Investment properties are depreciated using the written down value method over their estimated useful lives which is consistent with the useful lives followed for depreciating Buildings under Property, Plant and Equipment.<br><br>An Investment Property is derecognised on disposal or when the Investment Property is permanently withdrawn from use and no future economic benefits are expected from its disposal. When part of an Investment Property is replaced, the carrying amount of the replaced part is derecognized.<br><br>Gains or losses arising from the retirement or disposal of Investment Property is determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss. |
| **1.5** | **Intangible asset** |
| | **Research and development**<br>Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred.<br><br>Development activities involve a plan or design for the production of new or substantially improved products and processes.<br><br>An internally-generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:<br>• development costs can be measured reliably;<br>• the product or process is technically and commercially feasible; |

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| | • future economic benefits are probable; and<br>• The Company intends to and has sufficient resources/ability to complete development and to use or sell the asset.<br><br>The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in Profit and Loss as incurred.<br><br>Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.<br><br>Intangible assets with finite useful lives are capitalized and carried at cost less accumulated amortization and accumulated impairment losses. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.<br><br>Amortization is recognized on a straight-line basis over their estimated useful lives.<br><br>The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 years on a pro-rata basis/license period as applicable. License fee paid is amortized equally over the agreement period.<br><br>Trademark/Patents are amortized over a period of 5 years.<br><br>**Trademark expenses**<br>Expenses incurred on trademark registrations are treated as capital work in progress and are capitalized under 'intangible assets' when licenses are received. Subsequent expenditure incurred on those licenses are recognized as revenue expenses in the period in which such expenses are incurred.<br>The residual values estimated useful life and method of depreciation/amortization of Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.<br><br>**De-recognition of intangible assets**<br>An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in Profit and Loss when the asset is derecognized. |
| **1.6** | **Leases** |
| | **Company as a lessee**<br>The Company's lease assets primarily consist of land, buildings, plant and machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. To determine whether a contract is or contains a lease, the Company evaluates whether the contract conveys the right to control the use of an identified asset. This assessment involves examining whether the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the lease period and whether it has the right to direct the use of the asset. |

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| | At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.<br><br>The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.<br><br>The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted, using the incremental borrowing rates determined at the inception of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made.<br><br>A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. When a lease is terminated in its entirety, the difference between the carrying value of the Right of Use Assets and Liability is recognised in the Statement of Profit and Loss and disclosed under other income.<br><br>Lease liability and Right of Use assets are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. |
| **1.7** | **Impairment of non-financial assets** |
| | The Company's non-financial assets are assessed at each reporting date to determine whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated, and an impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the Statement of Profit and Loss.<br><br>Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.<br><br>In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.<br><br>In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying |

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| | amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.<br><br>In the case of projects under development, the future cash flows are estimated based on the most recent budgets or forecasts relating to the project, adjusted to the current market conditions. |
| **1.8** | **Investments in subsidiaries and joint venture** |
| | The Company measures all its investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27. |
| **1.9** | **Inventories** |
| | Inventories consisting of raw materials, packing materials, work-in-progress, stock-in-trade, stores and spares, consumable tools and finished goods are measured at the lower of cost and net realisable value.<br><br>Cost of raw materials, packing materials, stores, spares, consumable tools and traded goods comprises cost of purchases and includes taxes and duties and is net of eligible tax credits along with freight, handling, and other expenses incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overheads, which is allocated on a systematic basis. Cost of inventories also includes all other related costs incurred in bringing the inventories to their present location and condition.<br><br>The weighted average formula is used for determining the cost of raw materials, packing materials stores, consumable tools and spares. Work-in-progress materials in transit/under inspection are carried at actual process cost. Unused consumable tools are reviewed periodically for obsolescence and impairment and are carried at lower of cost and net realizable value. Finished goods manufactured/goods purchased for trading are valued at lower of cost/net realizable value, including taxes and duties net of eligible tax credits. Manufactured/traded finished goods in stock other than pharmaceutical products with a remaining shelf life of less than three months from the reporting date are taken at Nil value.<br><br>The provision for loss if any in respect of slow-moving items of materials/finished products are accounted for after assessing the usability/marketability. The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.<br><br>Net realizable value represents the estimated selling price in the ordinary course of business for inventories less all estimated costs of completion and costs necessary to make the sale. |

| 1.10 | **Cash and cash equivalents** |
|---|---|
| | Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (usually having a maturity period of 3 months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of cash flow statement as per Ind AS 7, Cash Equivalents also include Bank Overdraft and Cash credit which are repayable on demand. |
| **1.11** | **Financial instruments** |
| | Recognition and initial measurement<br><br>Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.<br><br>A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.<br>Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in the Statement of Profit and Loss.<br><br>**Classification and subsequent measurement**<br><br>**Financial assets**<br>I. On initial recognition, a financial asset is classified as measured at<br>- Amortised cost<br>- Fair value through other comprehensive income<br>- Fair value through profit and loss<br><br>II. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit and Loss (FVTPL)<br><br>➢ The asset is held within a business model whose objective is to hold assets to collect contractual flows; and<br>➢ The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.<br><br>III. A financial asset is subsequently measured at fair value through other comprehensive income (FVOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.<br><br>IV. All financial assets not classified as measured at amortised cost or as measured at FVOCI as described above are measured at FVTPL. This includes all derivative |

financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

V. Financial assets at FVTPL – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Profit and Loss.

Financial assets at FVOCI – These assets are subsequently measured at fair value, with fair value changes recognised in other comprehensive income. Income, including any interest or dividend, is recognised in a Statement of Profit and Loss.

Financial assets at amortised cost – These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit and loss.

VI. Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing its financial assets.

**Financial liabilities**

I. Financial liabilities are classified as measured at amortised cost or FVTPL

II. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

III. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on de-recognition is also recognised in profit and loss.

**De-recognition**

**Financial assets**

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is the cumulative gain or loss that has to be recognised in the Statement of Profit and Loss.

**Financial liabilities**

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The difference between the carrying amount of the financial liability de-recognised and the sum of consideration paid and payable is recognised as gain or loss in the Statement of Profit and Loss.

The Company also de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

**Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may never actually be realised.

**Offsetting**

Financial assets and financial liabilities are offset and net amount presented in the Balance Sheet when, and only when there is a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.

**Impairment of financial assets**

The Company recognises loss allowance for expected credit loss ('ECL') on financial assets which are not measured at FVTPL. At each reporting date, the Company assess whether such financial assets carried at amortised cost / FVOCI are credit – impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowance at an amount equal to lifetime expected credit losses except for bank balances which are measured as 12 months expected credit losses for which credit risk has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the ECL which results from default events that are possible within 12 months after the reporting date.

**Measurement of expected credit losses**

The Company has adopted a model, as permitted under Ind AS 109 "Financial Instruments", for measuring lifetime expected credit loss "ECL" allowance for trade receivables. The model determines the expected credit losses as the probability-weighted

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| | estimate of credit losses. The impairment losses and reversals are recognised in the Statement of Profit and Loss.<br><br>Loss allowance for financial assets measured at amortised cost / at FVOCI are deducted from gross carrying amount of the assets. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. |
| **1.12** | **Cash flow statement** |
| | Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on audited financial statements. |
| **1.13** | **Revenue recognition** |
| | **Sale of goods**<br>The Company generates revenue from a range of its products viz., contraceptives, hospital products, women healthcare pharma and personal hygiene products.<br><br>Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured on the basis of contracted price net of returns, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.<br><br>**Rendering of services**<br>The Company generates revenue from Healthcare Services, Laboratory and Diagnostic Services, Retail Pharmacy Services, Infrastructure Development services, Project Management Consultancy and allied services, Facility Management Services, and Procurement Consultancy Services.<br><br>Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations. In respect of revenue from services, the Company follows recognition over a period of time or at a point in time depending on the contract with the customer.<br><br>**Other operating revenues**<br>Other operating revenues comprise income from ancillary activities incidental to the operations of the Company and are recognized when the right to receive the income is established as per the terms of the contract.<br><br>Duty drawback/export incentive in respect of export sales are accounted for in the year of export. |

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| 1.14 | **Other Income** |
| | Interest income if any for delayed realization from trade debtors as stipulated in invoices is not recognized, unless realized. Income other than the above are accounted for on an accrual basis. |
| 1.15 | **Foreign currency transactions and translations** |
| | The Company's financial statements are presented in Indian Rupee (₹), which is also its functional currency.<br><br>Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.<br><br>Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Foreign exchange gain or loss resulting from the translation at year end rates are recognised in the Statement of Profit and Loss. |
| 1.16 | **Government grants** |
| | Government grants are recognized only when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received.<br><br>Government grants in the nature of revenue items are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.<br><br>Revenue grants/subsidies (other than product subsidy) and export incentives relating to sales are disclosed separately under other operating revenues, whereas product subsidy is disclosed under sales and services.<br><br>In respect of grants against depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as capital grant, which are recognized as income in the Statement of Profit and Loss over the period and the proportion in which depreciation is charged. Government grants related to assets are presented in the Balance sheet as Deferred Grant. |
| 1.17 | **Employee benefits** |
| | **Defined benefit plans**<br>**Gratuity**<br>The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible permanent and temporary employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.<br><br>Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk. |

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income and are not reclassified to Profit and Loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

**Compensated absences**

The Company has a policy on compensated absences only to permanent employees which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes, viz., Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code 2020(collectively referred to as the 'New Labour Codes'.) The New Labour Codes are effective from 21 November 2025, while the corresponding State Rules and implementation modalities are in the process of being finalized/notified.

Based on an assessment, the implementation of the said Codes is not expected to have any material impact on its employee benefit obligations, as the existing employee benefit structure, retirement benefit schemes, and employee welfare measures are substantially in compliance with the provisions of the Codes

**Defined contribution plans**

**Provident fund**

Eligible employees of Company receive benefits from a provident fund, a post –employment benefit under which 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 to PF authorities and the Company will have no legal or constructive obligation to pay further amounts.

**ESI and other contribution plans**

Payments to other defined contribution plans i.e., superannuation fund, Employee State Insurance and other funds are determined based on the schemes under the relevant statutes and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees. The amounts are paid to respective government authorities and the Company has no further legal or constructive obligations.

The defined contribution plan also includes the contributory pension scheme effective from 1-4-2011 for the permanent employees who are on the rolls of the Company as on 9-10-2012. Company contributes 3% of basic plus DA with a matching contribution from

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| | employees as per the pension scheme managed by LIC of India or to GoI managed National Pension Scheme. The Company has no further legal or constructive obligation beyond the contribution.<br><br>Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by the employees.<br><br>**Short-term and other long-term employee benefits:**<br>A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.<br><br>**Termination benefits**<br>Payments made under Voluntary Retirement Scheme are charged to Statement of Profit and Loss on incurrence. |
| **1.18** | **Borrowing costs** |
| | The borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale.<br><br>Interest on loans taken specifically for acquiring assets/group of assets, are proportionately allocated to respective assets based on asset value.<br><br>All other borrowing costs are recognized in Profit and Loss in the period in which they are incurred. |
| **1.19** | **Segment reporting** |
| | Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments. |
| **1.20** | **Income taxes** |
| | Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.<br><br>**Current tax**<br>Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. |

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| | Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.<br><br>**Deferred tax**<br>Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.<br><br>A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.<br><br>Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.<br><br>The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.<br><br>Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and when the deferred taxes relate either to the same taxable entity or to different entities that intend to settle tax obligations on a net basis or simultaneously, and the taxes are levied by the same tax authority<br><br>**Tax positions**<br>Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management, based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter, concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts. |
| **1.21** | **Provisions, contingent liabilities & contingent assets** |
| | Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.<br><br>If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of |

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| | the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.<br><br>Contingent assets are not generally recognized in the financial statements, since this may result in the recognition of income that may never be realised. Contingent assets, whose realization of income is probable, are disclosed separately. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.<br><br>Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts and reviewed at each Balance Sheet date to reflect the current management estimate. |
| **1.22** | **Prepaid expenses** |
| | Prepaid expenses of items of ₹10,000/- each and below are charged off to the revenue. |
| **1.23** | **Non-current assets held for sale** |
| | Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Assets so identified are expected to qualify for recognition as a completed sale within one year from the date of classification.<br><br>Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal. Noncurrent assets held for sale are not depreciated or amortised. |
| **1.24** | **Earnings per share**<br><br>Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. |

**Basic and Diluted earnings per share** — **Rs in crore**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| Numerator - Net profit (Profit after tax as per statement of Profit &Loss) | 306.37 | 229.18 |
| Denominator- Average No. of equity shares outstanding during the period | 1,55,35,000 | 1,55,35,000 |
| No. of shares Basic and Diluted | 1,55,35,000 | 1,55,35,000 |
| **Earnings per share (Rs)** | | |
| Basic (Face value of Rs 10/share) | 197.21 | 147.53 |
| Diluted (Face value of Rs 10/share) | 197.21 | 147.53 |

| 1B | Critical accounting estimation and judgements |
|---|---|
| | The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year.<br><br>The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to changes in these estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known/materialized. |
| | **Contingencies**<br>Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. |
| | **Estimates and assumptions**<br>The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.<br><br>**Defined benefit plans/other long term employee benefits**<br>The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.<br>Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.<br>The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on the expected settlement period of various plans.<br><br>**Fair value measurement of financial instruments**<br>When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. |

**Impairment of financial assets**

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period.

**Revenue**

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

**Income tax**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL 1966GOI002621

**Note 2. Explanatory Notes/Additional Disclosures forming part of the Standalone Financial statements for the year 2025-26.**

2.1 **Disclosures required by the Micro, Small and Medium Enterprises Development [MSMED] Act, 2006**

Disclosures required by the Micro, Small and Medium Enterprises Development [MSMED] Act, 2006 to the extent information available with the Company is as under:

(₹ in crores)

| S. No. | Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|---|
| (a) | The principal amount remaining unpaid at the end of the year | 52.21 | 53.78 |
| (b) | The delayed payments of principal amount paid beyond the appointed date during the year. | 1.02 | - |
| (c) | Interest actually paid under Section 16 of the MSMED Act. | - | - |
| (d) | Normal Interest is due and payable during the year, for all the delayed payments, as per the agreed terms. | 0.045 | - |
| (e) | Total Interest accrued during the year and remained unpaid. | 0.008 | - |

2.2 The extent of ownership in Subsidiary/Joint Venture Companies is as follows:

| Name of the Company | Country of Incorporation | Relationship | Ownership Interest as on 31.03.2026 |
|---|---|---|---|
| Goa Antibiotics and Pharmaceuticals Limited (GAPL) | India | Subsidiary | 85.16% |
| HLL InfraTech Services Limited (HITES) | India | Subsidiary | 100% |
| Life Spring Hospitals Pvt. Ltd | India | Joint Venture | 50% |

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| 2.3 | **Captive Status Granted by MoHFW and Pricing mechanism**<br><br>The Government of India granted "captive status" to HLL Lifecare Limited (HLL) vide order dated August 26, 2005, for the supply of condoms and other contraceptive products to the Ministry of Health & Family Welfare (MoHFW). This status is subject to periodic reviews and extensions. The most recent extension of HLL's captive status is valid until March 31, 2028.<br><br>The Company supplies Contraceptive products (Condoms, Oral Contraceptive Pills, EC Pills, Copper-T and Tubal Rings), Pregnancy Test Kits and Sanitary Napkins to the Ministry.<br>According to the Cabinet order and its subsequent amendments, the Ministry is required to place supply orders with HLL at the beginning of the year, using provisional rates based on the previous year's L1 rates. Revenue is recognized accordingly. L1 rates determined through the open tender will be applied as the final rates for HLL's supplies for that financial year. If the L1 rates are not determined through the tender process, the fair price for HLL's supplies will be determined by referring to either the Tariff Commission (TC) of the Ministry of Commerce & Industry or the Cost & Accounts Branch (CAB) of the Ministry of Finance.<br><br>The Company has during the year received the cost escalation claim pertaining to year 2020-21. Further, the company has also approached the Ministry to refer the matter to the Cost & Accounts Branch, Ministry of Finance, to determine the fair price applicable to HLL for supply orders pertaining to the financial years 2021-22 to 2024-25. |
| 2.4 | **Assets and Liabilities held under Trust**<br><br>The Company has been undertaking the Procurement Projects & Infrastructure Development Projects under agreements with the Government and its agencies, for which separate books are maintained under trust. The assets and liabilities of these projects are with the Government and its agencies allotting the projects and the inspection and audit being their responsibility. In accordance with the opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India, the summary of these Assets & Liabilities is disclosed as Annexure I only for information purposes and the cash and bank balances of these projects held by the Company under trust and the corresponding liabilities are disclosed as contra items in the Balance Sheet. |
| 2.5 | **Dues from Gujarat Medical Services Corporation Limited (GMSCL)**<br><br>HLL, in collaboration with the Gujarat State Government, initiated the establishment of AMRIT Deendayal Pradhan Mantri Jan Aushadhi Stores (ADDPMJAS) to promote generic drugs across the state. On 6th September 2016, HLL signed a MoU with Gujarat State CSR Authority and Gujarat Medical Services Corporation Limited (GMSCL) to set up and operate these pharmacies until a Joint Venture (JV) Company was formed. HLL established 52 AMRIT stores in Gujarat in November 2016. Although a JV company was created by the Government of Gujarat in 2017, it did not assume control of the assets, liabilities, or operations of the retail drug stores. As per a resolution dated 18.05.2018 |

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| | from the Health and Family Welfare Department, Government of Gujarat, HLL has taken over the store operations.<br><br>According to the Resolution, GMSCL has agreed to settle the loss amount of Gujarat operations up to the date of transfer after conducting an audit. The cumulative loss of Rs.12.32 crores up to 17/05/2018 is recorded as receivable from M/s Gujarat ArogyaSeva Private Limited (GASPL) under Note 14 – Other Current Assets. Additionally, Rs.13.70 crores are due from GMSCL for medicine supplies, included in Trade Receivables, for which a provision has been made in the books. An amount of Rs.15 crores received by HLL as a revolving fund from GMSCL is shown under Note 23 – Current Financial Liabilities - Others.<br>As per the MOU terms, GMSCL appointed M/s. Dhirubhai Shah & Co LLP, Chartered Accountants, by letter dated 28.01.2021, to conduct a special audit of HLL's operational loss claim.<br><br>The auditors submitted their final report to GMSCL and HLL received a copy. The auditor recommended Rs.8.44 crores out of the total of Rs.12.32 crores. The auditor disallowed Rs.3.88 crores for which provisions are available in the books. GMSCL will settle the outstanding amount after obtaining the approval from their competent authority.<br><br>The MoU for operating ADDPMJAS was extended only until 08-09-2023 by GMSCL, hence the ADDPMJAS pharmacy outlets in Gujarat were closed effective 09-09-2023. HLL is continuously following up with GMSCL for the final settlement of the claims. |
| 2.6 | **Demerger of HLL Biotech Ltd. (HBL) and Related Receivables**<br><br>The Ministry of Corporate Affairs (MCA) approved the demerger of HLL Biotech Ltd (HBL) via an order dated March 22, 2021. HBL, a 100% subsidiary of HLL formed for setting up the Integrated Vaccine Complex, ceased to be a subsidiary effective April 1, 2019, and became a Central Public Sector Enterprise (CPSE) under direct Government of India ownership. Consequently, the share capital invested by the Government of India and the corresponding investment by HLL were reduced by Rs.274.88 crores.<br><br>The initial investment of Rs.0.01 crore made by HLL is shown as receivable from Govt of India in Note 13- Current Financial Assets-Others. HLL Vide Letter No. HLL/CS/Demerger-HBL dated 23rd August 2022, 22nd September 2023, 07th May 2024 and 23rd May 2025 requested the Government of India to refund of Rs.0.01 crore invested by HLL in the paid-up share capital of HBL |
| 2.7 | **Leasehold Land at Chengalpattu and Transfer of Rights to HLL Biotech Limited**<br><br>Since January 2008, the Company has held a lease of 430.10 acres of land for 99 years from the Central Leprosy Teaching Research Institute (CLTRI) in Tamil Nadu, as directed by the Ministry of Health & Family Welfare, Government of India. The Public Investment Board (PIB), Ministry of Finance, recommended on February 10, 2012, and the Cabinet Committee on Economic Affairs (TA) approved, that 100 acres of this land be earmarked for setting up the Integrated Vaccine Complex (IVC) at Chengalpattu, valued at Rs.10.12 |

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| | crores (56 acres at Rs.0.165 crore per acre and 44 acres of hillock at Rs.0.02 crore per acre).<br><br>To implement the PIB's recommendations, HLL Biotech Limited (HBL) was established as a 100% subsidiary of HLL to set up the IVC. Due to delays in transferring the 100 acres of land to HLL and further transfer to HBL, the Company sub-leased this land to HBL on February 20, 2014, for Rs.1/- for 94 years.<br><br>Out of the 100 acres leased to HBL, 3.38 acres have been leased to Tamil Nadu Generation and Distribution Corporation Ltd (TANGEDCO), a subsidiary of TNEB Ltd., for 92 years at an annual lease rent of Rs.1/-, with the sub-lease executed on September 19, 2016.<br><br>Following the demerger scheme, HBL requested HLL on October 19, 2021, to confirm the transfer of leasehold rights for the 100 acres at Chengalpattu. In response, HLL confirmed on October 30, 2021, that, according to the demerger scheme approved by the MCA on March 22, 2021, the leasehold rights had been transferred to HBL. A copy of this letter was sent to CLTRI for their records.<br><br>Further, HLL and HBL executed a Memorandum of Understanding (MoU) on January 6, 2023, at the Sub-Registrar Office (SRO), Chengalpattu and, it was submitted for registration under Section 8G of the Indian Stamp Act, with a request for stamp duty waiver.<br>On March 9, 2023, the Chairman & MD of HLL requested the Inspector General of Registration to direct the SRO, Chengalpattu, to complete the registration process. Following this, the CEO of HBL and HLL, along with their legal counsel, sent several follow-up letters to the District Registrar, Chengalpattu. Despite these efforts, the SRO is yet to issue the registered copy of the MoU. |
| 2.8 | **Demerger of HLL Medipark Ltd. and Transfer of Leasehold Rights**<br><br>Based on the Cabinet approval in 2009 to sub-lease 330.10 acres of land at Chengalpattu, Kanchipuram district (Tamil Nadu) for setting up Medipark, HLL Medipark Limited (HML) was established as a 100% subsidiary of HLL on December 20, 2016. This land was sub-leased to HML in March 2017. HLL has invested Rs.6.40 crores in HML's equity share capital.<br><br>Following the approval of the demerger scheme by the Ministry of Corporate Affairs on March 31, 2021, HLL Medipark Limited ceased to be a subsidiary of HLL as of April 1, 2019. As per the scheme, the Government of India shall pay HLL Lifecare Limited its Rs.6.40 crores equity investment in HLL Medipark Limited. Consequently, this amount is recorded as a receivable from the Government of India under Note 13: Current Financial Assets - Others.<br><br>HLL has requested the Ministry of Health and Family Welfare to take appropriate action(s) necessitated by the demerger of HML and based on the actions taken by the Ministry, HML has become a CPSE under the direct ownership of the Government of India. |

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| | As per Clause 3.4 of the Scheme of Demerger approved by the Ministry of Corporate Affairs, all rights to any immovable property associated with the demerged undertaking are to be transferred and vested in the resulting company, HML. However, since land is considered immovable property, additional re-documentation may be required to complete the transfer of the lease directly into HML's name.<br><br>Similar to the situation of HBL referred in para 2.7, HLL proposed to TIDCO on 04th December 2022, to execute necessary documentation to update the revenue records for the 330.10 acres of land. TIDCO subsequently informed MOHFW that they are unable to proceed with the documentation since the Chief Secretary, Govt. of Tamil Nadu had requested MOHFW Govt. of India, to transfer the land to Govt. of Tamil Nadu and take back the management of HML. |
| 2.9 | **Equity Investment in Goa Antibiotics and Pharmaceuticals Ltd. (GAPL)**<br><br>HLL Lifecare Limited (HLL) acquired a 74% stake in Goa Antibiotics and Pharmaceuticals Ltd. (GAPL) from EDC Ltd., Goa in 2014. As per the audited financials of GAPL as on 31st March 2022, the net worth of the company was negative, and GAPL was classified as sick under DPE guidelines.<br><br>GAPL management in its 191st Board meeting held on 09-05-2022 presented a Revival plan, and the same was agreed to in principle by GAPL Board with a plan to infuse additional equity of Rs. 14.31 crores by both the partners i.e., HLL Lifecare Ltd and EDC Ltd. in the ratio of their shareholding. Later, EDC Ltd., Goa decided not to infuse the additional equity in GAPL and agreed to dilute its shareholding. Therefore, in the 284th Board meeting of HLL held on 26th July 2022, the Board of HLL has approved the proposal to make additional equity investment of Rs.14.31 crores from the internal resources of HLL in three stages. HLL has proposed various corrective and operational measures aimed at improving the financial performance of the company and is in the process of implementing the same.<br><br>HLL currently holds 85.16% of GAPL's share capital. As of 31 March 2026, GAPL has a negative net worth of ₹ 41.28 crores.<br><br>An impairment assessment was carried out in respect of the equity investment of Rs. 21.40 Crores. Based on the recoverable amount determined as at 31st March 2026, an impairment loss allowance of Rs. 9.34 Crores has been recognized. The said impairment loss has been disclosed under Note 33 – Other Expenses. |
| 2.10 | **Investment in Joint Venture – Life Spring Hospitals (P) Limited**<br><br>M/s. Life Spring Hospitals (P) Limited, a 50:50 joint venture (JV) between HLL Lifecare Ltd. and Acumen Fund Inc., USA, was formed in February 2008 to provide high-quality, affordable maternal health care for low-income women in India. The company is maintaining a chain of small sized hospitals which provides affordable and quality healthcare services to the Lower-and-Middle Income population especially women and children across India. As of March 31, 2026, HLL's total equity investment in the JV was Rs.9.51 crores. The JV 's accumulated net worth is Rs. 4.97 crores and incurred a loss |

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| | of Rs. 0.74 crore. The JV continues to maintain positive net worth and stable operational revenues during the year, indicating continued business viability and future growth potential. The company plans to further expand the operations of the JV and does not envisage any impairment in Investment. |
| 2.11 | **Strategic Disinvestment of HLL Lifecare Limited**<br><br>On November 1, 2017, the Cabinet Committee on Economic Affairs (CCEA) of the Government of India granted 'in-principle' approval to separate HLL Lifecare Limited's (HLL) Vaccine venture and Medipark project into distinct Special Purpose Vehicles (SPVs) with 100% equity held by the Government of India. The approval also included the subsequent sale of the Government's 100% equity in HLL through a two-stage auction process. The Department of Investment and Public Asset Management (DIPAM), the nodal agency coordinating the disinvestment process, selected the following advisors through competitive bidding: M/s. Price Waterhouse Coopers Pvt. Ltd. (PWC) as Transaction Advisor, M/s. Crawford Bayley & Co. as Legal Advisor, and M/s. Adroit Technical Services Pvt. Ltd. as Asset Valuer.<br><br>The Transaction Advisor (TA) issued the Preliminary Information Memorandum (PIM) and invited Expressions of Interest (EOI) from prospective investors for the strategic disinvestment of HLL on 14 December 2021, followed by four corrigenda on the websites of DIPAM, Ministry of Health & Family Welfare, the TA and HLL.<br><br>As per the prescribed schedule, EOIs were to be submitted online by 14 March 2022 and in physical form by 21 March 2022, with Qualified Interested Bidders (QIBs) proposed to be shortlisted by 28 March 2022. Thereafter, from July 2022 onwards, information relating to HLL was shared with the shortlisted bidders through a Virtual Data Room (VDR).<br><br>DIPAM organized regular meetings with HLL, advisors, and relevant ministries to discuss and determine actions for the strategic disinvestment of HLL Lifecare Limited. During the due diligence process, HLL provided clarifications and additional information to the bidders through the Transaction Advisor.<br><br>According to DIPAM's website, the Expression of Interest (EoI) for the strategic disinvestment of HLL has been closed, and the process has now advanced to Stage II, which involves the Request for Proposal (RFP) and submission of bids. |
| 2.12 | **Legal claim from Pharmaceutical Fund and Supply Agency, Ethiopia**<br><br>In 2015-16, the Company exported 69.88 Mpcs of male condoms to the Ministry of Ethiopia through Pharmaceutical Fund and Supply Agency (PFSA), and the payments were received.<br><br>PFSA communicated on 26th November 2015, that some batches failed the tests of Ethiopia Food Medicines and Health Care Administration (EFMAHCA). It was agreed on 28.11.2016 to replace the entire supplies in four consignments with the condition that the Ethiopian entity would return an equal quantity of the defective material for each replacement batch provided by HLL. |

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| | In 2017-18, the Company replaced 15 Mpcs of Condom (in 35 batches) and Pharmaceuticals Fund and Supply Agency (PFSA)returned 15 Mpcs from 137 batches.<br>The returned goods were further tested at Central Drug Testing Laboratory, Chennai and all batches passed.<br><br>PFSA informed on 13.02.2018 that they would not continue with the agreed replacement. PFSA sent a legal notice on the same date demanding refund of the balance amount paid. However, HLL denied the request vide letter dated 21.02.2018.<br><br>On 23rd September 2020, PFSA filed a Civil Case against HLL with the Federal High Court – Federal Democratic Republic of Ethiopia in line with the above matter for a claim amount equivalent to INR 45.60 crores. Following the hearings in this regard, on 24th July 2023, the judgement was passed in favor of HLL. The claims of the PFSA were not accepted by the Federal High Court.<br><br>After the judgment on 24.07.2023, PFSA appealed to the Federal Supreme Court of Ethiopia on 07.09.2023. HLL received a notification from the Federal Supreme court on 09.03.2024, directing to submit a written statement in hard copy and CD. HLL submitted its written statement on 09.05.2024 within the extended deadline provided.<br><br>The Federal Supreme Court rendered its order on 20.06.2024, wherein the Order dated 24.07.2023 passed by the Federal High Court has been revised in accordance with the Civil Procedure Law No: 348(1) and decided that HLL shall pay an amount of ETB Rs.68,647,789.64 which translates to approximately Rs. 4.47 crores.<br><br>HLL's counsel informed that as per Article 6 (Review of Judgements) of the Civil Procedure Code – Ethiopia, a review petition was unlikely to succeed. As a result, HLL filed an appeal on 18.09.2024. The matter was finally heard on 04.04.2025. HLL's matter has been dismissed. However, the certified copy of the order is awaited. In view of this, a provision was created for Rs 4.47 crores in the books in Financial year 2024-25. |
| 2.13 | **Status of Dues from Employees State Insurance Corporation**<br><br>Trade Receivables in Note No 10 includes Rs. 137.41 crores receivable from Employees State Insurance Corporation (ESIC). Of this, Rs.123.74 crores pertain to claims for Construction of Medical College at Paripally in Kerala. The project started in November 2010, was completed and taken over by ESIC on 21.10.2016. Out of this Rs. 123.74 crores, Rs. 28.98 crores are towards the value of work done and Rs. 94.76 crores towards escalation claims. The balance Rs.13.67 crores pertain to other assignments from ESIC.<br><br>As against Rs. 94.76 crores of receivables, Rs. 62.45 crores are recognized as expenses for escalation claims payable to M/s. L & T as part of their bills on this turnkey project. |

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While HLL was pursuing eligible payments as per contract, ESIC vide letter dated 27.03.2018 directed HLL to pay back Rs. 92.93 crores, which is not based on any agreed contract terms between HLL and ESIC dated 21.01.2010.

Considering the long pending receivables, HLL requested for dispute redressal process dated 28.03.2018 as per agreement between ESIC and submitted a claim of Rs.437.19 crores for arbitration.

However, after the claims were submitted by HLL and proceedings were underway, the Honourable Delhi High Court terminated the arbitrator's mandate at ESIC's request.

Due to delays in dispute resolution, HLL decided to adopt Administrative Mechanism for Resolution of CPSEs Disputes [AMRCD] in this and approval was accorded in 282nd Board meeting held on 24.01.2022. The request / application for initiating AMRCD proceedings was made to the Secretary, MoHFW. Vide order dated 26.04.2022, a committee consisting of Secretary, Ministry of Health and Family Welfare, Secretary, Ministry of Labour and Employment, and Secretary, Department of Legal affairs was constituted.

The committee was mandated to finalize its decision within 3 months of its constitution. The committee held its first meeting on 02.05.2022, and the most recent (fifth) meeting took place on 18.11.2024, during which the parties were encouraged to resolve the dispute amicably through mutual discussions. However, a resolution has yet to be arrived. Considering the long pendency, and as precautionary measure, a provision was created in the books in 2021-22 for this receivable.

Claim raised by Larsen & Toubro Limited against HLL Lifecare Limited in respect of pending contractual dues and related claims under the said contract was referred to arbitration under the dispute resolution mechanism provided therein.

During the pendency of arbitration, a settlement agreement was executed by the parties and Rs. 93.97 Crores was paid in August 2024. A joint memo was filed, and a consent order was passed by Sole Arbitrator in October 2024. The dispute stands fully resolved and no further liability exists in this matter between L&T and HLL.

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| 2.14 | **Competition Commission of India (CCI) Proceedings**<br><br>The Competition Commission of India (CCI) Suo moto had initiated (30.9.2014) an investigation against ten private manufacturers of male contraceptive products for alleged cartelisation in tenders floated by Ministry of Health and Family Welfare (MoH&FW) during the period 2010 to 2013 and upon investigation the Company was also included as a party to the alleged cartelisation. All information sought from HLL was submitted.<br><br>Following the Order dated 14.10.2019 passed by the Honourable Court of Telangana in W.P. No. 22293 of 2019, filed by M/s Indus Medicare Limited, Hyderabad, staying all further proceedings, the Commission cancelled the date of final hearing on DG Report scheduled on 20.11.2019 and communicated the same to HLL along with other parties on 15.11.2019. No further communication has been received from CCI after 15.11.2019. |
| 2.15 | **Operations of Unipill Plant**<br><br>Property, Plant and Equipment include the WHO-GMP (Geneva) compliant Unipill Plant at Kanagala, Belagavi, established to manufacture oral contraceptive products. Unipill (Levonorgestrel 1.5 mg) is registered in ten countries and Novella (Ethinylestradiol/Levonorgestrel 30µg/150µg) registered in three countries. The Company is currently pursuing product registrations in further eleven countries to expand its international presence. Following WHO prequalification of Novella, the Company is pursuing registrations in additional markets and exploring international opportunities for both products. The facility is also validated for other OCP products manufactured at Kanagala. During the year, the plant generated revenue of ₹1.67 crore. Based on an assessment, the carrying value of the plant is lower than its recoverable amount ,hence no impairment is recognised. |
| 2.16 | **Equipment Received on Loan for Female Condom Manufacturing**<br><br>The Company had received from M/s. Female Health Company (UK) equipment valued at ₹ 0.89 crore on loan basis for the manufacture of female condom FC2 Nitrile version at its unit located in Cochin Export Processing Zone. No accounting entries have been made as the property and title of the equipment supplied vest with M/s. Female Health Company, U.K. Rental charges on the said assets were recognised based on actual utilisation. Machine Rent of 2009-10 & 2010-11 of ₹ 0.13 crore is included under Note No. 22b Trade Payable - Others. |
| 2.17 | **Compliance with DIPAM Guidelines on Dividend Declaration**<br><br>As per the revised guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) issued by the Department of Investment and Public Asset Management (DIPAM), unlisted CPSEs are not required to adhere to the provisions relating to buyback of shares, issuance of bonus shares, and stock splits and are permitted to declare final dividend once in a financial year.<br>Accordingly, HLL has declared and paid a dividend of ₹69.53 Crores (DPS ₹44.75 per share) during the financial year 2025–26, representing 30% of the Profit After Tax (PAT), in compliance with the DIPAM guidelines. |

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| 2.18 | **Recommendation of Dividend**<br><br>The Board of Directors of the company has recommended a dividend of ₹ 50.59 crore (DPS ₹ 32.56 per share) in its 306th Board Meeting held on 6th August 2026, being 4% of Net Worth. It is also proposed to submit a proposal through the Ministry of Health and Family Welfare to DIPAM for exempting HLL from the guidelines on Payment of Dividend for the year 2025-26. |
| 2.19 | **Other disclosures**<br><br>HLL Biotech Ltd (former subsidiary HLL Biotech Limited) had appointed HLL as Civil Construction Consultant for the Integrated Vaccine Project, Chengalpattu and awarded the contract to SPCPL. Disputes arose due to project delays, with SPCPL claiming ₹74.95 crores and HLL/HBL counterclaiming ₹46.07 crores. Since HLL was awarded the project on behalf of HBL, HBL's Board agreed on July 22,2019 to take over the arbitration claim.<br><br>The arbitral award dated 28 February 2023 dismissed SPCPL's claims and awarded ₹25.00 crores to HLL/HBL along with interest and costs. Subsequently, amended orders were issued on 11 August 2023 pursuant to HLL's correction petition, and demand notices aggregating ₹29.96 crores were issued to SPCPL in April 2024.<br><br>SPCPL has challenged the award before the Honourable High Court of Madras under Section 34 of the Arbitration & Conciliation Act, and the matter is currently pending for final hearing. HLL filed its counter on 04 February 2025 and short submissions on 16 April 2025. |
| 2.20 | Advance to creditors under Note 14 – Other Current Assets includes Rs. 4.92 crores receivable from M/s Goa Mining Industries, covered by a provision. An arbitral award in favour of the Company was received during 2018-19, with interest at 9% p.a. from 01.04.2014. HLL has engaged M/s Legal Icon Advocates and Corporate Legal Consultants LLP, Cochin, to file execution petitions and pursue recovery. The Company is currently pursuing recovery through an execution petition (Com Ex 0000220/2026) filed in the Commercial Court, Bangalore. |
| 2.21 | Assets classified as held for sale consists of non-Current assets which are un-serviceable due to technological obsolescence and ageing of the assets and have been declared as scrapped assets. These assets will be disposed of through a tendering process on regular intervals taking into consideration the accumulation of these items and economic quantity of scrap disposal. Scrapped assets held for sale and not sold within a year are taken to non-current assets and provided for in the books and expected to be disposed off within a year are treated as current. |
| 2.22 | Note 10- Current financial assets – Trade Receivables includes an amount of Rs. 30.85 crore outstanding for more than a year pertaining to the export supplies of male and female condoms made to M/s Biocor Hospital Supplies Private Limited, as per the technical specifications in the tender issued by the Department of Health, South Africa. Considering the overdue, the company has lodged the claim with Export Credit Guarantee Corporation in May 2025. |
| 2.23 | No borrowing costs were capitalised during the year or in the previous year. |

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| 2.24 | RBD and HCS divisions use multiple software solutions like Eco Green, LIS, HMIS, RIS & Billing module, Teleradiology, PACS and RISPACS for capturing daily transactions at the Centre. Summary of transactions are captured in HLL books of accounts which is maintained in SAP software on a periodical basis. |
| 2.25 | Insurance premium includes medical insurance premium paid for post-retirement medical benefits |
| 2.26 | During the year there was no payment towards a voluntary retirement scheme. |
| 2.27 | Balance in Debtors, creditors and loans and advances are subject to confirmation and reconciliation. However, most of the debtors are government or government institutions. Receivable in Foreign Currency out of Export sales is subject to confirmation and reconciliation and consequently Foreign Currency valuation gain or loss may vary to that extent. |
| 2.28 | The company has restated the previous year's figures due to reasons disclosed in the statement of changes in equity and opening balance sheet as on 1st April 2024 has been prepared. |
| 2.29 | Figures for the previous year have been rearranged and regrouped wherever necessary. |
| 2.30 | The disclosures relating to movement in provisions are given in Note 37. |
| 2.31 | The disclosures relating to investment properties as per Ind AS 40 are given in Note 38. |
| 2.32 | The disclosures required on Financial Instruments as per Ind AS 109 are given in Note 39. |
| 2.33 | The disclosures relating to Employee Benefit expenses as per Ind AS 19 are given in Note 40. |
| 2.34 | The disclosures relating to Contingencies and commitments as per Ind AS 37 are given in Note 41. |
| 2.35 | The disclosure relating to Related Party transactions as per Ind AS 24 are given in Note 42. |
| 2.36 | The disclosure in respect of Operating Segments as per Ind AS 108 is given in Note 43. |
| 2.37 | The disclosure in respect of Income Tax and Deferred Tax as per Ind AS 12 is given in Note 44. |

| | **Additional regulatory information as required by Companies Act** |
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| 1 | The Ministry of Corporate Affairs has approved the scheme of arrangement of demerger of HLL Biotech Ltd and HLL Medipark Ltd with effect from 01.04.2019 vide MCA order dated 22nd March 2021 and 31st March 2021. The Company has accounted the effect of such changes in the financial year 2020-21 except for those stated in Note 2.7 and 2.8 |
| 2 | No proceeding under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) has been initiated against the Company. |
| 3 | The company has not been declared as willful defaulter by any bank or financial institution or lender during the year. |
| 4 | All charges on assets have been registered with ROC within the statutory period. |

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| 5 | The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year 2025-26. |
| 6 | The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company. |
| 7 | The company has not revalued its Plant, Property and Equipment during the year |
| 8 | The company has working capital limits with banks based on security of current assets and the quarterly returns submitted to the banks are generally in agreement with books of accounts |
| 9 | With respect of compliance with the number of layers of companies, the provision is not applicable to a Government Company as per Rule 2(d) of Companies (Restriction of number of Layers) Rules, 2017 |
| 10 | The company has not granted any loans or advances in the nature of loans to Promoters, Directors, KMPs and to Related parties either severally or jointly other than Advance disclosed under Note 12 Loans and Note 42 Related party transactions. |
| 11 | As per the information available, the Company does not have any relationship with companies struck off under Section 248 of the Companies Act, 2013. |
| 12 | To the best of our 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 person or entity including foreign entity with 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 or provide any guarantee, security or like on behalf of the ultimate beneficiaries. |
| 13 | To the best of our knowledge and belief no funds have been received by the company from any person or any other person or entity including foreign entity with 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 or provide any guarantee, security or like on behalf of the ultimate beneficiaries. |
| 14 | The company does not have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act 1961. |

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**HLL Lifecare limited**
**Notes to Standalone financial statements for the year ended 31st March, 2026.**
**Note 3. Property, Plant and Equipment**

a) Current reporting period

(₹ in crore)

| | Fixed Assets | Gross block | | | | Accumulated Depreciation/Amortisation | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 01.04.2025 | Additions | Disposals/ Adjustments | As at 31.03.2026 | As at 01.04.2025 | Depreciation/amortisation expense for the year | Disposals/ Adjustments | As at 31.03.2026 | As at 31.03.2026 | As at 31.03.2025 |
| A. | **Tangible assets** | | | | | | | | | | |
| | (a) Land | | | | | | | | | | |
| | Freehold | 5.93 | - | - | 5.93 | - | - | - | - | 5.93 | 5.93 |
| | Leasehold | 7.03 | - | - | 7.03 | 0.82 | 0.08 | - | 0.91 | 6.12 | 6.21 |
| | (b) Buildings | 161.99 | 3.14 | 8.04 | 157.08 | 74.58 | 6.19 | 2.64 | 78.13 | 78.95 | 87.41 |
| | (c ) Roads | 1.07 | 0.81 | - | 1.88 | 0.92 | 0.17 | - | 1.09 | 0.79 | 0.15 |
| | (d) Plant and equipment | 218.22 | 15.82 | 6.50 | 227.54 | 132.01 | 15.71 | 4.31 | 143.40 | 84.14 | 86.21 |
| | (e) Electrical installation & equipment | 47.00 | 1.37 | 0.24 | 48.14 | 41.69 | 1.42 | 0.22 | 42.89 | 5.25 | 5.31 |
| | (f) Furniture & fixture | 47.86 | 8.04 | 0.22 | 55.68 | 36.87 | 7.00 | 0.21 | 43.65 | 12.03 | 10.99 |
| | (g) Motor vehicles | 0.86 | 0.21 | - | 1.07 | 0.54 | 0.12 | - | 0.66 | 0.41 | 0.32 |
| | (h) Computer data processing | 21.70 | 3.92 | 0.29 | 25.32 | 17.17 | 3.59 | 0.29 | 20.47 | 4.85 | 4.53 |
| | (i) Office equipment | 10.48 | 3.39 | 0.26 | 13.61 | 7.99 | 2.00 | 0.25 | 9.75 | 3.86 | 2.50 |
| | (j) Lab equipment | 25.87 | 1.52 | 0.39 | 27.00 | 22.77 | 0.75 | 0.37 | 23.15 | 3.85 | 3.10 |
| | **Total** | **548.01** | **38.21** | **15.94** | **570.27** | **335.35** | **37.02** | **8.28** | **364.09** | **206.18** | **212.65** |
| | Previous year | 528.50 | 23.98 | 4.47 | 548.02 | 308.84 | 31.23 | 4.70 | 335.35 | 212.65 | 219.66 |
| B | **Investment property** | **13.24** | - | **-8.04** | **21.28** | **4.76** | **0.68** | **-2.64** | **8.08** | **13.21** | **8.49** |
| | Previous year | 13.24 | - | - | 13.24 | 4.29 | 0.47 | - | 4.76 | 8.49 | 8.95 |
| C | **Capital work-in-progress** | - | | | | - | | | | | - |
| | (a) Civil work-in-progress | 7.22 | 13.11 | 1.25 | 19.08 | - | - | - | - | 19.08 | 7.22 |
| | (b) Assets pending commissioning | - | - | - | - | - | - | - | - | - | - |
| | (c) Machinery WIP | 4.93 | 6.96 | 4.72 | 7.17 | - | - | - | - | 7.17 | 4.93 |
| | **Total** | **12.16** | **20.06** | **5.97** | **26.25** | - | - | - | - | **26.25** | **12.16** |
| | Previous year | 2.33 | 10.44 | 0.61 | 12.16 | - | - | - | - | 12.16 | 2.33 |
| D | **Intangible assets** | | | | | | | | | | - |
| | (a) Computer software | 20.74 | 1.42 | 0.02 | 22.14 | 14.47 | 3.05 | 0.02 | 17.50 | 4.63 | 6.27 |
| | (b) Trademarks & patents | 1.31 | - | - | 1.31 | 1.12 | - | - | 1.12 | 0.19 | 0.19 |
| | **Total** | **22.05** | **1.42** | **0.02** | **23.45** | **15.59** | **3.05** | **0.02** | **18.62** | **4.82** | **6.46** |
| | Previous year | 20.80 | 1.47 | 0.22 | 22.05 | 13.50 | 2.31 | 0.22 | 15.59 | 6.46 | 7.30 |
| E | **Right of use assets** | | | | | | | | | | - |
| | (a) Plant and machinery | 34.69 | - | 0.59 | 34.09 | 33.53 | 0.56 | | 34.09 | - | 1.16 |
| | (b) Buildings | 10.64 | 9.15 | | 19.79 | 3.54 | 1.84 | | 5.38 | 14.41 | 7.09 |
| | **Total** | **45.32** | **9.15** | **0.59** | **53.88** | **37.07** | **2.40** | - | **39.47** | **14.41** | **8.25** |
| | Previous year | 49.63 | 2.20 | 6.51 | 45.32 | 35.78 | 7.61 | 6.31 | 37.07 | 8.25 | 13.85 |

**Note:**

1. Cost of Free hold Land includes:
   a) ₹1 /- being the token value of 11.44 acres of land transferred by the Govt. of Kerala free of cost.
   b) ₹ 1 /- being the token value of 7.14 acres of land transferred by the Govt. of Kerala free of cost.
   c) ₹4.86 lacs being the price of freehold land of 25 acres and 38 Guntas transferred by Karnataka Industrial Area Development Board.
   d) ₹16.83 lacs being the price of freehold land of 15 acres and 33 Guntas purchased from various parties at Kanagala village.
   e) ₹ 567.92 lacs being the price of freehold land of 0.30 acres at Chennai.
   f) ₹0.76 Lacs being price of 20 Cents of land at Cheruvaikal Village.
   g) ₹2.16 Lacs being value of 1.06 acres of land transferred by the Govt. of Kerala.
2. As per IND AS 101, the Company has elected to adopt the carrying value measured as per previous GAAP as on 01-04-2015 (Transition date) of all assets as its Deemed cost as on Transition Date. SAP software does not support such changes in Accounting Standards. Due to the inherent limitations of Asset Module in SAP the Gross block of Asset Register maintained in SAP software for assets procured prior to Ind AS transition are at the original cost . However , the net book value of the assets is tallied with the Net block as per the Asset Register.
3. Cost of Lease hold land includes the following
   a) Rs.123.74 lacs being the Deemed Cost as on 01.04.2015 of 3 acres of leasehold land and building at Balramapuram, Kerala for 99 years (Original cost is Rs.130.46 Lacs)
   b) Rs.87.48 lacs being Deemed Cost as on 01.04.2015 of 1005.22 sq. mtrs plot in Mumbai on lease for 60 years. ( Allotment value is Rs. 92.41 Lacs)
   c) Rs.231.51 lacs being the Deemed Cost as on 01.04.2015of 5000 Sq.Mtr. of leasehold land in the New Okhla Industrial Development Authority (NOIDA), Uttar Pradesh for 90 years (Allotment value is Rs.261.94 Lacs)
   d) Rs.260.07 Lacs being the Deemed Cost as on 01.04.2015 of 306 Cents of land at rubber park, Irapuram, Perumbavoor, Kerala State for 81 years from Rubber Park India (P) LTD. (Original Cost is Rs.262.39 Lacs)
4. Rs.99/- being the value of 430.10 acres leasehold land allotted in Chengalpettu, Chennai, on lease for a period of 99 years, from Central Leprosy Training & Research Institute (CLTRI) in Chengalpettu, Tamil Nadu. (Deemed Cost as on 01.04.2015 - Rs.93 /- ). In line with the decision of the Cabinet Committee on Economic Affairs, 100 acres of land is earmarked out of the 430.10 acres in possession, for HLL Biotech Limited, valued at Rs. 10.12 crores (56 acres at Rs. 16.5 Lacs per acre and 44 acres of hilllock at Rs. 2.00 Lacs per acre) was transferred from HLL to HBL by way of sub leasedeed on the consideration of Rs.1/- for a period of ninety four years.
5. 3.38 Acres of land, out of 100 acres in possession, is given on lease for a period of 92 years at ₹1/- per year to Tamil Nadu Generation and Distribution Corporation Ltd
6. The Govt of Kerala has allotted on lease 4.783 acre of Land ( Re-survey no. 34/146/1, 35/120/2,35/120/3 ) at Konni Taluk, Iravon Village,Pathanamthitta District, Kerala towards setting up of Green Field Blood Bag Project.The land has been handed over to the company. The land is allotted on Lease Rent at Rs. 19400/- per year for a period of 30 years.
7. Methods of depreciation adopted are as follows.
   a) Depreciation on tangible assets including Investment Property have been made in line with the requirement under schedule II of the Companies Act, 2013.
   b) Depreciation has been charged on straight line method for all assets under Plant & Machinery and written down value method for other assets(except intangible asset and leasehold asset) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act.
   c) Trade Mark/ Patents are amortised over a period of 5 years.
   c) The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 Years on pro-rata basis. Licence fee paid is amortized over the agreement period. The enhancement package Suite on HANA (SAP ECC 6 EHP8)) capitalised during FY 23-24 with useful life upto 31.12.2027 till the end of mainstream maintenance.
   e) Depreciation has been charged on useful life basis irrespective of the shut downs in plants which are in the nature of Continuous Process.
8. Consequent to Cabinet Approval to sub- lease the 330.10 acre land at Chengalpattu, Kanchipuram district (Tamil Nadu) leased to the company in 2009, for setting up Medipark, HLL Medipark Limited was incorporated on 20.12.2016 and the said 330.10 land was allotted to HML on sublease basis during March 2017.
9. Depreciation on Property plant and Equipment which are under operating lease , is provided on the basis of useful life as per companies act or as per lease agreement whichever is lower.
10. Additions to fixed assets include original cost of the following capital expenditure incurred in the approved R&D facility.

| | (₹ in crore) 2025-26 | 2024-25 |
|---|---|---|
| Lab equipment | 0.42 | 0.07 |
| Office equipment, furniture & electrical equipments | 0.10 | 0.01 |
| Computer & data Processing | - | 0.00 |
| Plant and Machinery | 0.43 | 0.23 |
| **Total** | **0.95** | **0.31** |

11. The Company implemented IND AS 116 on 1st April 2019, and applied the modified retrospective method and right of use assets are disclosed in Note 34.
12. The recasting of PPE on account of difference in Useful Life has been effected in Investment Property also to the extent applicable during 2025-26

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**Note 4. Non-current financial assets - Investments**

(₹ in crore)

| Name of the body corporate | Extent of Holding (%) | Number of Shares /Units | Amount | Extent of Holding (%) | Number of Shares /Units | Amount |
|---|---|---|---|---|---|---|
| | As at 31.03.2026 | | | As at 31.03.2025 | | |
| **Unquoted (Non traded) fully paid equity shares** | | | | | | |
| *Carried at cost* | | | | | | |
| **Investment in Equity Instruments** | | | | | | |
| **I) Subsidiaries** | | | | | | |
| **a) Equity Shares of ₹10 each** | | | | | | |
| HLL Infratech Services Ltd (Refer note 1 below) | 100.00 | 20,00,000 | 0.05 | 100.00 | 20,00,000 | 0.05 |
| **b) Equity Shares of ₹100 each** | | | | | | |
| Goa Antibiotics And Pharmaceuticals Limited (Refer note 2 below) | 85.16 | 28,38,480 | 21.40 | 85.16 | 28,38,480 | 21.40 |
| **II) Joint Ventures** | | | | | | |
| **Equity Shares of ₹10 each** | | | | | | |
| Life Spring Hospital Private Limited (Refer note 3 below) | 50.00 | 85,79,929 | 9.51 | 50.00 | 85,79,929 | 9.51 |
| **III) Structured Entities** | | | | | | |
| **Equity Shares of ₹10 each** | | | | | | |
| Kerala Enviro Infrastructures Limited (Refer note 4 below) | 0.10 | 20,000 | 0.02 | 0.10 | 20,000 | 0.02 |
| | | | **30.98** | | | **30.98** |
| Less: Allowance to Impairment on Investment (Refer note 2.9 ) | | | 9.34 | | | - |
| **Total** | | | **21.63** | | | **30.98** |

**Note:-**

1. The Company invested ₹ 5 lakhs (50,000 shares @ ₹10 each) in HITES during its inception in the year 2014-15. The total investment includes bonus shares issued 4.5 lakh shares in 2017-18 & 15 lakh shares in 2018-19.

2. The share capital comprises 14,07,480 equity shares originally acquired in 2014 for a consideration of ₹7.09 crore as part of the acquisition of the company. Subsequently, additional share capital of ₹5.98 crore was infused during FY 2023-24 through the issue of 5,98,000 equity shares. Further, during FY 2024-25, GAPL raised an additional ₹8.33 crore by issuing 5,96,300 equity shares at ₹100 per share on 28.08.2024 and 2,36,700 equity shares at ₹100 per share on 17.03.2025.

3. The shares of Lifespring consist of 78,34,188 shares @ ₹10 each and 7,45,741 shares @ ₹ 22.44 each issued at premium in conversion of debentures.

4. The company has invested ₹ 2 lakhs (20,000 shares @ ₹10 per share) in Kerala Enviro Infrastructures Limited during the year 2007-08.

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**Note 5. Non-current financial assets - Others**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Security deposits | | |
| Unsecured, considered good | 2.49 | 2.11 |
| **Total** | **2.49** | **2.11** |

**Note 6. Deferred tax asset (net)**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Deferred tax asset (net)** | | |
| a) Deferred tax liabilities | (5.75) | (4.48) |
| b) Deferred tax assets | 79.77 | 78.72 |
| **Total** | **74.02** | **74.24** |

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| WDV of assets (Other than ROU assets) | (2.13) | (2.43) |
| Right of use assets | (3.63) | (2.05) |
| **Tax effect of items constituting deferred tax liability** | **(5.75)** | **(4.48)** |
| Provision for doubtful debts | 60.51 | 59.51 |
| Provision for non moving stock & obsolete stock | 0.69 | 0.74 |
| Provision for employee benefits and other payments | 15.24 | 16.64 |
| Lease liabilities | 3.34 | 1.83 |
| **Tax effect of items constituting deferred tax assets** | **79.77** | **78.72** |
| **Net deferred tax (liability)/asset** | **74.02** | **74.24** |

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**Note 7. Other non-current assets**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Obsolete asset | 0.21 | 0.22 |
| Less: Provision for obsolete asset | 0.13 | 0.09 |
| **Total** | **0.08** | **0.13** |

**Note 8. Non-current tax asset**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Income tax assets (Refer Note 1) | 77.67 | 80.21 |
| **Total** | **77.67** | **80.21** |

Note 1: This includes ₹ 8.36 Crore pertaining to FY 2025-26 which is pending reconciliation with Form 26AS.

**Note 9. Inventories**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| a. Raw materials | 37.64 | 34.07 |
| b. Packing materials | 13.68 | 12.24 |
| c. Work-in-progress | 36.32 | 34.03 |
| d. Finished goods | | |
| Manufactured products | 60.83 | 139.31 |
| Social marketing products | 3.00 | 3.26 |
| Goods-in-transit | 12.54 | 0.75 |
| | 76.36 | 143.31 |
| e. Stock-in-trade | 377.24 | 333.05 |
| f. General stores and consumables | 4.64 | 3.93 |
| g. Other materials, machinery, spare parts, building materials etc. | 11.11 | 11.22 |
| h. Tools revalued and certified by management | 0.08 | 0.06 |
| i. Others | | |
| Gift items | 0.10 | 0.10 |
| Stationery | 0.62 | 0.73 |
| | 0.72 | 0.83 |
| | **557.79** | **572.73** |
| Less : Provision for obsolete stock | 2.72 | 2.93 |
| **Total** | **555.07** | **569.80** |

Note: Refer note 1.9 for accounting policies w.r.t the inventories.

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**Note 10. Current financial assets - Trade receivables**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Trade receivables | | |
| Secured, considered good (Refer Note a) | 0.67 | 20.66 |
| Unsecured, considered good | 3,239.82 | 1,982.81 |
| Considered doubtful | 211.73 | 207.83 |
| | **3,452.22** | **2,211.30** |
| Less: Allowance for Expected Credit Loss | 211.73 | 207.83 |
| **Total** | **3,240.49** | **2,003.47** |

Notes:
a) Secured against Letter of Credit, Bank Guarantee or Customer Deposit
b) Above balances of trade receivables include balances with related parties (Refer note 42)

**Ageing for trade receivables outstanding as at March 31, 2026 is as follows:**

(₹ in crore)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed - Trade receivables considered good | 249.69 | 1,606.13 | 732.31 | 550.38 | 17.92 | 33.78 | **3,190.21** |
| (ii) Undisputed - Trade receivables which have significant increase in credit risk | 0.00 | 0.09 | 0.09 | 23.02 | 38.50 | 57.48 | **119.18** |
| (iii) Disputed - Trade receivables considered good | - | - | - | - | - | 137.42 | **137.42** |
| (iv) Disputed - Trade receivables which have significant increase in credit risk | - | - | - | - | - | 4.82 | **4.82** |
| (v) Disputed - Trade receivables credit impaired | - | - | - | - | - | 0.59 | **0.59** |
| **Total** | **249.69** | **1,606.22** | **732.40** | **573.40** | **56.42** | **234.09** | **3,452.22** |

**Ageing for trade receivables outstanding as at March 31, 2025 is as follows:**

(₹ in crore)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed - Trade receivables considered good | 155.04 | 1,213.96 | 453.79 | 108.93 | 17.11 | 28.95 | **1,977.78** |
| (ii) Undisputed - Trade receivables which have significant increase in credit risk | 0.11 | 5.73 | 1.98 | 2.81 | 4.93 | 49.82 | **65.39** |
| (iii) Disputed - Trade receivables considered good | - | - | - | - | - | 162.69 | **162.69** |
| (iv) Disputed - Trade receivables which have significant increase in credit risk | - | - | - | - | - | 4.82 | **4.82** |
| (v) Disputed - Trade receivables credit impaired | - | - | - | - | - | 0.62 | **0.62** |
| **Total** | **155.15** | **1,219.69** | **455.78** | **111.75** | **22.04** | **246.90** | **2,211.30** |

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**Note 11. Cash and cash equivalents**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Balances with banks** | | |
| (i) In current accounts | 38.66 | 12.97 |
| (ii) In term deposit accounts with less than 3 months maturity | 194.37 | 0.33 |
| (iii) In EEFC accounts | 6.85 | 2.14 |
| (iv) Debit balance in CC/OD | 3.57 | 18.42 |
| **(b) Others** | | |
| (i) Cash in hand | 2.62 | 2.65 |
| (ii) Card in Transit | 0.35 | 0.20 |
| **Total** | **246.42** | **36.71** |
| **(c) Bank balances other than (a) above** | | |
| (i) In deposit accounts | 442.56 | 520.85 |
| (ii) Funds earmarked for Projects | 2.26 | 7.40 |
| (iii) Funds earmarked for CSR | 0.18 | 0.04 |
| (iv) In Term deposits held for margin money for borrowings and guarantee* | 0.01 | 0.01 |
| **Total** | **445.01** | **528.30** |

* Cash and cash equivalents as at March 31, 2026 and March 31, 2025 include bank balances of ₹0.01 crore held as margin money deposits.

**Note 12. Current financial assets - Loans**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Loans and advances to employees | | |
| Unsecured, considered good | 2.38 | 2.32 |
| Considered doubtful | 0.35 | 0.34 |
| | **2.73** | **2.66** |
| Less: Allowance for doubtful loans and advances | (0.35) | (0.34) |
| **Total** | **2.38** | **2.32** |

Loans and advances include amounts due from:

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Directors | 0.01 | 0.00 |
| Other officers of the company | 0.64 | 0.70 |
| **Total** | **0.65** | **0.70** |

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**Note 13. Current financial assets - Others**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| (a) Accrued interest | 9.13 | 8.34 |
| (b) Receivable from Government of India | 6.42 | 6.42 |
| (c) EMD & Security deposit | 13.58 | 9.46 |
| (d) Grant receivable (Refer note 35) | 0.00 | 0.05 |
| **Total** | **29.13** | **24.27** |

**Note 14. Other current assets**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Advances Other than Capital Advances** | | |
| Advance to creditors, deposit to various Government agencies, others etc | | |
| Considered good | 164.98 | 212.50 |
| Considered doubtful | 25.66 | 25.66 |
| | **190.64** | **238.16** |
| Less: Provision for advances | (25.66) | (25.66) |
| | **164.98** | **212.50** |
| **Others** | | |
| (a) Export incentives/duty draw back | 1.26 | 1.91 |
| (b) Stock of DEPB licence FMI,MEIS & RoDTEP | 1.13 | 0.72 |
| (c) Prepaid expenses | 4.60 | 3.89 |
| (d) Receivable from projects | - | 3.22 |
| | **6.99** | **9.74** |
| **Total** | **171.97** | **222.25** |

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**Note 15. Equity share capital**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Authorised share capital** | | |
| Equity shares of ₹10/-each - 30,00,00,000 numbers | 300.00 | 300.00 |
| **(b) Issued, subscribed and fully paid up** | | |
| Equity shares of ₹10/- each: 1,55,35,000 numbers | 15.54 | 15.54 |

**Reconciliation of share capital**

| Description | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|
| | Number of Shares | Value of shares (₹ in crore) | Number of Shares | Value of shares (₹ in crore) |
| **Equity share capital** | | | | |
| **Authorized** | | | | |
| Opening balance (Face value of ₹10/- each) | 30,00,00,000 | 300.00 | 30,00,00,000 | 300.00 |
| Additions | - | - | - | - |
| Closing balance (Face value of ₹10/- each) | 30,00,00,000 | 300.00 | 30,00,00,000 | 300.00 |
| **Issued** | | | | |
| Opening balance (Face value of ₹10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |
| Additions/(Reductions) | - | - | - | - |
| Closing balance (Face value of ₹10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |
| **Subscribed & Paid up** | | | | |
| Opening balance (Face value of ₹10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |
| Additions/(Reductions) | - | - | - | - |
| Closing balance (Face value of ₹10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |

**Details of shares held by each shareholder holding more than 5% shares:**

| Name of shareholder | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|
| | Number of shares held | % of Holding | Number of shares held | % of Holding |
| President of India | 1,55,34,400 | 100% | 1,55,34,400 | 100% |

**Details of shareholdings of Promoters**

| Promoter Name | Number of shares at the beginning of the year | Changes during the year | Number of shares at the end of the year | % of total shares | % Change during the year |
|---|---|---|---|---|---|
| President of India | 1,55,34,400 | - | 1,55,34,400 | 100% | - |
| Government officials from MoHFW | 300 | - | 300 | 0% | - |
| Directors of the company | 300 | - | 300 | 0% | - |
| **Total** | **1,55,35,000** | **-** | **1,55,35,000** | **100%** | **-** |

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**Note 16. Other equity**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Dividend equalisation reserve | 1.30 | 1.30 |
| General reserve | 257.12 | 257.12 |
| Other comprehensive income | (30.51) | (33.80) |
| Retained earnings | 1,021.37 | 784.53 |
| **Total** | **1,249.27** | **1,009.15** |

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a)Dividend equalisation reserve** | **1.30** | **1.30** |
| **(b) General reserve** | **257.12** | **257.12** |
| **(c) Retained earnings** | | |
| Opening balance | 784.53 | 575.35 |
| Add: Profit for the year | 306.37 | 229.18 |
| Less: Dividend paid | 69.53 | 20.00 |
| Closing balance | **1,021.37** | **784.53** |
| **(d) Other Comprehensive Income** | | |
| Opening Balance | (33.80) | (31.67) |
| Add: Other comprehensive income for the year | 3.29 | (2.13) |
| Closing balance | **(30.51)** | **(33.80)** |
| **Total** | **1,249.27** | **1,009.15** |

**Note 17. Non-current lease liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Lease liabilities (Non current) (Refer note 34) | 11.55 | 4.62 |
| **Total** | **11.55** | **4.62** |

**Note 18. Provisions (Non-current)**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Provision for performance related pay | 16.22 | 16.44 |
| Provision for gratuity | 4.27 | 5.28 |
| **Total** | **20.49** | **21.72** |

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**Note 19. Other non-current liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Deferred Government grant (Refer note 35) | 6.51 | 7.67 |
| **Total** | **6.51** | **7.67** |

**Note 20. Current financial liabilities - Borrowings** (stated at amortized cost)

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Loans repayable on demand (Cash Credit) - Secured** | | |
| From State Bank of India | 213.75 | 215.93 |
| From Canara Bank | 0.00 | 0.00 |
| From HDFC Bank | - | - |
| | **213.75** | **215.93** |
| **(b) Short term loans from banks - Overdraft secured** | | |
| From Canara Bank | 0.10 | 0.34 |
| | **0.10** | **0.34** |
| **Total** | **213.85** | **216.26** |

**(i) Details of security for the secured short-term borrowings:**

(₹ in crore)

**a) Loans repayable on demand from banks:**

| Particulars | Nature of security | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|---|
| State Bank of India | Pari passu charge over current assets of the company. Equitable mortgage as collateral over the land with building at Poojappura, Trivandrum towards State Bank of India. The limits sanctioned are SBI (₹220 crore), Canara Bank( ₹ 50 crore) & HDFC Bank (₹ 42 crore) | 213.75 | 215.93 |
| Canara Bank | | 0.00 | 0.00 |
| HDFC Bank | | - | - |
| **Total** | | **213.75** | **215.93** |

**b) Short Term Loans from banks - Secured overdraft**

| | | | |
|---|---|---|---|
| From Canara Bank | Secured by project deposits | 0.10 | 0.34 |
| **Total** | | **0.10** | **0.34** |

**Note 21. Current lease liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Lease liabilities (Current) (Refer note 34) | 1.73 | 2.79 |
| **Total** | **1.73** | **2.79** |

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**Note 22. Current financial liabilities - Trade payables**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Trade payables: | | |
| a. Outstanding dues of MSME | 52.21 | 53.78 |
| b. Outstanding dues of others* | 2,721.34 | 1,827.92 |
| Total | **2,773.55** | **1,881.70** |

**Above balances of trade payables include balances with related parties (Refer note 42)*

**Ageing for trade payables outstanding as at March 31, 2026 is as follows:**

(₹ in crore)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 47.02 | 5.20 | - | - | - | **52.21** |
| (ii) Others | 312.91 | 1,807.30 | 509.09 | 34.13 | 56.79 | **2,720.22** |
| (iii) Disputed dues MSME | - | - | - | - | - | - |
| (iv) Disputed dues Others | - | - | - | - | 1.12 | **1.12** |
| Total | **359.93** | **1,812.50** | **509.09** | **34.13** | **57.91** | **2,773.55** |

**Ageing for trade payables outstanding as at March 31, 2025 is as follows:**

(₹ in crore)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 6.33 | 46.40 | 0.31 | 0.57 | 0.17 | **53.78** |
| (ii) Others | 192.12 | 1,516.02 | 57.61 | 0.01 | 61.05 | **1,826.80** |
| (iii) Disputed dues MSME | - | - | - | - | - | - |
| (iv) Disputed dues Others | - | - | - | - | 1.12 | **1.12** |
| Total | **198.45** | **1,562.42** | **57.92** | **0.58** | **62.34** | **1,881.70** |

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**Note 23. Current financial liabilities - Others**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| (i) EMD & Security deposits | 120.69 | 77.69 |
| (ii) Statutory liabilities | 54.60 | 83.12 |
| (iii) Related to employees | 8.46 | 8.43 |
| (iv) Grant liabilities (Refer note 35) | 10.35 | 0.16 |
| (v) Other liabilities | 50.92 | 47.25 |
| **Total** | **245.02** | **216.65** |

**Note 24. Provisions (Current)**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Provision for employee benefits:** | | |
| (i) Provision for bonus and incentive | 3.44 | 3.03 |
| (ii) Provision for performance related pay | 16.44 | 11.99 |
| (iii) Provision for gratuity | 5.26 | 4.48 |
| (iv) Provision for group EL Premium | 5.00 | 2.72 |
| **(b) Provision - Others:** | | |
| (i) Provision for CSR liability (Refer Note 1) | 1.84 | 2.12 |
| (ii) Provision for expense payable | 36.04 | 44.01 |
| (iii) Provision for income tax | 105.46 | 84.80 |
| (iv) Provision for disputed liability | 5.54 | 5.31 |
| **Total** | **179.02** | **158.46** |

Note 1: Includes unspent Corporate Social Responsibility (CSR) obligation as on 31.03.2026. For detailed disclosure of CSR spent , unspent amount Refer note 36

**Note 25. Other current liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| (a) Advance from customers/clients (Refer Note 1) | 412.07 | 286.41 |
| (b) Income received in advance | 1.30 | 0.66 |
| (c) Payable to Projects | 0.17 | - |
| (d) Deferred Government grant (Refer note 35) | 1.16 | 1.16 |
| **Total** | **414.70** | **288.24** |

Note 1: Advance from Customers/clients includes receipts amounting to ₹ 7.03 crore in collection bank accounts that could not be identified against the relevant customers from whom the collection is received are classified as Unspecified Receipts. These balances can be a realisation from debtors or an advance receipt. The debtors/advance balances are subject to pending confirmation and variation to that extent.

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**Note 26. Revenue from operations**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Sale of products | 3,530.72 | 2,787.62 |
| Sale of services | 1,787.00 | 1,526.24 |
| Income from contracts | 479.96 | 143.18 |
| Other operating revenues | 10.70 | 12.46 |
| **Total** | **5,808.39** | **4,469.51** |

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| **Sale of products comprises** | | |
| Sale of contraceptive products (Refer Note a) | 534.31 | 450.77 |
| Sale of retail products | 2,610.31 | 2,154.36 |
| Sale of healthcare products and others | 386.10 | 182.49 |
| | **3,530.72** | **2,787.62** |
| **Sale of services comprises** | | |
| Sale of services (Refer Note b) | 1,787.00 | 1,525.32 |
| Covid services | - | 0.92 |
| | **1,787.00** | **1,526.24** |
| **Income from contracts** | 479.96 | 143.18 |
| | **479.96** | **143.18** |
| **Other operating revenues comprises** | | |
| Duty rebate/duty drawback/other export incentives | 5.90 | 7.19 |
| Sale of scrap, waste condoms and other misc.items | 4.66 | 5.13 |
| Sale of tender form | 0.14 | 0.14 |
| | **10.70** | **12.46** |
| **Total** | **5,808.39** | **4,469.51** |

(a) Sale of products includes cost of escalation claims of ₹ 39.11 crore.

**(b)** Income from Services includes revenue from the contract to provide free diagnostic services in all healthcare institutions under the Directorate of Health Services in Maharashtra awarded in 2017. An agreement was executed in February 2017 between the State Health Society Maharashtra and HLL Lifecare Limited which was extended up to June 2022 and then till 31st August 2028. During the year 2024-25, Commissionerate of Health services & NHM Maharashtra signed an agreement with HLL for establishing "Maharashtra Integrated Diagnostic Management System" (MIDMS) in all the health facilities across Maharashtra and the MoU is valid till 31st August 2058. HLL is also awarded the project of Health Screening of Building & Construction Workers of Maharashtra, the agreement of which remains valid till January 2029. Both these contracts severally generate more than 10% of the total revenue.

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**Note 27. Other income**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Interest income | 31.71 | 33.63 |
| Other non-operating income | 36.15 | 48.33 |
| **Total** | **67.86** | **81.96** |

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| **Interest income comprises** | | |
| Interest on deposits | 31.71 | 33.63 |
| **Total** | **31.71** | **33.63** |
| **Other non-operating income comprises** | | |
| Rental income from staff quarters | 0.03 | 0.02 |
| Profit on sale of fixed assets | 0.52 | 0.01 |
| Insurance claims | 0.00 | 0.06 |
| Excess provision /credits written back | 5.03 | 22.74 |
| Lease rent | 3.67 | 3.83 |
| Dividend income (from subsidiary-HLL Infra Tech Services Ltd) | 13.50 | 16.00 |
| Exchange fluctuation | 7.28 | 1.04 |
| Income from Grants | 3.23 | 1.41 |
| Other misc.income | 2.89 | 3.21 |
| **Total** | **36.15** | **48.33** |

**Note 28. Cost of materials consumed and services rendered**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Opening stock | 46.31 | 48.83 |
| Add: Purchases | 312.95 | 288.48 |
| | 359.26 | 337.31 |
| Less: Closing stock | 51.32 | 46.31 |
| **Cost of material consumed** | **307.93** | **291.00** |
| Material consumed comprises: | | |
| Raw materials | 185.75 | 165.74 |
| Chemicals | 19.90 | 27.89 |
| Packing materials | 73.83 | 78.75 |
| Printing charges | 0.26 | 0.46 |
| Sub contract expenses | 27.96 | 18.01 |
| Cost of quality check | 0.24 | 0.15 |
| | **307.93** | **291.00** |
| **Cost of services rendered** | | |
| Lab Disposable Items | 0.02 | 0.02 |
| Medicines and Other Consumables | 11.50 | 11.05 |
| Consumption of Lab Consumables | 19.08 | 15.82 |
| Hindlabs Operational expenses | 1,408.38 | 1,198.73 |
| Health camp expenses | 0.78 | 0.27 |
| | **1,439.75** | **1,225.88** |
| Contract expenses* | 457.04 | 127.81 |
| **Total** | **2,204.72** | **1,644.69** |

*Contract expenses are direct expenses incurred towards the implementation of various projects by Projects & Services Division against which Contract Income is recognized.

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**Note 29. Purchases of stock-in-trade**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Trading products | 2,366.25 | 1,973.39 |
| Social marketing branded products | 10.72 | 7.66 |
| **Total** | **2,376.97** | **1,981.05** |

**Note 30. Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| **Inventories at the end of the year:** | | |
| Finished goods | 76.36 | 143.31 |
| Work-in-progress | 36.32 | 34.03 |
| Stock-in-trade | 377.24 | 333.05 |
| | **489.92** | **510.38** |
| **Inventories at the beginning of the year:** | | |
| Finished goods | 143.31 | 90.08 |
| Work-in-progress | 34.03 | 29.96 |
| Stock-in-trade | 333.05 | 221.89 |
| | **510.38** | **341.94** |
| **Net (increase)/decrease** | **20.46** | **(168.44)** |

**Note 31. Employee benefits expense**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| (a) Salaries and incentives | 215.00 | 212.80 |
| (b) Contributions to - | | |
| Provident fund | 17.73 | 17.42 |
| New pension scheme | 2.50 | 2.51 |
| Gratuity and earned leave* | 16.35 | 10.09 |
| Contribution to ESI | 0.92 | 1.03 |
| (c) Staff welfare expenses | 20.29 | 20.68 |
| **Total** | **272.79** | **264.53** |

*Pursuant to the applicability of the Labour Code with effect from 21 November 2025, the qualifying service period for gratuity eligibility of contract employees has been reduced from five years to one year. The impact on actuarial liability due to this is ₹ 1.09 Crore.

**Note 32. Finance costs**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| (a) Interest cost on cash credit | 18.76 | 23.20 |
| (b) Interest on lease liabilities | 0.69 | 0.94 |
| (c) Other borrowing costs | 0.13 | 0.08 |
| **Total** | **19.58** | **24.22** |



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**Note 33. Other expenses**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Advertisement & publicity | 2.77 | 2.10 |
| Sales promotion expenses | 34.49 | 28.10 |
| Power & fuel charges | 44.87 | 52.98 |
| Wages to contract labourers | 103.70 | 88.19 |
| Freight & other selling expenses | 45.62 | 53.10 |
| Travelling & conveyance | 19.22 | 15.25 |
| Other production expenses | 15.80 | 18.86 |
| Water charges | 3.49 | 3.60 |
| Consultancy & service charges | 98.62 | 75.66 |
| Rent | 25.29 | 15.15 |
| House keeping Expenses | 6.98 | 6.14 |
| Printing & stationery | 6.29 | 5.38 |
| Postage & telegram, telephone | 5.12 | 4.59 |
| Cloud Service Expenses | 4.72 | 4.19 |
| Bank charges | 2.80 | 3.11 |
| Insurance charges | 1.69 | 1.11 |
| Rates & taxes | 0.94 | 1.16 |
| Repairs & maintenance of other assets | 17.61 | 5.01 |
| Repairs & maintenance machinery | 6.97 | 5.76 |
| Repairs & maintenance of buildings | 3.01 | 3.72 |
| Research & development expenses | 0.46 | 0.00 |
| Payments to auditors (Refer Note (i) below) | 0.27 | 0.24 |
| Cost audit fees | 0.05 | 0.05 |
| Corporate R&D centre expenses (Refer Note (ii) below) | 5.90 | 5.38 |
| Corporate Social Responsibility expenses (Refer note 36) | 3.81 | 5.46 |
| Royalty paid | 0.02 | 0.04 |
| Miscellaneous expenses | 15.01 | 19.04 |
| Staff recruitment expenses | 0.51 | 0.53 |
| Training program expenses | 0.51 | 0.98 |
| Bad debt & advances written off | 37.70 | 0.00 |
| Provision for bad & doubtful debts/advances | 4.73 | 23.18 |
| Provision for disputed liability | 0.35 | 5.28 |
| Provision for obsolete stock written off | 0.04 | 0.00 |
| Obsolete store written off & asset write off/ provision | 0.14 | 0.41 |
| Loss on sale of fixed assets | 0.05 | 0.11 |
| Allowance to Impairment on Investments | 9.34 | - |
| **Total** | **528.89** | **453.86** |

**Note (i) Payment to auditors**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Audit fees | 0.20 | 0.17 |
| Tax audit fees | 0.03 | 0.03 |
| Audit expenses | 0.04 | 0.04 |
| **Total** | **0.27** | **0.24** |

**Note (ii) Corporate R&D centre expenses**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Repairs and maintenance | 0.76 | 0.59 |
| Employee expenses | 3.07 | 3.15 |
| Office expenses | 2.07 | 1.64 |
| **Total** | **5.90** | 5.38 |

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## Note 34. Leases

The Company's leases mainly consist of buildings and plant and equipment for manufacturing, business as well as warehouse facilities

**(i) Amount Recognised in the Statement of Profit and Loss**

(₹ in crore)

| Particulars | For the Year ended March 31, 2026 | For the Year ended March 31, 2025 |
|---|---|---|
| Depreciation on ROU assets | 2.39 | 7.60 |
| Interest on lease liabilities | 0.69 | 0.94 |
| Interest on lease deposits (Income) | (0.20) | (0.17) |
| **Total** | **2.89** | **8.37** |

**(ii) The details of Right of use of assets are as follows:**

(₹ in crore)

| Particulars | Land & building | Plant & equipment | Total |
|---|---|---|---|
| **Balance as on 1st April 2024** | **6.37** | **7.48** | **13.85** |
| Additions during FY 2024-25 (Refer Note 3) | 2.20 | 0.00 | 2.20 |
| Disposals (Refer Note 3) | 0.00 | 0.20 | 0.20 |
| Balance as on 31st March 2025 | 8.57 | 7.28 | 15.85 |
| Depreciation 24-25 (Refer Note 3) | 1.47 | 6.13 | 7.60 |
| **Net Block as on 31st March 2025** | **7.10** | **1.15** | **8.25** |
| **Balance as on 1st April 2025** | **7.10** | **1.15** | **8.25** |
| Additions during FY 2025-26 (Refer Note 3) | 9.15 | - | 9.15 |
| Disposals (Refer Note 3) | - | 0.59 | 0.59 |
| Balance as on 31st March 2026 | 16.25 | 0.56 | 16.81 |
| Depreciation 25-26 (Refer Note 3) | 1.84 | 0.56 | 2.39 |
| **Net Block as on 31st March 2026** | **14.41** | **0.00** | **14.41** |

**(iii) Lease liability movement**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| **Opening balance Lease liability** | **7.41** | **13.97** |
| Additions | 8.88 | 2.21 |
| Interest (Refer Note 32(b)) | 0.69 | 0.94 |
| Deletions | 0.77 | 0.25 |
| Payment of lease liability | 2.93 | 9.46 |
| **Closing balance of lease liability** | **13.28** | **7.41** |

The current and non-current portions of lease liabilities are disclosed in Notes 21 and 17 respectively.

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## Note 35. Government grant

1) The Company received a grant of ₹14 crore from the Ministry of Commerce & Industry (MoC&I) in November 2016 under the ASIDE scheme for setting up an EMI–EMC testing lab for medical equipments at Noida campus. The grant has been accounted for as a government grant related to assets and is recognised as deferred income and charged to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets.

2) The Ministry of Minority affairs has set up an integrated scheme namely "PM VIKAS" during FY 2025-26 for skill development, entrepreneurship and leadership of minority women and education supports of school dropouts in minority sector. HLL was selected as the project implementing agency during the year by the Ministry for the implementation of the scheme with a target of training 3500 female candidates in Minority community across nine different job roles. The scope of this project includes training, certification and placement of candidates as well. First installment of ₹11.45 crore being 30% of the total project of ₹38.17 crore was sanctioned and released during the year.

3) The corporate R&D Centre has received Government grants for various projects covering both capital and revenue expenses.

(a) Board of Research in Nuclear Sciences (BRNS) (₹0.38 crore) for "Development of Electrospun-Q-dots Nanofibrous-membrane for dual purpose fluorescence and electrochem".

(b) Indian Council of Medical Research (ICMR) (₹0.27crore) , (₹0.32 crore), (₹1.35 crore) & (₹0.79 crore) for "Poly (glycerol sebacate) Based Copolymers as condom Lubricants: A renewable, biocompatible and thermodynamically immiscible natural rubber condom oil, for "Rapidly dissolving microneedles (DMNs) for the treatment of Postpartum Hemorrhage (PPH): For fast release of Misoprostol to meet critical conditions in low resource settings" , for " Preclinical evaluation of Microencapsulated iron jelly candies for prevention and treatment of Anaemia among children and pregnant women " and for "MolOnco-DnT-CenTr: translational centre for diagnostic and therapeutic technologies in molecular oncology" respectively.

(c) Science & Engineering Research Board (SERB)(₹0.29 crore) and (₹0.39 crore) for " Development of Metal Reduced carbon nanomaterials -Malaria Detection" and for "Hydrogel-forming Microneedle arrays for Non-Invasive point-of-care testing of Neonatal Sepsis respectively.

The details are as follows: (₹ in crore)

| Funding Agency | Sanctioned amount | Total fund received | Total spent | Balance |
|---|---|---|---|---|
| BRNS | 0.38 | 0.37 | 0.38 | -0.00 |
| ICMR 1 | 0.27 | 0.24 | 0.21 | 0.03 |
| ICMR 2 | 0.32 | 0.24 | 0.17 | 0.07 |
| ICMR 3 | 1.35 | 0.32 | 0.03 | 0.29 |
| ICMR 4 | 0.79 | 0.20 | 0.11 | 0.08 |
| SERB 1 | 0.29 | 0.28 | 0.28 | 0.00 |
| SERB 2 | 0.39 | 0.22 | 0.20 | 0.03 |
| Grant from Ministry of Minority Affairs | 11.45 | 11.45 | 1.60 | 9.85 |
| **Total** | **15.24** | **13.33** | **2.98** | **10.35** |

The negative balance in BRNS projects indicate over-utilization of funds beyond the sanctioned/received amount and are temporarily funded by the Company pending formal closure and reporting to the funding agency.

Total funds received and closing balance include interest earned on grant funds.

**Deferred Government Grant** (₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Deferred Government Grant (Non Current) | 6.51 | 7.67 |
| Deferred Government Grant (Current) | 1.16 | 1.16 |
| **Total** | **7.67** | **8.83** |

Deferred government grants represent the unamortised portion of grants received primarily towards capital assets and are recognised in accordance with the accounting policy disclosed in Note 1.16.

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## Note 36. Corporate Social Responsibility (CSR) Expenditure and Related Disclosures

As per Schedule VII of the Companies Act, 2013, every company with net worth of ₹ 500 crore or more, or with a turnover of ₹1,000 crore or more or having a net profit of ₹5 crore or more is required to spend at least 2% of the average net profits (Profit before tax) of three immediately preceding financial years towards Corporate Social Responsibility (CSR).

(₹ in crore)

| Particulars | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 |
|---|---|---|
| (a) Gross amount required to be spent by the Company during the year (2% of Avg Net Profit as per Section 135(5)) | 3.81 | 5.46 |
| (b)CSR Budget approved by the board to be spent during the year | 3.81 | 5.46 |
| (c)Actual Amount spent during the year | | |
| (i) Construction/acquisition of any asset | - | - |
| (ii) For purposes other than (i) above | 2.15 | 3.37 |

(d) Details of ongoing projects (in line with amendments to 135(5) and 135(6))

(₹ in crore)

| Financial year | Opening balance as on 1st April 2025 | Amount spent on ongoing projects during the year | Amount earmarked during the year | Closing balance as on 31st March 2026 in Unspent CSR account |
|---|---|---|---|---|
| 2022-23 | 0.03 | 0.03 | - | - |
| 2023-24 | - | - | - | - |
| 2024-25 | 1.98 | 1.80 | - | 0.18 |
| 2025-26 | - | - | 1.62 | 1.62 |

(e)Details of other than ongoing projects FY 25-26 unspent amount

| Particulars | Amount (₹ in crore) |
|---|---|
| Amount to be remitted to one of the funds specified in schedule VII of Companies Act 2013 within six months of the end of financial year. | 0.04 |

(f) Shortfall at the end of the year: -Nil

(g) Details of CSR expenditure during the financial year

(₹ in crore)

| Schedule VII | Amount allocated | Amount spent | Shortfall | Unspent amount | |
|---|---|---|---|---|---|
| | | | | Ongoing projects (Refer note 1 below) | Other than ongoing projects (Refer note 2 below) |
| (i) Preventive healthcare and sanitation | 1.71 | 0.90 | 0.81 | 0.81 | 0.00 |
| (ii) Promote education, promoting livelihood enhancement projects | 1.26 | 0.82 | 0.44 | 0.41 | 0.04 |
| (iii) Promoting gender equality and empowering women | 0.25 | 0.19 | 0.06 | 0.06 | 0.00 |
| (iv)Conservation of natural resources, ensuring environmental sustainability | 0.51 | 0.17 | 0.34 | 0.34 | 0.00 |
| (V) Protection of National Heritage | 0.08 | 0.07 | 0.01 | 0.01 | 0.00 |
| **Total** | **3.81** | **2.15** | **1.66** | **1.62** | **0.04** |

1) ₹1.62 crore transferred to a separate bank account on 30th April 2026.
2) Amount aggregating to ₹ 0.0359 crore is to be transferred to funds specified under Schedule VII of the Companies Act, 2013 within six months from the end of the financial year.

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## Note 37. Disclosure relating to movement in provisions (Refer note 2.30)

Pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to movement in provisions made in the accounts for the year ended 31st March 2026 is as follows:

(₹ in crore)

| Particulars | Provision against inventories* | | Allowance for bad and doubtful debts** | | Provision for others** | |
|---|---|---|---|---|---|---|
| | 2025-26 | 2024-25 | 2025-26 | 2024-25 | 2025-26 | 2024-25 |
| Opening balance | 2.93 | 4.30 | 207.84 | 204.75 | 26.00 | 22.11 |
| Additions | - | - | 4.72 | 19.27 | 0.01 | 3.91 |
| Utilizations | - | 0.04 | 0.83 | 1.5 | - | 0.02 |
| Reversals | 0.21 | 1.33 | - | 14.68 | - | - |
| **Closing balance** | **2.72** | **2.93** | **211.73** | **207.84** | **26.01** | **26.00** |

*Provision created against obsolete inventories.
**Provision created against receivables, loans and advances & advance to employees

## Note 38. Disclosure relating to investment properties (Refer note 2.31)

**(i) Rental Income:**

(₹ in crore)

| Description | For the Year ended March 31, 2026 | For the Year ended March 31, 2025 |
|---|---|---|
| Rental income | 3.64 | 3.78 |
| Direct operating expenses that generated rental income | - | - |
| Direct operating expenses that did not generate rental income | - | - |
| Profit from leasing of investment properties before depreciation | 3.64 | 3.78 |
| Depreciation | 0.68 | 0.47 |
| Profit from leasing of investment properties | 2.96 | 3.29 |

(ii) Fair value: Fair value of Investment Properties as on 31st March 2026 is estimated at ₹ 14.86 crore based on CPW ratings per PAR (Plinth area reference).

**(iii) Depreciation:** Depreciation on Investment properties has been made in line with the requirement under schedule II of the Companies Act, 2013.

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**Ratios:**

| Particulars | Current year | Previous year | Variance (%) |
|---|---|---|---|
| (a) Current ratio<br>*(Current assets/Current liabilities)* | 1.23 | 1.23 | -0.06% |
| (b) Debt equity ratio<br>*(Debt/Equity)* | 0.18 | 0.22 | -17.73% |
| (c) Debt service coverage ratio<br>*(Net operating income/Debt service)*<br>*(The increase is attributed to increase in PBT)* | 24.13 | 15.52 | 55.49% |
| (d) Return on equity ratio<br>*(PAT/Total equity)* | 0.24 | 0.22 | 8.30% |
| (e) Inventory turnover ratio<br>*(Cost of goods sold/Average inventory )* | 4.81 | 4.31 | 11.58% |
| (f) Trade receivables turnover ratio<br>*(Revenue from operations/Average trade receivables)* | 2.22 | 2.63 | -15.69% |
| (g) Trade payables turnover ratio<br>*(Cost of good sold/Average trade payables)* | 1.16 | 1.28 | -9.43% |
| (h) Working capital turnover ratio<br>*(Revenue from operations/Working capital)* | 6.75 | 7.21 | -6.37% |
| (i) Net profit ratio<br>*(PAT/Net sales)* | 0.05 | 0.05 | 2.87% |
| (j) Return on capital employed<br>*(EBIT/Capital employed)* | 0.33 | 0.32 | 4.35% |
| (k) Asset Turnover Ratio<br>(Total Income/Total assets excluding projects held under trust) | 1.15 | 1.19 | -3.81% |
| (l) Return on investment<br>*(Income on investments/Total investments)* | 62% | 52% | 20.84% |

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**Note 39. Financial Instruments (Refer Note: 2.32)**

**A. Capital Management**

The company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The capital structure of the Company consists of net debt (borrowings as detailed in Note 20) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Borrowings and lease | 227.13 | 223.67 |
| Equity Capital | 15.54 | 15.54 |
| Reserves & Surplus | 1,249.27 | 1,009.15 |
| Equity | 1,264.81 | 1,024.69 |
| Debt/ Equity | 0.18 | 0.22 |

**B. Categories of financial instruments**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Financial Assets** | | |
| *a. Measured at amortised cost* | | |
| i) Trade receivables | 3,240.49 | 2,003.47 |
| ii) Cash and cash equivalents | 691.44 | 565.00 |
| iii) Loans & others | 34.00 | 28.70 |
| *b. Mandatorily measured at fair value through profit or loss* | | |
| Derivative asset | - | - |
| **Financial Liabilities** | | |
| *a. Measured at amortised cost* | | |
| i) Borrowings | 213.85 | 216.26 |
| ii) Trade payables | 2,773.55 | 1,881.70 |
| iii) Other financial liabilities | 245.02 | 216.65 |
| iv) Lease liability | 13.28 | 7.41 |
| *b. Mandatorily measured at fair value through profit or loss* | | |
| Derivative liability | - | - |

**C. Financial risk management**

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**D. Market Risk**

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

**E. Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralized treasury division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are given below:-

**Carrying value of Foreign Exchange Assets & Liabilities**

**As on March 31, 2026** (₹ in crore)

| Currency | Liabilities | | | Assets | | | Net overall exposure on the currency -net assets / (net liabilities) |
|---|---|---|---|---|---|---|---|
| | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | |
| USD | 0.77 | - | 0.77 | 55.26 | - | 55.26 | 54.49 |
| EUR | 0.003 | - | 0.003 | - | - | - | (0.003) |
| AED | 0.04 | - | 0.04 | - | - | - | (0.04) |
| CHF | - | - | - | - | - | - | - |
| GBP | - | - | - | - | - | - | - |
| **Total** | **0.81** | **-** | **0.81** | **55.26** | **-** | **55.26** | **54.45** |

**As on March 31, 2025** (₹ in crore)

| Currency | Liabilities | | | Assets | | | Net overall exposure on the currency -net assets / (net liabilities) |
|---|---|---|---|---|---|---|---|
| | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | |
| USD | 1.08 | - | 1.08 | 44.08 | - | 44.08 | 43.01 |
| EUR | - | - | - | - | - | - | - |
| AED | - | - | - | - | - | - | - |
| CHF | - | - | - | - | - | - | - |
| GBP | - | - | - | - | - | - | - |
| **Total** | **1.08** | **0.00** | **1.08** | **44.08** | **0.00** | **44.08** | **43.01** |

## F. Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans, where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The following table details the Company's sensitivity movement in the foreign currencies.

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| | Impact on P&L | |
| USD | 1.09 | 0.86 |
| EURO | (0.0001) | 0.00001 |
| GBP | - | - |
| AED | (0.0009) | - |
| CHF | - | - |

## G. Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

## H. Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both rupee and foreign currency loans at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides the possible impact in the profits for a change of 0.25% in interest rate, other factor remaining constant.

(₹ in crore)

| Borrowings | Effect on profit before tax | |
|---|---|---|
| | 2025-26 | 2024-25 |
| INR | 0.53 | 0.54 |

**I. Credit risk management**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The Company's trade and other receivables consists of a large number of customers, across geographies, hence the Company is not exposed to concentration risk. The Company makes an allowance for doubtful debts using expected credit loss model and, on a case, to case basis.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

**J. Fair value measurement**

The management assesses that the fair value of trade receivables, cash and cash equivalents, bank balances, security deposits receivable & paid, Loans and advances to employees, other non-derivative current financial assets, Trade payables, and other current financial liabilities approximate their carrying value.

**K. Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

**L. Liquidity table**

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

**(₹ in crore)**

| Particulars | Due in 1st year | Due in 2nd to 5th year | Due after 5th year | Carrying amount /contractual cash flow |
|---|---|---|---|---|
| **March 31, 2026** | | | | |
| Borrowings | 213.85 | - | - | 213.85 |
| Trade payables | 2,773.55 | - | - | 2,773.55 |
| Lease obligations | 2.80 | 7.70 | 8.87 | 19.37 |
| Other financial liabilities | 245.02 | - | - | 245.02 |
| **March 31, 2025** | | | | |
| Borrowings | 216.26 | - | - | 216.26 |
| Trade payables | 1,881.70 | - | - | 1,881.70 |
| Lease obligations | 3.22 | 4.21 | 1.3 | 8.73 |
| Other financial liabilities | 216.65 | - | - | 216.65 |

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**Note 40. Employee Benefit Expenses (Refer Note 2.33)**

**Disclosures required under Ind AS 19 "Employee Benefits"**

Defined Contribution Plans

During the year the following amounts have been recognised in the statement of profit and loss on account of defined contribution plans:

(₹ in crore)

| | Gratuity (Funded) | | Compensated absences (Funded) | |
|---|---|---|---|---|
| | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 |
| **(i) Actuarial Assumptions** | | | | |
| Discount Rate (per annum) | 7.32% | 6.83% | 7.32% | 6.83% |
| Expected rate of return on plan assets (per annum) | 7.32% | 6.83% | 7.32% | 6.83% |
| Compensation escalation Rate (per annum) | 7.00% | 7.00% | 7.00% | 7.00% |
| Mortality Rate | Indian Lives Mortality (2012-14) Ultimate Table | | | |
| **(ii) Reconciliation of present value of obligations** | | | | |
| Present value of obligation at the beginning of the year | 87.14 | 89.23 | 29.13 | 27.75 |
| Current service cost | 5.26 | 4.76 | 13.08 | 13.11 |
| Prior service cost / Plan Amendments | 7.69 | 0.00 | 0.00 | 0.00 |
| Interest cost | 5.45 | 5.56 | 1.96 | 1.84 |
| Actuarial (gain)/loss on obligations | (4.33) | 2.77 | (10.49) | (8.77) |
| Benefits paid/Settlement | (14.29) | (15.19) | (4.62) | (4.80) |
| Present value of obligation at the end of the year | 86.93 | 87.14 | 29.06 | 29.13 |
| **(iii) Reconciliation of fair value of plan assets** | | | | |
| Fair value of plan assets at the beginning of the year | 77.38 | 71.85 | 26.41 | 29.15 |
| Expected return on plan assets | 5.10 | 4.92 | 1.78 | 1.94 |
| Contributions by employer | 9.15 | 15.86 | 0.50 | 0.06 |
| Transfer In/Acquisitions | 0.00 | 0.00 | 0.00 | 0.00 |
| Benefits paid/Settlement | (14.29) | (15.19) | (4.62) | (4.80) |
| Remeasurements- Return on Plan assets over expected return | 0.06 | (0.07) | (0.01) | 0.06 |
| Fair value of plan assets at the end of the year | 77.41 | 77.38 | 24.06 | 26.41 |
| **(iv) Description of plan assets managed assets** | 77.41 | 77.38 | 24.06 | 26.41 |
| **(v) Major category of plan assets as % of total plan assets** | | | | |
| Equities | 0% | 0% | 0% | 0% |
| Bonds | 0% | 0% | 0% | 0% |
| Gilts | 0% | 0% | 0% | 0% |
| Own Investment/ Properties | 0% | 0% | 0% | 0% |
| Others- Insurer Managed Funds (LIC of India)* | 100% | 100% | 100% | 100% |

* In the absence of detailed information regarding plan assets which is funded by Insurance Company, the composition of each major category of plan assets, the percentage on amount of each category to the fair value of plan assets has not been disclosed.

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| | | | | |
|---|---|---|---|---|
| **(vi) Net (liability)/ asset recognised in the balance sheet as at the end of the year** | | | | |
| Present value of obligation at the end of the year | 86.93 | 87.14 | 29.06 | 29.13 |
| Fair value of plan assets at the end of the year | 77.41 | 77.38 | 24.06 | 26.41 |
| Net present value of funded obligation recognised as (liability) / asset in the balance sheet | **(9.52)** | **(9.76)** | **(5.00)** | **(2.72)** |
| **(vii) Expenses recognised in the statement of profit and loss** | | | | |
| Current service cost | 5.26 | 4.76 | 13.08 | 13.11 |
| Prior service cost | 7.69 | 0.00 | 0.00 | 0.00 |
| Interest cost | 5.45 | 5.56 | 1.96 | 1.84 |
| Return on plan assets | (5.10) | (4.92) | (1.78) | (1.94) |
| Actuarial (gain)/loss recognised in the period | 0.00 | 0.00 | (10.47) | (8.83) |
| Total expenses recognised in the statement of profit and loss for the year | **13.31** | **5.40** | **2.79** | **4.18** |
| **(viii) Net Actuarial losses /(gains ) recognised in Other Comprehensive Income** | (4.39) | 2.84 | 0.00 | 0.00 |
| Actual return of plan assets | 5.16 | 4.85 | 1.77 | 2.00 |
| **(ix) Non current and current value of obligation** | | | | |
| Non-current | 4.26 | 5.28 | 0.00 | 0.00 |
| Current | 5.26 | 4.48 | 5.00 | 2.72 |
| **(x) Amount recognised in current year and previous years** | | | | |
| **Gratuity (Funded)** | | | | |
| Present value of defined benefit obligations | 86.93 | 87.14 | 29.06 | 29.13 |
| Fair value of plan assets | 77.41 | 77.38 | 24.06 | 26.41 |
| Funded status - (liability )/asset | (9.52) | (9.76) | (5.00) | (2.72) |
| Actuarial (gain)/loss on plan obligations | (4.33) | 2.77 | (10.49) | (8.77) |
| Actuarial gain/(loss) on plan assets | 0.06 | (0.07) | (0.01) | 0.06 |

**(xi) A quantitative sensitivity analysis for significant assumption (impact on defined benefit obligation) is as below:**

**A. Gratuity (Funded)-**

| | Year ended 31.03.2026 | |
|---|---|---|
| | 1% Increase | 1% Decrease |
| Discount Rate | 82.58 | 91.81 |
| Salary increase rate | 90.09 | 83.72 |
| Employee turnover | 87.07 | 86.77 |

**B. Compensated absences (Funded)-**

| | Year ended 31.03.2026 | |
|---|---|---|
| | 1% Increase | 1% Decrease |
| Discount Rate | 27.13 | 31.27 |
| Salary increase rate | 31.14 | 27.21 |
| Employee turnover | 29.02 | 29.11 |

In the above analysis the change in the factor is made with other factors remaining intact.

Undiscounted Cash flow over the years is the aggregate cash flow without discounting but keeping other factors intact and is the total payout for the current complement of staff.

**(xii) Maturity profile - future expected payments- Undiscounted Value**

| Time period (in years) | Year ended 31.03.2026 | |
|---|---|---|
| | Gratuity (Funded) | Compensated absences (Funded) |
| Less than or equal to 1 | 14.88 | 5.71 |
| 2 - 5 | 41.03 | 12.24 |
| 6 -10 | 32.10 | 10.99 |
| Above 10 | 58.35 | 28.33 |

**(xiii) Note on key actuarial risks**

(a) Actuarial Risk- It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons.
Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.
Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.
Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(b) Investment Risk - For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(c) Liquidity Risk - This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time. Employees with high salaries and long durations of service or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

(d) Market Risk - Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(e) Legislative Risk- Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point and the same will have to be recognized immediately in the year when any such amendment is effective.

**Notes:**

1 The above disclosures are based on information certified by the independent actuary and relied upon by the company.

2 The plan assets of the company are managed by the Life Insurance Corporation of India in terms of insurance policies taken to fund the obligations of the Company with respect to its Gratuity and Compensated Absences Plan. Information on categories of plan assets is not available with the company

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**NOTE 41. CONTINGENCIES AND COMMITMENTS (Refer note 2.34)**

Contingencies and commitments (to the extent not provided for)

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(I) Contingent Liabilities** | | |
| (i) Taxes | | |
| (a) Income Tax demands against the Company not acknowledged as debt and not provided for in respect of which the Company is in appeal and exclusive of the similar matters in respect of pending assessments and interest. | 2.47 | 1.95 |
| (b) Sales Tax & Service Tax Claims against the company not acknowledged as debt | 168.92 | 56.27 |
| (ii) Claims against the Company not acknowledged as debts | 61.39 | 42.97 |
| (iii) Bank Guarantees to Government Departments | 121.70 | 94.97 |
| (iv) Bank Guarantees to others | 1.65 | 1.87 |
| (v) Corporate Guarantees issued and outstanding as on date | 104.77 | 54.77 |
| (vi) Letter of Credits | 3.50 | 4.07 |
| (vii) Others (Refer additional disclosure (c)) | 1.46 | 1.46 |
| **Total** | **465.86** | **258.34** |
| **(II) Contingent assets** | - | - |
| **(III) Capital commitments** | **9.83** | **0.06** |

**Notes**

a) Contingent liability has been calculated as principal plus interest @ 12% p.a. The claims made by the claimants have ranged from 8-24%. However, keeping in view the statutory interest levies like Income Tax and principle of natural Justice, the rate of interest for all claims have been taken @ 12% p.a. in cases where the interest is above 12% p.a. Interest on contingent assets have not been considered.Claims not acknowledged as debts does not include any opportunity cost/loss claimed by the petitioner

b) The tax disputes and claims against the Company, not acknowledged as debts, are subject to legal proceedings at various stages, and the outcome as well as the timing of resolution cannot be determined with reasonable accuracy.

c) The Company received a grant of ₹14.00 crore under the ASIDE scheme in November 2016 for setting up an EMI–EMC testing laboratory at Noida. As per the terms of the sanction letter, the grant was required to be utilised by 31 March 2018, failing which the whole or part of the grant would be refundable along with interest at 10% per annum. Due to delays caused by COVID-19 and other factors, the laboratory was commissioned and accredited on 21 October 2022. An unspent grant of ₹2.59 crore was refunded during March 2023 and April 2024. Although formal approval for extension of time has not yet been received, the company does not expect repayment of the utilised grant amount and interest.
A contingent liability of ₹1.46 crore has been disclosed towards possible interest on the refunded unspent amount up to the respective dates of remittance.

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**Note 42. Related Party Disclosure (Refer note 2.35)**

**Disclosure in respect of related party pursuant to Ind AS 24**

| Description of Relation | Names |
|---|---|
| Subsidiaries | Goa Antibiotics & Pharmaceuticals Limited (GAPL) |
| | HLL Infra Tech Services Limited (HITES) |
| Joint Venture | Lifespring Hospitals Private Ltd (LSH) |
| Associates | Hindustan Latex Family Planning Promotion Trust (HLFPPT) |
| | HLL Management Academy (HMA) |
| | HLL Pratheeksha Charitable Society |
| Key Management Personnel (KMP) | **A. Chairperson & Managing Director,Whole Time Directors, Company Secretary & CFO** |
| | Dr. Anitha Thampi - Chairperson & Managing Director (*w.e.f. 09 th April 2025*), *Chairperson & Managing Director (i/c) (till 08th April 2025)* Director (Technical & Operations) i/c(till 24th March 2026) and Director(Finance)i/c (till 09th September 2025) |
| | Shri. Ajit N - Director (Marketing) |
| | Shri. Remesh P - Director (Finance) & CFO *(w.e.f 10th September 2025)* |
| | Shri. Benny Joseph - Director (Techinical and Operations) *( w.e.f 25th March 2026)* |
| | Shri. Jaikrishnan A.R - Company Secretary |
| | **B. Independent Directors** |
| | Prof.(Dr.) Adarsh Pal Vig (Reappointed w.e.f 21st April 2025) (Ceased to be Director on 20th April 2026) |
| | Smt.Neeta Boochra (Reappointed w.e.f 21st April 2025) (Ceased to be Director on 20th April 2026) |
| | **C. Government Nominee Directors** |
| | Shri. Jaideep Kumar Mishra ICAS (ceased to be Director on 24th June 2025) |
| | Shri. Hoveyda Abbas IA&AS (*Appointed w.e.f 25th June 2025)* |
| | Smt Roli Singh IAS *(Ceased to be Director on 30th September 2025)* |
| | Shri Vijay Nehra IAS *(Appointed w.e.f 01st October 2025)* |
| Remuneration of Key Managerial Personnel | ₹1.97 crore ( Previous Year - ₹2.11 crore)(details enclosed) |

* Entities in which Company have significant influence.

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## Note 42. Related Party Disclosure (Refer note 2.35)

**Significant Related Party Transactions** (₹ in crore)

| Sl. No. | Disclosure in respect of related party pursuant to Ind AS 24 | Control | For the year ended 31.03.2026 | For the year ended 31.03.2025 |
|---|---|---|---|---|
| 1 | **Sales/Claims** | | | |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.81 | 1.35 |
| | HLL Management Academy (HMA) | 100% | 2.38 | 3.72 |
| 2 | **Purchases** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 3.60 | 1.32 |
| 3 | **Rental income** | | | |
| | HLL InfraTech Services Limited (HITES) | 100% | 2.89 | 3.07 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.70 | 0.66 |
| 4 | **Income from consultancy/service** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 0.43 | 0.42 |
| | HLL InfraTech Services Limited (HITES) | 100% | 3.09 | 2.73 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.63 | 0.50 |
| | HLL Management Academy (HMA) | 100% | 3.59 | 2.01 |
| | Life Spring Hospital Private Ltd (LSH) | 50% | 0.01 | 0.02 |
| 5 | **Income from dividend** | | | |
| | HLL InfraTech Services Limited (HITES) | 100% | 13.50 | 16.00 |
| 6 | **Salaries & allowances recoverable** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 0.99 | 0.81 |
| | HLL Management Academy (HMA) | 100% | 0.77 | 0.56 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.03 | 0.10 |
| 7 | **Other expenses recoverable/(payable)** | | | |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | - | 0.02 |
| | HLL InfraTech Services Limited (HITES) | 100% | (3.45) | (3.33) |
| | HLL Management Academy (HMA) | 100% | 0.72 | 0.37 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.02 | 0.02 |
| 8 | **CSR expenses*** | | | |
| | HLL Management Academy (HMA) | 100% | 0.44 | 0.02 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.01 | 0.01 |
| | | | **As at 31.03.2026** | **As at 31.03.2025** |
| 9 | **Trade receivables** | | | |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 1.04 | 1.02 |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 16.34 | 14.68 |
| | HLL InfraTech Services Limited (HITES) | 100% | - | 0.90 |
| | HLL Management Academy (HMA) | 100% | 6.87 | 6.69 |
| | Life Spring Hospital Private Ltd (LSH) | 50% | 0.01 | 0.03 |
| 10 | **Advances given** | | | |
| | HLL Management Academy (HMA) | 100% | 4.22 | 4.22 |
| 11 | **Trade payables** | | | |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 0.26 | 0.24 |
| | HLL Management Academy (HMA) | 100% | 0.29 | - |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 0.96 | 0.91 |
| | HLL InfraTech Services Limited (HITES) | 100% | 1.90 | - |

| | | | | |
|---|---|---|---|---|
| 12 | **Investment in shares** | | | |
| | Life Spring Hospital Private Ltd (LSH) | 50% | 9.51 | 9.51 |
| | Goa Antibiotics & Pharmaceuticals Limited (GAPL) | 85.16% | 21.40 | 21.40 |
| | HLL InfraTech Services Limited (HITES) | 100% | 0.05 | 0.05 |
| 13 | **Corporate guarantee** | | | |
| | HLL InfraTech Services Limited (HITES) | 100% | 82.50 | 32.50 |
| | Hindustan Latex Family Planning Promotion Trust (HLFPPT) | 100% | 14.00 | 14.00 |
| 14 | **Other liabilities** | | | |
| | HLL Pratheeksha Charitable Society | 100% | 0.01 | 0.01 |

**The Company has issued corporate guarantees on behalf of its related parties:**

**(a)** On behalf of HLL InfraTech Services Limited (HITES), in favour of HDFC Bank Limited to secure credit facilities- ₹32.50 crore.

**(b)** On behalf of HITES in favour of NLC India Limited (NLCIL), to securing advance payment for consultancy services - ₹50.00 crore

**(c )** On behalf of Hindustan Latex Family Planning Promotion Trust (HLFPPT) in favour of State Bank of India to secure credit facilities- ₹14 crore.

**Government related entities where significant transactions carried out**

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:

* HMA and HLFPPT are designated agencies for CSR activities

**Name of Government: Government of India (Central and State Government)**

**Nature of Transactions:**

- Sale of Products and Services
- Other Expenses
- Trade Receivables
- Other Liabilities

**These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government related.**





HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

**Remuneration of Key Managerial Personnel**

(₹ in crore)

| Key managerial Personnel | Short Term employee Benefit | Post employment Benefit * | Other long term employee benefit | Terminal Benefits | Total Remuneration | Sitting Fees | Outstanding Loans (Gross) /Advance receivables |
|---|---|---|---|---|---|---|---|
| Smt.Dr.Anitha Thampi | 0.60 | - | - | - | 0.60 | - | 0.002 |
| Shri.Ajit.N | 0.51 | - | - | - | 0.51 | - | 0.002 |
| Shri.Remesh.P | 0.47 | - | - | - | 0.47 | - | 0.002 |
| Shri.Jai Krishnan A R | 0.38 | - | - | - | 0.38 | - | 0.002 |
| Shri.Adarsh Pal Vig | | - | - | - | - | 0.02 | - |
| Smt.Neeta Boochra | | - | - | - | - | 0.02 | - |
| Shri. Benny Joseph | 0.01 | - | - | - | 0.01 | - | 0.002 |
| **Total** | **1.97** | **-** | **-** | **-** | **1.97** | **0.04** | **0.01** |

**Additional disclosure**

(₹ in crore)

| Key managerial Personnel | Salaries & Allowance | Contribution to PF | Contribution to CPS/NPS Pension | Other benefits & Perks | Terminal Benefits | Total |
|---|---|---|---|---|---|---|
| Smt.Dr.Anitha Thampi | 0.55 | 0.04 | 0.01 | - | - | **0.60** |
| Shri.Ajit.N | 0.47 | 0.04 | 0.01 | - | - | **0.51** |
| Shri.Remesh.P | 0.44 | 0.03 | 0.01 | - | - | **0.47** |
| Shri.Jai Krishnan A R | 0.35 | 0.03 | 0.01 | - | - | **0.38** |
| Shri. Benny Joseph | 0.01 | 0.00 | 0.00 | - | - | **0.01** |

* Post-employment benefits are actuarially determined/paid on overall basis, and not ascertainable on individual basis

## Note 43. Disclosure under Ind AS-108 Segment Reporting (Refer note 2.36)

(₹ in crore)

| Particulars | Current year ending 31.03.2026 | | | | | | | Previous year ending 31.03.2025 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Segment revenue** | **Contra** | **Diagnostic services** | **Retail business** | **Projects & services** | **Others** | **Unallocable** | **Total** | **Contra** | **Diagnostic services** | **Retail business** | **Projects & services** | **Others** | **Unallocable** | **Total** |
| Revenue from operations | 532.83 | 1,747.01 | 2,610.31 | 533.94 | 380.94 | 3.36 | 5,808.39 | 450.77 | 1,472.73 | 2,154.36 | 177.42 | 210.37 | 3.85 | 4,469.51 |
| Other income | - | - | - | - | - | 67.86 | 67.86 | - | - | - | - | - | 81.96 | 81.96 |
| **Total** | **532.83** | **1,747.01** | **2,610.31** | **533.94** | **380.94** | **71.22** | **5,876.25** | **450.77** | **1,472.73** | **2,154.36** | **177.42** | **210.37** | **85.81** | **4,551.47** |
| **Profit before tax** | | | | | | | | | | | | | | |
| Profit before interest & tax | 49.00 | 103.64 | 260.16 | 22.24 | 53.75 | -127.38 | 361.41 | 5.19 | 96.08 | 204.61 | 30.68 | 7.46 | -91.82 | 252.19 |
| Less:- Interest | 15.13 | 0.36 | 0.42 | 0.30 | 3.32 | 0.05 | 19.58 | 18.17 | 0.64 | 0.57 | 0.28 | 4.55 | - | 24.22 |
| Add:-Other unallocable income | | | | | | 67.86 | 67.86 | - | - | - | - | - | 81.96 | 81.96 |
| Profit before tax | **33.87** | **103.28** | **259.74** | **21.94** | **50.43** | **-59.58** | **409.69** | **-12.98** | **95.44** | **204.04** | **30.40** | **2.90** | **-9.86** | **309.93** |
| **Capital employed** | | | | | | | | | | | | | | |
| Fixed Assets | 93.95 | 44.42 | 20.65 | 12.17 | 33.48 | 60.22 | 264.87 | 88.90 | 34.41 | 18.76 | 20.27 | 29.93 | 55.74 | 248.00 |
| Financial assets & others | | | | | | 175.89 | 175.89 | - | - | - | - | - | 187.67 | 187.67 |
| Current Assets | 297.03 | 1,259.63 | 2,397.44 | -287.63 | 208.01 | 815.99 | 4,690.47 | 390.05 | 631.73 | 2,019.57 | -733.95 | 284.33 | 795.40 | 3,387.12 |
| | **390.98** | **1,304.05** | **2,418.09** | **-275.46** | **241.49** | **1,052.10** | **5,131.23** | **478.94** | **666.14** | **2,038.33** | **-713.69** | **314.26** | **1,038.80** | **3,822.79** |
| Current Liabilities | -434.42 | 1,135.01 | 1,699.34 | -694.44 | -277.88 | 2,400.26 | 3,827.87 | -530.98 | 574.05 | 1,464.89 | -913.60 | -465.89 | 2,635.62 | 2,764.10 |
| Non-current Liabities | | | | | | 38.55 | 38.55 | - | - | - | - | - | 34.01 | 34.01 |
| **Capital employed allocation** | **825.40** | **169.04** | **718.74** | **418.98** | **519.37** | **-1,386.71** | **1,264.81** | **1,009.92** | **92.10** | **573.44** | **199.91** | **780.15** | **-1,630.83** | **1,024.68** |
| **Total capital employed** | | | | | | | **1,264.81** | - | - | - | - | - | - | **1,024.68** |

**Secondary segment information - Geographical**

(₹ in crore)

| **Revenue** | **2025-26** | **2024-25** |
|---|---|---|
| India | 5,723.17 | 4,435.54 |
| Outside India | 153.08 | 115.93 |
| | **5,876.25** | **4,551.47** |
| **Capital employed** | **2025-26** | **2024-25** |
| India | 1,264.81 | 1,024.68 |
| Outside India | - | - |
| | **1,264.81** | **1,024.68** |

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

**Note 44 Income Taxes (Refer Note 2.37)**

**Income tax relating to continuing operations**

(₹ in crore)

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Current Tax** | 105.46 | 84.80 |
| | | |
| **Adjustments/(credits) related to previous years-Net** | | |
| Income Tax | (1.26) | (6.09) |
| | | |
| **Deferred Tax Asset/ (Liability)** | | |
| In respect of the current year | 74.02 | 76.07 |
| In respect of the previous year | -74.24 | -77.29 |
| **Total Income Tax expense recognised in Profit & Loss** | **104.42** | **79.93** |
| | | |
| **Income Tax expense for the year reconciled to the accounting profit:** | | |
| | | |
| **Profit before Tax** | **409.69** | **312.42** |
| Income Tax Rate* | 25.168% | 25.168% |
| **Income Tax expense as per Book Profits** | **103.11** | **78.63** |
| Effect of Expenses not allowed | (7.66) | (11.17) |
| Effect of Income not taxable | - | - |
| Effect of Depreciation and Amortisations | 8.70 | 2.13 |
| Effect of Provisions | 23.42 | 35.68 |
| Effect of Sale of Assets | (0.47) | 0.11 |
| Effect of Leases | 0.16 | (0.90) |
| Effect of other income | (14.80) | (1.32) |
| **Total** | **9.35** | **24.53** |
| Income as per Income Tax | **419.04** | **336.94** |
| Less:Carry forward of losses | - | - |
| **Taxable Income** | **419.04** | **336.94** |
| **Total income tax expense** | **105.46** | **84.80** |
| | | |
| ***Effect of deductible temporary differences*** | | |
| **Deferred Tax Assets** | | |
| Effect of Depreciation-Asset | 51.27 | 51.80 |
| Effect of provisions related to Inventory | 0.69 | 0.74 |
| Effect of provisions related to Employee payments and other payments | 12.89 | 16.64 |
| Effect of provisions related to doubtful debts | 60.51 | 59.51 |
| Effect of provisions related to Impairement on Investment | 2.35 | - |
| Effect of Lease Liability | 3.34 | 1.83 |
| **Total (A)** | **131.04** | **130.52** |
| | | |
| **Deferred Tax Liabilities** | | |
| Effect of Right Of Use Asset | 3.63 | 2.05 |
| Effect of Depreciation-Liability | 53.40 | 52.40 |
| **Total (B)** | **57.02** | **54.45** |
| | | |
| **Net Deferred Tax Assets (A)-(B)** | **74.02** | **76.07** |
| | | |
| **Income Tax recognised in other comprehensive income** | | |
| Remeasurement of defined benefit obligation | 1.11 | (0.72) |

***Note - Lower tax rates u/s 115 BAA of Income Tax Act are opted by the company from AY 2020-21**

For and on behalf of the Board of Directors

For K. Varghese & Co
Chartered Accountants
Firm No: 004528S

CA. Sam Varghese
Partner
[M. No. 216979]

UDIN: 262169-19FZXTQA1426

Date: 06-08-2026
Place: New Delhi

K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

Dr. Anitha Thampi
Chairperson & Managing Director
[DIN:09698495]

Remesh P
Director(Finance) & CFO
[DIN:11327947]

Jaikrishnan A R
Company Secretary
[ACS:14328]

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002821

## ANNEXURE I - Referred to in Note No. 2.4

### Assets and Liabilities of Projects under implementation as on 31st March 2026

(in crore)

| Projects | ASSETS | | | | | | LIABILITIES | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Cash & Bank balances held under trust with HLL | | Other Assets | | Total Assets | | Current Liabilities | | | |
| | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 |
| **ID North** | | | | | | | | | | |
| Acharya Barihar RGL Cancer Care Cuttak | 1.75 | 1.64 | 0.09 | 0.10 | 1.84 | 1.73 | 1.84 | 1.73 | 1.84 | 1.73 |
| Aigrah Medical College (PMSSY) | 4.27 | 4.16 | 0.36 | 0.27 | 4.63 | 4.43 | 4.63 | 4.43 | 4.63 | 4.43 |
| CGHS | 6.15 | 3.45 | 0.38 | 0.28 | 6.53 | 3.73 | 6.53 | 3.73 | 6.53 | 3.73 |
| IPC (Gaziabad) | 0.63 | 3.00 | 1.76 | 2.13 | 2.39 | 5.13 | 2.39 | 5.13 | 2.39 | 5.13 |
| NEIFM Pasighat under AYUSH | 2.55 | 2.54 | 1.02 | 1.02 | 3.57 | 3.56 | 3.57 | 3.56 | 3.57 | 3.56 |
| NIPS/RIPS | 63.37 | 59.12 | 6.28 | 6.37 | 69.64 | 65.50 | 69.64 | 65.50 | 69.64 | 65.50 |
| PGIMS Rohtak | 26.44 | 24.85 | 0.61 | 0.68 | 27.05 | 25.53 | 27.05 | 25.53 | 27.05 | 25.53 |
| PMSSY Residential Project (Rishikesh & Patna) | 3.09 | 4.66 | 0.49 | 0.46 | 3.58 | 5.12 | 3.58 | 5.12 | 3.58 | 5.12 |
| RIPANS-AIZAWL-MIZORA | 19.27 | 38.39 | 4.91 | 2.36 | 24.18 | 40.74 | 24.18 | 40.74 | 24.18 | 40.74 |
| Other Projects | 80.69 | 0.00 | 1.15 | 0.15 | 81.84 | 0.15 | 81.84 | 0.15 | 81.84 | 0.15 |
| **ID North Total** | **208.21** | **141.81** | **17.06** | **13.81** | **225.27** | **155.61** | **225.27** | **155.61** | **225.27** | **155.61** |
| **ID South** | | | | | | | | | | |
| JIPMER | 2.63 | 2.56 | 0.23 | 0.23 | 2.85 | 2.79 | 2.85 | 2.79 | 2.85 | 2.79 |
| MMC | 14.90 | 13.97 | 0.79 | 0.72 | 15.69 | 14.69 | 15.69 | 14.69 | 15.69 | 14.69 |
| MC Konni | 2.27 | 2.17 | 17.15 | 17.15 | 19.42 | 19.31 | 19.42 | 19.31 | 19.42 | 19.31 |
| MC Kozhikode Projects | 3.98 | 4.16 | 0.37 | 0.37 | 4.35 | 4.53 | 4.35 | 4.53 | 4.35 | 4.53 |
| MCTrivandrum Projects | 3.80 | 3.59 | 0.07 | 0.17 | 3.88 | 3.76 | 3.88 | 3.76 | 3.88 | 3.76 |
| Industries Department Projects | 10.03 | 9.44 | 0.32 | 0.29 | 10.35 | 9.73 | 10.35 | 9.73 | 10.35 | 9.73 |
| KSSTM | 0.08 | 2.17 | - | 0.04 | 0.08 | 2.21 | 0.08 | 2.21 | 0.08 | 2.21 |
| Malabar Cancer Center | 0.08 | 0.11 | 0.00 | 0.15 | 0.08 | 0.27 | 0.08 | 0.27 | 0.08 | 0.27 |
| NRHM | - | 0.01 | 3.50 | 3.50 | 3.50 | 3.51 | 3.50 | 3.51 | 3.50 | 3.51 |
| Kongan Disaster Mitigation Project-PKG 03 | 0.96 | - | 13.87 | - | 14.83 | 0.00 | 14.83 | 0.00 | 14.83 | 0.00 |
| Kongan Disaster Mitigation Project-PKG 04 | 0.56 | - | 7.42 | - | 7.99 | 0.00 | 7.99 | 0.00 | 7.99 | 0.00 |
| Other Projects | 1.42 | 4.26 | 0.20 | 8.95 | 1.62 | 13.21 | 1.62 | 13.21 | 1.62 | 13.21 |
| TRIDA | 0.46 | 0.43 | 0.10 | 0.10 | 0.57 | 0.53 | 0.57 | 0.53 | 0.57 | 0.53 |
| **ID South Total** | **41.18** | **42.87** | **44.01** | **31.68** | **85.20** | **74.55** | **85.20** | **74.55** | **85.20** | **74.55** |
| **PCD** | | | | | | | | | | |
| AIIMS LIKE INSTITUTE | 94.96 | 91.94 | 91.04 | 91.31 | 186.00 | 183.25 | 186.00 | 183.25 | 186.00 | 183.25 |
| Central Drug Standard Control Organisation | 7.33 | 6.90 | 3.67 | 3.68 | 11.00 | 10.58 | 11.00 | 10.58 | 11.00 | 10.58 |
| GMC&H NAGPUR | 10.63 | 10.15 | 5.58 | 5.59 | 16.21 | 15.73 | 16.21 | 15.73 | 16.21 | 15.73 |
| GMSD_COLD PCD | 13.65 | 13.01 | 0.22 | 0.21 | 13.88 | 13.22 | 13.88 | 13.22 | 13.88 | 13.22 |
| Govt. National Capital Territory, Delhi | 8.35 | 7.86 | 7.93 | 7.94 | 16.28 | 15.80 | 16.28 | 15.80 | 16.28 | 15.80 |
| IMMUNIZATION | 19.40 | 19.18 | 1.76 | 1.75 | 21.17 | 20.93 | 21.17 | 20.93 | 21.17 | 20.93 |
| International Institute of Population Sciences | 2.25 | 3.49 | 0.09 | 0.03 | 2.33 | 3.53 | 2.33 | 3.53 | 2.33 | 3.53 |
| Municipal Corporation of Delhi | 1.60 | 1.55 | 3.59 | 3.59 | 5.19 | 5.14 | 5.19 | 5.14 | 5.19 | 5.14 |
| NACO PCD | 3.07 | 2.95 | 1.04 | 1.04 | 4.11 | 3.99 | 4.11 | 3.99 | 4.11 | 3.99 |
| Other Projects* | 40.86 | 34.25 | 24.39 | 23.11 | 65.25 | 57.36 | 65.25 | 57.36 | 65.25 | 57.36 |
| PGIMS Rohtak | 19.06 | 18.26 | 2.34 | 2.35 | 21.41 | 20.61 | 21.41 | 20.61 | 21.41 | 20.61 |
| PMSSY PCD | 89.00 | 83.61 | 22.06 | 22.21 | 111.07 | 105.82 | 111.07 | 105.82 | 111.07 | 105.82 |
| **PCD Total** | **310.18** | **293.15** | **163.72** | **162.81** | **473.89** | **455.96** | **473.89** | **455.96** | **473.89** | **455.96** |
| **Vaccine Projects** | 1.55 | 1.47 | 1.79 | 1.78 | 3.34 | 3.25 | 3.34 | 3.25 | 3.34 | 3.25 |
| **MCS & AIIA Project** | 476.54 | 300.48 | 0.71 | 0.78 | 477.25 | 301.26 | 477.25 | 301.26 | 477.25 | 301.26 |
| **Grand Total** | **1,037.67** | **779.77** | **227.28** | **210.86** | **1,264.95** | **990.64** | **1,264.95** | **990.64** | **1,264.95** | **990.64** |

# CONSOLIDATED

# FINANCIAL STATEMENTS

# 2025-26

के. वरगीस & को.
चारटेरड एक्कौन्टेन्टस
K. VARGHESE & CO.
CHARTERED ACCOUNTANTS

## Independent Auditors' Report

**To the Members of HLL Lifecare Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Qualified Opinion**

We have audited the accompanying consolidated financial statements of **HLL Lifecare Limited** ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and Joint Venture as at March 31, 2026 and consolidated total comprehensive income

सगेटी बुसिनेस सेन्टर, सेकन्ट फ्लोर, चूलय्क्कल बिलर्डेग, ओप्पोसिट मेट्रो प्लाज़ा, नोर्त मारकेट रोड, एरनाकुलम - 682 014
Sageti Business Centre, IInd Floor, Choolackal Building, Opp. Metro Plaza, North Market Road, Ernakulam - 682 014
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(comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Qualified Opinion**

The Holding Company, Subsidiaries and Joint Venture follow the same accounting policies except for the following three cases:

i. As per Note No.1.5 of the consolidated financial statements, which describes treatment of Group's intangible assets, Trademarks/Patents are amortized over a period of 5 years. However, in the case of Goa Antibiotics and Pharmaceuticals Limited (GAPL), a subsidiary, trademarks/patents are amortized over a period of 10 years from the date of recognition.

ii. As per Note No.1.3 of the consolidated financial statements, which describes treatment of Group's Property, Plant and Equipment, depreciation has been charged on Straight Line Method for all assets under Plant & Machinery and Written Down Value method for other assets (except intangible assets and leasehold assets) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act, except for those assets whose useful lives are determined based on any technical advice. However, in case of Goa Antibiotics and Pharmaceuticals Limited (GAPL), a subsidiary, depreciation for all assets is recognized so as to write off the cost of assets (other than freehold land, leasehold land, leasehold improvements and properties under construction) less their residual values over their useful lives, using Straight Line Method.

iii. As per Note No.1.11 of the consolidated financial statements, the Group has adopted a model for measuring lifetime Expected Credit Loss (ECL) allowance for trade receivables, which determines the expected credit losses as the probability-weighted estimate of credit losses. However, in the case of HLL Infra Tech Services Limited (HITES), a subsidiary, the provision for doubtful debt is made in respect of governments or related agencies or institutions if circumstances evident that the realization of receivable are doubtful and trade receivable from private and



K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

other clients will be considered as doubtful if the same is not realized within 3 years from billing date.

In the absence of sufficient data, we are unable to quantify the impact of the above three deviations on the consolidated financial statements.

We draw attention to the following qualification to the audit opinion of the financial statements of Goa Antibiotics and Pharmaceuticals Limited (GAPL), a subsidiary issued by an independent firm of Chartered Accountants vide its report dated 10.07.2026 reproduced as under with suitable modification for the reference to the accompanying financial statements;

i. Out of Trade Receivables of GAPL (net of allowance for expected credit loss provided) of ₹11.25 crore included in Note No.10 of the consolidated financial statements, receivables of ₹2.70 crore in which the Company has itself identified as undisputed and doubtful of recovery have not been provided for in the books, the Management having represented that this provision will be made in FY 2026-27 after obtaining Board approval.

   Had the aforesaid provisions been recognised in the financial statements, Trade Receivables would have been lower by ₹2.70 crore and balance of Other Equity (Reserves and Surplus) – Note No.16 to the consolidated financial statements and non-controlling interest would have been lower/ (higher) by respective share of ₹2.70 crore attributable to owners and minority interest.

   In the absence of sufficient data, we are unable to quantify the aggregate impact of the above qualifications on the consolidated financial statements.

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 "Auditors' 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 ("ICAI") together with the ethical

requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in Other Matter section below, is sufficient and appropriate to provide a basis for our Qualified Opinion on the consolidated financial statements.

**Emphasis of Matter**

We draw your attention to the following matter to the financial statements of HLL Lifecare Limited, the Holding Company issued vide our report of even date, reproduced as under with suitable modification for the reference to the accompanying Financial Statements;

i. Note No.2.10 of the consolidated financial statements on the erosion of net worth of the subsidiary company, Goa Antibiotics and Pharmaceuticals Ltd (GAPL), the revival plans are currently under implementation, and the impairment assessment has been carried out by the Holding Company. Based on the assessment, the Holding Company has recognised an impairment loss allowance of ₹9.34 crore in its standalone books of accounts.

ii. Note No.2.34 of the consolidated financial statements on the confirmation of balance and reconciliation.

iii. Note No.8 of the consolidated financial statements relating to previous years unreconciled TDS/TCS receivable with Form 26AS, in view of the qualification made by us in our audit report on the consolidated financial statements for the year ended March 31, 2025, has been reconciled during the year upto March 31, 2025. TDS/TCS receivable amounting to ₹8.36 crore are pending for reconciliation with Form 26AS for the financial year 2025-26.

As regard to Goa Antibiotics and Pharmaceuticals Limited (GAPL), the Component Auditor has drawn attention the following matters in their independent Auditors'

Report dated 10.07.2026 which are reproduced as under with suitable modification for the reference to the accompanying financial statements:

i. Letters asking confirmation of balances were sent to all parties in respect of Trade Receivables, Earnest Money Deposits and Security Deposits but none of them have responded. Except as stated above, letters asking confirmation of balances were not sent to other parties of Trade Receivables, Earnest money and security deposit. (Refer Note No.2.33 of the consolidated financial statements)

ii. The Subsidiary Company identified that depreciation on Property, Plant and Equipment was being computed by its SAP system in a manner not compliant with Schedule II to the Act. For the current year the Company has computed depreciation manually in accordance with Schedule II and Ind AS 16, resulting in accumulated depreciation being lower by ₹0.27 crore, depreciation for the year being lower by ₹0.01 crore, and a consequent increase in net book value of Property, Plant and Equipment of ₹0.27 crore, as compared to the earlier (non-compliant) SAP-computed figures. This is treated by the Company as a change in accounting estimate under Ind AS 8; the corrected configuration is to be implemented in the SAP system prospectively during FY 2026-27.

iii. Interest on dues to the Holding Company has been waived for the second consecutive year (FY 2024-25 and FY 2025-26), with the approval of the Board of Directors of the Holding Company.

iv. The component auditor is drawing attention regarding "The National Company Law Tribunal, Mumbai Bench, by its order dated 26 May 2025 in C.P.(IB)/4597(MB)/2018, dismissed the application filed by Goa Food & Pharma Private Limited (GFPPL) under Section 10 of the Insolvency and Bankruptcy Code, 2016, seeking initiation of its own corporate insolvency resolution process. The Tribunal held that GFPPL has not carried on business or held any assets since 2001, has had no Board meeting since 2018, and has no surviving corporate records, and that no resolution plan could accordingly be formulated; a connected application filed by GFPPL's financial creditor was dismissed as infructuous on the same grounds. As GFPPL has not been declared insolvent, the Company's recovery

mechanism in respect of its receivable from GFPPL continues to be the Special Execution Application (SEXA/0000002/2024) pending before the Ad-hoc Civil Judge, Panaji, against the properties of GFPPL's directors or of M/s. RRK Healthcare Limited, an entity under common management with GFPPL. The Company has made a provision of ₹6.78 crore against this receivable and has elected not to write off the balance while the execution proceedings remain pending; as at the date of this report, no further update on the status of those proceedings has been received from management."

v. The Company has, for the first time, recognised a Deferred Tax Asset of ₹1.39 crore during the year, presented gross against a Deferred Tax Liability of an equal amount, on the stated basis that the asset is recognised to the extent of liability.

vi. The component auditors were unable to attend the physical verification of inventory carried out by the Company's management at its Pernem and Solan facilities during the year and were therefore unable to independently observe the existence and condition of Inventories of ₹1.54 crore as at March 31, 2026.

As regard to HLL Infra Tech Services Limited (HITES), the Component Auditor has drawn attention to the following matters in their Independent Auditors' Report dated 13.07.2026, which are reproduced as under with suitable modification with reference to the accompanying financial statements:

i. Regarding proposed dividend of ₹65.65 per share of face value of ₹10.00 each. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.

ii. Note No.37 of the consolidated financial statements regarding CSR activities during FY 2025-26, the Company has to spend ₹0.82 crore towards CSR activities in ongoing CSR projects. As required by Section 135(6) the same has been deposited in "Unspent CSR Account" with State Bank of India.



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iii. Note No.2.28 of Explanatory notes regarding Performance Related Payment (PRP), a provision of ₹2.69 crore has been made in the books of HITES for PRP during the financial year.

iv. Note No.2.30 of Explanatory notes regarding GST input credit of ₹226.15 crore (approx.) towards GST credit (including IMPG & IMPGSEZ) which is reflected in GSTR 2B of HITES. However, not claimed by HITES, as it is not eligible to claim this.

v. Note No.2.31 of Explanatory notes regarding claiming refund by adjusting HITES's tax liability with TDS receivable i.e., deducted from the interest on Project funds and Project's mobilization advances.

vi. Note No.2.34 of Explanatory notes regarding balances of Trade Receivables, Trade Payables and Loans & Advances are subject to confirmation and reconciliations.

Our opinion is not modified in respect of the above matters.

**Material Uncertainty related to Going Concern**

As regard to Goa Antibiotics and Pharmaceuticals Limited (GAPL), the component auditor has drawn attention to the following matters in their independent auditors' report dated 10.07.2026 which is reproduced as under with suitable modification for the reference to the accompanying financial statements and to the company.

Component auditor is drawing attention to Note No.2.9 to the accompanying financial statements which describes that the GAPL has incurred continuous cash losses since 2018-19 which resulted in negative net worth. The GAPL has incurred a net loss (after other comprehensive income) of ₹6.13 crore for the year ended March 31,2026 and as of that date, the GAPL's accumulated losses amounts to ₹74.61 crore which resulted in complete erosion of net worth of GAPL and the current liabilities have exceeded its current assets by ₹38.45 crore as at March 31, 2026. These conditions and other matters set forth in the aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, based on the revival and turnaround plan mentioned in the

aforesaid note, management is of the view that the going concern basis of accounting is appropriate. In this regard component auditor noted that the GAPL's Solan plant contributed turnover of ₹19.70 crore for FY 2025-26- 66.28% of the GAPL's total turnover of ₹29.73 crore and a profit of ₹1.43 crore, the highest profit contribution among the Company's plants, which management considers supportive of the revival plan.

In relation to the above, the component auditor's audit work included, but was not restricted to, following procedures:

- Obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the GAPL's ability to continue as a going concern and the mitigating factors existing against each such event or condition.
- Obtained the Board approved revival plan and cash flow projections for the twelve months from April 2026 to March 2027.
- Held discussion with the GAPL's management personnel to understand the assumptions underlying the revival plan, including the projected institutional business (CGHS/AIIMS/Defence - ₹60 crore), Ayush segment growth, Medicentre expansion and Holding Company order.
- Evaluated the reasonableness of the key assumptions based on historical trends, current conditions and business plans, tested the arithmetical accuracy of the calculations.
- Compared actual FY 2025-26 performance against the previous revival plan milestones.
- Evaluated the appropriateness and adequacy of disclosures in the GAPL's financial statements with respect to this matter in accordance with applicable accounting standards.

Our opinion is not modified in respect of this matter.



**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, where of most significance in our audit of the consolidated financial statements of the current period. These matters where 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 in these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

1. **Internal Control as reported by us in the auditors' report to the Standalone Financial Statement as the Independent Auditor of the Holding Company**

| Key audit matters | How the matter was addressed in our audit |
|---|---|
| We have identified material weaknesses in the operating effectiveness of the Holding Company's internal control over financial reporting. These material weaknesses are detailed in the Qualified Opinion section of our separate report, as presented in Annexure A. The existence of material weaknesses in the Holding Company's internal control over financial reporting poses a significant risk to the reliability and accuracy of its financial statements. These weaknesses indicate deficiencies in the implementation and monitoring of controls necessary to prevent or detect material misstatements in the financial statements of the Holding Company. | Given the significance of these material weaknesses, we have implemented an audit approach that focuses on addressing the identified material weaknesses. We performed extensive in depth testing to assess the impact of these material weaknesses on the financial statements and to determine whether any material misstatements were not prevented or detected by the internal controls. We also carried out enhanced substantive procedures to independently verify balances, transactions, and disclosures that are most susceptible to misstatement due to the identified material weaknesses. |

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| Given the identified material weaknesses, there is an elevated risk that the Holding Company's internal financial controls may fail to prevent or detect material misstatements in its financial statements. The inadequacy of internal controls increases the probability of errors, omissions, or fraudulent activities not being detected in a timely manner. This could potentially result in financial statements that do not fairly present the financial position, results of operations, and cash flows of the Holding Company.<br><br>Due to the significance of these internal control material weaknesses, we consider them to be a key audit matter. | While our audit did not identify any material misstatements in the financial statements, the presence of material weaknesses necessitates that users of the financial statements exercise caution and consider the potential impact on the reliability of the reported financial information of the Holding Company. |

**2. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in respect of "Revenue from Contracts with Customers" under Ind AS 115 as reported in the auditors' report to the standalone financial statement by Component Auditors of HLL Infra Tech Services Limited (HITES).**

| Key audit matters | How the matter was addressed in our audit |
|---|---|
| The application of this revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a | Audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:<br><br>• Evaluated the effectiveness of controls over the preparation of information that are |

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| period, and disclosures including presentations of balances in the financial statements.<br><br>Estimated efforts is a critical estimate to determine revenue, as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining performance obligation. | designed to ensure the completeness and accuracy.<br><br>• Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.<br><br>• Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with Ind AS 115. Company is undertaking Projects under PCD and ID divisions where the Company controls the specified goods and services before they are transferred to customers and hence the nature of its promise is performance obligation to provide specified goods and services. However Company is recognizing only consultancy fee as transaction value instead of gross amount of considerations, this constitutes a difference of opinion on transaction value as per IND AS 115. Company has sought opinion from ICAI vide their letter dated 04.06.2024 in this regard, and as per the committee's opinion, the Company is acting as an agent not a principal for both Infrastructure and Procurement Divisions under Ind AS 115. Accordingly, revenue |



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| | should continue to be recognized on a net basis, i.e., only the fee or commission received from MoHFW/AIIMS or MHA should be recorded as revenue.<br>• Reviewed a sample of contracts to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.<br>• Performed analytical procedures and test of details for reasonableness and other related material items. |

**3. Assessment and recoverability of Trade Receivables as reported in the auditors' report to the standalone financial statement by Component Auditors of HLL Infra Tech Services Limited (HITES)**

| Key audit matters | How the matter was addressed in our audit |
|---|---|
| Assessment and recoverability of Trade Receivables | Component Auditors have assessed the Company's internal process to recognize the revenue and review mechanism of trade receivables. Audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:<br>• Evaluated the process of invoicing with customers. |

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|---|---|
| | • Obtained the list of project wise outstanding details and its review mechanism by the management.<br>• Reviewed the guidelines and policies of the Company on impairment of trade receivables. Most of the trade receivables are from Government hence considered realisable.<br>• Tested the accuracy of ageing of trade receivables at the year-end on sample basis.<br>• Performed analytical procedures and test of details for reasonableness, recoverability and other related material items. |

**Information Other than the Consolidated Financial Statements and Auditors' Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report including the Annexures, Management Discussion & Analysis Report and Corporate Governance Report included in the Annual Report but does not include the consolidated financial statements and our auditors' 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed and the reports of the other auditors as furnished to us, we conclude that there is a material misstatement of this other



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information, we are required to communicate the matter to those charged with governance.

**Responsibility of 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 and presentation of these consolidated financial statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance including Consolidated Other Comprehensive Income, Consolidated Cash Flows and Consolidated Changes in Equity of the Group and its Joint Venture in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act as amended. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint venture 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 the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its Joint Venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.




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The respective Board of Directors of companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and its joint venture.

**Auditors' Responsibility for the Audit of 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 auditors' 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 Standards on Auditing 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 have exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the financial statement in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness

of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the Independent Auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and

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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 of the Holding Company, 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 auditors' 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 auditors' 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 and other financial information, in respect of two subsidiaries whose financial statements include total assets of ₹3128.49 crore as at March 31, 2026, total revenues of ₹614.92 crore, total comprehensive income (comprising of profit and other comprehensive income) of ₹38.03 crore and net cash inflow of ₹183.53 crore for the year ended on that date and financial statements and other financial information of joint venture which reflects Group's share of net loss of ₹0.37 crore for the year ended March 31, 2026. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information, and auditors' reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of such other auditors.




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Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. As required under Section 143(5) of the Act, based on our audit as aforesaid, we give in the Annexure B, a report on the directions issued by the Comptroller and Auditor general of India (C&AG), the action taken thereon and its impact on the accounts and the Consolidated Financial Statement of the group.

2. 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 Annexure C, a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as referred in the 'Other Matters' paragraph, 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 purpose of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors; except for the matters stated in the paragraph of 3(i)(vi) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of 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 books of accounts maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, except for the matters described in the basis of qualified opinion the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) As per notification no. GSR 463(E) issued by the Ministry of Corporate Affairs dated 5th June 2015, provisions of sub-section (2) of Section 164 regarding disqualification of directors are not applicable to the Holding Company, subsidiaries and its joint venture.

f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure A, which is based on the auditors' reports of the Company and its subsidiary companies. Our report expresses a modified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements of those Companies.

g) As per notification no. GSR 463(E) issued by the Ministry of Corporate Affairs dated 5th June 2015, Sec 197 of the Act regarding remuneration to directors is not applicable to the Holding Company, subsidiaries and its joint venture.

h) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

i) With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the report of the other auditors on separate financial statement as also the other financial information of the subsidiaries and joint venture, as noted in the "Other Matter" paragraph :



i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - Refer Note No.42

ii. Except for the effect of matters described in the Basis of Qualified Opinion Paragraph above, Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint venture incorporated in India during the year ended March 31, 2026.

iv. (a) The respective Managements of the Holding Company, its subsidiaries and joint venture whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 to or in any other person or entity, including foreign entity ("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 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, its subsidiaries and joint venture whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries 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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us on the Company and its subsidiaries whose financial statements have been audited under the Act nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The dividend declared or paid during the year by the Holding Company and one of the subsidiaries are in compliance with Section 123 of the Act. The other subsidiary and joint venture have not declared or paid any dividend during the year.

(b) The Board of Directors of the Holding Company and one of the subsidiaries HITES have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of 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 and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and subsidiaries have used accounting software for maintaining its books of accounts. In the case of the Holding Company audited by us, it has used billing software which are operated by third party software service provider in 14 Janaushadhi outlets under Retail Business Division and 5 outlets under Health Care Service Division in AIIMS/NHM Project. Out of the total revenue from operations accounted by the Holding Company, 0.67% constitute the aggregate billing by these software. The Holding Company could not obtain any report regarding the implementation status of Audit Trail in respect of these software. Hence, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail

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feature been tampered with. In the case of the Joint Venture the component auditor has not commented upon the implementation status of the Audit Trail or its effectiveness. Subject to the aforesaid comments, in respect of other accounting software used by the Holding Company and the subsidiaries for maintaining its books of accounts, they have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit, we and respective component auditors did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

**For K. VARGHESE & Co.**
Chartered Accountants
(FRN: 004525S)

**Sam Varghese**
Partner
(MembershipNo.216979)
UDIN: 26216979BYTVOO1569
Place: Kochi
Date: 06.08.2026

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## Annexure 'A' to the Independent Auditors' Report
## (Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report)

**Report on the Internal Financial Controls with respect to the Consolidated Financial Statements under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**Qualified Opinion**

We have audited the internal financial controls with reference to financial statements of HLL Lifecare Limited ("the Holding Company") its subsidiaries and joint venture, which are companies incorporated in India, as of 31st March, 2026 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

We the Principal Auditors have identified the following material weaknesses in the operating effectiveness of controls in respect of the Holding Company as at March 31, 2026, as per our report on the Standalone Financial Statements of even date;

a) Ineffective control over the process of receivables management, which has impaired the efficiency in resolving the unidentified credits in banks, mapping TDS credits in 26AS with Debtors.

b) Non-effectiveness of certain control measures like obtaining periodic balance confirmation from debtors and creditors.

c) The Company did not have adequate and effective internal financial controls over the procurement and procure-to-pay process in the Retail Business Division, including the AMRIT Pharmacy. The Company uses separate applications for vendor registration and rate approval (Orisys Vendor Portal), procurement processing (EcoGreen), and financial accounting (SAP), which were not fully integrated. Approved rates were manually transferred from Orisys Portal to Ecogreen and Procurement transactions were manually transferred from EcoGreen to SAP ERP, resulting in inadequate automated controls over purchase order

authorization, completeness and accuracy of transaction recording, and automated three-way matching of vendor invoices with purchase orders and Goods Receipt Notes (GRNs).

Accordingly, these deficiencies constitute a material weakness in the Company's internal financial controls relating to procurement, contract management, purchase authorization, invoice verification, interface controls, and recording of procurement transactions, which may result in material misstatements in related financial statement balances and disclosures not being prevented or detected on a timely basis.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

We draw your attention to the following observation of component auditors on the financial statements of HLL Infra Tech Services Limited (HITES), a subsidiary issued by the Component Auditors vide its Report dated 13.07.2026 reproduced as under;

Based on component auditors' audit, they have following observations for the year ended March 31, 2026

"According to the information and explanations given to us and based on our audit, the following material weaknesses in the operating effectiveness of controls have been identified as at March 31, 2026:

a. Ineffective controls in recovery of earnest money given, reconciliation/adjustment of GST TDS, realisations from sundry debtors.

b. Ineffective controls in identifying / writing back excess provisions, unclaimed earnest money deposits lying with company."

c. Improvement required in adjustment of outstanding entries in bank reconciliation on regular basis.

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d. Compliance of labour laws regarding manpower supplied through third party vendors also needs to be ensured by the company. It was observed that TM Services Consulting Private Limited, a contractor engaged by HITES, deducted Provident Fund (PF) contributions of contract employees only on the basic wages, excluding other eligible wage components. Further in certain cases, the basic wages considered for PF deduction were lower than the applicable minimum wages. Company is also required to ensure restructuring of salary of employees as per new labour laws.

In our opinion, except for the effects/possible effects of the material weaknesses described above in our report for achievement of the objectives of the control criteria and the disclaimer of opinion on internal financial control with reference to financial statements given by the component auditors, the Holding Company, its subsidiaries and joint venture, has in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2026, based on the internal control with reference to financial statements criteria established by the Holding 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 (the "Guidance Note")."

**Management's Responsibility for Internal Financial Controls**

The respective Company's management and Board of Directors of the Holding Company, its subsidiaries and joint venture to whom reporting under clause(i) of sub section 3 of Section 143 of the Act in respect of adequacy of the internal financial controls with reference to financial statements is applicable which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of

adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company's, its subsidiaries and joint venture internal financial controls with reference to financial statements based on our audit. We have conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and audit evidences obtained by the Component Auditors of the relevant subsidiaries and joint venture in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to

provide a basis for our audit opinion on the internal financial controls system with reference to the consolidated financial statements.

**Meaning of Internal Financial Controls with reference to financial statements**

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

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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



**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements, insofar as it relates to separate financial statement of two subsidiaries and a joint venture which are companies incorporated in India is based solely on the corresponding reports of the auditors of such subsidiaries and joint venture incorporated in India. Our opinion is not modified in respect of this matter.

**For K. VARGHESE & Co.**
**Chartered Accountants**
(FRN: 004525S)

**Sam Varghese**
Partner
(Membership No. 216979)
UDIN: 26216979BYTVOO1569
Place: Kochi
Date: 06.08.2026

## Annexure B to the Independent Auditors' Report

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements")

Based on the comments in the Auditors' Reports of the Holding Company, its subsidiaries and its Joint venture companies, to the extent provisions of sec 143(5) of the Act applicable to these companies, we give below a report on the directions issued by the Comptroller and Auditor General of India.

| Sl. No | Directions | Action taken | Impact on Consolidated Financial Statements |
|---|---|---|---|
| 1. | Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements. | **1.HLL Lifecare Limited**<br><br>According to the information and explanation given to us, the Company has implemented two distinct post-retirement benefit schemes for its employees:<br><br>**Contributory Pension Scheme with LIC of India and National Pension System (NPS)**<br><br>LIC's valuation framework is designed to align with IRDAI regulations and ensure consistency, transparency, and prudence.<br><br>Key aspects include:<br><br>• **Investment Performance-Based Interest:** LIC credits a non-negative interest to policy | NIL |



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| | | holder's accounts, with a guaranteed minimum return of 0.5% per annum. This interest is determined by the actual investment performance of a dedicated pool of assets, net of applicable charges.<br><br>• **Substitute for Fair Value Adjustments**: The interest declared by LIC is considered a practical and reasonable substitute for fair value adjustments. This is determined through internal actuarial evaluations and the investment returns generated from the dedicated asset pool.<br><br>• **Market Value Adjustment (MVA):** In scenarios of surrender or bulk exit (withdrawals exceeding 25% of the account value), a Market Value Adjustment (MVA) is applied. This mechanism ensures that the valuation aligns with fair market valuation at the time of exit.<br><br>The valuation methodology for NPS is in accordance with guidelines set by the PFRDA. | |

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| | | • **Fair Valuation:** Investments are valued based on their realizable value, ensuring the valuations are accurate and reflect the true market value of securities.<br>• **Mark-to-Market Accounting:** NPS securities are valued on a mark-to-market basis, with periodic revaluation (typically daily) based on the current market prices of securities.<br>• **Third-Party Valuation:** The valuation process relies on third-party scrip-level prices provided by external valuers, ensuring that the Net Asset Value (NAV) reflects the true and fair value of investments.<br>• **Oversight by NPS Trust:** The NPS Trust is responsible for ensuring uniformity in asset valuation methodologies across all pension funds, with regular reviews of the valuation guidelines.<br>The valuations and contributions for both schemes are in line with Ind AS 19, ensuring that the Company's accounting for employee benefit is | |



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| | | appropriate. In our opinion, based on audit procedures performed, no material misstatements or deviations have been identified in the fair valuation of investments under both the employee benefit schemes.<br><br>**2. <u>HLL Infra Tech Services Limited</u>**<br><br>The company has funded part of the liability towards post-retirement gratuity and compensated absences with Life Insurance Corporation of India. The entire investible assets are managed by the fund managers of the said insurance company and the asset values as informed by the insurance company has been taken for the valuation purpose.<br><br>**3. <u>Goa Antibiotics and Pharmaceuticals Limited</u>**<br><br>The company has funded part of the liability towards post-retirement gratuity and earned leave through policies with the Life Insurance Corporation of India; however, the company has not been able to make | |




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| | | contributions to these policies for the last three years owing to its financial position, and the policies may not have sufficient funds to discharge future liabilities if this continues. | |
| 2. | Whether the company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | **1. HLL Lifecare Limited**<br><br>The Company has an ERP (SAP) system and other software for different verticals. The data from other software are also integrated to SAP through interfaces or batch uploads, which are manually compiled and uploaded into SAP. All the accounting transactions are processed through IT system.<br><br>In our opinion and according to the information and explanation provided to us, we haven't noticed any processing of accounting transactions outside the IT system except that the inventory valuation is carried out in excel spreadsheet and the resultant valuation is subsequently recorded into the accounting software through manual journal entries.<br><br>In respect of operation of the Audit Trail (edit log) feature in software used throughout the year, we have | NIL |

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| | | detailed the non-availability of the report relating thereto in respect of certain software used for billing at certain centres in 3(i)(vi) under 'Report on Other Legal and Regulatory Requirements' paragraph of our report.<br><br>Accordingly, we have not come across any implications of those risks on the integrity of the accounts.<br><br>**2. HLL Infra Tech Services Limited**<br><br>The company maintains its books of accounts on SAP accounting software. All the accounting transactions are processed through SAP Accounting Software.<br><br>Based on the audit procedures carried out by component auditors and as per information and explanation given to component auditors no accounting transactions have been processed or carried outside the SAP software. Accordingly as per component auditors' opinion, there are no | |

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| | | implications on the integrity of the accounts.<br><br>**3.Goa Antibiotics and Pharmaceuticals Limited**<br><br>The company has an ERP (SAP) system. The data from other software are also integrated to SAP through interfaces or batch uploads with checks and controls. In component auditors' opinion and according to the information and explanation given to component auditors, component auditors haven't noticed any processing of accounting transactions outside the IT system. | |
| 3. | Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilized as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the grant. List the cases of deviation. | **1. HLL Lifecare Limited**<br><br>According to the information and explanations given to us, funds received by the Company for specific schemes from Central/ State agencies were properly accounted for/utilized as per its terms and conditions except for the following case:<br><br>1. A grant of ₹14 crore was received for EMI/EMC Testing lab for medical equipment in HLL campus, Noida under Assistance to States for | **1.HLL Lifecare Limited**<br>An amount of ₹1.46 crore is shown as a Contingent liability for potential future interest on the unspent amount from the scheduled completion date of March 31, 2018, until the actual remittance date and is disclosed in Note No.36 to the |

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| | | Developing Export Infrastructure and Allied Activities (ASIDE) Scheme for the year 2016-17. As per clause 6 mentioned in the Sanction Order No:13/21/2015-SC dated 25th November, 2016 wherein it is stated that the Company has to submit the utilization certificate for the amount released, immediately after utilization but not later than 31.03.2018. The Company has not utilized the Grant as on the above-mentioned date. The Company refunded the unspent balance of ₹2.59 crore to Ministry of Commerce and Industry (MoC&I) in March 2023 and April 2024.<br><br>**2.** The Company received a grant of ₹11.45 crore from the Ministry of Minority Affairs under the Pradhan Mantri Virasat Ka Samvardhan (PM VIKAS) Scheme, in terms of Sanction Letter No. PMV-51065/28/2025-PM VIKAS-MOMA, for implementation of skill development, entrepreneurship and leadership development of minority women, and educational support for school dropouts from minority communities.<br><br>It was observed that, as per the terms and conditions of the sanction | consolidated financial statements. |

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| | | letter, the grant was required to be received and operated through a designated separate bank account. However, the grant was initially received in the Company's shared collection account instead of the designated bank account. Subsequently, the Company opened a separate bank account with the State Bank of India, Poojappura Branch on 30 June 2026 and transferred the grant amount to the said account on 8 July 2026.<br><br>**2. <u>HLL Infra Tech Services Limited</u>**<br><br>Funds (grants/ subsidy etc.) received / receivable for specific schemes from Central/State Government or its agencies are properly accounted for in respective project books however, TDS deducted against project payments is accounted in company books against company TAN and as explained to component auditors that same is refunded to respective projects at the time of refund of same from Income tax department after filing company Income Tax Returns. | |



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| | | During the course of component auditors audit they further observed that PCD division of company has deducted liquidated damages for noncompliance of terms and conditions by vendors however during 2025-2026 in many cases liquidated damages have been refunded to vendors without having any approval from competent authority/ ratification from board.<br><br>**3. Goa Antibiotics and Pharmaceuticals Limited**<br><br>Interest subsidy received from the Economic Development Corporation of Goa Limited has been utilised as per the terms of the loan; there were no other cases of funds received from central/state schemes | |
| 4. | Whether the Company has identified the key risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, | **1.HLL Lifecare Limited**<br><br>The Company had identified the key risk areas in November 2011 and the same was documented in the form of risk library. The Company has formulated Risk Management Policy in October 2012, which aligns with industry standards. | NIL |

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| | (a) Whether the Risk Management Policy has been formulated considering global best practices?<br><br>(b) Whether the Company has identified its data assets and whether it has been valued appropriately? | Company has adopted leading risk management standards and practices for defining and developing a formalised Risk Management Process. Which Includes ERM framework, AS-NZS 4360, The Risk Management Standard authored by Institute of Risk management, Association of Insurance and Risk Managers, National forum for Risk management in public Sector.<br><br>As informed and explanation given to us the Company has not identified its data assets.<br><br>**2. <u>HLL Infra Tech Services Limited</u>**<br><br>Based on the information received from management and auditor's assessment of the internal control and governance processes, it is noted that the company has established a formal Risk Management Framework, overseen by a Risk Management Committee headed by an officer of the rank of Associate Vice President (AVP) and led by the Chief Risk Officer. The framework is designed to identify, assess and mitigate key | |

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| | | operational, strategic and regulatory risks.<br><br>The Risk Management Committee meets periodically to review risk exposures and recommends appropriate response actions as per the Risk Management Policy. The Policy defines the Committee's responsibilities, including assisting the Board in overseeing risk governance, monitoring risk-related practices, reviewing disclosures, and supporting effective decision-making across the organization.<br><br>**3. Goa Antibiotics and Pharmaceuticals Limited**<br><br>As per the information and explanations given to component auditors, the company has formulated Risk Management Policy, but the process of defining and approving the Risk Management Framework by the Board and its operationalisation by the senior management as per the policy requirements is yet to be done. Valuation of data assets identified by the company is not done. | |



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| 5. | Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-In, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted. | **1.HLL Lifecare Limited**<br><br>Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable rules and regulations of SEBI, and Regulations of Telecom Regulatory Authority of India, CERT-In, Ministry of Electronics and Information technology are not applicable to HLL Lifecare Ltd.<br><br>The Company generally complies with the rules and regulations of the Department of Investment and Public Asset Management, Ministry of Corporate Affairs and department of Public enterprises.<br><br>In the case of guidelines issued by Department of Investment and Public Asset Management, provisions on<br><br>(1) Payment of Dividend<br><br>(2) Issue of Bonus Shares and<br><br>(3) Splitting of Shares<br><br>The Company submits representation to the Department of Investment and Public Asset Management Authority through the administrative ministry | NIL |



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| | | seeking exemption from compliance requirement in such years where there is deviation from the applicable provisions.<br><br>The regulations issued by the National Payments Corporation of India do not directly apply to HLL Lifecare ltd.<br><br>The rules and regulations of RBI with respect foreign exchange transactions are generally complied by the Company.<br><br>The applicable directions issued by the Indian Computer Emergency Response Team (CERT-In) are generally complied by the Company.<br><br>**2. <u>HLL Infra Tech Services Limited</u>**<br><br>As per the information and explanations given to the component auditors, not being a listed company, the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations | |

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| | | stated in direction No. V is not applicable to the company.<br><br>However, as per the Secretarial Audit Report, during the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:<br><br>1. Whereas in terms of the provision of Section 177(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the company has not duly reconstituted the Audit Committee.<br>2. Whereas in terms of the provision of Section 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the company has not duly reconstituted the Nomination & Remuneration Committee.<br>3. Whereas in terms of the provision of Section 135 of the Companies Act, 2013 the company has not | |



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| | | duly reconstituted the CSR Committee.<br>4. Whereas in terms of the provision of Companies Act, 2013 read with Secretarial Standard-1, company is required to conduct meetings of Independent Directors, CSR committee, Audit Committee, Nomination and Remuneration committee. However, meeting of CSR committee, Nomination and Remuneration committee, meeting of Audit committee and meeting of Independent Directors were not held during the period under review.<br><br>We further report that:<br><br>i. The Board of Directors of the company was duly constituted, except for the appointment of Independent Directors. Further one of the nominee director holding<br>DIN-03404210 could not attend the company Board meetings during the period under review due to pre occupation as recorded in Board meeting minutes. | |




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| | | **3. Goa Antibiotics and Pharmaceuticals Limited**<br><br>As per the information and explanations given to component auditors, not being a listed company, the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations stated in direction No. V is not applicable to the company. | |

**For K. VARGHESE & Co.**
Chartered Accountants
(FRN: 004525S)

**Sam Varghese**
Partner
(Membership No. 216979)
UDIN: 26216979BYTVOO1569
Place: Kochi
Date: 06.08.2026

## Annexure C to the Independent Auditors' Report

(Referred to in Paragraph 2 under "Report on Other Legal and Regulatory Requirements")

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

| Sl. No. | Name of companies & CIN | Holding Company/ Subsidiary/ JV | Clause number of the CARO report which is unfavourable or qualified or adverse |
|---|---|---|---|
| 1 | Goa Antibiotics and Pharmaceuticals Limited<br>CIN: U24231GA1980SGC000412 | Subsidiary | Clause i(b), ii(b), vii(a), ix(a), xix |

**For K. VARGHESE & Co.**
Chartered Accountants
(FRN: 004525S)

**Sam Varghese**
Partner
(Membership No. 216979)
UDIN: 26216979BYTVOO1569
Place: Kochi
Date: 06.08.2026



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HLL LIFECARE LIMITED FOR THE YEAR ENDED 31 MARCH 2026**

The preparation of consolidated financial statements of HLL Lifecare Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor/ appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 06 August 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of HLL Lifecare Limited for the year ended 31 March 2026 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of HLL Lifecare Limited and HLL Infratech Services Limited but did not conduct supplementary audit of the financial statements of Goa Antibiotics and Pharmaceuticals Limited for the year ended on that date. Further, section 139(5) and 143 (6) (a) of the Act are not applicable to Life Spring Hospitals Private Limited being private entity. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

**Comments on Financial Position**
**Balance Sheet**
**Assets**
**Non-current assets**

**Non-current tax Assets - ₹ 96.31 Crore (Note 8)**

Para 8.1.19 of the Guidance Note on Division II Ind AS Schedule III to the Companies Act, 2013, provides that tax assets not expected to be recovered or realised within one year from the Balance Sheet date should be presented under non-current assets.

The above comprises Income Tax Advance, TCS receivable and TDS receivable amounting to ₹ 77.67 crore pertaining to financial year 2025-26, the realisation/ adjustment of which is expected within twelve months from 31 March 2026, and hence, the same should have been classified under Current Assets.

Accordingly, their classification under Non-current Assets resulted in its overstatement with corresponding understatement of Current Assets by ₹ 77.67 crore.

Place: New Delhi
Date: 12.10.2026

For & On behalf of the
Comptroller & Auditor General of India

**(Saurav Kumar Jaipuriyar)**
**Director General of Audit**
**(Central Expenditure), New Delhi**

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

## Consolidated Balance Sheet as at March 31, 2026

(₹ in crore)

| | Particulars | Note No. | As at 31.03.2026 | As at 31.03.2025 | As at 01.04.2024 |
|---|---|---|---|---|---|
| A | **ASSETS** | | | | |
| | **Non-current assets** | | | | |
| | Property, plant & equipment | 3 | 218.01 | 225.95 | 230.61 |
| | Capital work-in-progress | 3 | 26.25 | 12.16 | 2.33 |
| | Goodwill (on consolidation) | | 6.02 | 6.02 | 6.02 |
| | Intangible assets | 3 | 5.17 | 7.01 | 7.34 |
| | Right of use assets | 3 | 17.36 | 11.20 | 13.85 |
| | Investment property | 3 | 6.92 | 2.20 | 2.23 |
| | | | **279.73** | **264.54** | **262.38** |
| | Financial assets | | | | |
| | i) Investments accounted under equity method | 4 | 2.48 | 2.85 | 3.22 |
| | ii) Other investments | 4 | 0.02 | 0.02 | 0.02 |
| | iii) Others | 5 | 28.06 | 2.33 | 2.03 |
| | Deferred tax asset (net) | 6 | 74.15 | 71.97 | 75.16 |
| | Other non-current assets | 7 | 0.08 | 0.13 | 1.40 |
| | Non-current tax asset | 8 | 96.31 | 93.73 | 74.65 |
| | **Total non-current assets** | | **480.83** | **435.57** | **418.86** |
| | **Current assets** | | | | |
| | Inventories | 9 | 556.60 | 572.41 | 407.19 |
| | Financial assets | | | | |
| | i) Trade receivables | 10 | 3,477.04 | 2,234.35 | 1,599.49 |
| | ii) Cash and cash equivalents | 11.a&b | 551.80 | 157.96 | 407.08 |
| | iii) Bank balances other than (ii) above | 11.c | 513.93 | 735.11 | 348.63 |
| | iv) Loans | 12 | 3.04 | 2.80 | 2.62 |
| | v) Other financial assets | 13 | 32.03 | 27.44 | 25.81 |
| | Other current assets | 14 | 213.87 | 257.12 | 218.43 |
| | **Total current assets** | | **5,348.31** | **3,987.19** | **3,009.25** |
| | Cash and bank balances of projects held under Trust as per contra | 2.4 | **3,449.22** | **3,471.82** | **3,667.23** |
| | **TOTAL ASSETS** | | **9,278.36** | **7,894.58** | **7,095.34** |
| B | **EQUITY AND LIABILITIES** | | | | |
| | **Equity** | | | | |
| | i) Equity share capital | 15 | 15.54 | 15.54 | 15.54 |
| | ii) Other equity | 16 | 1,316.03 | 1,041.50 | 832.86 |
| | **Equity attributable to owners of the entity** | | **1,331.57** | **1,057.04** | **848.40** |
| | Non-Controlling Interests | | **(6.12)** | **(5.22)** | **(5.39)** |
| | **Total equity** | | **1,325.45** | **1,051.82** | **843.01** |
| | **Liabilities** | | | | |
| | **Non-current liabilities** | | | | |
| | Financial liabilities | | | | |
| | i) Borrowings | 17 | 0.35 | 0.65 | 0.94 |
| | ii) Other financial liabilities | 17a | 23.51 | - | 0.50 |
| | iii) Lease liabilities | 18 | 14.08 | 7.67 | 5.98 |
| | Provisions | 19 | 25.81 | 27.57 | 27.11 |
| | Other non-current liabilities | 20 | 12.58 | 14.25 | 14.60 |
| | **Total non-current Liabilities** | | **76.33** | **50.14** | **49.13** |
| | **Current liabilities** | | | | |
| | Financial liabilities | | | | |
| | i) Borrowings | 21 | 223.37 | 224.97 | 305.18 |
| | ii) Lease liabilities | 22 | 1.73 | 2.79 | 7.99 |
| | iii) Trade payables | 23 | | | |
| | a) Outstanding to Micro, Small and Medium Enterprises | 23.a | 55.15 | 56.87 | 55.07 |
| | b) Outstanding due of others | 23.b | 2,979.22 | 2,057.92 | 1,551.50 |
| | iv) Other financial liabilities | 24 | 539.70 | 508.55 | 212.81 |
| | Provisions | 25 | 202.15 | 178.78 | 167.77 |
| | Other current liabilities | 26 | 426.04 | 290.92 | 235.65 |
| | **Total Current liabilities** | | **4,427.36** | **3,320.80** | **2,535.97** |
| | Advances received for projects held under Trust as per contra | 2.4 | **3,449.22** | **3,471.82** | **3,667.23** |
| | **TOTAL EQUITY AND LIABILITIES** | | **9,278.36** | **7,894.58** | **7,095.34** |
| | Corporate information and material accounting policies | 1 | | | |
| | Additional disclosures/explanatory notes to financial statements | 2 | | | |

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**M. No. 216979**

UDIN: 26216979BYTV001569

Date: 06-08-2026
Place: New Delhi

K. VARGHESE & CO. CHARTERED ACCOUNTANTS KOCHI

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson & Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director (Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

HLL Lifecare Limited
(A Government of India Enterprise)
CIN: U25193KL1966GOI002621

## Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(₹ in crore)

| Particulars | Note No. | For the year ended March 31, 2026 | For the year ended March 31,2025 |
|---|---|---|---|
| **Continuing operations** | | | |
| **Income** | | | |
| Revenue from operations | 27 | 6,400.20 | 4,954.94 |
| Other income | 28 | 67.50 | 67.29 |
| **Total income** | | **6,467.70** | **5,022.23** |
| **Expenses** | | | |
| Cost of materials consumed and services rendered | 29 | 2,680.93 | 2,022.66 |
| Purchases of stock-in-trade | 30 | 2,377.20 | 1,985.48 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 31 | 21.03 | (169.25) |
| Employee benefits expense | 32 | 325.68 | 320.08 |
| Finance costs | 33 | 25.07 | 25.78 |
| Depreciation and amortisation expense | 3 | 44.90 | 42.74 |
| Other expenses | 34 | 537.60 | 468.64 |
| **Total expenses** | | **6,012.41** | **4,696.13** |
| **Profit/loss before share of profit/loss of an associate/a joint venture** | | **455.29** | **326.10** |
| **Share of profit/loss of an associate/a joint venture** | | **(0.37)** | **(0.37)** |
| **Profit before tax** | | **454.92** | **325.73** |
| **Tax expense** | 45 | | |
| Current tax expense | | 120.01 | 96.43 |
| Tax in respect of earlier years | | (1.26) | (6.09) |
| Deferred tax | | (3.28) | 3.90 |
| **Total tax expenses** | | **115.47** | **94.23** |
| **Profit for the year from the continuing operations** | | **339.45** | **231.50** |
| Loss from discontinued operations | | - | - |
| **Loss for the year from discontinued operations** | | **-** | **-** |
| **Profit for the year** | | **339.45** | **231.50** |
| **Other comprehensive income** | | | |
| (i) Items that will not be reclassified to profit or loss | | | |
| - Remeasurement of defined benefit plans | | 4.93 | (3.51) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (1.24) | 0.82 |
| **Total Other Comprehensive Income** | | 3.69 | (2.69) |
| **Total Comprehensive income for the year** | | 343.14 | 228.81 |
| **Profit/(loss) for the year attributable to** | | | |
| Owners of the company | | **340.36** | **233.77** |
| Non-Controlling Interests | | **(0.91)** | **(2.27)** |
| **Other comprehensive income for the year attributable to** | | | |
| Owners of the company | | **3.69** | **(2.65)** |
| Non-Controlling Interests | | **0.00** | **(0.04)** |
| **Total comprehensive income for the year attributable to** | | | |
| Owners of the company | | | |
| Continuing operations | | **344.05** | **231.11** |
| Discontinued operations | | **-** | **-** |
| Non-Controlling Interests | | **(0.91)** | **(2.31)** |
| **Earnings per share (Face value of `10/- share) (for continuing operations)** | | | |
| (1) Basic (₹) | 1.24 | 219.10 | 150.48 |
| (2) Diluted (₹) | | 219.10 | 150.48 |

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**M. No. 216979**

**UDIN:** 26216979BYTV001569

Date: 06-08-2026
Place: New Delhi

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson & Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director (Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

K. VARGHESE & CO. CHARTERED ACCOUNTANTS KOCHI

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HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

**Consolidated statement of changes in equity for the year ended March 31, 2026**

**A. Equity Share Capital**

Current reporting Period

(₹ in crore)

| Balance at the beginning of April 1, 2025 | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of March 31, 2026 |
|---|---|---|---|---|
| **15.54** | - | - | - | **15.54** |

Previous reporting period

(₹ in crore)

| Balance at the beginning of April 1, 2024 | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of March 31, 2025 |
|---|---|---|---|---|
| **15.54** | - | - | - | **15.54** |

**B. Other equity**

**1.Current reporting period**

(₹ in crore)

| Particulars | Reserves and Surplus | | | Other comprehensive income | Total |
|---|---|---|---|---|---|
| | Dividend equalisation reserve | General reserve | Retained earnings | | |
| **Balance as on April 01,2025** | **1.30** | **256.53** | **820.62** | **(37.31)** | **1,041.14** |
| **Changes in accounting policy or prior period errors** | - | - | **0.35** | - | **0.35** |
| **Restatements done till FY 2024-25** | | | 2.94 | | **2.94** |
| Accumulated depreciation for Noida building (Net of tax) (a) | - | - | 0.33 | - | **0.33** |
| Depreciation of ROU Asset for the year 2024-25 (b) | - | - | (0.03) | - | **(0.03)** |
| Interest on lease for the year 2024-25 (b) | - | - | (0.00) | - | **(0.00)** |
| Rent on Leases for the year 2024-25 (b) | - | - | 0.03 | - | **0.03** |
| Sub-Contract Expense for the year 2024-25 (c) | - | - | (2.91) | - | **(2.91)** |
| **Restated balance as at April 01, 2025** | **1.30** | **256.53** | **820.97** | **(37.31)** | **1,041.50** |
| Total comprehensive income for the year | - | - | 340.36 | 3.70 | **344.06** |
| Dividend paid during the year | - | - | (69.53) | - | **(69.53)** |
| **Balance as at March 31, 2026** | **1.30** | **256.53** | **1,091.81** | **(33.61)** | **1,316.03** |

**2.Previous reporting period**

| Particulars | Reserves and Surplus | | | Other comprehensive income | Total |
|---|---|---|---|---|---|
| | Dividend equalisation reserve | General reserve | Retained earnings | | |
| **Balance as on April 01, 2024** | **1.30** | **256.53** | **606.74** | **(34.65)** | **829.92** |
| **Changes in accounting policy or prior period errors** | - | - | **2.94** | - | **2.94** |
| Accumulated depreciation for Noida building (Net of tax) (Refer note a) | - | - | 5.12 | - | 5.12 |
| GST ITC reversals (Refer note d) | | | (2.18) | - | **(2.18)** |
| **Restated balance as at April 01, 2024** | **1.30** | **256.53** | **609.68** | **(34.65)** | **832.86** |
| Total comprehensive income for the year | - | - | 233.77 | (2.65) | **231.12** |
| Dividend paid during the year | - | - | (20.00) | - | **(20.00)** |
| Change in equity interest in GAPL | - | - | (2.48) | - | **(2.48)** |
| **Balance as at March 31, 2025** | **1.30** | **256.53** | **820.97** | **(37.31)** | **1,041.50** |

**Notes:-**

(a) During 2025-26, the parent company restated the written down value of administrative building at Noida with effect from 01.04.2024 pursuant to correction in estimated useful life.

(b) During 2025-26, the parent company recognised Right of Use (ROU) asset in respect of Regional Office, Kolkata, relating to lease arrangement of FY 2024-25.

(c) During 2025-26 sub contracting expenses of financial year 2024-25 pertaining to leased plant of paent company recognised.

(d) During FY 2025-26, the parent company recognised the voluntary Input Tax Credit (ITC) reversals made on the GST portal against various tax demands of year upto FY 2022-23.

**Nature and purpose of reserves**

a) **Dividend Equalisation Reserve:** Dividend Equalisation Reserve is created out of retained earnings to facilitate payment of dividends in future periods. This reserve is available for distribution as dividend, subject to compliance with the Companies Act, 2013.

b) **General Reserve:** General Reserve represents amounts appropriated from retained earnings for strengthening the financial position of the Company and meeting future contingencies. This is a free reserve and is available for distribution as dividend, subject to statutory requirements.

c) **Retained earnings:** This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**M. No. 216979**

UDIN: 26216979BYTV001569

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson & Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director (Finance)& CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

Date: 06-08-2026
Place:New Delhi

K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

## Consolidated Cash Flow Statement for the year ended March 31, 2026

(₹ in crore)

| Particulars | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| **A. Cash flow from operating activities** | | | |
| Profit before tax | | **455.29** | **326.10** |
| *Adjustments for:* | | | |
| Depreciation and amortisation expenses | | 44.90 | 42.75 |
| Unrealised foreign currency gains and losses | | (3.94) | 0.36 |
| Loss on sale of property, plant and equipment | | 0.05 | 0.11 |
| Profit on sale of Property, plant and equipment | | (0.52) | (0.01) |
| Finance costs | | 25.07 | 25.78 |
| Interest income | | (39.39) | (37.67) |
| **Operating profit / (loss) before working capital changes** | | **481.45** | **357.42** |
| *Changes in working capital:* | | | |
| *Adjustments for (increase) / decrease in operating assets:* | | | |
| Inventories | | 15.81 | (165.22) |
| Trade receivables | | (1,242.69) | (634.86) |
| Short-term loans and advances | | (0.24) | (0.18) |
| Other current assets | | 43.67 | (41.64) |
| Changes in other non-current assets | | (168.82) | (130.72) |
| Changes in non current assets & liability (leases) | | (3.20) | (8.64) |
| Trade payables | | 923.52 | 507.86 |
| Other current liabilities | | 166.49 | 351.02 |
| Short-term and long term provisions | | 25.30 | 8.79 |
| **Cash generated from operations** | | **241.31** | **243.82** |
| Net income tax (paid)/refunds | | 22.92 | 21.56 |
| **Net cash flow from operating activities** | **(A)** | **264.23** | **265.39** |
| **B. Cash flow from investing activities** | | | |
| Capital work in progress | | (14.09) | (9.83) |
| Purchase/sale of PPE and intangible assets | | (36.98) | (30.05) |
| Interest income received | | 39.39 | 37.67 |
| Investments in bank deposits (having orginal maturity of more than three months) | | 216.18 | (385.17) |
| **Net cash flow used in investing activities** | **(B)** | **204.50** | **(387.37)** |
| **C. Cash flow from financing activities** | | | |
| Repayment of other long term liabilities | | 21.53 | (1.14) |
| Finance cost paid | | (25.07) | (25.78) |
| Dividend paid | | (69.53) | (20.00) |
| **Net cash flow used in financing activities** | **(C)** | **(73.06)** | **(46.93)** |
| **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **(D)** | 395.67 | (168.91) |
| Cash and cash equivalents at the beginning of the year | | (66.73) | 102.18 |
| **Cash and cash equivalents at the end of the year** | | **328.94** | **(66.73)** |
| **Cash and cash equivalents at the end of the year comprises** | | 333.34 | (57.45) |
| Less: Bank balances not considered as cash and cash equivalents as defined in Ind AS 7 statement of cash flows | | 1.96 | 1.83 |
| Less: Fund earmarked for CSR not considered as cash and cash equivalents as defined in Ind AS 7 statement of cash flow | | 0.18 | 0.04 |
| Less: Fund earmarked for projects not considered as cash and cash equivalents as defined in Ind AS 7 statement of cash flow | | 2.26 | 7.40 |
| Net cash and cash equivalents (as defined in Ind AS 7 statement of cash flows) included in note 1.9 | | **328.94** | **(66.73)** |

HLL Lifecare Limited
CIN : U25193KL1966GOI002621

## Consolidated Cash Flow Statement for the year ended March 31, 2026

(₹ in crore)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Reconciliation of cash and cash equivalents:** | | |
| **Cash and cash equivalents as per Note 11 a&b** | | |
| (a) Cash on hand | 2.62 | 2.65 |
| (b) Balances with banks | | |
| (i) In deposit accounts | 459.95 | 110.03 |
| (ii) In current accounts | 78.46 | 24.52 |
| (iii) Card in transit | 0.35 | 0.20 |
| (iv) In EEFC accounts | 6.85 | 2.14 |
| (v) Debit balance in CC/OD | 3.57 | 18.42 |
| **CC & OD balance as per note 21** | | |
| (i) In cash credit accounts | (222.76) | (224.35) |
| (ii) In overdraft accounts | (0.10) | (0.34) |
| | **328.94** | **(66.73)** |

*1) The above cash flow statement has been prepared under the indirect method set out in the Ind AS-7.*

*2) The previous year's figures have been re-grouped whereever necessary in order to confirm to this year's presentation.*

*3) Cash equivalents at the beginning and end of the year includes a debit balance bank overdraft and cash credit*

*4) Transactions of project funds held under trust and balance of ₹3,449.22 crores ( previous year ₹3,471.82 crores) are not included in the cashflow*

*5) Changes in liabilities arising from financing activities*

| Particulars | As at 1st April 2025 | Cashflows | Non - cash changes | | As at 31st March 2026 |
|---|---|---|---|---|---|
| | | | Fair value adjustment | Others on account of acqusition | |
| Non current borrowings (including current maturity of non - current borrowings) | 0.65 | (0.30) | - | - | 0.35 |
| Current borrowings | 224.69 | (1.82) | - | - | 222.86 |
| Total | 225.34 | (2.12) | - | - | 223.21 |

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**M. No. 216979**

**UDIN:** 26216979BYTV001569

Date: 06-08-2026
Place: New Delhi

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson & Managing Director**
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**Remesh P**
**Director (Finance)& CFO**
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**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

| | |
|---|---|
| **Note 1: Corporate Information and Material Accounting Policies of Consolidated Financial Statements** | |
| | **Corporate Information** |
| | HLL Lifecare Limited ("Parent Company") incorporated in the year 1966, is a Miniratna Enterprise, fully owned by Government of India, domiciled in India and governed by the provisions of the Companies Act, 2013. HLL Lifecare Ltd was converted into a Public Limited Company with effect from 21st February, 2012. The company's registered office is situated at HLL Bhavan, Poojapura, Thiruvananthapuram, Kerala, India. The Parent Company is engaged in the manufacturing and marketing of a range of contraceptive products, hospital products, women health pharma products, providing consultancy & contract services for healthcare infrastructure, Procurement and Diagnostic services and operates an affordable Retail chain of pharmacies. The company caters to both domestic and international markets. The Parent Company has two subsidiaries and one joint venture. The subsidiary GAPL is into Health care and HITES is engaged in providing services in the area of construction, infrastructure development, engineering services, procurement management, supply chain management and facility management services. The Joint Venture, Lifespring Hospitals Pvt Ltd maintains a chain of small sized hospitals which provides affordable and quality maternity services. The Parent Company together with its subsidiaries is hereinafter referred to as the "Group".<br><br>The Consolidated Financial Statements were approved for issue by the Board resolution passed in the 306th Board Meeting of HLL held on 6th August 2026. As there are no independent directors, there is no Audit Committee as on date. Hence the financial statements for the year 2025-26 were directly submitted to the Board of Directors for approval. |
| | **Recent Accounting Pronouncements** |
| | The Ministry of Corporate Affairs (MCA), vide notifications dated May 7, 2025, and August 13, 2025, amended Indian Accounting Standards (Ind AS) effective April 1, 2025. These include amendments to Ind AS 21, Ind AS 1, Ind AS 7 & Ind AS 107, and Ind AS 12. Based on management's assessment, these amendments do not have any significant impact on the Consolidated financial statements. |
| **1 A** | **Material Accounting Policies** |
| **1.1** | **Basis of preparation/consolidation** |
| | These consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on accrual basis except for:<br><br>(i) Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell;<br>(ii) Defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.<br><br>The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting |

| | |
|---|---|
| | standard requires a change in the accounting policy hitherto in use. The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores unless otherwise indicated.<br><br>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.<br><br>In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:<br>• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;<br>• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and<br>• Level 3 inputs are unobservable inputs for the asset or liability. |
| **1.1A** | **Principles of Consolidation** |
| | HLL consolidates entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the company, its subsidiaries and joint venture. Subsidiaries such as GAPL and HITES are consolidated from the date control commences until the date control ceases. |
| **a.** | The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard 110 (Ind AS 110) "Consolidated Financial Statements", Indian Accounting Standard 28 (Ind AS 28) "Investments in Associates and Joint Ventures" prescribed under Section 133 of the Companies Act, 2013. |
| **b.** | The Consolidated Financial Statements of the Group have been prepared on a line-by-line consolidation by adding together items of assets, liabilities, income and expenses of the subsidiaries. . The intra-group balances and intra-group transactions and unrealized profits have been fully eliminated. |
| **c.** | The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the Consolidated Financial Statements as Goodwill on Consolidation. The Goodwill on consolidation is tested for impairment every year and any loss assessed is provided for. |
| **d.** | Non-controlling interests in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the non-controlling shareholders at the dates on which investments are made by the Parent Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investment. |

| | |
|---|---|
| e. | The Parent Company's investment in the joint venture is accounted using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. |
| 1.2 | **Classification of assets and liabilities as current and non-current** |
| | The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.<br><br>All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Group for the purpose of current or non-current classification of assets and liabilities. |
| 1.3 | **Property, plant and equipment** |
| | Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss if any.<br><br>Costs directly attributable to the acquisition are capitalized until the property, plant and equipment are ready for use as intended by the management. Cost includes all incidental expenditure net of tax credits wherever applicable.<br><br>The cost includes interest on borrowings (calculated at the weighted average rates) and administrative expenses specifically attributable to the acquisition of such assets.<br><br>Revenue expenses incurred for identification of new projects/ new line of businesses are treated as capital work in progress. This will be absorbed into the project cost in the first year of commencing the business. If the new project/ new line of business does not materialize within a period of three financial years, the entire expenses shall be charged to revenue in the 3rd year.<br><br>Expenditure incurred during construction period is included under capital work-in-progress and the same is allocated to the respective items of property, plant and equipment on the completion of construction. In respect of pharmaceutical manufacturing facilities, expenditures incurred are included under capital work in progress till the validation process is completed.<br><br>Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.<br><br>Spare parts, stand by equipment and servicing equipment having individual value of Rs.5 lakhs or more and are expected to be used for a period more than 12 months are capitalized on their acquisition.<br><br>Depreciation on property, plant and equipment other than Freehold land and properties |

under construction have been made in line with the requirement under Schedule II of the Companies Act, 2013. Further depreciation has been charged on Straight line method for all assets under plant & machinery and written down value method for other assets (except intangible asset and leasehold assets) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act, except for those assets whose useful lives are determined based on any technical advice.

In GAPL, Depreciation is charged on Straight Line method over the useful life on all assets other than Leasehold Land.

The estimated useful life as per Companies Act 2013 are as follows:

| Category of asset | Estimated useful life |
|---|---|
| Leasehold land | Period of lease |
| Factory buildings | 30 years |
| Buildings other than factory buildings | 60 years |
| Buildings (Others) | 3 years or Terms of agreement of business whichever is earlier |
| Plant & machinery | 15 years or Terms of agreement of business whichever is earlier |
| ECG, X-Ray, CT scan, MRI machines etc | 13 years |
| Furniture and fixtures | 10 years or Terms of agreement of business whichever is earlier |
| Motor vehicles | 8 years |
| Office equipment | 5 years or Terms of agreements of business whichever is earlier |
| Computers & laptops | 3 years |
| Servers and networks | 6 years |
| Laboratory equipment | 10 years or Terms of agreement of business whichever is earlier |
| Electrical installations | 10 years or Terms of agreement of business whichever is earlier |

The depreciation methods, useful lives and residual values are reviewed periodically including at each financial year end.

Components of main assets were identified and determined separately, if they have a useful life that is materially different from that of the principal asset. 10% of the original cost of the principal asset has been considered as a threshold limit to determine whether a component is material or not.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

| | |
|---|---|
| | Additions to property, plant and equipment, costing ₹5,000/- each or less are fully depreciated during the year of purchase, irrespective of the date of addition retaining the residual value of assets except in GAPL.<br><br>Machinery spares acquired with the equipment are depreciated using the same rates and methods applicable for the original machinery. In the case of Machinery spares procured separately for future use, rates equivalent to accumulated depreciation for the expired life of the relative machinery are charged in the year of acquisition along with depreciation for the year.<br><br>**De-recognition**<br>An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Consolidated Statement of Profit and Loss. |
| **1.4** | **Investment property** |
| | Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group for its operations, is classified as investment property.<br><br>Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.<br><br>When a property given on rent is vacated and the management's intention is to use the vacated portion for the purpose of its own business needs, investment properties are reclassified as buildings under property, plant and equipment.<br><br>Depreciation on investment properties other than Freehold land and properties under construction have been made in line with the requirement under Schedule II of the Companies Act, 2013. Investment properties are depreciated using the written down value method over their estimated useful lives which is consistent with the useful lives followed for depreciating buildings under property, plant and equipment.<br><br>An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.<br><br>Gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated Statement of Profit and Loss. |

| 1.5 | Intangible asset |
|---|---|

**Research and development**

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes.

An internally generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- Development costs can be measured reliably;
- The product or process is technically and commercially feasible;
- Future economic benefits are probable; and
- The Group intends to and has sufficient resources/ability to complete development and to use or sell the asset.

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Intangible assets with finite useful lives are capitalized and carried at cost less accumulated amortization and accumulated impairment losses. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Amortization is recognized on a straight-line basis over their estimated useful lives.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually. 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.

The cost of computer software other than ERP software solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 years on a pro-rata basis/license period as applicable. License fee paid is amortized equally over the agreement period. In case of HITES, the Website development & Hosting is amortized over a period of 5 years.

Trademark/Patents are amortized over a period of 5 years. In GAPL, Trademarks/Patents are amortized over a period of 10 years from the date of recognition of intangible assets.

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| | **Trademark Expenses**<br>Expenses incurred on trademark registrations will be treated as capital work in progress and will be capitalized under 'intangible assets' when the licenses are received. Subsequent expenditure incurred on those licenses will be recognized as revenue expenses in the period in which such expenses are incurred.<br><br>The residual values, estimated useful life and method of depreciation/amortization of intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.<br><br>**De-recognition of intangible assets**<br>An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in Consolidated Statement of profit and loss when the asset is derecognized. |
| **1.6** | **Leases** |
| | **Group as a lessee**<br>The Group's lease assets primarily consist of land, buildings, plant and machinery. The Group assesses whether a contract is or contains a lease, at inception of a contract. .To determine whether a contract is or contains a lease, the group evaluates whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.<br>This assessment involves examining whether the Group has the right to obtain substantially all the economic benefits from the use of the asset throughout the lease period and whether it has the right to direct the use of the asset.<br><br>To assess whether a contract is or contains a lease, the Group assesses whether:<br><br>i. The contract involves the right to control the use of an identified asset<br>ii. The Group has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and<br>iii. The Group has the right to direct the use of the asset.<br><br>At the date of commencement of the lease, the Group recognises a Right of Use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. |

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| | The Right of Use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right of Use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.<br><br>Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.<br><br>The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted, using the incremental borrowing rates determined at the inception of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made.<br><br>A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. When a lease is terminated in its entirety, the difference between the carrying value of the Right of Use Assets and Liability is recognised in the Consolidated Statement of Profit and Loss and disclosed under other income.<br><br>Lease liability and Right of Use assets are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. |
| **1.7** | **Impairment of non-financial assets** |
| | The Group's non-financial assets are assessed at each reporting date to determine whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated, and an impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the Consolidated Statement of Profit and Loss.<br><br>Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.<br>In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. |

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| | Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of goodwill (if any) allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.<br><br>An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.<br><br>In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.<br><br>In the case of projects under development, the future cash flows are estimated based on the most recent budgets or forecasts relating to the project, adjusted to the current market conditions. |
| **1.8** | **Investments in subsidiaries and joint venture** |
| | The Group measures all its investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27. |
| **1.9** | **Inventories** |
| | Inventories consisting of raw materials , packing materials, work-in-progress, stock-in-trade, stores and spares , consumable tools and finished goods and are measured at the lower of cost and net realisable value.<br><br>Cost of raw materials, packing materials, stores, spares, consumable tools and traded goods comprises cost of purchases and includes taxes and duties and is net of eligible tax credits, along with freight, handling, and other expenses incurred in bringing the inventories to their present location and condition. Cost of work-in-progress, and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overheads, which is allocated on a systematic basis. Cost of inventories also includes all other related costs incurred in bringing the inventories to their present location and condition.<br><br>The weighted average formula is used for determining the cost of raw materials, packing materials stores, consumable tools and spares. Work-in-progress, materials in transit/under inspection are carried at actual process cost. Unused consumable Tools are reviewed periodically for obsolescence and impairment and are carried at lower of cost and net realizable value. |

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| | Finished goods manufactured/goods purchased for trading are valued at lower of cost/net realizable value, including taxes and duties net of eligible tax credits. Manufactured / traded finished goods in stock other than pharmaceutical products with a remaining shelf life of less than three months from the reporting date are taken at NIL value.<br><br>The provision for loss if any in respect of slow-moving items of materials/finished products are accounted for after assessing the usability/marketability. The factors that the Group considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Group's business and markets. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.<br><br>Net realizable value represents the estimated selling price in the ordinary course of business for inventories less all estimated costs of completion and costs necessary to make the sale |
| **1.10** | **Cash and cash equivalents** |
| | Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (usually having a maturity period of 3 months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of cash flow statement as per Ind AS 7, Cash Equivalents also include bank overdraft and cash credit which are repayable on demand. |
| **1.11** | **Financial Instruments** |
| | **Recognition and initial measurement**<br>Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.<br><br>In HITES, provision for Doubtful receivables is not considered for Govt. Customers unless doubtful of realisation and for private client's provision is created if not realised within 3 years<br><br>A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.<br>Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated Statement of Profit and Loss. |

**Classification and subsequent measurement**

**Financial assets**

i) On initial recognition, a financial asset is classified as measured at
- Amortised cost
- Fair value through other comprehensive income
- Fair value through profit and loss

ii) A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit or Loss (FVTPL)
- The asset is held within a business model whose objective is to hold assets to collect contractual flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) A financial asset is subsequently measured at fair value through other comprehensive income (FVOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) All financial assets not classified as measured at amortised cost or as measured at FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

v) Financial assets at FVTPL – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at FVOCI – These assets are subsequently measured at fair value, with fair value changes recognised in other comprehensive income. Income, including any interest or dividend, are recognised in the Consolidated Statement of Profit and Loss.

Financial assets at amortised cost – These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit and loss.

vi) Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing its financial assets.

**Financial liabilities**

i) Financial liabilities are classified as measured at amortised cost or FVTPL

ii) A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

iii) Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on de-recognition is also recognised in profit and loss.

**De-recognition**

**Financial assets**

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is the cumulative gain or loss that has to be recognised in the Consolidated Statement of Profit and Loss.

**Financial liabilities**

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired. The difference between the carrying amount of the financial liability de-recognised and the sum of consideration paid and payable is recognised as gain or loss in the Consolidated Statement of Profit and Loss.

The Group also de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

**Fair value of financial instruments**

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value resulting general approximation of value, and such value may never actually be realized.

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| | **Offsetting**<br>Financial assets and financial liabilities are offset, and net amount presented in the balance sheet when, and only when there is a legally enforceable right to set off the amounts and it intend either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.<br><br>**Impairment of financial assets**<br>The Group recognises loss allowance for expected credit loss ('ECL') on financial assets which are not measured at FVTPL. At each reporting date, the Group assesses whether such financial assets carried at amortised cost / FVOCI are credit – impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.<br><br>The Group measures loss allowance at an amount equal to lifetime expected credit losses except for bank balances which are measured as 12 months expected credit losses for which credit risk has not increased significantly since initial recognition.<br><br>Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.<br><br>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 ECL which results from default events that are possible within 12 months after the reporting date.<br>**Measurement of expected credit losses**<br>The Group has adopted a model, as permitted under Ind AS 109 "Financial Instruments", for measuring lifetime expected credit loss "ECL" allowance for trade receivables. The model determines the expected credit losses as the probability-weighted estimate of credit losses. .<br><br>The impairment losses and reversals are recognised in the Consolidated Statement of Profit and Loss . Loss allowance for financial assets measured at amortised cost / at FVOCI are deducted from gross carrying amount of the assets. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. |
| **1.12** | **Cash flow statement** |
| | Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on audited financial statements. |
| **1.13** | **Revenue recognition** |
| | **Sale of goods**<br>The Group generates revenue from a range of its products viz., contraceptives, hospital products, women healthcare pharma and personal hygiene products. |

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| | Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured on the basis of contracted price net of returns, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.<br><br>**Rendering of services**<br>The Group generates revenue from Healthcare Services, Laboratory and Diagnostic Services, Retail Pharmacy Services, Infrastructure Development services, Project Management Consultancy and allied services, Facility Management Services, and Procurement Consultancy Services.<br><br>Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations. In respect of revenue from services the Group follows recognition over a period of time or at a point in time based on the contract with the customer.<br><br>In respect of HITES, Revenue from Services from various divisions are recognised when the services are rendered in accordance with the terms of the contract on the basis of completion of performance obligation, when collectability is reasonably assured . For maintenance contracts income is recognised on pro-rata basis over the period of contract.<br><br>**Other Operating Revenues**<br>Other operating revenues comprise income from ancillary activities incidental to the operations of the Group and is recognized when the right to receive the income is established as per the terms of the contract.<br><br>Duty drawback/export incentive in respect of export sales are accounted for in the year of export. |
| **1.14** | **Other income** |
| | Interest income if any for delayed realization from Trade debtors as stipulated in invoices is not recognized, unless realized. Income other than the above are accounted for on an accrual basis. |
| **1.15** | **Foreign currency transactions and translations** |
| | The Group's financial statements are presented in Indian Rupee (₹), which is also its functional currency.<br><br>Transactions in foreign currencies are translated into the functional currency of the Group, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.<br><br>Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. .Foreign exchange gain or loss |

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| | resulting from the translation at year end rates are recognised in the Statement of Profit and Loss.<br><br>Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of qualifying cash flow hedges to the extent that the hedges are effective, which are recognized in OCI. |
| **1.16** | **Government grants** |
| | Government grants are recognized only when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.<br><br>Government grants in the nature of revenue items are recognized in the Consolidated Statement of Profit or Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Revenue grants/subsidies (other than product subsidy)and export incentives relating to sales are disclosed separately under other operating revenues, whereas product subsidy is disclosed under sales and services.<br><br>In respect of grants against depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as capital grant, which are recognized as income in the Consolidated Statement of Profit and Loss over the period and the proportion in which depreciation is charged. Government grants related to assets are presented in the Balance sheet as Deferred Grant.<br><br>When the Group receives a grant of non-monetary assets, the asset and the grant are recorded at fair value and recognised in the Consolidated Statement of Profit and Loss account over the expected useful life in a pattern of consumption of the benefit of the underlying asset.<br><br>A Government grant that becomes repayable is accounted for as a change in accounting estimate ( Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors). Repayment of a grant related to income is first applied against any unamortised deferred credit recognised in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or when no deferred credit exists, the repayment is recognised immediately in profit or loss.<br><br>Repayment of a grant related to an asset shall be recognised by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised in profit or loss to date in the absence of the grant shall be recognised immediately in profit or loss. |
| **1.17** | **Employee benefits** |
| | **Defined benefit plans**<br><br>**Gratuity**<br>The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible permanent and temporary employees. The Gratuity Plan provides a lump- |

sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in the other comprehensive income. The effect of any plan amendments is recognized in net profit in the Consolidated Statement of Profit and Loss.

**Compensated absences**

The Group has a policy on compensated absences only to permanent employees which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes, viz., Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code 2020(collectively referred to as the 'New Labour Codes'.) The New Labour Codes are effective from 21 November 2025, while the corresponding State Rules and implementation modalities are in the process of being finalized/notified.

Based on an assessment, the Group does not expect any material impact on its employee benefit obligations, considering that the existing employee benefit structures, retirement benefits and welfare schemes are substantially in line with the provisions of the said Codes.

**Defined contribution plans**

**Provident fund**

Eligible employees of the Group receive benefits from a provident fund, a post –employment benefit under which both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary to PF authorities and the Group will have no legal or constructive obligation to pay further amounts.

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| | **ESI and other contribution plans**<br>Payments to other defined contribution plans i.e., superannuation fund, Employee State Insurance and other funds are determined based on the schemes under the relevant statutes and charged to the Consolidated Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees. The amounts are paid to respective government authorities and the Group has no further legal or constructive obligation.<br><br>The defined contribution plan also includes the Contributory pension scheme effective from 1-4-2011 for the permanent employees who are on the rolls of the Group as on 9-10-2012. The Group contributes 3% of basic plus DA with a matching contribution from employees as per the pension scheme. The pension scheme is managed by LIC of India or to GoI managed National Pension Scheme. The Group has no further legal or constructive obligation beyond the contribution.<br><br>Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by the employees.<br><br>**Short-term and other long-term employee benefits**<br>A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.<br><br>**Termination benefits**<br>Payments made under Voluntary Retirement Scheme are charged to Consolidated Statement of Profit and Loss on incurrence. |
| **1.18** | **Borrowing costs** |
| | The borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale.<br>Interest on loans taken specifically for acquiring assets/group of assets, are proportionately allocated to respective assets based on asset value.<br><br>All other borrowing costs are recognized in the Consolidated Statement of Profit or Loss in the period in which they are incurred. |
| **1.19** | **Segment reporting** |
| | Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Group is responsible for allocating resources and assessing performance of the operating segments. |

| 1.20 | **Income Taxes** |
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| | Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in the profit or loss, except when they relate to items that are recognized in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in the other comprehensive income or directly in equity respectively.<br><br>**Current Tax**<br>Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.<br><br>Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.<br><br>**Deferred Tax**<br>Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.<br><br>A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized<br><br>Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.<br><br>Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.<br><br>The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.<br><br>Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and when the deferred taxes relate either to the same taxable entity or to different entities that intend to settle tax obligations on a net basis or simultaneously, and the taxes are levied by the same tax authority. |

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| | **Tax position**<br>Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management, based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter, concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts. |
| **1.21** | **Provisions, contingent liabilities & contingent assets** |
| | Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement.<br><br>If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.<br><br>Contingent assets are not generally recognized in the financial statements, since this may result in the recognition of income that may never be realised. Contingent assets, whose realization of income is probable, are disclosed separately. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.<br><br>Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts and reviewed at each Balance Sheet date to reflect the current management estimate. |
| **1.22** | **Prepaid Expenses** |
| | Prepaid expenses of items of ₹10,000/- each and below are charged off to the revenue. |

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| **1.23** | **Non-current assets held for sale** |
| | Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be Assets so identified are expected to qualify for recognition as a completed sale within one year from the date of classification.<br><br>Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal Non-current assets held for sale are not depreciated or amortised.<br><br>Assets classified as held for sale consists of non-Current assets which are un-serviceable due to technological obsolescence and ageing of the assets and have been declared as scrapped assets. These assets will be disposed of through a tendering process on regular intervals taking into consideration the accumulation of these items and economic quantity of scrap disposal. Scrapped assets held for sale and not sold within a year are taken to non-current assets and provided for in the books and expected to be disposed off within a year are treated as current. |
| **1.24** | **Earnings per Share** |
| | Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to the equity holders by the weighted average number of Equity shares outstanding during the year. |

| **Basic and Diluted Earnings per share** | **₹ In Crore** | |
|---|---|---|
| | **31.03.2026** | **31.03.2025** |
| Numerator - Net Profit (Profit after Tax as per Consolidated Statement of Profit and Loss) | 340.36 | 233.77 |
| Denominator - Average No. of Equity Shares outstanding during the period | 15535000 | 15535000 |
| No. of Shares - Basic & Diluted | 15535000 | 15535000 |
| **Earnings per share (₹)** | | |
| Basic (Face Value of ₹ 10/- per share) | 219.10 | 150.48 |
| Diluted (Face Value of ₹ 10/- per share) | 219.10 | 150.48 |

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| **1B** | **Critical accounting estimation and judgements** |
| | The preparation of the financial statements in conformity with Ind AS, requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year.<br>The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. The Management believes that the estimates used in preparation |

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| | of the financial statements are prudent and reasonable. Future results could differ due to changes in these estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known / materialized. |
| | **Contingencies**<br>Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. |
| | **Estimates and Assumptions**<br>The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.<br><br>**Defined benefit plans / Other Long term employee benefits**<br>The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.<br><br>Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.<br><br>The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on the expected settlement period of various plans.<br><br>**Fair value measurement of financial instruments**<br>When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. |

**Impairment of financial assets**

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past history and other factors at the end of each reporting period.

**Revenue**

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

**Income Tax**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL 1966GOI002621

## Note 2. Explanatory Notes/Additional Disclosures forming part of the Consolidated Financial statements for the year 2025-26

2.1 **Disclosures required by the Micro, Small and Medium Enterprises Development [MSMED] Act, 2006**

Disclosures required by the Micro, Small and Medium Enterprises Development [MSMED] Act, 2006 to the extent information available with the Group is as under:

(₹ in crores)

| S. No. | Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| (a) | The principal amount remaining unpaid at the end of the year | 55.15 | 56.87 |
| (b) | The delayed payments of principal amount paid beyond the appointed date during the year. | 1.02 | - |
| (c) | *Interest actually paid under Section 16 of the MSMED Act. | - | - |
| (d) | Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms. | 0.6588 | 0.4852 |
| (e) | Total Interest accrued during the year and remained unpaid. | 0.008 | - |

2.2 The extent of ownership in Subsidiary/Joint Venture Companies are as follows:

| Name of the Subsidiary/Jointly Controlled Entity | Country of Incorporation | Relationship | Ownership Interest as on 31.03.2026 |
|---|---|---|---|
| Goa Antibiotics and Pharmaceuticals Limited (GAPL) | India | Subsidiary | 85.16% |
| HLL InfraTech Services Limited (HITES) | India | Subsidiary | 100% |
| Life Spring Hospitals Pvt. Ltd | India | Joint Venture | 50% |

2.3 **Captive Status Granted by MoHFW and Pricing mechanism**

The Government of India granted "captive status" to the Parent Company, HLL Lifecare Limited (HLL) vide order dated August 26, 2005, for the supply of condoms and other

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| | contraceptive products to the Ministry of Health & Family Welfare (MoHFW). This status is subject to periodic reviews and extensions. The most recent extension of HLL's captive status is valid until March 31, 2028.<br><br>The Parent Company supplies Contraceptive products (Condoms, Oral Contraceptive Pills, EC Pills, Copper-T and Tubal Rings), Pregnancy Test Kits and Sanitary Napkins to the Ministry.<br>According to the Cabinet order and its subsequent amendments, the Ministry is required to place supply orders with HLL at the beginning of the year, using provisional rates based on the previous year's L1 rates. Revenue is recognized accordingly. L1 rates determined through the open tender will be applied as the final rates for HLL's supplies for that financial year. If the L1 rates are not determined through the tender process, the fair price for HLL's supplies will be determined by referring to either the Tariff Commission (TC) of the Ministry of Commerce & Industry or the Cost & Accounts Branch (CAB) of the Ministry of Finance.<br><br>The Parent Company has during the year received the cost escalation claim pertaining to year 2020-21. Further, the parent company has also approached the Ministry to refer the matter to the Cost & Accounts Branch, Ministry of Finance, for determining the fair price applicable to HLL for supply orders pertaining to the financial years 2021-22 to 2024-25. |
| 2.4 | **Assets and Liabilities held under Trust**<br><br>The Parent Company has been undertaking the Procurement Projects & Infrastructure Development Projects under agreements with the Government and its agencies, for which separate books are maintained under trust. The assets and liabilities of these projects are with the Government and its agencies allotting the projects and the inspection and audit being their responsibility. In accordance with the opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India, the summary of these Assets & Liabilities is disclosed as Annexure I only for information purposes and the cash and bank balances of these projects held by the Group under trust and the corresponding liabilities are disclosed as contra items in the Balance Sheet. |
| 2.5 | **Dues from Gujarat Medical Services Corporation Limited.**<br><br>The Parent Company, HLL Lifecare Limited, in collaboration with the Gujarat State Government, initiated the establishment of AMRIT Deendayal Pradhan Mantri Jan Aushadhi Stores (ADDPMJAS) to promote generic drugs across the state. On 6th September 2016, HLL signed a MoU with Gujarat State CSR Authority and Gujarat Medical Services Corporation Limited (GMSCL) to set up and operate these pharmacies until a Joint Venture (JV) Company was formed. HLL established 52 AMRIT stores in Gujarat in November 2016. Although a JV company was created by the Government of Gujarat in 2017, it did not assume control of the assets, liabilities, or operations of the retail drug stores. As per a resolution dated 18.05.2018 from the Health and Family Welfare Department, Government of Gujarat, HLL has taken over the store operations.<br><br>According to the Resolution, GMSCL has agreed to settle the loss amount of Gujarat operations up to the date of transfer after conducting an audit. The cumulative loss of |

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| | ₹12.32 crore up to 17/05/2018 is recorded as receivable from M/s Gujarat ArogyaSeva Private Limited (GASPL) under Note 14 – Other Current Assets. Additionally, ₹13.70 crore is due from GMSCL for medicine supplies, included in Trade Receivables, for which a provision has been made in the books. An amount of ₹15 crores received by HLL as a revolving fund from GMSCL is shown under Note 24 – Current Financial Liabilities - Others.<br>As per the MOU terms, GMSCL appointed M/s. Dhirubhai Shah & Co LLP, Chartered Accountants, by letter dated 28.01.2021, to conduct a special audit of HLL's operational loss claim.<br><br>The auditors submitted their final report to GMSCL and HLL received a copy. The auditor recommended ₹8.44 crore out of the total of ₹12.32 crore. The auditor disallowed Rs.3.88 crores for which provisions are available in the books. GMSCL will settle the outstanding amount after obtaining the approval from their competent authority.<br><br>The MoU for operating ADDPMJAS was extended only until 08-09-2023 by GMSCL, hence the ADDPMJAS pharmacy outlets in Gujarat were closed effective 09-09-2023. HLL is continuously following up with GMSCL for the final settlement of the claims. |
| 2.6 | **Demerger of HLL Biotech Ltd. (HBL) and Related Receivables**<br><br>The Ministry of Corporate Affairs (MCA) approved the demerger of HLL Biotech Ltd (HBL) via an order dated March 22, 2021. HBL, a 100% subsidiary of HLL formed for setting up the Integrated Vaccine Complex, ceased to be a subsidiary effective April 1, 2019, and became a Central Public Sector Enterprise (CPSE) under direct Government of India ownership. Consequently, the share capital invested by the Government of India and the corresponding investment by HLL were reduced by ₹ 274.88 crore.<br><br>The initial investment of Rs.0.01 crore made by HLL is shown as receivable from Govt of India in Note 13- Current Financial Assets-Others. HLL Vide Letter No. HLL/CS/Demerger-HBL dated 23rd August 2022, 22nd September 2023, 07th May 2024 and 23rd May 2025 requested the Government of India to refund of ₹ 0.01 crore invested by HLL in the paid-up share capital of HBL |
| 2.7 | **Leasehold Land at Chengalpattu and Transfer of Rights to HLL Biotech Ltd.**<br><br>Since January 2008, the Parent Company has held a lease of 430.10 acres of land for 99 years from the Central Leprosy Teaching Research Institute (CLTRI) in Tamil Nadu, as directed by the Ministry of Health & Family Welfare, Government of India. The Public Investment Board (PIB), Ministry of Finance, recommended on February 10, 2012, and the Cabinet Committee on Economic Affairs (TA) approved, that 100 acres of this land be earmarked for setting up the Integrated Vaccine Complex (IVC) at Chengalpattu, valued at ₹10.12 crore (56 acres at Rs.0.165 crore per acre and 44 acres of hillock at ₹0.02 crore per acre).<br><br>To implement the PIB's recommendations, HLL Biotech Limited (HBL) was established as a 100% subsidiary of HLL to set up the IVC. Due to delays in transferring the 100 acres of land to HLL and further transfer to HBL, the Parent Company sub-leased this land to HBL on February 20, 2014, for ₹1/- for 94 years. |

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| | Out of the 100 acres leased to HBL, 3.38 acres have been leased to Tamil Nadu Generation and Distribution Corporation Ltd (TANGEDCO), a subsidiary of TNEB Ltd., for 92 years at an annual lease rent of ₹1/-, with the sub-lease executed on September 19, 2016.<br><br>Following the demerger scheme, HBL requested HLL on October 19, 2021, to confirm the transfer of leasehold rights for the 100 acres at Chengalpattu. In response, HLL confirmed on October 30, 2021, that, according to the demerger scheme approved by the MCA on March 22, 2021, the leasehold rights had been transferred to HBL. A copy of this letter was sent to CLTRI for their records.<br><br>Further, HLL and HBL executed a Memorandum of Understanding (MoU) on January 6, 2023, at the Sub-Registrar Office (SRO), Chengalpattu and, it was submitted for registration under Section 8G of the Indian Stamp Act, with a request for stamp duty waiver.<br>On March 9, 2023, the Chairman & MD of HLL requested the Inspector General of Registration to direct the SRO, Chengalpattu, to complete the registration process. Following this, the CEO of HBL and HLL, along with their legal counsel, sent several follow-up letters to the District Registrar, Chengalpattu. Despite these efforts, the SRO is yet to issue the registered copy of the MoU. |
| 2.8 | **Demerger of HLL Medipark Ltd. and Transfer of Leasehold Rights**<br><br>Based on the Cabinet approval in 2009 to sub-lease 330.10 acres of land at Chengalpattu, Kanchipuram district (Tamil Nadu) for setting up Medipark, HLL Medipark Limited (HML) was established as a 100% subsidiary of HLL on December 20, 2016. This land was sub-leased to HML in March 2017. HLL has invested ₹6.40 crore in HML's equity share capital.<br><br>Following the approval of the demerger scheme by the Ministry of Corporate Affairs on March 31, 2021, HLL Medipark Limited ceased to be a subsidiary of HLL as of April 1, 2019. As per the scheme, the Government of India shall pay HLL Lifecare Limited its ₹6.40 crore equity investment in HLL Medipark Limited. Consequently, this amount is recorded as a receivable from the Government of India under Note 13: Current Financial Assets - Others.<br><br>HLL has requested the Ministry of Health and Family Welfare to take appropriate action(s) necessitated by the demerger of HML and based on the actions taken by the Ministry, HML has become a CPSE under the direct ownership of the Government of India.<br><br>As per Clause 3.4 of the Scheme of Demerger approved by the Ministry of Corporate Affairs, all rights to any immovable property associated with the demerged undertaking are to be transferred and vested in the resulting company, HML. However, since land is considered immovable property, additional re-documentation may be required to complete the transfer of the lease directly into HML's name.<br><br>Similar to the situation of HBL referred in para 2.7, HLL proposed to TIDCO on 04th December 2022, to execute necessary documentation to update the revenue records |

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| | for the 330.10 acres of land. TIDCO subsequently informed MOHFW that they are unable to proceed with the documentation since the Chief Secretary, Govt. of Tamil Nadu had requested MOHFW Govt. of India, to transfer the land to Govt. of Tamil Nadu and take back the management of HML. |
| 2.9 | **Equity Investment in Goa Antibiotics and Pharmaceuticals Ltd. (GAPL)**<br><br>HLL Lifecare Limited (HLL) acquired a 74% stake in Goa Antibiotics and Pharmaceuticals Ltd. (GAPL) from EDC Ltd., Goa in 2014. As per the audited financials of GAPL as on 31st March 2022, the net worth of the company was negative, and GAPL was classified as sick under DPE guidelines.<br><br>GAPL management in its 191st Board meeting held on 09-05-2022 presented a Revival plan, and the same was agreed to in principle by GAPL Board with a plan to infuse additional equity of ₹ 14.31 crore by both the partners i.e., HLL Lifecare Ltd and EDC Ltd. in the ratio of their shareholding. Later, EDC Ltd., Goa decided not to infuse the additional equity in GAPL and agreed to dilute its shareholding. Therefore, in the 284th Board meeting of HLL held on 26th July 2022, the Board of HLL has approved the proposal to make additional equity investment of ₹14.31 crore from the internal resources of HLL in three stages. HLL has proposed various corrective and operational measures aimed at improving the financial performance of the company and is in the process of implementing the same.<br><br>HLL currently holds 85.16% of GAPL's share capital. As of 31 March 2026, GAPL has a negative net worth of ₹ 41.28 crore. |
| 2.10 | The impairment loss of ₹9.34 crore recognised by the Company on its investment in Goa Antibiotics & Pharmceuticals Ltd (GAPL) in the Standalone Financial Statements has been eliminated on consolidation and, accordingly, does not impact the Consolidated Financial Statements. Goodwill arising on consolidation has been tested for impairment, with GAPL. identified as the relevant cash-generating unit. Based on the impairment assessment performed, no impairment of goodwill has been recognised in the Consolidated Financial Statements during the year . |
| 2.11 | **Investment in Joint Venture – Life Spring Hospitals (P) Limited**<br><br>M/s. Life Spring Hospitals (P) Limited, a 50:50 joint venture (JV) between Parent Company HLL Lifecare Ltd. and Acumen Fund Inc., USA, was formed in February 2008 to provide high-quality, affordable maternal health care for low-income women in India. The company is maintaining a chain of small sized hospitals which provides affordable and quality healthcare services to the Lower-and-Middle Income population especially women and children across India. As of March 31, 2026, HLL's total equity investment in the JV was ₹9.51 crore. The JV 's accumulated net worth is ₹4.97 crore and incurred a loss of ₹0.74 crore. The JV continues to maintain positive net worth and stable operational revenues during the year, indicating continued business viability and future growth potential. The parent company plans to further expand the operations of the JV and does not envisage any impairment in Investment. |
| 2.12 | **Strategic Disinvestment of HLL Lifecare Limited.**<br><br>On November 1, 2017, the Cabinet Committee on Economic Affairs (CCEA) of the |

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| | Government of India granted 'in-principle' approval to separate HLL Lifecare Limited's (HLL) Vaccine venture and Medipark project into distinct Special Purpose Vehicles (SPVs) with 100% equity held by the Government of India. The approval also included the subsequent sale of the Government's 100% equity in HLL through a two-stage auction process. The Department of Investment and Public Asset Management (DIPAM), the nodal agency coordinating the disinvestment process, selected the following advisors through competitive bidding: M/s. Price Waterhouse Coopers Pvt. Ltd. (PWC) as Transaction Advisor, M/s. Crawford Bayley & Co. as Legal Advisor, and M/s. Adroit Technical Services Pvt. Ltd. as Asset Valuer.<br><br>The Transaction Advisor (TA) issued the Preliminary Information Memorandum (PIM) and invited Expressions of Interest (EOI) from prospective investors for the strategic disinvestment of HLL on 14 December 2021, followed by four corrigenda on the websites of DIPAM, Ministry of Health & Family Welfare, the TA and HLL.<br><br>As per the prescribed schedule, EOIs were to be submitted online by 14 March 2022 and in physical form by 21 March 2022, with Qualified Interested Bidders (QIBs) proposed to be shortlisted by 28 March 2022. Thereafter, from July 2022 onwards, information relating to HLL was shared with the shortlisted bidders through a Virtual Data Room (VDR).<br><br>DIPAM organized regular meetings with HLL, advisors, and relevant ministries to discuss and determine actions for the strategic disinvestment of HLL Lifecare Limited. During the due diligence process, HLL provided clarifications and additional information to the bidders through the Transaction Advisor.<br><br>According to DIPAM's website, the Expression of Interest (EoI) for the strategic disinvestment of HLL has been closed, and the process has now advanced to Stage II, which involves the Request for Proposal (RFP) and submission of bids. |
| 2.13 | **Legal claim from Pharmaceutical Fund and Supply Agency, Ethiopia**<br><br>In 2015-16, the Parent Company exported 69.88 Mpcs of male condoms to the Ministry of Ethiopia through Pharmaceutical Fund and Supply Agency (PFSA), and the payments were received.<br><br>PFSA communicated on 26th November 2015, that some batches failed the tests of Ethiopia Food Medicines and Health Care Administration (EFMAHCA). It was agreed on 28.11.2016 to replace the entire supplies in four consignments with the condition that the Ethiopian entity would return an equal quantity of the defective material for each replacement batch provided by HLL.<br><br>In 2017-18, the Parent Company replaced 15 Mpcs of Condom (in 35 batches) and Pharmaceuticals Fund and Supply Agency (PFSA)returned 15 Mpcs from 137 batches<br>The returned goods were further tested at Central Drug Testing Laboratory, Chennai and all batches passed.<br><br>PFSA informed on 13.02.2018 that they would not continue with the agreed |

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| | replacement. PFSA sent a legal notice on the same date demanding refund of the balance amount paid. However, HLL denied the request vide letter dated 21.02.2018.<br><br>On 23rd September 2020, PFSA filed a Civil Case against HLL with the Federal High Court – Federal Democratic Republic of Ethiopia in line with the above matter for a claim amount equivalent to INR ₹ 45.60 crore. Following the hearings in this regard, on 24th July 2023, the judgement was passed in favor of HLL. The claims of the PFSA were not accepted by the Federal High Court.<br><br>After the judgment on 24.07.2023, PFSA appealed to the Federal Supreme Court of Ethiopia on 07.09.2023. HLL received a notification from the Federal Supreme court on 09.03.2024, directing to submit a written statement in hard copy and CD. HLL submitted its written statement on 09.05.2024 within the extended deadline provided.<br><br>The Federal Supreme Court rendered its order on 20.06.2024, wherein the Order dated 24.07.2023 passed by the Federal High Court has been revised in accordance with the Civil Procedure Law No: 348(1) and decided that HLL shall pay an amount of ETB ₹ 68,647,789.64 which translates to approximately ₹4.47 crore.<br><br>HLL's counsel informed that as per Article 6 (Review of Judgements) of the Civil Procedure Code – Ethiopia, a review petition was unlikely to succeed. As a result, HLL filed an appeal on 18.09.2024. The matter was finally heard on 04.04.2025. HLL's matter has been dismissed. However, the certified copy of the order is awaited. In view of this, a provision was created for ₹4.47 crore in the books in financial year 2024-25. |
| 2.14 | **Status of Dues from Employees State Insurance Corporation.**<br><br>Trade Receivables in Note No 10 includes ₹137.41 crore receivable to the Parent Company, HLL Lifecare Limited (HLL) from Employees State Insurance Corporation (ESIC). Of this, ₹123.74 crore pertain to claims for Construction of Medical College at Paripally in Kerala. The project started in November 2010, was completed and taken over by ESIC on 21.10.2016. Out of this ₹123.74 crore, ₹28.98 crore is towards the value of work done and ₹ 94.76 crore towards escalation claims. The balance ₹13.67 crore pertain to other assignments from ESIC.<br><br>As against ₹94.76 crore of receivables, ₹62.45 crore are recognized as expenses for escalation claims payable to M/s. L & T as part of their bills on this turnkey project.<br>While HLL was pursuing eligible payments as per contract, ESIC vide letter dated 27.03.2018 directed HLL to pay back ₹92.93 crore, which is not based on any agreed contract terms between HLL and ESIC dated 21.01.2010.<br><br>Considering the long pending receivables, HLL requested for dispute redressal process dated 28.03.2018 as per agreement between ESIC and submitted a claim of ₹437.19 crores for arbitration.<br><br>However, after the claims were submitted by HLL and proceedings were underway, the Honourable Delhi High Court terminated the arbitrator's mandate at ESIC's request. |

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| | Due to delays in dispute resolution, HLL decided to adopt Administrative Mechanism for Resolution of CPSEs Disputes [AMRCD] in this and approval was accorded in 282nd Board meeting held on 24.01.2022. The request / application for initiating AMRCD proceedings was made to the Secretary, MoHFW. Vide order dated 26.04.2022, a committee consisting of Secretary, Ministry of Health and Family Welfare, Secretary, Ministry of Labour and Employment, and Secretary, Department of Legal affairs was constituted.<br><br>The committee was mandated to finalize its decision within 3 months of its constitution. The committee held its first meeting on 02.05.2022, and the most recent (fifth) meeting took place on 18.11.2024, during which the parties were encouraged to resolve the dispute amicably through mutual discussions. However, a resolution has yet to be arrived. Considering the long pendency, and as precautionary measure, a provision was created in the books in 2021-22 for this receivable.<br><br>Claim raised by Larsen & Toubro Limited against HLL Lifecare Limited in respect of pending contractual dues and related claims under the said contract was referred to arbitration under the dispute resolution mechanism provided therein.<br><br>During the pendency of arbitration, a settlement agreement was executed by the parties and ₹93.97 Crore was paid in August 2024. A joint memo was filed and a consent order was passed by Sole Arbitrator in October 2024. The dispute stands fully resolved and no further liability exists in this matter between L&T and HLL. |
| 2.15 | **Competition Commission of India (CCI) Proceedings**<br><br>The Competition Commission of India (CCI) Suo moto had initiated (30.9.2014) an investigation against ten private manufacturers of male contraceptive products for alleged cartelisation in tenders floated by Ministry of Health and Family Welfare (MoH&FW) during the period 2010 to 2013 and upon investigation the Parent Company was also included as a party to the alleged cartelisation. All information sought from HLL was submitted.<br><br>Following the Order dated 14.10.2019 passed by the Hon'ble Court of Telangana in W.P. No. 22293 of 2019, filed by M/s Indus Medicare Limited, Hyderabad, staying all further proceedings, the Commission cancelled the date of final hearing on DG Report scheduled on 20.11.2019 and communicated the same to HLL along with other parties on 15.11.2019. No further communication has been received from CCI after 15.11.2019. |
| 2.16 | **Operations of Unipill Plant**<br><br>Property, Plant and Equipment of the parent company include the WHO-GMP (Geneva) compliant Unipill Plant at Kanagala, Belagavi, established to manufacture oral contraceptive products. Unipill (Levonorgestrel 1.5 mg) is registered in ten countries and Novella (Ethinylestradiol/Levonorgestrel 30µg/150µg) registered in three countries. The company is currently pursuing product registrations in further eleven countries to expand its international presence. Following WHO prequalification of Novella, the company is pursuing registrations in additional markets and exploring international opportunities for both products. The facility is also validated for other OCP products manufactured at Kanagala. During the year, the plant generated revenue of ₹1.67 crore. |

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| | Based on an assessment, the carrying value of the plant is lower than its recoverable amount ,hence no impairment is recognised. |
| 2.17 | **Equipment Received on Loan for Female Condom Manufacturing**<br><br>The Parent Company had received from M/s. Female Health Company (UK) equipment valued at ₹0.89 crore on loan basis for the manufacture of female condom FC2 Nitrile version at its unit located in Cochin Export Processing Zone. No accounting entries have been made as the property and title of the equipment supplied vest with M/s. Female Health Company, U.K. Rental charges on the said assets were recognised based on actual utilisation. Machine Rent of 2009-10 & 2010-11 of ₹0.13 crore is included under Note No. 22b Trade Payable - Others. |
| 2.18 | **Compliance with DIPAM Guidelines on Dividend Declaration**<br>As per the revised guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) issued by the Department of Investment and Public Asset Management (DIPAM), unlisted CPSEs are not required to adhere to the provisions relating to buyback of shares, issuance of bonus shares, and stock splits and are permitted to declare final dividend once in a financial year .<br>Accordingly, HLL has declared and paid a dividend of ₹69.53 Crores ( DPS ₹44.75 per share) during the financial year 2025–26, representing 30% of the Profit After Tax (PAT), in compliance with the DIPAM guidelines. |
| 2.19 | **Recommendation of Dividend**<br><br>The Board of Directors of the company has recommended a dividend of ₹ 50.59 crore (DPS ₹ 32.56 per share) in its 306th Board Meeting held on 6th August 2026,being 4% of Net Worth. It is also proposed to submit a proposal through the Ministry of Health and Family Welfare to DIPAM for exempting HLL from the guidelines on Payment of Dividend for the year 2025-26. |
| 2.20 | **Other disclosures**<br><br>HLL Biotech Ltd( former subsidiary HLL Lifecare Limited) had appointed HLL as Civil Construction Consultant for the Integrated Vaccine Project, Chengalpattu and awarded the contract to Shapoorji Pallonji and Company Pvt Ltd (SPCPL). Disputes arose due to project delays, with SPCPL claiming ₹74.95 crores and HLL/HBL counterclaiming ₹46.07 crores. Since HLL was awarded the project on behalf of HBL, HBL's Board agreed on July 22,2019 to take over the arbitration claim.<br>The arbitral award dated 28 February 2023 dismissed SPCPL's claims and awarded ₹25.00 crores to HLL/HBL along with interest and costs. Subsequently, amended orders were issued on 11 August 2023 pursuant to HLL's correction petition, and demand notices aggregating ₹29.96 crores were issued to SPCPL in April 2024.<br>SPCPL has challenged the award before the Hon'ble High Court of Madras under Section 34 of the Arbitration & Conciliation Act, and the matter is currently pending for final hearing. HLL filed its counter on 04 February 2025 and short submissions on 16 April 2025. |
| 2.21 | Advance to creditors under Note 14- Other current includes ₹4.92 crore receivable to the parent company from M/s Goa Mining Industries, which is covered by a provision. An arbitral award in favour of the Company was received during 2018-19, with interest at 9% p.a. from 01.04.2014. HLL has engaged M/s Legal Icon Advocates and Corporate Legal Consultants LLP, Cochin, to file execution petitions and pursue |

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| | recovery. The Company is currently pursuing recovery through an execution petition (Com Ex 0000220/2026) filed in the Commercial Court, Bangalore. |
| 2.22 | Assets classified as held for sale consists of non-Current assets which are un-serviceable due to technological obsolescence and ageing of the assets and have been declared as scrapped assets. These assets will be disposed of through a tendering process on regular intervals taking into consideration the accumulation of these items and economic quantity of scrap disposal. Scrapped assets held for sale and not sold within a year are taken to non-current assets and provided for in the books and expected to be disposed off within a year are treated as current. |
| 2.23 | Note 10- Current financial assets – Trade Receivables includes an amount of ₹30.85 crore outstanding for more than a year pertaining to the export supplies of male and female condoms made to M/s Biocor Hospital Supplies Private Limited, as per the technical specifications in the tender issued by the Department of Health, South Africa. Considering the overdue, the company has lodged the claim with Export Credit Guarantee Corporation in May 2025. |
| 2.24 | No borrowing costs were capitalised during the year or in the previous year. |
| 2.25 | RBD and HCS divisions use multiple software solutions like Eco Green, LIS, HMIS, RIS & Billing module, Teleradiology, PACS and RISPACS for capturing daily transactions at the Centre. Summary of transactions are captured in HLL books of accounts which is maintained in SAP software on a periodical basis. |
| 2.26 | Insurance premium includes medical insurance premium paid for post-retirement medical benefits |
| 2.27 | During the year there was no payment towards a voluntary retirement scheme. |
| 2.28 | In respect of HITES, As per the provision of Annexure- III of the DPE O.M. No. 2(70)/08-DPE (WC)-GL-XVI/08 dated 26th Nov, 2008, the PRP would be based on physical and financial performance and will come out of profits of the CPSE. 65% of the PRP will be given with the ceiling of 3% of profit before Tax (PBT) and 35% of PRP will come from 10% of incremental profit. Incremental profit would mean the increase in profit as compared to previous year's profit. The total PRP, however, will be limited to 5% of the year's PBT, which will be for executives as well as non-unionized supervisors in a CPSE.<br><br>As per the above guidelines maximum ceiling of PRP is 5% of the year's profit from core business activities (without consideration of interest on idle cash/ bank balances), accordingly, HITES have made a provision of ₹2.69 crore for PRP during current Financial Year in order to follow the matching principle of accounting. As per the matching principle, the expenses should be recorded during the period in which they are incurred, regardless of when the transfer of cash occurs.<br><br>However, the payment of above mentioned amount will be made after obtaining separate approvals from the competent authorities as per the eligibility of the company with reference to the above mentioned DPE guidelines. |
| 2.29 | HITES has not disclosed the remaining performance obligation as per IND AS 115 related disclosures for contracts which are under execution and not completed as on 31/03/2026 as remaining performance obligation are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency. |

2.30 HITES is an executing agency & procurement support agent and undertakes the construction and procurement projects related to Hospitals & Medical College for the clients.
The payment made for construction and procurement are charged to the projects held by HITES. The revenue of the company is booked only for the eligible consultancy fee as per the agreement with client and as defined in IND AS 115 and not for the gross construction and procurement value. Hence the GST credit related to the payments made for the construction and procurement for projects are not eligible to HITES.

During the year, an amount of ₹226.15 Crore (Approx.) towards GST credit (including IMPG & IMPGSEZ) against the procurement/contractor payments is not eligible to HITES and the same is not claimed. However, the same is reflected on the GST number of HITES.

2.31 HITES is claiming refund by adjusting company's tax liability with TDS receivable deducted from the interest on project funds and project's mobilization advances. Since the interest belongs to the projects fund, as per the agreement with clients and the TDS deducted on the interest is recorded at the PAN of HITES, the same is taken as credit for income tax purpose and the equivalent fund is transferred back to the respective project fund, identification of such amount is under process and shall be transferred in due course.

2.32 As per the terms of the agreement being awarded by MoHFW, various AIIMS and state level projects, HITES is liable to procure the medical equipment's (Domestic/Import) by using its own GSTIN & IEC in the capacity of pure agent on their behalf. The entire medical equipments' procured as per the terms of the contract is being supplied/dispatched to the respective projects (consignees/sites) directly. The year wise break up of such materials are as under:

**A. Value of Work Executed under Procurement & Consultancy Division**

| Particulars | 2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|---|---|---|---|---|---|---|---|---|
| ₹ In crore | | | | | | | | |
| Procurement of Imported Goods | 417.74 | 410.11 | 277.63 | 269.88 | 308.73 | 367.36 | 326.97 | 605.61 |
| Procurement of Indigenous Goods | 1137.47 | 677.84 | 606.1 | 469.83 | 863.29 | 911.21 | 509.22 | 310.40 |
| Total Value of Procurement | 1555.21 | 1087.95 | 883.73 | 739.71 | 1172.02 | 1278.57 | 836.19 | 916.01 |

Since HITES working as a Procurement and support agent on behalf of MoHFW, Government of India for their projects, the beneficial ownership of goods are with the respective projects only, the amount of the materials so supplied to the projects consignees has not been considered as a part of transaction value.

**B. Value of Work Executed under Infrastructure Division**

| Particulars | 2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|---|---|---|---|---|---|---|---|---|
| ₹ In crore | | | | | | | | |
| Value of Work executed | 1693.49 | 1068.55 | 755.08 | 472.02 | 757.77 | 558.18 | 899.8 | 400.61 |
| In Million Sq Ft. | | | | | | | | |
| Built up Area | 3.21 | 2.77 | 2.18 | 1.78 | 2.14 | 1.66 | 0.74 | 0.58 |

**C. Value of Work Executed under Facility Management Division** (₹ in crore)

| Particulars | 2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|---|---|---|---|---|---|---|---|---|
| Value of Work executed | 350.86 | 273.38 | 228.56 | 185.12 | 145.30 | 125.33 | 100.10 | 82.02 |

**D. Value of Work Executed under Bio-Medical Division** (₹ in crore)

| Particulars | 2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|---|---|---|---|---|---|---|---|---|
| Value of Work executed | 157.91 | 129.94 | 128.85 | 118.88 | 105.07 | 96.40 | 113.27 | 41.49 |

**E. Total Work Executed by HITES** (₹ in crore)

| Particulars | 2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|---|---|---|---|---|---|---|---|---|
| Procurement & Consultancy Division | 1555.21 | 1087.95 | 883.73 | 739.71 | 1172.02 | 1278.57 | 836.19 | 916.01 |
| Infrastructure Division | 1693.49 | 1068.55 | 755.08 | 472.02 | 757.77 | 558.18 | 899.8 | 400.61 |
| Facility Management Division | 350.86 | 273.38 | 228.56 | 185.12 | 145.30 | 125.33 | 100.10 | 82.02 |
| Bio-Medical Engineering Division | 157.91 | 129.94 | 128.85 | 118.88 | 105.07 | 96.40 | 113.27 | 41.49 |
| **Total Work Executed** | **3757.47** | **2559.82** | **1996.22** | **1515.73** | **2180.16** | **2058.48** | **1949.36** | **1440.13** |

2.33 With respect to GAPL financial statements:

1. The balances of Sundry Debtors, Loans and Advances, Claims, Advance with Suppliers and Sundry Creditors are subject to confirmation/reconciliation and consequent reconciliation, if any.
2. The Contingent Assets of GAPL are Nil.
3. Recoverable amounts of assets are greater than the carrying amount. Hence, no impairment has been provided for the period ended 31st March 2026.
4. Estimated amount of contract remaining to be executed on capital accounts and not provided for Tangible assets, under Development are NIL.
5. The Company holds a leasehold interest in 84,413 sq.meters of land for 99 years from the Govt of Goa. An encroachment of 4,020 M2 has been reported, for which the matter has been taken up with the revenue and other appropriate authorities and the matter is pending resolution.

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| 2.34 | Balance in Debtors, creditors and loans and advances are subject to confirmation and reconciliation. However, most of the debtors are government or government institutions. Receivable in Foreign Currency out of Export sales is subject to confirmation and reconciliation and consequently Foreign Currency valuation gain or loss may vary to that extent. |
| 2.35 | The Group has restated the previous year's figures due to reasons disclosed in the statement of changes in equity and opening balance sheet as on 1st April 2024 has been prepared. |
| 2.36 | Figures for the previous year have been rearranged and regrouped wherever necessary. |
| 2.37 | The disclosures relating to movement in provisions are given in Note 38. |
| 2.38 | The disclosures relating to investment properties as per Ind AS 40 are given in Note 39. |
| 2.39 | The disclosures required on Financial Instruments as per Ind AS 109 are given in Note 40. |
| 2.40 | The disclosures relating to Employee Benefit expenses as per Ind AS 19 are given in Note 41. |
| 2.41 | The disclosures relating to Contingencies and commitments as per Ind AS 37 are given in Note 42. |
| 2.42 | The disclosure relating to Related Party transactions as per Ind AS 24 are given in Note 43. |
| 2.43 | The disclosure in respect of Operating Segments as per Ind AS 108 is given in Note 44. |
| 2.44 | The disclosure in respect of Income Tax and Deferred Tax as per Ind AS 12 is given in Note 45. |

| | **Additional regulatory information as required by Companies Act** |
|---|---|
| 1 | The Ministry of Corporate Affairs has approved the scheme of arrangement of demerger of HLL Biotech Ltd and HLL Medipark Ltd with effect from 01.04.2019 vide MCA order dated 22nd March 2021 and 31st March 2021. The Holding Company has accounted the effect of such changes in the financial year 2020-21 except for those stated in Note 2.7 and 2.8 |
| 2 | No proceeding under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) has been initiated against the Group. |
| 3 | The Group has not been declared as willful defaulter by any bank or financial institution or lender during the year. |
| 4 | All charges on assets have been registered with ROC within the statutory period. |
| 5 | The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year 2025-26. |
| 6 | The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Group. |
| 7 | The Group has not revalued its Plant, Property and Equipment during the year |
| 8 | The Group has working capital limits with banks based on security of current assets and the quarterly returns submitted to the banks are generally in agreement with books of accounts |
| 9 | With respect of compliance with the number of layers of companies, the provision is not applicable to a Government Company as per Rule 2(d) of Companies (Restriction of number of Layers) Rules, 2017 |

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| 10 | The Group has not granted any loans or advances in the nature of loans to Promoters, Directors, KMPs and to Related parties either severally or jointly other than Advance disclosed under Note 12 Loans and Note 42 Related party transactions. |
| 11 | As per the information available, the Group does not have any relationship with companies struck off under Section 248 of the Companies Act, 2013. |
| 12 | To the best of our 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 Group to or in any other person or entity including foreign entity with 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 Group or provide any guarantee, security or like on behalf of the ultimate beneficiaries. |
| 13 | To the best of our knowledge and belief no funds have been received by the Group from any person or any other person or entity including foreign entity with 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 Group or provide any guarantee, security or like on behalf of the ultimate beneficiaries. |
| 14 | The Group does not have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax act 1961. |

**HLL Lifecare limited**
**Notes to Consolidated financial statements for the year ended 31st March, 2026.**
**Note 3. Property, Plant and Equipment**

a) Current reporting period

(₹ in crore)

| | Fixed Assets | Gross block | | | | Accumulated Depreciation/Amortisation | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 01.04.2025 | Additions | Disposals/ Adjustments | As at 31.03.2026 | As at 01.04.2025 | Depreciation /amortisation expense for the year | Disposals/ Adjustments | As at 31.03.2026 | As at 31.03.2026 | As at 31.03.2025 |
| **A.** | **Tangible assets** | | | | | | | | | | |
| | (a) Land | | | | | | | | | | |
| | Freehold | 5.93 | - | - | 5.93 | - | - | - | - | 5.93 | 5.93 |
| | Leasehold | 7.03 | - | - | 7.03 | 0.83 | 0.08 | - | 0.91 | 6.12 | 6.20 |
| | (b) Buildings | 176.57 | 3.14 | 8.04 | 171.67 | 82.03 | 6.26 | 2.64 | 85.65 | 86.01 | 94.54 |
| | (c ) Roads | 1.10 | 0.81 | - | 1.91 | 0.96 | 0.17 | - | 1.12 | 0.79 | 0.15 |
| | (d) Plant and equipment | 226.19 | 15.82 | 6.50 | 235.51 | 136.52 | 16.06 | 4.31 | 148.27 | 87.24 | 89.67 |
| | (e) Electrical installation & equipment | 47.35 | 1.38 | 0.25 | 48.49 | 41.99 | 1.43 | 0.23 | 43.19 | 5.30 | 5.37 |
| | (f) Furniture & fixture | 49.33 | 8.05 | 0.22 | 57.16 | 37.79 | 7.14 | 0.21 | 44.71 | 12.45 | 11.55 |
| | (g) Motor vehicles | 1.12 | 0.21 | - | 1.33 | 0.67 | 0.16 | - | 0.83 | 0.51 | 0.45 |
| | (h) Computer data processing | 24.74 | 3.96 | 0.29 | 28.41 | 18.96 | 4.39 | 0.29 | 23.06 | 5.35 | 5.78 |
| | (i) Office equipment | 10.88 | 3.43 | 0.26 | 14.04 | 8.20 | 2.06 | 0.25 | 10.02 | 4.02 | 2.68 |
| | (j) Lab equipment | 26.99 | 1.52 | 0.39 | 28.12 | 23.35 | 0.82 | 0.37 | 23.81 | 4.31 | 3.64 |
| | **Total** | **577.23** | **38.31** | **15.95** | **599.59** | **351.29** | **38.58** | **8.29** | **381.58** | **218.01** | **225.95** |
| | Previous year | 554.31 | 27.69 | 4.77 | 577.23 | 323.71 | 32.56 | 4.98 | 351.29 | 225.95 | 230.61 |
| **B** | **Investment property** | **1.51** | **-** | **-8.04** | **9.55** | **-0.68** | **0.68** | **-2.64** | **2.64** | **6.92** | **2.20** |
| | Previous year | 1.51 | - | - | 1.51 | -0.72 | 0.04 | - | **-0.68** | **2.20** | **2.23** |
| **C** | **Capital work-in-progress** | | | | | | | | | | |
| | (a) Civil work-in-progress | 7.23 | 13.11 | 1.25 | 19.09 | - | - | - | - | 19.09 | 7.23 |
| | (b) Assets pending commissioning | - | - | - | - | - | - | - | - | - | - |
| | (c) Machinery WIP | 4.93 | 6.96 | 4.72 | 7.16 | - | - | - | - | 7.16 | 4.93 |
| | **Total** | **12.16** | **20.06** | **5.97** | **26.25** | **-** | **-** | **-** | **-** | **26.25** | **12.16** |
| | Previous year | 2.33 | 10.44 | 0.61 | 12.16 | - | - | - | - | 12.16 | 2.33 |
| **D** | **Intangible assets** | | | | | | | | | | - |
| | (a) Computer software | 22.03 | 1.41 | 0.02 | 23.42 | 15.21 | 3.25 | 0.02 | 18.44 | 4.98 | 6.82 |
| | (b) Trademarks & patents | 1.32 | - | - | 1.32 | 1.13 | - | - | 1.13 | 0.19 | 0.19 |
| | **Total** | **23.35** | **1.41** | **0.02** | **24.74** | **16.34** | **3.25** | **0.02** | **19.56** | **5.17** | **7.01** |
| | Previous year | 21.57 | 2.01 | 0.23 | 23.35 | 14.22 | 2.34 | 0.23 | 16.34 | 7.01 | 7.34 |
| **E** | **Right of use assets** | | | | | | | | | | - |
| | (a) Plant and machinery | 34.69 | - | 0.59 | 34.09 | 33.53 | 0.56 | - | 34.09 | 0.00 | 1.15 |
| | (b) Buildings | 14.02 | 9.15 | - | 23.17 | 3.98 | 1.84 | - | 5.81 | 17.36 | 10.04 |
| | **Total** | **48.71** | **9.15** | **0.59** | **57.26** | **37.51** | **2.40** | **-** | **39.91** | **17.36** | **11.20** |
| | Previous year | 49.90 | 5.32 | 6.51 | 48.71 | 36.05 | 7.77 | 6.31 | 37.51 | 11.20 | 13.85 |

**Note:**

1. Cost of Free hold Land includes:
   a) ₹1 /- being the token value of 11.44 acres of land transferred by the Govt. of Kerala free of cost.
   b) ₹ 1 /- being the token value of 7.14 acres of land transferred by the Govt. of Kerala free of cost.
   c) ₹4.86 lacs being the price of freehold land of 25 acres and 38 Guntas transferred by Karnataka Industrial Area Development Board.
   d) ₹16.83 lacs being the price of freehold land of 15 acres and 33 Guntas purchased from various parties at Kanagala village.
   e) ₹ 567.92 lacs being the price of freehold land of 0.30 acres at Chennai.
   f) ₹0.76 Lacs being price of 20 Cents of land at Cheruvaikal Village.
   g) ₹2.16 Lacs being value of 1.06 acres of land transferred by the Govt. of Kerala.
2. As per IND AS 101, the Company has elected to adopt the carrying value measured as per previous GAAP as on 01-04-2015 (Transition date) of all assets as its Deemed cost as on Transition Date. SAP software does not support such changes in accounting standards. Due to the inherent limitations of Asset Module in SAP the Gross block of Asset Register maintained in SAP software for assets procured prior to Ind AS transition are at the original cost . However , the net book value of the assets is tallied with the Net block as per the Asset Register.
3. Cost of Lease hold land includes the following
   a) ₹ 123.74 lacs being the Deemed Cost as on 01.04.2015 of 3 acres of leasehold land and building at Balramapuram, Kerala for 99 years (Original cost is ₹ 130.46
   b) ₹ 87.48 lacs being Deemed Cost as on 01.04.2015 of 1005.22 sq. mtrs plot in Mumbai on lease for 60 years. ( Allotment value is ₹ 92.41 Lacs)
   c) ₹ 231.51 lacs being the Deemed Cost as on 01.04.2015 of 5000 Sq.Mtr. of leasehold land in the New Okhla Industrial Development Authority (NOIDA), Uttar Pradesh for 90 years (Allotment value is ₹ 261.94 Lacs)
   d) ₹ 260.07 Lacs being the Deemed Cost as on 01.04.2015 of 306 Cents of land at rubber park, Irapuram, Perumbavoor, Kerala State for 81 years from Rubber Park India (P) LTD. (Original Cost is ₹ 262.39 Lacs)
4. ₹ 99/- being the value of 430.10 acres leasehold land allotted in Chengalpettu, Chennai, on lease for a period of 99 years, from Central Leprosy Training & Research Institute (CLTRI) in Chengalpettu, Tamil Nadu. (Deemed Cost as on 01.04.2015 - ₹ 93 /- ). In line with the decision of the Cabinet Committee on Economic Affairs, 100 acres of land is earmarked out of the 430.10 acres in possession, for HLL Biotech Limited, valued at ₹ 10.12 crores (56 acres at ₹ 16.5 Lacs per acre and 44 acres of hilllock at ₹ 2.00 Lacs per acre) was transferred from HLL to HBL by way of sub leasedeed on the consideration of ₹1/- for a period of ninety four years.
5. 3.38 Acres of land, out of 100 acres in possession, is given on lease for a period of 92 years at ₹1/- per year to Tamil Nadu Generation and Distribution Corporation Ltd
6. The Govt of Kerala has allotted on lease 4.783 acre of Land ( Re-survey no. 34/146/1, 35/120/2,35/120/3 ) at Konni Taluk, Iravon Village,Pathanamthitta District, Kerala towards setting up of Green Field Blood Bag Project.The land has been handed over to the company. The land is allotted on Lease Rent at ₹ 19400/- per year for a period of 30 years.
7. Methods of depreciation adopted are as follows.
   a) Depreciation on tangible assets including Investment Property have been made in line with the requirement under schedule II of the Companies Act, 2013.
   b) Depreciation has been charged on straight line method for all assets under Plant & Machinery and written down value method for other assets(except intangible asset and leasehold asset) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act.
   c) Trade Mark/ Patents are amortised over a period of 5 years.
   d) The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 Years on pro-rata basis. Licence fee paid is amortized over the agreement period. The enhancement package Suite on HANA (SAP ECC 6 EHP8)) capitalised during FY 2023-24 with useful life upto 31.12.2027 till the end of mainstream maintenance.
   e) Depreciation has been charged on useful life basis irrespective of the shut downs in plants which are in the nature of Continuous Process.
8. Consequent to Cabinet Approval to sub- lease the 330.10 acre land at Chengalpattu, Kanchipuram district (Tamil Nadu) leased to the company in 2009, for setting up Medipark, HLL Medipark Limited was incorporated on 20.12.2016 and the said 330.10 land was allotted to HML on sublease basis during March 2017.
9. Depreciation on Property plant and Equipment which are under operating lease , is provided on the basis of useful life as per companies act or as per lease agreement whichever is lower.

10. Additions to fixed assets include original cost of the following capital expenditure incurred in the approved R&D facility.

(₹ in crores)

| | 2025-26 | 2024-25 |
|---|---|---|
| Lab equipment | 0.42 | 0.07 |
| Office equipment, furniture & electrical equipments | 0.10 | 0.01 |
| Computer & data Processing | - | 0.00 |
| Plant and Machinery | 0.43 | 0.23 |
| **Total** | **0.95** | **0.31** |

11. The Company implemented IND AS 116 on 1st April 2019, and applied the modified retrospective method and right of use assets are disclosed in Note 35.
12. The recasting of PPE on account of difference in Useful Life has been effected in Investment Property also to the extent applicable during 2025-26

**HLL Lifecare limited**
**Notes to Consolidated Financial Statements for the year ended 31 March 2025**
**Note 3 : Property, Plant and Equipment**

(₹ in crore)

**b) Previous reporting period**

| | Fixed Assets | Gross block | | | | Accumulated depreciation and impairment | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 April 2024 | Additions | Disposals/ Adjustments | 31 March 2025 | 1 April 2024 | Depreciation / amortisation expense for the year | Disposals/ Adjustments | 31 March 2025 | 31 March 2025 | 31 March 2024 |
| **A.** | **Tangible assets** | | | | | | | | | | |
| | (a) Land | | | | | | | | | | |
| | Freehold | 5.93 | - | - | 5.93 | - | - | - | - | 5.93 | 5.93 |
| | Leasehold | 7.03 | - | - | 7.03 | 0.74 | 0.08 | - | 0.83 | 6.20 | 6.29 |
| | (b) Buildings | 176.79 | 1.39 | 1.60 | 176.57 | 77.00 | 6.56 | 1.52 | 82.03 | 94.54 | 99.79 |
| | (c ) Roads | 1.10 | - | - | 1.10 | 0.96 | 0.00 | - | 0.96 | 0.15 | 0.15 |
| | (d) Plant and Equipment | 216.54 | 10.63 | 0.98 | 226.19 | 124.72 | 13.24 | 1.45 | 136.52 | 89.67 | 91.82 |
| | (e) Electrical Installation & Eqpt. | 47.27 | 0.37 | 0.29 | 47.35 | 40.77 | 1.49 | 0.28 | 41.99 | 5.37 | 6.50 |
| | (f) Furniture &Fixture | 42.34 | 7.13 | 0.14 | 49.33 | 32.54 | 5.38 | 0.14 | 37.79 | 11.55 | 9.80 |
| | (g) Motor Vehicles | 1.27 | - | 0.15 | 1.12 | 0.53 | 0.20 | 0.06 | 0.67 | 0.45 | 0.74 |
| | (h) Computer Data Processing | 20.08 | 5.33 | 0.68 | 24.74 | 16.40 | 3.22 | 0.66 | 18.96 | 5.78 | 3.68 |
| | (i) Office Equipment | 9.47 | 1.94 | 0.53 | 10.88 | 7.19 | 1.51 | 0.50 | 8.20 | 2.68 | 2.27 |
| | (j) Lab Equipment | 26.49 | 0.89 | 0.39 | 26.99 | 22.85 | 0.88 | 0.37 | 23.35 | 3.64 | 3.64 |
| | **Total** | **554.31** | **27.69** | **4.77** | **577.23** | **323.71** | **32.56** | **4.98** | **351.29** | **225.95** | **230.61** |
| | **Previous year** | 544.99 | 35.11 | 25.79 | 554.31 | 318.84 | 30.99 | 26.12 | 323.71 | 230.61 | 226.15 |
| **B** | **Investment Property** | **1.51** | **-** | **-** | **1.51** | **-0.72** | **0.04** | **-** | **-0.68** | **2.20** | **2.23** |
| | Previous year | 2.70 | - | 1.19 | 1.51 | -0.27 | 0.02 | 0.47 | -0.72 | 2.23 | 2.97 |
| **C** | **Capital Work In Progress** | | | | | | | | | | |
| | (a) Civil work in progress | 1.43 | 5.81 | 0.01 | 7.23 | - | - | - | - | 7.23 | 1.43 |
| | (b) Consultancy Charges | - | - | - | - | - | - | - | - | - | - |
| | (c) Machinery WIP | 0.91 | 4.62 | 0.60 | 4.93 | - | - | - | - | 4.93 | 0.91 |
| | **Total** | **2.33** | **10.44** | **0.61** | **12.16** | **-** | **-** | **-** | **-** | **12.16** | **2.33** |
| | **Previous year** | 1.22 | 1.97 | 0.86 | 2.33 | - | - | - | - | 2.33 | 1.22 |
| **D** | **Intangible assets** | | | | | | | | | | |
| | (a) Computer Software | 20.24 | 2.01 | 0.22 | 22.03 | 13.17 | 2.28 | 0.23 | 15.21 | 6.82 | 7.08 |
| | (b) Trademarks & Patents | 1.32 | 0.00 | 0.01 | 1.32 | 1.06 | 0.07 | 0.00 | 1.13 | 0.19 | 0.27 |
| | **Total** | **21.57** | **2.01** | **0.23** | **23.35** | **14.22** | **2.34** | **0.23** | **16.34** | **7.01** | **7.34** |
| | **Previous year** | 15.69 | 6.38 | 0.51 | 21.57 | 13.29 | 1.42 | 0.49 | 14.22 | 7.34 | 2.40 |
| **E** | **Right of use Assets** | | | | | | | | | | |
| | (a) Plant and Machinery | 40.20 | - | 5.52 | 34.69 | 32.72 | 6.13 | 5.31 | 33.53 | 1.15 | 7.48 |
| | (b) Buildings | 9.70 | 5.32 | 1.00 | 14.02 | 3.33 | 1.64 | 1.00 | 3.98 | 10.04 | 6.37 |
| | (c) Land | 0.00 | - | - | 0.00 | 0.00 | 0.00 | - | 0.00 | 0.00 | 0.00 |
| | **Total** | **49.90** | **5.32** | **6.51** | **48.71** | **36.05** | **7.77** | **6.31** | **37.51** | **11.20** | **13.85** |
| | **Previous year** | 47.67 | 2.24 | - | 49.90 | 27.85 | 8.20 | - | 36.05 | 13.85 | 19.82 |

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**(a) Consolidated CWIP ageing schedule**

(₹ in crore)

| CWIP | Amount in CWIP (For the Year ended 31.03.2026) | | | | Total |
|---|---|---|---|---|---|
| | Less than 1year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 20.63 | 5.27 | - | 0.36 | 26.25 |
| Projects temporarily suspended | - | - | - | | - |

| CWIP | Amount in CWIP (For the Year ended 31.03.2025) | | | | Total |
|---|---|---|---|---|---|
| | Less than 1year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 11.45 | 0.23 | - | 0.48 | 12.16 |
| Projects temporarily suspended | - | - | - | | - |

**(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given**

(₹ in crores)

| CWIP | Amount in CWIP | | | | Total |
|---|---|---|---|---|---|
| | Less than 1year | 1-2 years | 2-3 years | More than 3 years | |
| Nil | | | | | Nil |

**(c)Intangible Assets under development completion**

(₹ in crores)

| Intangible Assets under development completion | Amount in CWIP | | | | Total |
|---|---|---|---|---|---|
| | Less than 1year | 1-2 years | 2-3 years | More than 3 years | |
| Nil | | | | | - |

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**Note 4.Non current financial assets - Investments**

(₹ in crore)

| Name of the body corporate | Extent of holding (%) | Number of shares/units | Amount | Extent of holding (%) | Number of shares/units | Amount |
|---|---|---|---|---|---|---|
| | As at 31.03.2026 | | | As at 31.03.2025 | | |
| **Unquoted (non traded) fully paid equity shares** | | | | | | |
| *Carried at cost* | | | | | | |
| **Investment in equity instruments** | | | | | | |
| **I) Subsidiaries** | | | | | | |
| **a) Equity shares of `10 each** | | | | | | |
| HLL Infratech Services Limited (Refer note 1 below) | 100.00 | 20,00,000 | - | 100.00 | 20,00,000 | - |
| **b) Equity shares of `100 each** | | | | | | |
| Goa Antibiotics & Pharmaceuticals Limited (Refer note 2 below) | 85.16 | 28,38,480 | - | 85.16 | 28,38,480 | - |
| **II) Joint Ventures** | | | | | | |
| **Equity shares of `10 each** | | | | | | |
| Life Spring Hospital Private Limited (Refer note 3 below) | 50.00 | 85,79,929 | 2.48 | 50.00 | 85,79,929 | 2.85 |
| **III) Structured entities** | | | | | | |
| Goa State Cooperative bank | 0.00 | 250 | 0.00 | 0.00 | 250 | 0.00 |
| Kerala Enviro Infrastructures Limited (Refer note 4 below) | 0.10 | 20,000 | 0.02 | 0.10 | 20,000 | 0.02 |
| **Total** | | | **2.50** | | | **2.87** |

**Notes:-**

1. The Company invested ₹5 lakhs (50,000 shares @ Rs10 each) in HITES during its inception in the year 2014-15. The total investment includes bonus shares issued 4.5 lakhs shares in 2017-18 & 15 lakh shares in 2018-19.

2. The share capital comprises 14,07,480 equity shares originally acquired in 2014 for a consideration of ₹7.09 crore as part of the acquisition of the company. Subsequently, additional share capital of ₹5.98 crore was infused during FY 2023-24 through the issue of 5,98,000 equity shares. Further, during FY 2024-25, GAPL raised an additional ₹8.33 crore by issuing 5,96,300 equity shares at ₹100 per share on 28.08.2024 and 2,36,700 equity shares at ₹100 per share on 17.03.2025.

3. The shares of Lifespring includes 78,34,188 shares @ ₹10 each and 7,45,741 shares @ ₹22.44 each issued at premium in conversion of debentures

4. The company has invested ₹2 lakhs (20,000 shares @ ₹10/- per share) in Kerala Enviro Infrastructures Limited during the year 2007-08 with no significant influence.

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**Note 5. Non current financial assets - Others**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Security deposits | | |
| Unsecured, considered good | 2.91 | 2.33 |
| Lease receivable | 25.15 | - |
| Other advances | 0.00 | 0.00 |
| **Total** | **28.06** | **2.33** |

**Note 6. Deferred tax asset (Net)**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Deferred tax asset (Net)** | | |
| a) Deferred tax liabilities | (5.63) | (6.75) |
| b) Deferred tax assets | 79.78 | 78.72 |
| **Total** | **74.15** | **71.97** |

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| WDV of assets (other than ROU assets) | (2.00) | (4.70) |
| Right of use assets | (3.63) | (2.05) |
| **Tax effect of items constituting deferred tax liability** | **(5.63)** | **(6.75)** |
| Provision for doubtful debts | 60.51 | 59.51 |
| Provision for non moving stock & obsolete stock | 0.69 | 0.74 |
| Provision for employee benefits and other payments | 15.24 | 16.64 |
| Lease liabilities | 3.34 | 1.83 |
| **Tax effect of items constituting deferred tax assets** | **79.78** | **78.72** |
| **Net deferred tax (liability)/asset** | **74.15** | **71.97** |

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**Note 7. Other non-current assets**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Obsolete asset | 0.21 | 0.22 |
| Less: Provision for obsolete asset | 0.13 | 0.09 |
| **Total** | **0.08** | **0.13** |

**Note 8. Non-current tax asset**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Income tax assets (Refer note 1) | 96.31 | 93.73 |
| **Total** | **96.31** | **93.73** |

Note 1 : This includes ₹8.36 crores of the parent company pertaining to FY 2025-26 which is pending reconciliation with Form 26AS

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**Note 9. Inventories**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| a. Raw materials | 38.29 | 35.03 |
| b. Packing materials | 13.89 | 12.65 |
| c. Work-in-progress | 36.33 | 34.03 |
| d. Finished goods | | |
| Manufactured products | 61.36 | 140.10 |
| Social marketing products | 3.00 | 3.26 |
| Goods-in transit | 12.53 | 0.75 |
| | 76.89 | 144.11 |
| e. Stock-in-trade | 377.24 | 333.35 |
| f. General stores and consumables | 4.77 | 4.05 |
| g. Other materials, machinery, spare parts, building materials etc. | 11.10 | 11.22 |
| h. Tools revalued & certified by management | 0.08 | 0.06 |
| i. Others : | | |
| Gift items | 0.10 | 0.10 |
| Stationery | 0.63 | 0.74 |
| | 0.73 | 0.84 |
| | **559.32** | **575.34** |
| Less : Provision for obsolete stock | 2.72 | 2.93 |
| **Total** | **556.60** | **572.41** |

Note: Refer note 1.9 for accounting policies w.r.t the inventories.

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**Note 10. Current financial assets - Trade receivables**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Trade receivables | | |
| Secured, considered good (Refer note a) | 0.67 | 256.95 |
| Unsecured, considered good | 3,473.67 | 1,974.66 |
| Considered doubtful | 224.20 | 220.35 |
| | **3,698.54** | **2,451.96** |
| Less: Allowance for expected credit loss | 221.50 | 217.61 |
| **Total** | **3,477.04** | **2,234.35** |

**Notes**

a) Secured against Letter of credit, Bank guarantee or Customer deposit

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**Ageing for trade receivables outstanding as at March 31, 2026 is as follows**

(₹ in crore)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed - Trade receivables considered good | 251.37 | 1,793.18 | 751.58 | 570.78 | 23.57 | 31.75 | **3,422.23** |
| (ii) Undisputed - Trade receivables which have significant increase in credit risk | 0.00 | 0.09 | 0.09 | 23.02 | 39.64 | 62.98 | **125.83** |
| (iv) Disputed - Trade receivables considered good | - | - | - | - | - | 137.42 | **137.42** |
| (v) Disputed - Trade receivables which have significant increase in credit risk | - | - | - | - | - | 12.47 | **12.47** |
| (vi) Disputed - Trade receivables credit impaired | - | - | - | - | - | 0.59 | **0.59** |
| **Total** | **251.37** | **1,793.27** | **751.67** | **593.80** | **63.21** | **245.21** | **3,698.54** |

**Ageing for trade receivables outstanding as at March 31, 2025 is as follows**

(₹ in crore)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed - Trade receivables considered good | 150.61 | 1,390.21 | 471.02 | 132.33 | 33.89 | 30.00 | **2,208.06** |
| (ii) Undisputed - Trade receivables which have significant increase in credit risk | 0.11 | 5.73 | 1.98 | 2.81 | 4.93 | 52.56 | **68.12** |
| (iv) Disputed - Trade receivables considered good | - | - | - | - | - | 162.69 | **162.69** |
| (v) Disputed - Trade receivables which have significant increase in credit risk | - | - | - | - | - | 12.47 | **12.47** |
| (vi) Disputed - Trade receivables credit impaired | - | - | - | - | - | 0.62 | **0.62** |
| **Total** | **150.72** | **1,395.94** | **473.00** | **135.14** | **38.82** | **258.34** | **2,451.96** |

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**Note 11. Cash and cash equivalents**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Balances with banks** | | |
| (i) In current accounts | 78.46 | 24.52 |
| (ii) In cash credit accounts | 0.00 | 0.00 |
| (iii)In term deposit accounts, with less than 3 months maturity | 459.95 | 110.03 |
| (iv) In EEFC accounts | 6.85 | 2.14 |
| (v) Debit balance in CC/OD | 3.57 | 18.42 |
| **(b) Others** | | |
| (i) Cash in hand | 2.62 | 2.65 |
| (ii) Card in transit | 0.35 | 0.20 |
| **Total** | **551.80** | **157.96** |
| **(c) Bank balances other than (a) above** | | |
| (i) In deposit accounts | 509.52 | 725.84 |
| (ii) Funds earmarked for projects | 2.26 | 7.40 |
| (iii) Funds earmarked for CSR | 0.18 | 0.04 |
| (iv) In term deposits held for margin money for borrowings and guarantee* | 1.96 | 1.83 |
| **Total** | **513.93** | **735.11** |

* Cash and cash equivalents as at March 31, 2026 and March 31, 2025 includes bank balances of ₹1.96 crore and ₹1.83 crore, respectively, held as margin money deposits.

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## Note 12. Current financial assets - Loans

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Loans and advances to employees | | |
| Unsecured, considered good | 3.04 | 2.80 |
| Considered doubtful | 0.35 | 0.34 |
| | **3.39** | **3.14** |
| Less: Allowance for doubtful loans and advances | (0.35) | (0.34) |
| **Total** | **3.04** | **2.80** |

Loans and advances include amounts due from:

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Directors | 0.01 | - |
| Other officers of the company | 0.64 | 0.01 |
| **Total** | **0.65** | **0.01** |

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**Note 13. Current financial assets - Others**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| (a) Accrued interest | 11.86 | 11.38 |
| (b) Receivable from Government of India | 6.42 | 6.42 |
| (c) EMD & Security deposit | 13.75 | 9.48 |
| (d) Amount receivable from others | - | 0.11 |
| (e) Grant receivable (Refer note 36) | 0.00 | 0.05 |
| **Total** | **32.03** | **27.44** |

**Note 14. Other current assets**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Advances other than capital advances** | | |
| Advance to creditors , deposit to various government agencies, others etc | | |
| Considered good | 206.81 | 247.26 |
| Considered doubtful | 25.66 | 25.66 |
| | **232.47** | **272.92** |
| Less:-Provision for advances | (25.66) | (25.66) |
| | **206.81** | **247.26** |
| **Others** | | |
| (a) Export incentives/duty draw back | 1.26 | 1.91 |
| (b) Stock of DEPB Licence FMI, MEIS & RoDTEP | 1.13 | 0.72 |
| (c) Prepaid expenses | 4.66 | 4.01 |
| (d) Balance with customers | 0.00 | 0.00 |
| (e) Receivable from projects | - | 3.22 |
| | **7.06** | **9.86** |
| **Total** | **213.87** | **257.12** |

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**Note 15. Share capital**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Authorised share capital** | | |
| Equity shares of `10/-each - 30,00,00,000 numbers. | 300.00 | 300.00 |
| **(b) Issued,subscribed and fully paid up** | | |
| Equity shares of `10/- each: 1,55,35000 numbers | 15.54 | 15.54 |

**Reconciliation of share capital**

| Description | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|
| | Number of Shares | Value of shares (₹ in crores) | Number of Shares | Value of shares (₹ in crores) |
| **Equity share capital** | | | | |
| **Authorized** | | | | |
| Opening balance (Face value of `10/- each) | 30,00,00,000 | 300.00 | 30,00,00,000 | 300.00 |
| Additions | - | - | - | - |
| Closing balance (Face value of `10/- each) | 30,00,00,000 | 300.00 | 30,00,00,000 | 300.00 |
| **Issued** | | | | |
| Opening balance (Face value of `10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |
| Additions/(Reductions) | - | - | - | - |
| Closing balance (Face value of `10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |
| **Subscribed & Paid up** | | | | |
| Opening balance (Face value of `10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |
| Additions/(Reductions) | - | - | - | - |
| Closing balance (Face value of `10/- each) | 1,55,35,000 | 15.54 | 1,55,35,000 | 15.54 |

**Details of shares held by each shareholder holding more than 5% shares:**

| Name of shareholder | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|
| | Number of shares held | % of Holding | Number of shares held | % of Holding |
| President of India | 1,55,34,400 | 100% | 1,55,34,400 | 100% |

**Details of shareholdings of Promoters**

| Promoter name | Number of shares at the beginning of the year | Changes during the year | Number of shares at the end of the year | % of total Shares | % Change during the year |
|---|---|---|---|---|---|
| President of India | 1,55,34,400 | - | 1,55,34,400 | 100% | - |
| Government officials from MoHFW | 300 | - | 300 | 0% | - |
| Directors of the company | 300 | - | 300 | 0% | - |
| **Total** | **1,55,35,000** | - | **1,55,35,000** | **100%** | - |

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**Note 16. Other equity**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Dividend equalisation reserve | 1.30 | 1.30 |
| General reserve | 256.53 | 256.53 |
| Other Comprehensive Income | (33.61) | (37.31) |
| Retained earnings | 1,091.81 | 820.97 |
| **Total** | **1,316.03** | **1,041.50** |

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Dividend equalisation reserve** | **1.30** | **1.30** |
| **(b) General reserve** | **256.53** | **256.53** |
| **(c) Retained earnings** | | |
| Opening balance | 820.97 | 609.68 |
| Add: Profit for the year | 340.36 | 233.77 |
| Transferred from reserves | 0.82 | 0.69 |
| Less: Dividend paid | 69.53 | 20.00 |
| Transferred to reserve for CSR | 0.82 | 0.69 |
| Change in equity interest in GAPL | - | 2.48 |
| Closing balance | **1,091.81** | **820.97** |
| **(d) Other Comprehensive Income** | | |
| Opening balance | (37.31) | (34.65) |
| Add: Other Comprehensive Income for the year | 3.70 | (2.65) |
| Closing balance | **(33.61)** | **(37.31)** |
| **Total** | **1,316.03** | **1,041.50** |

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**Note 17. Non-current financial liabilities - Borrowings**

(Carried at amortized cost) (₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Secured borrowings: Term loans** | | |
| Term loan from EDC limited | 0.35 | 0.65 |
| **Total** | **0.35** | **0.65** |

**Note 17a. Non-current financial liabilities - Others**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Other financial liabilities - Lease payable | 23.51 | - |
| **Total** | **23.51** | **-** |

**(i) Details of terms of repayment for the long term borrowings and security provided in respect of the secured long-term borrowings:**

₹ in crore

| Particulars | Details of security* | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|---|
| | | Secured | Unsecured | Secured | Unsecured |
| Term loans from NBFC: | | | | | |
| From EDC limited | Secured by an equitable mortgage of leasehold rights of the land, building and other structures on the land. Hypothecation of plant & machinery, laboratory equipments, electrical installations, furniture & fixtures, vehicles and other movable assets. (Goa Antibiotics & Pharmaceuticals Limited) | 0.65 | - | 0.94 | - |
| Total - Term loans from NBFC | | **0.65** | - | **0.94** | - |
| Less: Payable within next 12 months treated as current liabilities | | 0.30 | - | 0.29 | - |
| Payable after 12 months | | **0.35** | - | **0.65** | - |

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**Note 18. Non-current lease liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Lease liabilities (non-current) (Refer note 35) | 14.08 | 7.67 |
| **Total** | **14.08** | **7.67** |

**Note 19. Provisions (Non-current)**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Provision for performance related pay | 16.22 | 18.32 |
| Provision for gratuity | 8.44 | 8.29 |
| Provision for earned leave | 1.16 | 0.97 |
| **Total** | **25.81** | **27.57** |

**Note 20. Other non-current liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Security deposits | 4.13 | 4.13 |
| Salary arrears payable | 1.94 | 2.45 |
| Deferred government grant (Refer note 36) | 6.51 | 7.67 |
| **Total** | **12.58** | **14.25** |

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**Note 21. Current financial liabilities - Borrowings** (stated at amortized cost)

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Loans repayable on demand (cash credit) - Secured** | | |
| From State Bank of India | 222.76 | 224.35 |
| From Canara Bank | 0.00 | 0.00 |
| From HDFC Bank | - | - |
| | **222.76** | **224.35** |
| **(b) Short term loans from banks - Overdraft secured** | | |
| From Canara Bank | 0.10 | 0.34 |
| | **0.10** | **0.34** |
| **(c) Current maturities of long term debt** | | |
| Term loans | | |
| Term loan from EDC | 0.51 | 0.29 |
| | **0.51** | **0.29** |
| **Total** | **223.37** | **224.97** |

**(i) Details of security for the secured short-term borrowings:**

**a) Loans repayable on demand from banks**

| Particulars | Nature of security | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|---|
| State bank of India | Parri passu charge over current assets of the company. Equitable mortgage as collateral over the land with building at Poojappura, Trivandrum towards State Bank of India. The limits sanctioned are SBI (₹220 crore), Canara Bank(₹50 crore) & HDFC Bank (₹42 crore). | 213.75 | 215.93 |
| Canara Bank | | 0.00 | 0.00 |
| HDFC Bank | | - | - |
| State bank of India (with respect to GAPL) | Secured by hypothecation of current Asset (Inventories) and current portion of receivables and second charge over the fixed assets. Cash Credit limit ₹8.15 crore at SBI Trivandrum and ₹1.00 crore at SBI Pernem. | 9.01 | 8.42 |
| | **Total** | **222.76** | **224.35** |
| **b) Short term loans from banks - Secured overdraft** | | | |
| From Canara Bank | Secured by project deposits | 0.10 | 0.34 |
| | **Total** | **0.10** | **0.34** |
| **c) Current maturities of long-term debt** | | | |
| Payable within next 12 months treated as current liabilities | Details of security in note 17 non current financial liabilities - borrowings | **0.51** | **0.29** |
| | **Total** | **223.37** | **224.97** |

**Note 22. Current lease liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Lease liabilities (Current) (Refer note 35) | 1.73 | 2.79 |
| **Total** | **1.73** | **2.79** |

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**Note 23. Current financial liabilities - Trade payables**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Trade payables: | | |
| a. Outstanding dues of MSME | 55.15 | 56.87 |
| b. Outstanding dues of others | 2,979.22 | 2,057.92 |
| **Total** | **3,034.37** | **2,114.79** |

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**Trade payables ageing schedule**

**Ageing for trade payables outstanding as at March 31, 2026 is as follows** (₹ in crore)

| Particulars | Not due | Outstanding for following period from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) MSME | 47.02 | 7.51 | 0.32 | 0.27 | 0.03 | **55.15** |
| (ii) Others | 314.58 | 2,025.30 | 538.33 | 36.14 | 63.75 | **2,978.10** |
| (iii) Disputed dues MSME | - | - | - | - | - | - |
| (iv) Disputed dues others | - | - | - | - | 1.12 | **1.12** |
| **Total** | **361.60** | **2,032.81** | **538.65** | **36.41** | **64.90** | **3,034.37** |

**Ageing for trade payables outstanding as at March 31, 2025 is as follows** (₹ in crore)

| Particulars | Not due | Outstanding for following period from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) MSME | 6.33 | 48.87 | 0.84 | 0.65 | 0.18 | **56.87** |
| (ii) Others | 187.69 | 1,714.57 | 67.41 | (0.49) | 87.62 | **2,056.80** |
| (iii) Disputed dues MSME | - | - | - | - | - | - |
| (iv) Disputed dues others | - | - | - | - | 1.12 | **1.12** |
| **Total** | **194.02** | **1,763.44** | **68.25** | **0.16** | **88.92** | **2,114.79** |

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**Note 24. Current financial liabilities - Others**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| (i) EMD & Security deposits | 131.98 | 88.82 |
| (ii) Interest accrued but not due | 0.02 | 0.03 |
| (iii) Statutory liabilities | 54.60 | 83.12 |
| (iv) Related to employees | 8.46 | 8.43 |
| (v) Grant liabilities (Refer note 36) | 10.35 | 0.16 |
| (vi) Other Liabilities | 334.29 | 327.99 |
| **Total** | **539.70** | **508.55** |

**Note 25. Provisions (current)**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(a) Provision for employee benefits:** | | |
| (i) Provision for bonus and incentive | 3.67 | 3.27 |
| (ii) Provision for performance related pay | 20.55 | 17.31 |
| (iii) Provision for gratuity | 6.38 | 5.81 |
| (iv) Provision for group EL premium | 5.68 | 3.48 |
| (v) Provision for pay revision | 0.44 | 0.25 |
| **(b) Provision - others:** | | |
| (i) Provision for expenses payable | 37.03 | 44.64 |
| (ii) Provision for CSR liability * | 2.66 | 2.27 |
| (iii) Provision for income tax | 120.14 | 96.43 |
| (iv) Final settlement | 0.06 | 0.02 |
| (v) Provision for disputed liability | 5.54 | 5.31 |
| **Total** | **202.15** | **178.78** |

*Includes unspent Corporate Social Responsibility (CSR) obligiation as on 31.03.2026.For detailed disclosure of CSR spent, unspent amount Refer Note 37

**Note 26. Other current liabilities**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| (a) Advance from customers/clients* | 423.41 | 289.10 |
| (b) Income received in advance | 1.30 | 0.66 |
| (c) Deferred government grant (Refer note 36) | 1.16 | 1.16 |
| (d) Payable to Projects | 0.17 | |
| **Total** | **426.04** | **290.92** |

*Advance from Customers/clients includes receipts amounting to ₹7.03 crore in collection bank accounts that could not be identified against the relevant customers from whom the collection is received are classified as Unspecified Receipts. These balances can be a realisation from debtors or an advance receipt. The debtors/advance balances are subject to pending confirmation and variation to that extent.

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**Note 27. Revenue from operations**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Sale of products | 3,555.90 | 2,814.67 |
| Sale of services | 2,353.03 | 1,984.14 |
| Income from contracts | 479.96 | 143.18 |
| Other operating revenues | 11.31 | 12.95 |
| **Total** | **6,400.20** | **4,954.94** |

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| **Sale of products comprises** | | |
| Sale of contraceptive products (Refer note a) | 534.31 | 441.20 |
| Sale of retail products | 2,610.31 | 93.55 |
| Sale of healthcare products and others | 411.28 | 2,279.92 |
| | **3,555.90** | **2,814.67** |
| **Sale of services comprises** | | |
| Sale of services (Refer note b) | 2,353.03 | 1,983.22 |
| Covid services | - | 0.92 |
| | **2,353.03** | **1,984.14** |
| **Income from contract** | 479.96 | 143.18 |
| | **479.96** | **143.18** |
| **Other operating revenues comprises** | | |
| Duty rebate / duty drawback / other export incentives | 5.90 | 7.19 |
| Sale of scrap, waste condoms and other misc.items | 4.66 | 5.13 |
| Sale of tender form | 0.75 | 0.63 |
| | **11.31** | **12.95** |
| **Total** | **6,400.20** | **4,954.94** |

(a) Sale of products includes cost of escalation claims of ₹39.11 crore pertaining to the parent company.

(b) Income from Services of parent company includes revenue from the contract to provide free diagnostic services in all healthcare institutions under the Directorate of Health Services in Maharashtra awarded in 2017. An agreement was executed in February 2017 between the State Health Society Maharashtra and HLL Lifecare Limited which was extended up to June 2022 and then till 31st August 2028. During the year 2024-25, Commissionerate of Health services & NHM Maharashtra signed an agreement with HLL for establishing "Maharashtra Integrated Diagnostic Management System" (MIDMS) in all the health facilities across Maharashtra and the MOU is valid till 31st August 2058. HLL is also awarded the project of Health Screening of Building & Construction Workers of Maharashtra, the agreement of which remains valid till January 2029. Both these contracts severally generate more than 10% of the total revenue.

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**Note 28. Other income**

(₹ in crore)

| Particulars | For the year ended 31.03.2026 | For the year ended 31.03.2025 |
|---|---|---|
| Interest income | 39.39 | 37.67 |
| Other non-operating income | 28.11 | 29.61 |
| **Total** | **67.50** | **67.29** |

(₹ in crore)

| Particulars | For the year ended 31.03.2026 | For the year ended 31.03.2025 |
|---|---|---|
| **Interest income comprises:** | | |
| a) On deposits | 39.38 | 37.67 |
| b) On others | 0.01 | 0.00 |
| **Total** | **39.39** | **37.67** |
| **Other non-operating income comprises** | | |
| Rental income from staff quarters | 0.03 | 0.02 |
| Profit on sale of fixed assets | 0.52 | 0.01 |
| Insurance claims | 0.00 | 0.06 |
| Excess provision/credits written back | 5.05 | 22.75 |
| Lease rent | 6.52 | 0.76 |
| Dividend income (from subsidiary-HLL Infra Tech Services Ltd) | - | - |
| Exchange fluctuation | 7.33 | 1.05 |
| Income from Grants (Refer note 1) | 3.31 | 1.51 |
| Other misc. income | 5.35 | 3.46 |
| **Total** | **28.11** | **29.61** |

Note 1: GAPL received an interest subsidy of ₹7.80 lakh at the rate of 5% during the current year under the Modified Interest Rebate Scheme, 2012, as the unit is located in a backward taluka of Goa.

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**Note 29. Cost of materials consumed and services rendered**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Opening stock | 47.67 | 49.42 |
| Add: Purchases | 325.44 | 306.14 |
| | 373.11 | 355.56 |
| Less: Closing stock | 52.18 | 47.67 |
| **Cost of material consumed** | **320.93** | **307.89** |
| | | |
| Material consumed comprises: | | |
| Raw materials | 195.09 | 178.90 |
| Chemicals | 19.92 | 27.94 |
| Packing materials | 77.46 | 82.42 |
| Printing charges | 0.26 | 0.46 |
| Sub contract expenses | 27.96 | 18.01 |
| Cost of quality check | 0.24 | 0.15 |
| | **320.93** | **307.89** |
| **Cost of services rendered** | | |
| Lab Disposable Items | 0.02 | 0.02 |
| Medicines and Other Consumables | 11.50 | 11.05 |
| Consumption of Lab Consumables | 19.07 | 15.82 |
| Hindlabs Operational expenses | 1,408.38 | 1,198.73 |
| Health camp expenses | 0.78 | 0.27 |
| | **1,439.75** | **1,225.88** |
| Contract expenses* | 920.25 | 488.89 |
| **Total** | **2,680.93** | **2,022.66** |

*Contract Expenses are direct expenses incurred towards the implementation of various projects by Projects & Services Division against which Contract Income is recognized.

**Note 30. Purchases of stock-in-trade**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Trading products | 2,366.48 | 1,977.82 |
| Social marketing branded products | 10.72 | 7.66 |
| **Total** | **2,377.20** | **1,985.48** |

**Note 31. Changes in inventories of finished goods, and work-in-progress and stock-in-trade**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| **Inventories at the end of the year:** | | |
| Finished goods | 76.72 | 144.18 |
| Work-in-progress | 36.33 | 34.03 |
| Stock-in-trade | 377.41 | 333.28 |
| | **490.46** | **511.49** |
| | | |
| **Inventories at the beginning of the year:** | | |
| Finished goods | 144.18 | 90.17 |
| Work-in-progress | 34.03 | 29.97 |
| Stock-in-trade | 333.28 | 222.09 |
| | **511.49** | **342.23** |
| **Net (increase)/decrease** | **21.03** | **(169.25)** |

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**Note 32. Employee benefits expense**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| (a) Salaries and incentives | 259.87 | 261.51 |
| (b) Contributions to - | | |
| Provident fund | 22.73 | 22.51 |
| New pension scheme | 2.50 | 2.51 |
| Gratuity and earned leave* | 18.16 | 10.43 |
| Contribution to ESI | 0.92 | 1.03 |
| (c) Staff welfare expenses | 21.50 | 22.10 |
| **Total** | **325.68** | **320.08** |

*Pursuant to the applicability of the Labour Code with effect from 21 November 2025, the qualifying service period for gratuity eligibility of contract employees has been reduced from five years to one year. The impact on actuarial liability due to this is ₹1.13 Crore

**Note 33. Finance costs**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| (a) Interest expense on: | | |
| (i) Cash credit | 19.83 | 24.27 |
| (ii) Term loan | 0.10 | 0.12 |
| (iii) ROU | 4.00 | - |
| (b) Interest on lease liabilities | 0.99 | 1.03 |
| (c) Other borrowing costs | 0.15 | 0.37 |
| **Total** | **25.07** | **25.78** |

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**Note 34. Other expenses**

(₹ in crore)

| Particulars | For the Year ended 31.03.2026 | For the Year ended 31.03.2025 |
|---|---|---|
| Advertisement & publicity | 3.01 | 2.40 |
| Sales promotion expenses | 37.56 | 28.57 |
| Power & fuel charges | 46.55 | 54.81 |
| Consumption of stores and spares | 0.10 | 0.22 |
| Freight & other selling expenses | 45.97 | 53.56 |
| Travelling & conveyance | 21.53 | 17.29 |
| Other production expenses | 16.18 | 18.94 |
| Wages to contract labourers | 108.77 | 88.46 |
| Consultancy & service charges | 97.35 | 71.83 |
| Corporate social responsibility expenses (Refer note:37) | 4.63 | 6.15 |
| Administrative charges | 1.68 | 2.42 |
| Miscellaneous expenses | 16.15 | 20.39 |
| Provision for bad & doubtful debts/advances | 4.73 | 28.18 |
| Repairs & maintenance machinery | 7.31 | 6.29 |
| Postage & telegram, telephone | 5.12 | 4.59 |
| Cloud service expenses | 4.72 | 4.19 |
| Rent | 26.12 | 15.82 |
| Housekeeping expenses | 7.44 | 6.53 |
| Printing & stationery | 6.60 | 5.68 |
| Repairs & maintenance of other assets | 17.85 | 5.31 |
| Water charges | 3.58 | 3.67 |
| Insurance charges | 1.75 | 1.11 |
| Bank charges | 2.80 | 3.12 |
| Staff recruitment expenses | 0.52 | 0.53 |
| Rates & taxes | 0.94 | 1.16 |
| Provision for obsolete stock written off | 0.04 | - |
| Obsolete stores written off and asset write off/provision | 0.14 | 0.42 |
| Training program expenses | 0.56 | 1.02 |
| Repairs & maintenance of buildings | 3.04 | 3.84 |
| Bad debt & advances written off | 37.70 | 0.99 |
| Payments to auditors (Refer Note (i) below) | 0.33 | 0.29 |
| Cost audit fees | 0.05 | 0.05 |
| Loss on sale of fixed assets | 0.05 | 0.11 |
| Research & development expenses | 0.46 | 0.00 |
| Corporate R&D centre expenses (Refer Note (ii) below) | 5.90 | 5.38 |
| Royalty paid | 0.02 | 0.04 |
| Provision for disputed liability | 0.35 | 5.28 |
| **Total** | **537.60** | **468.64** |

**Note (i) Payment to auditors**

(₹ in crore)

| Particulars | Year ended 31.03.2026 | Year ended 31.03.2025 |
|---|---|---|
| Audit fees | 0.26 | 0.22 |
| Tax Audit fees | 0.03 | 0.03 |
| Audit expenses | 0.04 | 0.04 |
| **Total** | **0.33** | **0.29** |

**Note (ii) Corporate R&D centre expenses**

(₹ in crore)

| Particulars | Year ended 31.03.2026 | Year ended 31.03.2025 |
|---|---|---|
| Repairs and maintenance | 0.76 | 0.59 |
| Employee expenses | 3.07 | 3.15 |
| Office expenses | 2.07 | 1.64 |
| **Total** | **5.90** | **5.38** |

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**Note 35. Leases**

The Group's leases mainly consist of buildings and plant and equipment for manufacturing, business as well as warehouse facilities

**(i) Amount Recognised in the Statement of Profit and Loss**

(₹ in crore)

| Particulars | For the Year ended March 31, 2026 | For the Year ended March 31, 2025 |
|---|---|---|
| Depreciation on ROU assets | 2.39 | 7.77 |
| Interest on lease liabilities | 0.99 | 1.00 |
| Interest on lease deposits (Income) | (0.20) | (0.17) |
| **Total** | **3.19** | **8.60** |

**(ii) The details of Right of use of assets are as follows:**

(₹ in crore)

| Particulars | Land & building | Plant & equipment | Total |
|---|---|---|---|
| **Balance as on 1st April 2024** | **6.37** | **7.48** | **13.85** |
| Additions during FY 2024-25 (Refer Note 3) | 5.32 | - | 5.32 |
| Disposals (Refer Note 3) | 0.00 | 0.20 | 0.20 |
| Balance as on 31st March 2025 | 11.69 | 7.28 | 18.97 |
| Depreciation 24-25 (Refer Note 3) | 1.64 | 6.13 | 7.77 |
| **Net Block as on 31st March 2025** | **10.05** | **1.15** | **11.20** |
| **Balance as on 1st April 2025** | **10.05** | **1.15** | **11.20** |
| Additions during FY 2025-26 (Refer Note 3) | 9.15 | | 9.15 |
| Disposals (Refer Note 3) | | 0.59 | 0.59 |
| Balance as on 31st March 2026 | 19.20 | 0.56 | 19.76 |
| Depreciation 25-26 (Refer Note 3) | 1.84 | 0.56 | 2.38 |
| **Net Block as on 31st March 2026** | **17.36** | **(0.00)** | **17.36** |

**(iii) Lease liability movement**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Opening balance Lease liability** | **10.45** | **13.97** |
| Additions | 8.88 | 5.33 |
| Interest (Refer Note 33(b)) | 0.99 | 1.00 |
| Deletions | 0.77 | 0.25 |
| Payment of lease liability | 3.74 | 9.60 |
| **Closing balance of lease liability** | **15.81** | **10.45** |

The current and non-current portions of lease liabilities are disclosed in Notes 22 and 18 respectively.

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## Note 36. Government grant

1) The Parent company received a grant of ₹14 crore from the Ministry of Commerce & Industry (MoC&I) in November 2016 under the ASIDE scheme for setting up an EMI–EMC testing lab for medical equipments at Noida campus. The grant has been accounted for as a government grant related to assets and is recognised as deferred income and charged to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets.

2) The Ministry of Minority affairs has set up an integrated scheme namely "PM VIKAS" during FY 2025-26 for skill development, entrepreneurship and leadership of minority women and education supports of school dropouts in minority sector. HLL was selected as the project implementing agency during the year by the Ministry for the implementation of the scheme with a target of training 3500 female candidates in Minority community across nine different job roles. The scope of this project includes training, certification and placement of candidates as well. First installment of ₹11.45 crore being 30% of the total project of ₹38.17 Cr was sanctioned and released during the year.

3) The corporate R&D Centre has received Government grants for various projects covering both capital and revenue expenses.

(a) Board of Research in Nuclear Sciences (BRNS) (₹0.38 crore) for "Development of Electrospun-Q-dots Nanofibrous-membrane for dual purpose fluorescence and electrochem".

(b) Indian Council of Medical Research (ICMR) (₹0.27crore) , (₹0.32 crore), (₹1.35 crore) & (₹0.79crore) for "Poly (glycerol sebacate) Based Copolymers as condom Lubricants: A renewable, biocompatible and thermodynamically immiscible natural rubber condom oil, for "Rapidly dissolving microneedles (DMNs) for the treatment of Postpartum Hemorrhage (PPH): For fast release of Misoprostol to meet critical conditions in low resource settings" , for " Preclinical evaluation of Microencapsulated iron jelly candies for prevention and treatment of Anaemia among children and pregnant women " and for "MolOnco-DnT-CenTr: translational centre for diagnostic and therapeutic technologies in molecular oncology" respectively.

(c) Science & Engineering Research Board (SERB)(₹0.29 crore) and (₹0.39 crore) for " Development of Metal Reduced carbon nanomaterials -Malaria Detection" and for "Hydrogel-forming Microneedle arrays for Non-Invasive point-of-care testing of Neonatal Sepsis respectively.

The details are as follows: (₹ in crore)

| Funding Agency | Sanctioned amount | Total fund received | Total spent | Balance |
|---|---|---|---|---|
| BRNS | 0.38 | 0.37 | 0.38 | (0.00) |
| ICMR 1 | 0.27 | 0.24 | 0.21 | 0.03 |
| ICMR 2 | 0.32 | 0.24 | 0.17 | 0.07 |
| ICMR 3 | 1.35 | 0.32 | 0.03 | 0.29 |
| ICMR 4 | 0.79 | 0.20 | 0.11 | 0.08 |
| SERB 1 | 0.29 | 0.28 | 0.28 | 0.00 |
| SERB 2 | 0.39 | 0.22 | 0.20 | 0.03 |
| Grant from Ministry of Minority Affairs | 11.45 | 11.45 | 1.60 | 9.85 |
| **Total** | **15.24** | **13.33** | **2.98** | **10.35** |

The negative balance in BRNS projects indicate over-utilization of funds beyond the sanctioned/received amount and are temporarily funded by the Company pending formal closure and reporting to the funding agency.

Total funds received and closing balance include interest earned on grant funds.

**Deferred Government Grant** (₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Deferred Government Grant (Non Current) | 6.51 | 7.67 |
| Deferred Government Grant (Current) | 1.16 | 1.16 |
| **Total** | **7.67** | **8.83** |

Deferred government grants represent the unamortised portion of grants received primarily towards capital assets and are recognised in accordance with the accounting policy disclosed in Note 1.16.

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## Note 37. Corporate Social Responsibility (CSR) Expenditure and Related Disclosures

As per Schedule VII of the Companies Act, 2013, every company with net worth of ₹500 crores or more, or with a turnover of ₹1,000 crores or more or having a net profit of ₹5 crores or more is required to spend at least 2% of the average net profits (Profit before tax) of three immediately preceding financial years towards Corporate Social Responsibility (CSR).

(₹ in crore)

| Particulars | Current year ending 31.03.2026 | Previous year ending 31.03.2025 |
|---|---|---|
| (a) Gross amount required to be spent by the Company during the year (2% of Avg Net Profit as per Section 135(5)) | 4.63 | 6.15 |
| (b)CSR Budget approved by the board to be spent during the year | 4.63 | 6.15 |
| (c)Actual Amount spent during the year | | |
| (i) Construction/acquisition of any asset | - | - |
| (ii) For purposes other than (i) above | 2.15 | 3.90 |

(d) Details of ongoing projects (in line with amendments to 135(5) and 135(6))

(₹ in crore)

| Financial year | Opening balance as on 1st April 2025 | Amount spent on ongoing projects during the year | Amount earmarked during the year | Closing balance as on 31st March 2026 in Unspent CSR account |
|---|---|---|---|---|
| 2022-23 | 0.03 | 0.03 | - | - |
| 2023-24 | - | - | - | - |
| 2024-25 | 1.98 | 1.80 | - | 0.18 |
| 2025-26 | - | - | 2.44 | 2.44 |

(e)Details of other than ongoing projects FY 25-26 unspent amount

| Particulars | Amount (₹ in crore) |
|---|---|
| Amount to be remitted to one of the funds specified in schedule VII of Companies Act 2013 within six months of the end of financial year. | 0.04 |

(f) Shortfall at the end of the year: -Nil

(g) Details of CSR expenditure during the financial year

(₹ in crore)

| Schedule VII | Amount allocated | Amount spent | Shortfall | Unspent amount | |
|---|---|---|---|---|---|
| | | | | Ongoing projects (Refer note 2 below) | Other than ongoing projects (Refer note 3 below) |
| (i) Preventive healthcare and sanitation (Refer note 1) | 2.53 | 0.90 | 1.63 | 1.63 | - |
| (ii) Promote education, promoting livelihood enhancement projects | 1.26 | 0.82 | 0.44 | 0.41 | 0.04 |
| (iii) Promoting gender equality and empowering women | 0.25 | 0.19 | 0.06 | 0.06 | - |
| (iv)Conservation of natural resources, ensuring environmental sustainability | 0.51 | 0.17 | 0.34 | 0.34 | - |
| (V) Protection of National Heritage | 0.08 | 0.07 | 0.01 | 0.01 | - |
| **Total** | **4.63** | **2.15** | **2.49** | **2.45** | **0.04** |

1) Includes ₹0.82 crores pertaining to HITES.

2) ₹2.45 crores has been transferred to separate bank accounts on or before 30th April 2026.

3) Amount aggregating to ₹0.0359 crore is transferred to funds specified under Schedule VII of the Companies Act, 2013 within six months from the end of the financial year.

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## Note 38. Disclosure relating to movement in provisions (Refer note 2.37)

Pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to movement in provisions made in the accounts for the year ended 31st March 2026 is as follows:

(₹ in crore)

| Particulars | Provision against inventories* | | Allowance for bad and doubtful debts** | | Provision for others** | |
|---|---|---|---|---|---|---|
| | 2025-26 | 2024-25 | 2025-26 | 2024-25 | 2025-26 | 2024-25 |
| Opening balance | 2.93 | 4.30 | 217.61 | 209.53 | 26.00 | 22.11 |
| Additions | 0.00 | 0 | 4.72 | 24.27 | 0.01 | 3.91 |
| Utilizations | - | 0.04 | 0.83 | 1.50 | - | 0.02 |
| Reversals | 0.21 | 1.33 | - | 14.68 | - | 0 |
| **Closing balance** | **2.72** | **2.93** | **221.50** | **217.61** | **26.01** | **26.00** |

*Provision created against obsolete inventories.

**Provision created against receivables, loans and advances & advance to employees.

## Note 39. Disclosure relating to investment properties (Refer note 2.38)

**(i) Rental Income:**

(₹ in crore)

| Description | For the Year ended March 31, 2026 | For the Year ended March 31, 2025 |
|---|---|---|
| Rental income | 0.70 | 0.66 |
| Direct operating expenses that generated rental income | - | - |
| Direct operating expenses that did not generate rental income | - | - |
| Profit from leasing of investment properties before depreciation | 0.70 | 0.66 |
| Depreciation | 0.36 | 0.06 |
| Profit from leasing of investment properties | 0.34 | 0.60 |

**(ii) Fair value:** Fair value of Investment Properties as on 31st March 2026 is estimated at ₹4.19 crores based on CPW ratings per PAR (Plinth area reference).

**(iii) Depreciation:** Depreciation on Investment properties has been made in line with the requirement under schedule II of the Companies Act, 2013.

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**Ratios:**

| Particulars | Current year | Previous year | Variance % |
|---|---|---|---|
| (a) Current Ratio<br>*(Current assets/ Current Liabilities)* | 1.21 | 1.20 | 0.57% |
| (b) Debt equity Ratio<br>*(Debt/ Equity)* | 0.18 | 0.22 | -19% |
| (c) Debt service coverage ratio<br>*( Net operating income/ Debt service)*<br>*(The increase is attributed to increase in PBT)* | 20.94 | 15.29 | 37% |
| (d) Return on equity ratio<br>*(PAT/ (Total equity)* | 0.25 | 0.22 | 16% |
| (e) Inventory turnover ratio<br>*(Cost of goods sold/ Average inventory )* | 9.00 | 7.84 | 15% |
| (f) Trade receivables turnover ratio<br>*(Revenue from operations/ Average trade receivables)* | 2.24 | 2.58 | -13% |
| (g) Trade payables turnover ratio<br>*(Cost of good sold/ Average trade payables)* | 1.97 | 2.06 | -4% |
| (h) Working capital turnover ratio<br>*(Revenue from operations/ Working capital)* | 6.97 | 7.47 | -7% |
| (i) Net profit ratio<br>*(PAT/ Net sales )* | 5.30% | 4.67% | 14% |
| (j) Return on capital employed<br>*(EBIT/ Capital employed)* | 0.36 | 0.33 | 8% |
| (k) Asset Turnover Ratio<br>*(Total Income/ Total assets excluding projects held under trust)* | 1.11 | 1.12 | -1% |

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**Note 40. Financial Instruments (Refer Note: 2.39)**

**A. Capital Management**

The company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The capital structure of the Company consists of net debt (borrowings as detailed in Note 21) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| Borrowings and lease | 239.53 | 236.07 |
| Equity Capital | 15.54 | 15.54 |
| Reserves & Surplus | 1,316.03 | 1,041.50 |
| Equity | 1,331.57 | 1,057.04 |
| Debt/ Equity | 0.18 | 0.22 |

**B. Categories of financial instruments**

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Financial Assets** | | |
| *a. Measured at amortised cost* | | |
| i) Trade receivables | 3,477.04 | 2,234.35 |
| ii) Cash and cash equivalents | 1,065.73 | 893.07 |
| iii) Loans & others | 63.13 | 32.57 |
| *b. Mandatorily measured at fair value through profit or loss* | | |
| Derivative asset | - | - |
| **Financial Liabilities** | | |
| *a. Measured at amortised cost* | - | - |
| i) Borrowings | 223.72 | 225.62 |
| ii) Trade payables | 3,034.37 | 2,114.79 |
| iii) Other financial liabilities | 539.70 | 508.55 |
| iv) Lease liability | 15.81 | 10.45 |
| *b. Mandatorily measured at fair value through profit or loss* | | |
| Derivative liability | - | - |

**C. Financial risk management**

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**D. Market Risk**

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

**E. Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralized treasury division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are given below:-

**Carrying value of Foreign Exchange Assets & Liabilities**

**As on March 31, 2026** (₹ in crore)

| Currency | Liabilities | | | Assets | | | Net overall exposure on the currency -net assets / (net liabilities) |
|---|---|---|---|---|---|---|---|
| | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | |
| USD | 0.77 | | 0.77 | 55.80 | | 55.80 | 55.04 |
| EUR | 0.003 | | 0.003 | - | | - | -0.003 |
| AED | 0.04 | | 0.04 | - | | - | -0.04 |
| CHF | - | - | - | - | - | - | - |
| GBP | - | - | - | - | - | - | - |
| **Total** | **0.81** | **-** | **0.81** | **55.80** | **-** | **55.80** | **54.99** |

**As on March 31, 2025** (₹ in crore)

| Currency | Liabilities | | | Assets | | | Net overall exposure on the currency -net assets / (net liabilities) |
|---|---|---|---|---|---|---|---|
| | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | Gross exposure | Exposure hedged using derivatives | Net liability exposure on the currency | |
| USD | 1.43 | - | 1.43 | 44.93 | - | 44.93 | 43.50 |
| EUR | - | - | - | - | - | - | - |
| AED | - | - | - | - | - | - | - |
| CHF | - | - | - | - | - | - | - |
| GBP | - | - | - | - | - | - | - |
| **Total** | **1.43** | **0.00** | **1.43** | **44.93** | **0.00** | **44.93** | **43.50** |

**F. Foreign currency sensitivity analysis**

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans, where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The following table details the Company's sensitivity movement in the foreign currencies.

(₹ in crore)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| | Impact on P&L | |
| USD | 1.10 | 0.93 |
| EURO | -0.0001 | -0.0001 |
| GBP | - | - |
| AED | -0.0009 | - |
| CHF | - | - |

Since in the audited statements of GAPL & HITES, Foreign currency sensitivity analysis is not disclosed, the above figure pertains to HLL Lifecare Ltd.

**G. Interest rate risk management**

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

**H. Interest rate sensitivity analysis**

The sensitivity analysis below has been determined based on the exposure to interest rates for both rupee and foreign currency loans at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides the possible impact in the profits for a change of 0.25% in interest rate, other factor remaining constant.

(₹ in crore)

| Borrowings | Effect on profit before tax | |
|---|---|---|
| | 2025-26 | 2024-25 |
| INR | 0.56 | 0.54 |

Since in the audited statements of GAPL & HITES, Interest rate sensitivity analysis is not disclosed, the above figure pertains to HLL Lifecare Ltd.

**I. Credit risk management**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The Company's trade and other receivables consists of a large number of customers, across geographies, hence the Company is not exposed to concentration risk. The Company makes an allowance for doubtful debts using expected credit loss model and, on a case, to case basis.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

**J. Fair value measurement**

The management assesses that the fair value of trade receivables, cash and cash equivalents, bank balances, security deposits receivable & paid, Loans and advances to employees, other non-derivative current financial assets, Trade payables, and other current financial liabilities approximate their carrying value.

**K. Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

**L. Liquidity table**

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

**(₹ in crore)**

| Particulars | Due in 1st year | Due in 2nd to 5th year | Due after 5th year | Carrying amount /contractual cash flow |
|---|---|---|---|---|
| **March 31, 2026** | | | | |
| Borrowings | 223.72 | - | - | 223.72 |
| Trade payables | 3,034.37 | - | - | 3,034.37 |
| Lease obligations | 3.64 | 10.08 | 8.89 | 22.61 |
| Other financial liabilities | 539.70 | - | - | 539.70 |
| **March 31, 2025** | | | | |
| Borrowings | 225.62 | - | - | 225.62 |
| Trade payables | 2,114.79 | - | - | 2,114.79 |
| Lease obligations | 4.06 | 7.43 | 1.31 | 12.81 |
| Other financial liabilities | 508.55 | - | - | 508.55 |

## Note 41: Employee Benefit Expenses ( Refer Note 2.40)

**Disclosures required under Ind AS 19 "Employee Benefits"**

Defined Contribution Plans

During the year the following amounts have been recognised in the statement of profit and loss on account of defined contribution plans:

| | Gratuity (Funded) | | Compensated absences (Funded) | |
|---|---|---|---|---|
| | Current year ending 31.03.2026 | Previous year ending 31.03.2025 | Current year ending 31.03.2026 | Previous year ending 31.03.2025 |
| **(i) Actuarial Assumptions** | | | | |
| Discount Rate (per annum) | 0.07 | 0.07 | 0.07 | 0.07 |
| Expected rate of return on plan assets (per annum) | 0.07 | 0.07 | 0.07 | 0.07 |
| Compensation escalation Rate (per annum) | 0.06 | 0.06 | 0.06 | 0.06 |
| Mortality Rate | Indian Assured Lives Mortality(2012-14) Ultimate Table | | | |
| **(ii) Reconciliation of present value of obligations** | | | | |
| Present value of obligation at the beginning of the year | 104.35 | 105.92 | 36.17 | 34.60 |
| Current service cost | 6.38 | 5.92 | 30.79 | 14.69 |
| Past service cost | 7.73 | 0.00 | - | - |
| Interest cost | 6.56 | 6.62 | 2.30 | 2.38 |
| Actuarial (gain)/loss on obligations | (4.46) | 3.46 | -27.71 | -9.89 |
| Benefits paid/Settlement | (16.16) | (17.56) | -5.02 | -5.62 |
| Present value of obligation at the end of the year | 104.40 | 104.35 | 36.53 | 36.17 |
| **(iii) Reconciliation of fair value of plan assets** | | | | |
| Fair value of plan assets at the beginning of the year | 89.15 | 82.91 | 31.78 | 34.19 |
| Plan Participant's contributions | 0.01 | 0.00 | 0.00 | 0.00 |
| Expected return on plan assets | 5.84 | 5.67 | 2.02 | 2.39 |
| Contributions by employer | 9.18 | 18.18 | 0.53 | 0.86 |
| Transfer In/Acquisitions | 0.00 | 0.00 | 0.00 | 0.00 |
| Benefits paid/Settlement | (16.16) | (17.56) | (5.02) | (5.62) |
| Remeasurements- Return on Plan assets over expected return | 0.08 | (0.05) | 0.12 | (0.03) |
| Fair value of plan assets at the end of the year | 88.10 | 89.15 | 29.42 | 31.78 |

| | | | | |
|---|---|---|---|---|
| (iv) **Description of plan assets managed assets** | 88.10 | 89.15 | 29.42 | 31.78 |
| (v) **Major category of plan assets as % of total plan assets** | | | | |
| Equities | 0% | 0% | 0% | 0% |
| Bonds | 0% | 0% | 0% | 0% |
| Gilts | 0% | 0% | 0% | 0% |
| Own Investment/ Properties | 0% | 0% | 0% | 0% |
| Others- Insurer Managed Funds (LIC of India)* | 100% | 100% | 100% | 100% |

* In the absence of detailed information regarding plan assets which is funded by Insurance Company, the composition of each major category of plan assets, the percentage on amount of each category to the fair value of plan assets has not been disclosed.

| | | | | |
|---|---|---|---|---|
| (vi) **Net (Asset)/Liability recognised in the balance sheet as at the end of the year** | | | | |
| Present value of obligation at the end of the year | 104.40 | 104.35 | 36.53 | 36.17 |
| Fair value of plan assets at the end of the year | 88.10 | 89.15 | 29.42 | 31.78 |
| Net present value of funded obligation recognised as (asset) / liability in the balance sheet | 16.30 | 15.20 | 7.10 | 4.38 |
| (vii) **Expenses recognised in the statement of profit and loss** | | | | |
| Current service cost | 6.38 | 5.92 | 30.79 | 14.69 |
| Past service cost | 7.73 | 0.00 | 0.00 | 0.00 |
| Interest cost | 6.56 | 6.62 | 2.30 | 2.38 |
| Return on plan assets | (5.84) | (5.67) | (2.02) | (2.39) |
| Actuarial (gain)/loss recognised in the period | 0.00 | 0.00 | (27.82) | (9.86) |
| Total expenses recognised in the statement of profit and loss for the year | **14.83** | **6.87** | **3.25** | **4.83** |
| (viii) **Net Actuarial losses /(gains ) recognised in Other Comprehensive Income** | (4.54) | 3.51 | (27.82) | (9.86) |
| Actual return of plan assets | (0.08) | 0.05 | 0.12 | (0.03) |
| (ix) **Non current and current value of obligation** | | | | |
| Non-current | 9.92 | 8.96 | 0.00 | 0.00 |
| Current | 6.38 | 6.24 | 7.10 | 4.38 |
| Total value of obligation | 16.30 | 15.20 | 7.10 | 4.38 |

| | | Gratuity (Funded) | | Compensated absences (Funded) | |
|---|---|---|---|---|---|
| (x) | **Amount recognised in current year and previous four years** | | | | |
| | **Gratuity (Funded)** | | | | |
| | Present value of defined benefit obligations | 104.40 | 104.35 | 36.53 | 36.17 |
| | Fair value of plan assets | 88.10 | 89.15 | 29.42 | 31.78 |
| | Funded status - (asset )/liability | 16.30 | 15.20 | (23.01) | (23.01) |
| | Actuarial (gain)/loss on plan obligations | (4.46) | 3.46 | (27.71) | (9.89) |
| | Actuarial (gain)/loss on plan assets | 0.08 | (0.05) | 0.12 | (0.03) |

(xi) **A quantitative sensitivity analysis for significant assumption (impact on defined benefit obligation) is as below:**

**A. Gratuity (Funded)-**

| | Year ended 31.03.2026 | |
|---|---|---|
| | 1% Increase | 1% Decrease |
| Discount Rate | 99.06 | 110.39 |
| Salary increase rate | 108.45 | 100.34 |
| Employee turnover | 104.62 | 104.16 |

**B. Compensated absences (Funded)-**

| | Year ended 31.03.2026 | |
|---|---|---|
| | 1% Increase | 1% Decrease |
| Discount Rate | 33.99 | 39.43 |
| Salary increase rate | 39.25 | 34.10 |
| Employee turnover | 36.43 | 36.64 |

In the above analysis the change in the factor is made with other factors remaining intact.

Undiscounted Cash flow over the years is the aggregate cash flow without discounting but keeping other factors intact and is the total payout for the current complement of staff.

(xii) **Maturity profile - future expected payments- Undiscounted Value**

| Time period (in years) | Year ended 31.03.2026 | |
|---|---|---|
| | Gratuity (Funded) | Compensated absences (Funded) |
| Less than or equal to 1 | 17.48 | 8.05 |
| 2 - 5 | 50.74 | 15.32 |
| 6 -10 | 38.33 | 13.21 |
| Above 10 | 74.06 | 36.87 |

(xiii) Note on key actuarial risks

(a) Actuarial Risk- It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons.
Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.
Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.
Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(b) Investment Risk - For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(c) Liquidity Risk - This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illilliquid assets not being sold in time. Employees with high salaries and long durations of service or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

(d) Market Risk - Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(e) Legislative Risk- Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point and the same will have to be recognized immediately in the year when any such amendment is effective.

**Notes:**

1 The above disclosures are based on information certified by the independent actuary and relied upon by the company.

2 The plan assets of the company are managed by the Life Insurance Corporation of India in terms of insurance policies taken to fund the obligations of the Company with respect to its Gratuity and Compensated Absences Plan. Information on categories of plan assets is not available with the company

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**NOTE 42. CONTINGENCIES AND COMMITMENTS (Refer note 2.41)**

Contingencies and commitments (to the extent not provided for)

(₹ in crores)

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **(I) Contingent Liabilities** | | |
| (i) Taxes | | |
| (a) Income Tax demands against the Company not acknowledged as debt and not provided for in respect of which the Company is in appeal and exclusive of the similar matters in respect of pending assessments and interest. | 3.00 | 2.48 |
| (b) Sales Tax & Service Tax Claims against the company not acknowledged as debt | 168.95 | 56.30 |
| (ii) Claims against the Company not acknowledged as debts | 61.61 | 43.18 |
| (iii) Bank Guarantees to Government Departments | 201.44 | 126.36 |
| (iv) Bank Guarantees to others | 1.65 | 1.87 |
| (v) Corporate Guarantees issued and outstanding as on date | 104.77 | 54.77 |
| (vi) Letter of Credits | 3.50 | 4.07 |
| (vii) Others (Refer additional disclosure (c)) | 1.46 | 1.46 |
| **Total** | **546.38** | **290.51** |
| **(II) Contingent assets** | - | - |
| **(III) Capital commitments** | **9.83** | **0.06** |

**Notes**

a) Contingent liability has been calculated as principal plus interest @ 12% p.a. The claims made by the claimants have ranged from 8-24%. However, keeping in view the statutory interest levies like Income Tax and principle of natural Justice, the rate of interest for all claims have been taken @ 12% p.a. in cases where the interest is above 12% p.a. Interest on contingent assets have not been considered.Claims not acknowledged as debts does not include any opportunity cost/loss claimed by the petitioner

b) The tax disputes and claims against the Company, not acknowledged as debts, are subject to legal proceedings at various stages, and the outcome as well as the timing of resolution cannot be determined with reasonable accuracy.

c) The Company received a grant of ₹14.00 crores under the ASIDE scheme in November 2016 for setting up an EMI–EMC testing laboratory at Noida. As per the terms of the sanction letter, the grant was required to be utilised by 31 March 2018, failing which the whole or part of the grant would be refundable along with interest at 10% per annum. Due to delays caused by COVID-19 and other factors, the laboratory was commissioned and accredited on 21 October 2022. An unspent grant of ₹2.59 crores was refunded during March 2023 and April 2024. Although formal approval for extension of time has not yet been received, the company does not expect repayment of the utilised grant amount and interest.
A contingent liability of ₹1.46 crores has been disclosed towards possible interest on the refunded unspent amount up to the respective dates of remittance.

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**Note 43. Related Party Disclosure (Refer note 2.42)**

**Disclosure in respect of related party pursuant to Ind AS 24**

| Description of Relation | Names |
|---|---|
| Subsidiaries | Goa Antibiotics & Pharmaceuticals Limited (GAPL) |
| | HLL Infra Tech Services Limited (HITES) |
| Joint Venture | Lifespring Hospitals Private Ltd (LSH) |
| Associates* | Hindustan Latex Family Planning Promotion Trust (HLFPPT) |
| | HLL Management Academy (HMA) |
| | HLL Pratheeksha Charitable Society |
| Key Management Personnel (KMP) | **A. Chairperson & Managing Director,Whole Time Directors, Company Secretary & CFO** |
| | Dr. Anitha Thampi - Chairperson & Managing Director (*w.e.f. 09 th April 2025*), *Chairperson & Managing Director (i/c) (till 08th April 2025)* Director (Technical & Operations) i/c(till 24th March 2026) and Director(Finance)i/c (till 09th September 2025) |
| | Shri. Ajit N - Director (Marketing) |
| | Shri. Remesh P - Director (Finance) & CFO *(w.e.f 10th September 2025)* |
| | Shri. Benny Joseph - Director (Techinical and Operations) *( w.e.f 25th March 2026)* |
| | Shri. Jaikrishnan A.R - Company Secretary |
| | **B. Independent Directors** |
| | Prof.(Dr.) Adarsh Pal Vig (Reappointed w.e.f 21st April 2025) (Ceased to be Director on 20th April 2026) |
| | Smt.Neeta Boochra (Reappointed w.e.f 21st April 2025) (Ceased to be Director on 20th April 2026) |
| | **C. Government Nominee Directors** |
| | Shri. Jaideep Kumar Mishra ICAS (ceased to be Director on 24th June 2025) |
| | Shri. Hoveyda Abbas IA&AS (*Appointed w.e.f 25th June 2025)* |
| | Smt Roli Singh IAS *(Ceased to be Director on 30th September 2025)* |
| | Shri Vijay Nehra IAS *(Appointed w.e.f 01st October 2025)* |
| Remuneration of Key Managerial Personnel | ₹1.97 crore ( Previous Year - ₹2.11 crore)(details enclosed) |

*Entities in which the company has significant influence

HLL Lifecare Limited
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**Remuneration of Key Managerial Personnel**

(₹ in crore)

| Key managerial Personnel | Short Term employee Benefit | Post employment Benefit * | Other long term employee benefit | Terminal Benefits | Total Remuneration | Sitting Fees | Outstanding Loans (Gross) /Advance receivables |
|---|---|---|---|---|---|---|---|
| Smt.Dr.Anitha Thampi | 0.60 | - | - | - | 0.60 | - | 0.002 |
| Shri.Ajit.N | 0.51 | - | - | - | 0.51 | - | 0.002 |
| Shri.Remesh.P | 0.47 | - | - | - | 0.47 | - | 0.002 |
| Shri.Jai Krishnan A R | 0.38 | - | - | - | 0.38 | - | 0.002 |
| Shri.Adarsh Pal Vig | | - | - | - | - | 0.02 | - |
| Smt.Neeta Boochra | | - | - | - | - | 0.02 | - |
| Shri. Benny Joseph | 0.01 | - | - | - | 0.01 | - | 0.002 |
| **Total** | **1.97** | **-** | **-** | **-** | **1.97** | **0.04** | **0.01** |

**Additional disclosure**

(₹ in crore)

| Key managerial Personnel | Salaries & Allowance | Contribution to PF | Contribution to CPS/NPS Pension | Other benefits & Perks | Terminal Benefits | Total |
|---|---|---|---|---|---|---|
| Smt.Dr.Anitha Thampi | 0.55 | 0.04 | 0.01 | - | - | **0.60** |
| Shri.Ajit.N | 0.47 | 0.04 | 0.01 | - | - | **0.51** |
| Shri.Remesh.P | 0.44 | 0.03 | 0.01 | - | - | **0.47** |
| Shri.Jai Krishnan A R | 0.35 | 0.03 | 0.01 | - | - | **0.38** |
| Shri. Benny Joseph | 0.01 | 0.00 | 0.00 | - | - | **0.01** |

*** Post-employment benefits are actuarially determined/paid on overall basis, and not ascertainable on individual basis**

HLL Lifecare Limited

## Note 44: Disclosure Under Ind AS-108 SEGMENT REPORTING (Refer note 2.43)

₹ in crores

| Particulars | 2025-26 | | | | | | | 2024-2025 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Segment Revenue** | **Contra** | **Diagnostic services** | **Retail Business** | **Projects& Services** | **others** | **Unallocable** | **Total** | **Contra** | **Diagnostic services** | **Retail Business** | **Projects& Services** | **others** | **Unallocable** | **Total** |
| Revenue from operations | 532.83 | 1,747.01 | 2,610.31 | 1,099.63 | 407.06 | 3.36 | 6,400.20 | 450.77 | 1,472.73 | 2,154.36 | 635.18 | 238.05 | 3.85 | 4,954.94 |
| Other Income | | | | | | 67.50 | 67.50 | | | | | | 67.29 | 67.29 |
| **Total** | **532.83** | **1,747.01** | **2,610.31** | **1,099.63** | **407.06** | **70.86** | **6,467.70** | **450.77** | **1,472.73** | **2,154.36** | **635.18** | **238.05** | **71.14** | **5,022.23** |
| **Profit before Tax** | **Contra** | **Diagnostic services** | **Retail Business** | **Projects& Services** | **others** | **Unallocable** | **Total** | **Contra** | **Diagnostic services** | **Retail Business** | **Projects& Services** | **others** | **Unallocable** | **Total** |
| Profit before Interest & Tax | 49.00 | 103.64 | 260.16 | 72.88 | 44.85 | (117.67) | 412.87 | 5.19 | 96.08 | 204.61 | 75.27 | (2.26) | (94.30) | 284.59 |
| Less:- Interest | 15.13 | 0.36 | 0.42 | 4.32 | 4.78 | 0.06 | 25.07 | 18.17 | 0.64 | 0.57 | 0.59 | 5.82 | - | 25.78 |
| Add:-Other unallocable income | | | | | | 67.50 | 67.50 | - | - | - | - | - | 67.29 | 67.29 |
| Profit before tax | **33.87** | **103.28** | **259.74** | **68.56** | **40.07** | **(50.22)** | **455.29** | **(12.98)** | **95.44** | **204.04** | **74.68** | **(8.08)** | **(27.01)** | **326.10** |
| **Capital Employed** | **Contra** | **Diagnostic services** | **Retail Business** | **Projects& Services** | **others** | **Unallocable** | **Total** | **Contra** | **Diagnostic services** | **Retail Business** | **Projects& Services** | **others** | **Unallocable** | **Total** |
| Fixed Assets (a) | 93.95 | 44.42 | 20.64 | 13.60 | 40.89 | 66.23 | 279.73 | 88.90 | 34.41 | 18.76 | 15.42 | 37.89 | 69.15 | 264.53 |
| Financial assets(b) | - | - | - | - | - | 201.10 | 201.10 | - | - | - | - | - | 171.04 | 171.04 |
| Current Assets (c ) | 297.03 | 1,259.63 | 2,397.44 | 364.72 | 213.50 | 815.99 | 5,348.31 | 390.05 | 631.73 | 2,019.57 | (139.83) | 288.10 | 797.57 | 3,987.19 |
| **(a+b+c)** | **390.98** | **1,304.05** | **2,418.08** | **378.32** | **254.39** | **1,083.32** | **5,829.14** | **478.95** | **666.14** | **2,038.33** | **(124.41)** | **325.99** | **1,037.76** | **4,422.76** |
| Current Liabilities | (434.42) | 1,135.01 | 1,699.34 | (136.94) | (235.89) | 2,400.26 | 4,427.36 | (530.98) | 574.05 | 1,464.88 | (402.97) | (419.75) | 2,635.57 | 3,320.80 |
| Non-current Liabities | | | | | | 76.33 | 76.33 | - | - | - | - | - | 50.14 | 50.14 |
| **Capital Employed Allocation** | **825.40** | **169.04** | **718.74** | **515.26** | **490.28** | **(1,393.27)** | **1,325.45** | **1,009.93** | **92.09** | **573.45** | **278.56** | **745.74** | **(1,647.95)** | **1,051.82** |
| **Total Capital Employed** | | | | | | | **1,325.45** | | | | | | | **1,051.82** |

**2. Secondary Segment Information - Geographical**

₹ in crore

| **Revenue** | **2025-26** | **2024-25** |
|---|---|---|
| India | 6,314.62 | 4,906.30 |
| Outside India | 153.08 | 115.93 |
| | **6,467.70** | **5,022.23** |
| **Capital Employed** | **2025-26** | **2024-25** |
| India | 1,325.45 | 1,051.82 |
| Outside India | - | - |
| | **1,325.45** | **1,051.82** |



HLL Lifecare Limited

HLL Lifecare Limited
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**Note. 45 Income Taxes (Refer Note 2.44)**
**Income tax relating to continuing operations**

₹ in crore

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Current Tax** | 120.01 | 96.43 |
| **Adjustments/(credits) related to previous years-net** | -1.26 | -6.09 |
| Income tax | | |
| **Deferred tax asset/ (liability) excluding tax on OCI** | 74.15 | 71.97 |
| In respect of the current year | -74.24 | -76.88 |
| In respect of the previous year | 1.24 | -0.83 |
| **Tax on OCI** | | |
| **Total income tax expense recognised in Profit & Loss** | **120.08** | **94.42** |
| **Income tax expense for the year reconciled to the accounting profit:** | | |
| **Profit before tax** | **457.82** | **344.56** |
| Income tax rate* | *Rate as Applicable to the Company* | |
| **Income tax expense as per Book Profits** | **117.35** | **90.11** |
| Effect of expenses not allowed | -6.84 | -11.17 |
| Effect of income not taxable | - | 0.69 |
| Effect of depreciation and amortisations | 9.09 | 2.02 |
| Effect of provisions | 25.71 | 35.68 |
| Effect of sale of assets | -0.47 | 0.11 |
| Effect of leases | 0.16 | -0.90 |
| Effect of other income | -14.80 | -1.32 |
| **Total** | **12.85** | **25.11** |
| | **470.67** | **369.67** |
| Income as per income tax act | - | - |
| Less: carry forward of losses | **470.67** | **369.67** |
| **Taxable income** | **120.01** | **96.43** |
| **Income tax expense** | | |
| **Effect of deductible temporary differences** | | |
| **Deferred Tax Assets** | -2.00 | -4.70 |
| Effect of depreciation net | 0.69 | 0.74 |
| Effect of provisions related to inventory | 75.74 | 76.15 |
| Effect of provisions related to employee payments and deductions | 3.34 | 1.83 |
| Effect to leased assets | **77.77** | **74.02** |
| **Total (A)** | | |
| **Deferred tax liabilities** | 3.63 | 2.05 |
| Effect to lease | **3.63** | **2.05** |
| **Total (B)** | **74.15** | **71.97** |
| **Net deferred tax assets (A)-(B)** | | |
| **Income tax recognised in other comprehensive income** | 1.24 | -0.82 |
| Remeasurement of defined benefit obligation | | |

Note: Lower tax rates u/s 115BAA of Income tax opted by HLL and HITES

**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**
**M. No. 216979**

UDIN: 26216979BYTV001569

Date: 06-08-2026
Place: New Delhi

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson & Managing director**
**[DIN:09698495]**

**Remesh P**
**Director (Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

K. VARGHESE & CO. KOCHI CHARTERED ACCOUNTANTS

## ANNEXURE I :ADDITIONAL INFORMATION AS PER SCHEDULE III OF COMPANIES ACT, 2013 OF SUBSIDIARIES & JOINT VENTURE

| | Net Assets (Total Assets minus Total Liabilities) | | Share in profit or loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|
| **Name of the entity** | **As % of Consolidated Net Assets** | ₹ in crore | **As a % of Consolidated Profit or Loss** | ₹ in crore | **As a % of Consolidated Other Comprehensive Income** | ₹ in crore | **As a % of Consolidated Total Comprehensive Income** | ₹ in crore |
| **Parent** | | | | | | | | |
| HLL Lifecare Limited | 95.43% | 1,264.81 | 90.25% | 306.37 | 88.93% | 3.29 | 90.24% | 309.66 |
| **Subsidiaries (Indian)** | | | | | | | | |
| Goa Antibiotics & Pharmaceuticals Limited | -3.11% | -41.28 | -1.81% | -6.14 | 0.28% | 0.01 | -1.79% | -6.13 |
| HLL Infra Tech Services Limited | 8.68% | 115.03 | 12.89% | 43.77 | 10.80% | 0.40 | 12.87% | 44.17 |
| HLL Mother & Child Care Hospitals Limited | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | | **1,338.56** | | **343.99** | | **3.69** | | **347.69** |
| **Add/ Less: Effect of intercompany adjustments/ eliminations** | -1.18% | **-15.59** | -1.23% | **-4.17** | 0.00% | - | -1.32% | **-4.54** |
| **Total without Joint Venture accounted under Equity method** | 99.81% | 1,322.97 | 100.11% | 339.82 | 100.00% | 3.69 | 100.00% | 343.14 |
| Joint Venture | | | | | | | | |
| Lifespring Hospitals (P) Limited | 0.19% | 2.48 | -0.11% | -0.37 | 0.00% | - | 0.00% | - |
| Total | 100.00% | 1,325.45 | 100.00% | 339.45 | 100.00% | 3.69 | 100.00% | 343.14 |

HLL Lifecare Limited

CIN: U25193KL1966GOI002621

**ANNEXURE II : ADDITIONAL INFORMATION AS PER COMPANIES ACT, 2013 (PURSUANT TO SECTION 129 (3) (1) READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014) IN FORM AOC-1 PART "A" SUBSIDIARIES (FY 2025-26)**

| Sl. No | Name of the subsidiary company | Goa Antibiotics & Pharmaceuticals Limited | HLL Infra Tech Services Limited |
|---|---|---|---|
| 1 | Reporting currency | (₹ In crore) | (₹ In crore) |
| 2 | Share capital | 33.33 | 2.00 |
| 3 | Reserves & surplus | (74.61) | 113.03 |
| 4 | Total assets | 32.11 | 3096.38 |
| 5 | Total liabilities | 73.39 | 2981.35 |
| 6 | Investments | 0.00 | 0.00 |
| 7 | Turnover | 29.73 | 569.20 |
| 8 | Profit before tax | (8.44) | 58.21 |
| 9 | Provision for tax | (2.29) | 14.44 |
| 10 | Profit/loss after tax | (6.14) | 43.77 |
| 11 | Proposed dividend | Nil | Nil |
| 12 | Percentage of shareholding | 85.16% | 100% |

| | |
|---|---|
| Names of subsidiaries which are yet to commence operations: | Nil |
| Names of subsidiaries which have liquidated or sold during the year: | None |

**PART "B" ASSOCIATES & JOINT VENTURES**

**Name of Joint Venture company : Life Spring Hospital (P) Limited**

| | | | |
|---|---|---|---|
| 1 | Latest audited balance sheet date | | 31.03.2026 |
| 2 | No. of shares of associate /joint ventures held by the company on the year end | | 85,79,929 |
| 3 | Amount of investment in associates/joint ventures | | 9.51 |
| 4 | Extend of holding % | | 50% |
| 5 | Description of how there is significant influence | 50% equity shareholding and equal board representation along with Acumen fund INC | |
| 6 | Reason/why the associate /joint venture is not consolidated | | N.A |
| 7 | Net worth attributable to shareholding as per latest audited balance sheet | | 2.48 |
| 8 | Profit/loss for the year | | (0.74) |
| | (i) Considered in consolidation | | (0.37) |
| | (ii) Not considered in consolidation | | (0.37) |

**Vide our report of even date attached**
**For K. Varghese & Co**
**Chartered Accountants**
**Firm No: 004525S**

**CA. Sam Varghese**
**Partner**

**M. No. 216979**

UDIN: 26216979BYTV001569

Date: 06-08-2026
Place: New Delhi

**For and on behalf of the Board of Directors**

**Dr. Anitha Thampi**
**Chairperson & Managing Director**
**[DIN:09698495]**

**Remesh P**
**Director (Finance) & CFO**
**[DIN:11327947]**

**Jaikrishnan A R**
**Company Secretary**
**[ACS:14328]**

HLL Lifecare Limited
(A Government of India Enterprise)
CIN : U25193KL1966GOI002621

## ANNEXURE I - Refer note no: 2.4

## Assets and Liabilities of Projects under implementation as on 31st March 2026

(₹ in crore)

| Projects | ASSETS | | | | | | LIABILITIES | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Cash & Bank balances held under trust with HLL | | Other Assets | | Total Assets | | Current Liabilities | | | |
| | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 |
| **ID North** | | | | | | | | | | |
| Acharya Barihar RGL Cancer Care Cuttak | 1.75 | 1.64 | 0.09 | 0.10 | 1.84 | 1.73 | 1.84 | 1.73 | 1.84 | 1.73 |
| Aigrah Medical College (PMSSY) | 4.27 | 4.16 | 0.36 | 0.27 | 4.63 | 4.43 | 4.63 | 4.43 | 4.63 | 4.43 |
| CGHS | 6.15 | 3.45 | 0.38 | 0.28 | 6.53 | 3.73 | 6.53 | 3.73 | 6.53 | 3.73 |
| IPC (Gaziabad) | 0.63 | 3.00 | 1.76 | 2.13 | 2.39 | 5.13 | 2.39 | 5.13 | 2.39 | 5.13 |
| NEIFM Pasighat under AYUSH | 2.55 | 2.54 | 1.02 | 1.02 | 3.57 | 3.56 | 3.57 | 3.56 | 3.57 | 3.56 |
| NIPS/RIPS | 63.37 | 59.12 | 6.28 | 6.37 | 69.64 | 65.50 | 69.64 | 65.50 | 69.64 | 65.50 |
| PGIMS Rohtak | 26.44 | 24.85 | 0.61 | 0.68 | 27.05 | 25.53 | 27.05 | 25.53 | 27.05 | 25.53 |
| PMSSY Residential Project (Rishikesh & Patna) | 3.09 | 4.66 | 0.49 | 0.46 | 3.58 | 5.12 | 3.58 | 5.12 | 3.58 | 5.12 |
| RIPANS-AIZAWL-MIZORA | 19.27 | 38.39 | 4.91 | 2.36 | 24.18 | 40.74 | 24.18 | 40.74 | 24.18 | 40.74 |
| Other Projects | 80.69 | 0.00 | 1.15 | 0.15 | 81.84 | 0.15 | 81.84 | 0.15 | 81.84 | 0.15 |
| HITES ID North projects | 423.72 | 363.97 | 162.77 | 185.58 | 514.82 | 549.55 | 514.82 | 549.55 | 514.82 | 549.55 |
| **ID North Total** | **631.94** | **505.78** | **179.83** | **199.38** | **740.08** | **705.16** | **740.08** | **705.16** | **740.08** | **705.16** |
| | | | | | | | | | | |
| **ID South** | | | | | | | | | | |
| JIPMER | 2.63 | 2.56 | 0.23 | 0.23 | 2.85 | 2.79 | 2.85 | 2.79 | 2.85 | 2.79 |
| MMC | 14.90 | 13.97 | 0.79 | 0.72 | 15.69 | 14.69 | 15.69 | 14.69 | 15.69 | 14.69 |
| MC Konni | 2.27 | 2.17 | 17.15 | 17.15 | 19.42 | 19.31 | 19.42 | 19.31 | 19.42 | 19.31 |
| MC Kozhikode Projects | 3.98 | 4.16 | 0.37 | 0.37 | 4.35 | 4.53 | 4.35 | 4.53 | 4.35 | 4.53 |
| MCTrivandrum Projects | 3.80 | 3.59 | 0.07 | 0.17 | 3.88 | 3.76 | 3.88 | 3.76 | 3.88 | 3.76 |
| Industries Department Projects | 10.03 | 9.44 | 0.32 | 0.29 | 10.35 | 9.73 | 10.35 | 9.73 | 10.35 | 9.73 |
| KSSTM | 0.08 | 2.17 | - | 0.04 | 0.08 | 2.21 | 0.08 | 2.21 | 0.08 | 2.21 |
| Malabar Cancer Center | 0.08 | 0.11 | 0.00 | 0.15 | 0.08 | 0.27 | 0.08 | 0.27 | 0.08 | 0.27 |
| NRHM | - | 0.01 | 3.50 | 3.50 | 3.50 | 3.51 | 3.50 | 3.51 | 3.50 | 3.51 |
| Kongan Disaster Mitigation Project-PKG 03 | 0.96 | - | 13.87 | - | 14.83 | 0.00 | 14.83 | 0.00 | 14.83 | 0.00 |
| Kongan Disaster Mitigation Project-PKG 04 | 0.56 | - | 7.42 | - | 7.99 | 0.00 | 7.99 | 0.00 | 7.99 | 0.00 |
| Other Projects | 1.42 | 4.26 | 0.20 | 8.95 | 1.62 | 13.21 | 1.62 | 13.21 | 1.62 | 13.21 |
| TRIDA | 0.46 | 0.43 | 0.10 | 0.10 | 0.57 | 0.53 | 0.57 | 0.53 | 0.57 | 0.53 |
| HITES ID South projects | 187.09 | 115.59 | 152.48 | 191.82 | 339.57 | 307.41 | 339.57 | 307.41 | 339.57 | 307.41 |
| **ID South Total** | **228.27** | **158.46** | **196.49** | **223.50** | **424.76** | **381.96** | **424.76** | **381.96** | **424.76** | **381.96** |
| | | | | | | | | | | |
| **PCD** | | | | | | | | | | |
| AIIMS, LHD INSTITUTE | 94.96 | 91.94 | 91.04 | 91.31 | 186.00 | 183.25 | 186.00 | 183.25 | 186.00 | 183.25 |
| Central Drug Standard Control Organisation | 7.33 | 6.90 | 3.67 | 3.68 | 11.00 | 10.58 | 11.00 | 10.58 | 11.00 | 10.58 |
| GMC&H,NAGPUR | 10.53 | 10.15 | 5.58 | 5.59 | 16.21 | 15.73 | 16.21 | 15.73 | 16.21 | 15.73 |

HLL Lifecare Limited
[A Government of India Enterprise]
CIN : U25193KL1966GOI002621

## ANNEXURE I - Refer note no: 2.4

### Assets and Liabilities of Projects under implementation as on 31st March 2026

(₹ in crore)

| Projects | ASSETS | | | | | | LIABILITIES | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Cash & Bank balances held under trust with HLL | | Other Assets | | Total Assets | | Current Liabilities | | | |
| | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 | Current Year ending 31.03.2026 | Previous Year ending 31.03.2025 |
| GMSD_COLD PCD | 13.65 | 13.01 | 0.22 | 0.21 | 13.88 | 13.22 | 13.88 | 13.22 | 13.88 | 13.22 |
| Govt. National Capital Territory, Delhi | 8.35 | 7.86 | 7.93 | 7.94 | 16.28 | 15.80 | 16.28 | 15.80 | 16.28 | 15.80 |
| IMMUNIZATION | 19.40 | 19.18 | 1.76 | 1.75 | 21.17 | 20.93 | 21.17 | 20.93 | 21.17 | 20.93 |
| International Institute of Population Sciences | 2.25 | 3.49 | 0.09 | 0.03 | 2.33 | 3.53 | 2.33 | 3.53 | 2.33 | 3.53 |
| Municipal Corporation of Delhi | 1.60 | 1.55 | 3.59 | 3.59 | 5.19 | 5.14 | 5.19 | 5.14 | 5.19 | 5.14 |
| NACO PCD | 3.07 | 2.95 | 1.04 | 1.04 | 4.11 | 3.99 | 4.11 | 3.99 | 4.11 | 3.99 |
| Other Projects | 40.86 | 34.25 | 24.39 | 23.11 | 65.25 | 57.36 | 65.25 | 57.36 | 65.25 | 57.36 |
| PGIMS Rohtak | 19.06 | 18.26 | 2.34 | 2.35 | 21.41 | 20.61 | 21.41 | 20.61 | 21.41 | 20.61 |
| PMSSY PCD | 89.00 | 83.61 | 22.06 | 22.21 | 111.07 | 105.82 | 111.07 | 105.82 | 111.07 | 105.82 |
| HITES PCD Projects | 1,800.74 | 2,212.48 | 686.38 | 650.32 | 2,381.89 | 2,862.73 | 2,381.89 | 2,852.73 | 2,381.89 | 2,862.73 |
| **PCD Total** | **2,110.92** | **2,505.63** | **850.10** | **813.13** | **2,855.78** | **3,318.69** | **2,855.78** | **3,318.69** | **2,855.78** | **3,318.69** |
| **Vaccine Projects** | 1.55 | 1.47 | 1.79 | 1.78 | 3.34 | 3.25 | 3.34 | 3.25 | 3.34 | 3.25 |
| **MCS & AIIA Project** | 476.54 | 300.48 | 0.71 | 0.78 | 477.25 | 301.26 | 477.25 | 301.26 | 477.25 | 301.26 |
| **Grand Total** | **3,449.22** | **3,471.82** | **1,228.91** | **1,238.58** | **4,501.22** | **4,710.32** | **4,501.22** | **4,710.32** | **4,501.22** | **4,710.32** |

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HLL Lifecare Limited
(A Government of India Enterprise)

एचएलएल लाइफ़केयर लिमिटेड
(भारत सरकार का उद्यम)

CIN : U25193KL1966GOI002621

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